



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
320 S. Walnut Street 2nd Floor Lansing, MI 48933
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **5**
to
Contract Number **MA18000001206**

CURRENT CONTRACTOR	Guidehouse Inc.	NEW CONTRACTOR	Grant Thornton Advisors LLC
	1676 International Dr Suite 800		171 N. Clark Street Suite 200
	McLean VA 22102		Chicago IL 60601
	Eliana Albelbaisi		Sylvia Cho
	972-900-5825		248-213-4219
	ealbelbaisi@guidehouse.com		sylvia.cho@us.gt.com
	CV0017579		CV0018101

STATE CONTACTS			
Program Manager	Kurt Steinkamp	MGCB	Contract Administrator
	248-213-4219		
	steinkampk@Michigan.gov		
	Adam Ashley	DTMB	
	517-855-1376		
	ashleya2@michigan.gov		

CONTRACT SUMMARY			
Financial Consulting Services for Michigan Gaming			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 30, 2018	October 30, 2023	3 - 12 Months	October 30, 2026
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS		EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS			
N/A			

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,665,531.20	\$0.00	\$3,665,531.20		

DESCRIPTION

Effective February 19, 2025, CN 4 is hereby void with the attachment of the Consent to Assignment form.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.

Consent to Assignment Agreement

Grant Thornton LLP (the "Assignor"), an Illinois limited liability partnership; Grant Thornton Advisors LLC (the "Assignee"), a Delaware limited liability company; and the Michigan Department of Technology, Management & Budget (the "State"), enter into this Consent to Assignment Agreement ("Consent") on this 7 day of March, 2025 (the "Effective Date"). The Assignor, the Assignee, and the State are collectively referred to as the "Parties."

WHEREAS, the State and Assignor are parties to Contract No. 180000001206 with an effective date of October 30, 2018 (the "Contract");

WHEREAS, Assignor plans to enter into an agreement to be effective as of March 7, 2025 to assign all of its rights and obligations under the Contract to Assignee (the "Assignment"), and has requested the consent of the State to such Assignment as required by Section 13 of the Contract; and

WHEREAS, the State agrees to consent to the Assignment subject to the terms and conditions set forth herein;

NOW THEREFORE, the Parties agree as follows:

1. Included in the term "Contract" are all modifications and change notices made under the terms of the Contract between the State and Assignor on or before the effective date of the Assignment, and all modifications and change notices made under the terms of the Contract between the State and Assignee on or after the effective date of the Assignment.
2. Effective upon the execution of the Assignment, Assignor shall assign all its right, title, interest, obligations, responsibilities, and duties in and to the Contract to Assignee, and Assignee shall accept the assignment of all of Assignor's obligations, responsibilities, liabilities, and duties under the Contract and all of Assignor's right, title, and interest in and to the Contract as if the Assignee were the original party to the Contract.
3. Effective upon the execution of the Assignment, Assignor shall waive any claims and rights against the State that it now has or may have in the future in connection with the Contract.
4. Effective upon the execution of the Assignment, Assignee ratifies all previous actions taken by the Assignor with respect to the Contract, with the same force and effect as if the action had been taken by the Assignee.
5. All payments and reimbursements previously made by the State to the Assignor, and all other previous actions taken by the State under the Contract, shall be considered to have discharged those parts of the State's obligations under the Contract. All payments and reimbursements made by the State after the date of the execution of the Assignment in the name of or to the Assignor shall have the same force and effect as if made to the Assignee, and shall constitute a complete discharge of the State's obligations under the Contract, to the extent of the amounts paid or reimbursed.
6. The Assignor and the Assignee agree that the State is not obligated to pay or reimburse either of them for, or otherwise give effect to, any costs, taxes, or other expenses, or any related increases, directly or indirectly arising out of or resulting from the Assignment, other than those that the State in the absence of this Assignment would have been obligated to pay or reimburse under the terms of the Contract.
7. With regard to the Contract, the Assignee represents and warrants that:
 - a. It is registered to do business in the State of Michigan and has all of the licenses required in order to provide the goods/services pursuant to the Contract.

- b. All certifications, representations and warranties in the Contract are true and accurate as to Assignee.
 - c. It is in a position to fully perform all obligations that may exist under the Contract.
 - d. Neither it nor any of its affiliates are in litigation or other dispute with the State of Michigan or any Agency thereof of other affiliated body or political subdivision of the State of Michigan.
 - e. Neither it nor any of its affiliates have been debarred, suspended, or disqualified from bidding or contracting with any entity, including the State of Michigan.
 - f. It is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606.
8. Assignor and Assignee represent and warrant that all information furnished and representations made in connection with this Consent is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading.
 9. This consent is given without prejudice to the State's rights under the Contract, and is expressly limited to the assignment of the Contract to Assignee pursuant hereto, and shall not be deemed a consent to or authorization for any further or other assignment of the Contract. Nothing contained in this Consent shall be construed as modifying, waiving, or affecting any of the provisions, covenants, or conditions for any of the State's rights or remedies under the Contract. The State in executing its consent to the Assignment, does not release Assignor from any claims or remedies it may have against Assignor under the Contract.
 10. This Consent shall not operate as a waiver of the prohibition against further assignments without the State's consent as provided in the Contract. Any attempt to further transfer the Contract without the consent of the State shall be void.
 11. This Consent may be amended or modified only by an instrument in writing signed by the State, Assignor, and Assignee. Any waiver shall be effective only for the specified purpose for which it is given.
 12. This Consent may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument and any of the parties hereto may execute this Consent by signing any such counterpart; provided, this Consent shall not become effective prior to the State having received counterpart(s) hereof signed by all of the intended parties hereto.
 13. This Consent is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Consent must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
 14. If any provision of this Consent shall be declared by any court of competent jurisdiction illegal, void or unenforceable (in whole or in part) for any reason, the remaining provisions of this Consent shall not be affected, but shall remain in full force and effect.
 15. IN WITNESS WHEREOF, the parties have caused this Consent to be executed as of the Effective Date by their duly authorized representatives.

Assignor	Assignee	The State
Janet Malzone	Sylvia Cho	Adam Ashley
_____ (Assignor-Please Print)	_____ (Assignee-Please Print)	_____ (State-Please Print)

(Signature of Assignor)

CEO
(Assignor-Title)

(Signature of Assignee)

Principle
(Assignee-Title)

(Signature of State)

Buyer
(State-Title)



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management, and Budget
525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **4**
to
Contract Number **MA18000001206**

CURRENT CONTRACTOR	GRANT THORNTON LLP
	171 N. Clark Street, Suite 200
	Chicago IL 60601
	Sylvia Cho
	248-213-4219
	sylvia.cho@us.gt.com
CV0018101	

NEW CONTRACTOR	Guidehouse Inc.
	1676 International Dr Suite 800
	McLean VA 22102
	Eliana Albelbaisi
	972-900-5825
	ealbelbaisi@guidehouse.com
	CV0017579

STATE CONTACTS

Program Manager	Kurt Steinkamp	MGCB	Contract Administrator	Adam Ashley	DTMB
	248-213-4219			517-855-1376	
	steinkampk@Michigan.gov			ashleya2@michigan.gov	

CONTRACT SUMMARY

Financial Consulting Services for Michigan Gaming				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 30, 2018	October 30, 2023	3 - 12 Months	October 30, 2026	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,665,531.20	\$0.00	\$3,665,531.20		

DESCRIPTION

Effective July 11, 2024, the following changes are hereby incorporated into this contract.

1. The Contractor has been changed to Guidehouse Inc. and the new Contractor Contract Administrator is Eliana Albelbaisi.

2. The State Contract Administrator has been changed to Adam Ashley
ashleya2@michigan.gov
(517) 855-1376

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.



**STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES**

Department of Technology, Management, and Budget
320 S. WALNUT ST., LANSING, MICHIGAN 48933
P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **3**
to
Contract Number **180000001206**

CONTRACTOR	GRANT THORNTON LLP
	171 N. Clark Street, Suite 200
	Chicago, IL 60601
	Sylvia Cho
	248-213-4219
	sylvia.cho@us.gt.com
	CV0018101

STATE	Program Manager	Kurt Steinkamp	MGCB
		248-213-4219	
		steinkampk@Michigan.gov	
Contract Administrator	Jordana Sager	DTMB	
	(517) 896-1903		
	sagerj2@michigan.gov		

CONTRACT SUMMARY

FINANCIAL CONSULTING SERVICES FOR MICHIGAN GAMING

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 30, 2018	October 30, 2023	3 - 1 Year	October 30, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	3 year	<input type="checkbox"/>		October 30, 2026
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,665,531.20	\$0.00	\$3,665,531.20		

DESCRIPTION

Effective June 30, 2023, the 3 - 1 year options available on this contract are hereby exercised. The revised contract expiration date is 10/30/2026.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 320 S. WALNUT ST., LANSING, MICHIGAN 48933
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **2**
 to
 Contract Number **18000001206**

CONTRACTOR	GRANT THORNTON LLP
	171 N. Clark Street, Suite 200
	Chicago, IL 60601
	Sylvia Cho
	248-213-4219
	sylvia.cho@us.gt.com
	CV0018101

STATE	Program Manager	Kurt Steinkamp	MGCB
		248-213-4219	
	steinkampk@Michigan.gov		
	Contract Administrator	Jordana Sager	DTMB
(517) 896-1903			
sagerj2@michigan.gov			

CONTRACT SUMMARY

FINANCIAL CONSULTING SERVICES FOR MICHIGAN GAMING

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 30, 2018	October 30, 2023	3 - 1 Year	October 30, 2023

PAYMENT TERMS	DELIVERY TIMEFRAME
	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$3,665,531.20	\$0.00	\$3,665,531.20

DESCRIPTION

Effective March 2, 2023, the Contract Administrator has been changed to Jordana Sager:

Jordana Sager
 SagerJ2@michigan.gov
 517-896-1903

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 1
 to
 Contract Number 18000001206

CONTRACTOR	GRANT THORNTON LLP
	171 N. Clark Street, Suite 200
	Chicago, IL 60601
	Sylvia Cho
	248-213-4219
	sylvia.cho@us.gt.com
	CV0018101

STATE	Program Manager	Kurt Steinkamp	MGCB
		248-213-4219	
	steinkampk@Michigan.gov		
	Contract Administrator	Courtney Powell	DTMB
(517) 249-0452			
powellc11@michigan.gov			

CONTRACT SUMMARY

FINANCIAL CONSULTING SERVICES FOR MICHIGAN GAMING

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 30, 2018	October 30, 2023	3 - 1 Year	October 30, 2023

PAYMENT TERMS	DELIVERY TIMEFRAME
	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>	N/A	<input type="checkbox"/>	N/A	N/A

CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$3,665,531.20	\$0.00	\$3,665,531.20

DESCRIPTION

Effective January 1, 2021, pricing on this Contract is decreased, per Attachment Schedule B, Pricing.

Please note the Contract Administrator has been changed to Courtney Powell: Phone: 517-249-0452; Email: powellc11@michigan.gov, per Section 2 and 3 of Standard Contract Terms.

All other terms, conditions, specifications and pricing remain the same. Per Contractor and Agency agreement, and DTMB Central Procurement Services approval.

STATE OF MICHIGAN

Contract # 171 180000001206

Financial Consulting Services for the Michigan Gaming Control Board

SCHEDULE B PRICING

1. Pricing includes all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State. Travel expenses may be billed separately; International Travel must be approved by the MGCB Program Manager; continental US Travel must be billed at rates within the State of Michigan's Travel Policy, which can be viewed at https://www.michigan.gov/dtmb/0,5552,7-358-82548_13132---,00.html.

Level	Estimated* Hours per Year	Hourly Rate Year 1	Hourly Rate Year 2	Hourly Rate Year 3	Hourly Rate Year 4	Hourly Rate Year 5
Partner	300	\$443.70	\$448.14	\$448.14	\$448.14	\$461.72
Manager Director	300	\$443.70	\$448.14	\$448.14	\$448.14	\$461.72
Director	300	\$402.90	\$406.93	\$406.93	\$406.93	\$419.26
Manager	500	\$306.00	\$309.06	\$309.06	\$309.06	\$318.42
Senior Staff	500	\$255.00	\$257.55	\$257.55	\$257.55	\$265.35
Support Staff	500	\$102.00	\$103.02	\$103.02	\$103.02	\$106.14
TOTAL YEARLY PRICE		\$718,590.00	\$725,775.90	\$725,775.90	\$725,775.90	\$747,767.64

TOTAL FIVE YEAR PRICE	\$3,643,685.34
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*Hours are an estimate only. The actual number of hours that will be needed for each project will vary and are not guaranteed.



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology Management and Budget, Procurement
525 West Allegan, Lansing MI 48933

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **180000001206**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Grant Thornton LLP
	171 N. Clark Street, Suite 200
	Chicago, IL 60601
	Sylvia Cho
	(248) 213-4219
	Silvia_Cho@us.gt.com
CV0018101	

STATE	Program Manager	Kurt Steinkamp	MGCB
		(248) 213-4219	
	steinkampk@michigan.gov		
	Contract Administrator	Lisa Spitzley	DTMB
(517)249-0440			
spitzleyl4@michigan.gov			

CONTRACT SUMMARY			
DESCRIPTION: Financial Consulting Services for Michigan Gaming Control Board (MGCB)			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
10/30/2018	10/30/2023	3, 1-year	N/A
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
THIS IS NOT AN ORDER. This Contract Agreement is awarded on the basis of our inquiring RFP No. 18000002437. Orders for delivery will be issued directly by Departments through the issuance of a Delivery Order Form			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$3,665,531.20

CONTRACT NO. 18000001206

FOR THE CONTRACTOR:

Grant Thornton, LLP

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Chelsea Lugibihl, Services Manager

Name & Title

DTMB

Agency

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Grant Thornton (“**Contractor**”), an Illinois limited liability company. This Contract is effective on October 30, 2018 (“**Effective Date**”), and unless terminated, expires on October 30, 2023.

This Contract may be renewed for up to 3 additional 1-year period(s). Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

- 1. Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Schedule A – Statement of Work** (the “**Contract Activities**”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Schedule A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

- 2. Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Lisa Spitzley 525 W. Allegan 1 st Floor Lansing MI 48913 spitzleyl4@michigan.gov	Ryan Stecewicz Grant Thornton LLP 171 N. Clark Street, Suite 200 Chicago, IL 60601

(517) 249-0440	Ryan.Stecewicz@us.gt.com (248) 233-6988
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3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a “**Contract Administrator**”):

State: Lisa Spitzley 525 W. Allegan 1 st Floor Lansing MI 48913 spitzleyl4@michigan.gov (517) 249-0440	Contractor: Sylvia Cho, Principal 27777 Franklin Road, Suite 800 Southfield, MI 48034 (248) 415-6060 (630) 803-3751 Sylvia.Cho@us.gt.com
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4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State: Kurt Steinkamp 3062 W. Grand Blvd., Suite L-700 Detroit, Michigan 48202 Steinkampk@michigan.gov (313) 456-4140	Contractor: Sylvia Cho, Principal 27777 Franklin Road, Suite 800 Southfield, MI 48034 (248) 415-6060 (630) 803-3751 Sylvia.Cho@us.gt.com
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5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Automobile Liability Insurance	
If a motor vehicle is used in relation to the Contractor's performance, the Contractor must have vehicle liability insurance on the motor vehicle for bodily injury and property damage as required by law.	Contractor must have their policy include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Privacy and Security Liability (Cyber Liability) Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Claim \$1,000,000 Annual Aggregate	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u>	

<p>\$3,000,000 Each Claim \$3,000,000 Annual Aggregate</p> <p><u>Deductible Maximum:</u> \$50,000 Per Loss</p>	
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If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

- 7. Administrative Fee and Reporting.** Contractor must pay an administrative fee of 1% on all MiDeal payments made to Contractor under the Contract including transactions with MiDEAL members, and other states (including governmental subdivisions and authorized entities). Administrative fee payments must be made by check payable to the State of Michigan and mailed to:

Department of Technology, Management and Budget
Cashiering
P.O. Box 30681
Lansing, MI 48909

Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales. Reports should be mailed to DTMB-Procurement.

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each calendar quarter.

- 8. Extended Purchasing Program.** This contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to impose an administrative fee and negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

- 9. Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor. Contractor hereby acknowledges that the State is and will be the sole and exclusive owner of all right, title, and interest in the Contract Activities and all associated intellectual property rights, if any. Such Contract Activities are works made for hire as defined in Section 101 of the Copyright Act of 1976. To the extent any Contract Activities and related intellectual property do not qualify as works made for hire under the Copyright Act, Contractor will, and hereby does, immediately on its creation, assign, transfer and otherwise convey to the State, irrevocably and in perpetuity, throughout the universe, all right, title and interest in and to the Contract Activities, including all intellectual property rights therein. With the sole exception of any preexisting licensed works identified in the SOW, the Contractor assigns, and upon creation of each Contract Activity automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Contract Activity, whether or not registered by the Contractor, insofar as any the Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon the State's request, the Contractor must confirm the assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State may obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Contract Activities.
- 10. Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
- 11. Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel for good faith reasons relating to performance by providing a notice to Contractor.
- 12. Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope will include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
- 13. Assignment.** Neither party may assign this Contract to any other party without the prior approval of the other party which shall not be unreasonably withheld. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.
- 14. Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.
- 15. Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.

16. Acceptance. Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause. Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost prior to final acceptance, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days, which shall not be less than 10, for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct, prior to final acceptance, deficiencies in accordance with the time response standards set forth in this Contract unless the State grants an equitable adjustment. If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part.

17. Reserved.

18. Reserved.

19. Reserved.

20. Terms of Payment. Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. Liquidated Damages. Liquidated damages, if applicable, will be assessed as described in Schedule A.

22. Stop Work Order. The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations and fails to cure a breach within the time, stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State or satisfactorily perform by Contractor on or before the date of termination. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs.

24. **Termination for Convenience.** The State may terminate this Contract upon 30 days advance notice in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay for services performed up to the date of termination.
25. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days) if permitted, provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). Any unfinished work shall be provided "as is" without any warranty of any kind and, provided further, Contractor shall not have any liability to the State as a result of the State's use of any unfinished, incomplete, or draft work product This Contract will automatically be extended through the end of the transition period.
26. **General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (b) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable);.

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; or (iii) employ its own counsel at its expense. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

27. Infringement Remedies. If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

28. Limitation of Liability and Disclaimer of Damages.

(a) Disclaimer of Damages. NEITHER PARTY WILL BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

(b) Limitation of Liability. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY TO THE OTHER PARTY UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED TWO TIMES THE MAXIMUM THE AGGREGATE CONTRACT PRICE. As used in this clause, the term "Aggregate Contract Price" means the total price for the initial Term and all renewal terms of this Contract.

(c) Exceptions. Subsections (a) (Disclaimer of Damages) and (b) (Limitation of Liability) above, shall not apply to: (i) Contractor's obligation to indemnify under **Section 26** of this Contract; and damages arising from either party's willful misconduct or fraud.

(d) Nothing herein shall be construed to waive any law regarding sovereign immunity, or any other immunity, restriction, or limitation on recovery provided by law.

29. Disclosure of Litigation, or Other Proceeding. Contractor must disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, Contractor must notify the State within 30 calendar days of receiving notice of any material civil litigation, arbitration, or other proceeding (collectively, "**Proceeding**") which arises during the term of the Contract and extension to which i Contractor (or to the extent Contractor is aware, any subcontractor) which involves: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud by a governmental or public entity arising out of their business dealings with governmental or public entities.

Details of settlements which are prevented from disclosure by the terms of the settlement may be annotated. Information provided to the State from Contractor's publicly filed documents referencing its material litigation will be deemed to satisfy the requirements of this Section..

30. Reserved.

31. State Data.

- a. Ownership. The State's data ("**State Data**," which will be treated by Contractor as Confidential Information) includes: (a) the State's data collected, used, processed, stored, or generated as the result of the Contract Activities; (b) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Contract Activities, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and, (c) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Contract Activities, which is defined under the Health Insurance Portability and Accountability Act (HIPAA) and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This Section survives the termination of this Contract.
- b. Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Contract Activities, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Contract Activities. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Contract Activities, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This Section survives the termination of this Contract.
- c. Extraction of State Data. Contractor must, within five (5) business days of the State's request, provide the State, without charge and without any conditions or contingencies whatsoever (including but not limited to the payment of any fees due to Contractor), an extract of the State Data in the format specified by the State.
- d. Backup and Recovery of State Data. Unless otherwise specified in Schedule A, Contractor is responsible for maintaining a backup of State Data and for an orderly and timely recovery of such data. Unless otherwise described in Schedule A, Contractor must maintain a contemporaneous backup of State Data that can be recovered within two (2) hours at any point in time.
- e. Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable after becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any legally required costs in notifying the affected individuals; (d) if required by law, in the case

of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any reasonable costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all third party claims, including reasonable attorneys' fees, costs, , which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence, but only if such claim arose because Contractor disclosed PHI that was provided to it in order to perform the Services; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This section survives termination or expiration of this Contract.

32. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract or as required by law, legal order or accounting oversight body. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the

disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor's responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.

- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all, except for an archival copy within its work papers as require by applicable professional standards, Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State's legal ability to destroy Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

33. Data Privacy and Information Security.

- a. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described, Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to: (a) ensure the security and confidentiality of the State Data; (b) protect against any anticipated threats or hazards to the security or integrity of the State Data; (c) protect against unauthorized disclosure, access to, or use of the State Data; (d) ensure the proper disposal of State Data; and (e) ensure that all employees, agents, and subcontractors of Contractor, if any, comply with all of the foregoing. In no case will the safeguards of Contractor's data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable State IT policies and standards, which are available to Contractor upon request.
- b. Audit by Contractor. Contractor must conduct a comprehensive independent third- party audit of its data privacy and information security program and provide such audit findings to the State. Right of Audit by the State. In lieu of an on-site audit Contractor agrees to complete, within 45 calendar days of receipt, an audit questionnaire provided by the State regarding Contractor's data privacy and information security program.
- c. Audit Findings. Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

- d. State's Right to Termination for Deficiencies. The State reserves the right, at its sole election, to terminate this Contract or a Statement of Work in accordance with Section 23, Termination for Cause without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

34. **Reserved.**

35. **Reserved.**

36. **Records Maintenance, Inspection, Examination, and Audit.** The State may, not more than once annually, audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State and the auditor general upon request, all fee and expense information and work product materials ("Records") related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State has the right to inspect Contractor's Records related to this Contract at a mutually agreed upon location. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

Notwithstanding the foregoing or anything in this Contract, nothing in this Section or any audit or inspections hereunder, shall violate or cause Contractor to violate any of Contractor's professional standards, privacy, confidentiality or legal obligations and provided further, that Contractor's work papers and other proprietary materials are excluded from such audit.

37. **Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; ((f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes;(h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. Contractor warrants that it will perform its services on a reasonable professional efforts basis. These warranties are in lieu of, and we expressly disclaim, all other warranties, express, implied or otherwise, including without limitation any implied warranties of merchantability or fitness for a particular purpose. Contractor does not warrant computer hardware, software or services provided by other parties. A breach of this Section may be considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.
38. **Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the

State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

39. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
40. **Reserved.**
41. **Reserved.**
42. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
43. **Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
44. **Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
45. **Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
46. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god or other occurrences that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
47. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
48. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
49. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.

50. **Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and expressly incorporated schedules and exhibits, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.
51. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
52. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
53. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
54. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a “**Contract Change Notice**”). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

STATE OF MICHIGAN

Contract No. 180000001206
Financial Consulting Services for the Michigan Gaming Control Board (MGCB)

SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

BACKGROUND

The Michigan Gaming Control Board (MGCB), Licensing & Investigations Division performs background investigations (including financial reviews) of applicants for a casino license, supplier license, and occupational gaming licenses. Licensing staff also review complex financial transactions proposed by the casinos and/or suppliers. Occasionally, financial reviews have led to complex issues requiring expertise in specific areas such as federal tax law, securities law, accounting treatment and contract laws that are not required of MGCB Licensing & Investigations staff. The financial expertise required is essential in providing staff with the information needed to make recommendations to MGCB management for approval or denial of an application or proposed financial transaction.

In addition, travel to foreign countries is occasionally required to complete a financial review. This requires a financial consulting services firm that employs full-time English-speaking professional staff and support personnel in all major foreign countries.

SCOPE

This Contract for Financial Consulting Services will assist the MGCB, Licensing & Investigations Division staff in reviewing complex financial documents and business transactions related to requirements of the Michigan Gaming Control & Revenue Act (e.g., casino financing transactions).

REQUIREMENTS

1. General Requirements

The Contractor must provide deliverables/services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

- A. Evaluate applicant's proposed casino enterprise development project, including but not limited to (i) project development plans and costs, (ii) sources and terms of project financing, (iii) the financial viability of the proposed project, past financial performance of applicant's other entities, especially those in the gaming or hospitality industry and applicant's overall financial condition.

MGCB will provide the Contractor with a specific financial or regulatory assignment or issue and furnish the Contractor with financial data supplied by either the casino, supplier applicant and/or other sources specifically related to the engagement. The Contractor must perform an in-depth analysis of this data and provide a written recommendation to MGCB as it pertains to an applicant's financial suitability to hold either a casino or supplier license. All of the Contractor's findings and recommendations must be sufficiently documented for use during administrative hearings or other legal proceedings.

The Contractor must be able to provide financial analysis and expertise in all areas of a casino enterprise, including gaming and non-gaming (i.e., hospitality, construction, and real estate, etc.).

The Contract must use but is not limited to the below detailed approach to projects involving casino enterprise development or debt transactions:

1. The Contractor must conduct a thorough review and analysis of the overall financial feasibility of the proposed development project or transaction.
 2. The Contractor's review must include the assessment and testing of proposed project costs, a review of both forecasted and historical financial performance, verification of expected financing requirements as well as an investigation into the sources, terms and availability of debt and equity financing that are available contemporaneously with the proposed project.
 3. The Contractor must analyze the casino's financial forecasts as they pertain to the proposed project and/or debt transaction. Such an analysis would begin with an assessment of revenue and market share trends within the Detroit gaming market and would also include consideration of key forecast inputs and variables such as long-term growth expectations, revenue and expense assumptions, capital expenditure requirements and working capital needs, among others.
 4. The Contractor's analysis must also consider the range of likely debt balances and interest rates and the interplay between these items and the historical and forecasted results of the casino. As necessary, the Contractor must review any existing or proposed credit agreements, bank loans, financing arrangements and other relevant documentation connected with the transaction and provide the Contractor's input to the Board.
 5. The Contractor must compare any existing or newly proposed financing terms to any financial benchmarks that may be in place as a result of prior Board Order(s). The Contractor must determine whether the cash flows from casino and other operations are adequate to service all of the obligations incurred by the casino.
 6. The Contractor's analysis must include consideration of the casino's expected uses of cash for items such as maintenance and expansionary capital expenditures and/or distributions to equity holders, as forecasted by the casino. Also, if requested, the Contractor must conduct a review and analysis of the financial wherewithal of any applicant or group of applicants to support the casino's operations, if required.
 7. The Contractor must also perform sensitivity testing on the casino's forecasted performance and summarize the results of such "stress testing" for the Board.
 8. The Contractor must be available to assist in negotiations and discussions with the casino owners and management, as needed.
 9. Testing by the Contractor must serve to indicate which new financial benchmarks may be appropriate for the Board to consider in light of the expected financial results of the casino project. Examples of such benchmarks and/or covenants may include items such as interest coverage ratios, fixed charge coverage ratios, cash balance requirements, dividend/distribution restrictions and others.
 10. The Contractor's observations, testing, analysis and recommendations must be provided to the Board in the form of a complete written report that would detail procedures while also including various schedules showing calculations. The Contractor's personnel must be available to testify and support findings at any public hearings or in other settings, as required.
- B. The Contractor must review and evaluate complex financial transactions for compliance with relevant regulatory requirements and overall business probity and/or ethics.

The Contractor must be flexible and able to respond within one business day to "change orders" or sudden shifts in the focus or scope of the assignment.

- C. The Contractor must testify as an expert witness at public hearings as well as a full-range of administrative hearings.

The Contractor must maintain an established in-house gaming practice and have staff that can provide expert witness testimony in court, especially as it relates to casino revenue accounting, federal taxation, federal securities law, federal banking law, corporate finance and investment banking as well as gaming legislation and regulation in other major gaming jurisdictions (i.e., Nevada and New Jersey). The financial consultant's role may also include appearance on behalf of the MCGB staff at an administrative hearing in which the Contractor's report and findings will be subject to cross examination.

- D. The Contractor must accompany MCGB staff during key interviews with individuals or entities, including those residing in foreign countries. Provide translation of foreign documents and serve as translator during interviews with non-English speaking individuals. The Contractor must also have full-time English-speaking professional staff and support personnel in all major foreign countries.

English-speaking member firms

The Contractor must maintain their firm's official language as English. All business related to the organization, including official correspondence, must be conducted in English. Training on an international basis is conducted in English, although when training courses are presented in the member firms of the Contractor, that training may be translated into the native language of the various countries.

Within each country the Contractor operates the Contractor must designate an International Practice Partner who is English-speaking and familiar with international clients and their needs.

Member firm locations

Below is a list of the Contractor's member firm locations around the world.

Americas		Asia Pacific	Africa	
Antigua, St. Kitts and Nevis	Ecuador	Afghanistan	Algeria	Tanzania
Argentina	El Salvador	Australia	Botswana	Togo
Bahamas	Guatemala	Bangladesh	Congo	Tunisia
Belize	Haiti	Cambodia	Côte d'Ivoire	Uganda
Bolivia	Honduras	China	Egypt	Zambia
Brazil	Jamaica	Hong Kong	Ethiopia	Zimbabwe
British Virgin Islands	Mexico	India	Gabon	
Canada	Nicaragua	Indonesia	Guinea	
Cayman Islands	Panama	Japan	Kenya	
Chile	Paraguay	Korea	Libya	
Colombia	Peru	Malaysia	Mauritius	
Costa Rica	Puerto Rico	Mongolia	Morocco	
Dominican Republic	St. Lucia	Myanmar	Mozambique	
	Trinidad and Tobago	New Zealand	Namibia	
	United States	Pakistan	Nigeria	
	Uruguay	Philippines	Rwanda	
	Venezuela	Singapore	Senegal	
		Taiwan	South Africa	
		Thailand		
		Vietnam		

Europe		Middle East	
Albania	Germany	Monaco	Bahrain
Armenia	Gibraltar	Netherlands	Iraq
Austria	Greece	Norway	Jordan
Azerbaijan	Hungary	Poland	Kuwait
Belarus	Iceland	Portugal	Oman
Belgium	Ireland	Romania	Qatar
Bosnia and Herzegovina	Isle of Man	Russia	Saudi Arabia
Bulgaria	Israel	Serbia	United Arab Emirates
Channel Islands	Italy	Slovak Republic	Yemen
Croatia	Kazakhstan	Slovenia	
Cyprus	Kosovo	Spain	
Czech Republic	Kyrgyzstan	Sweden	
Denmark	Latvia	Switzerland	
Estonia	Lichtenstein	Tajikistan	
Finland	Lithuania	Turkey	
France	Luxembourg	Ukraine	
Georgia	Macedonia	United Kingdom	
	Malta	Uzbekistan	
	Moldova		

- E. The Contractor must employ sufficient staff and scheduling flexibility to respond timely (within three business days for small teams (up to 5 persons); within five to seven business days for large teams (10-15 persons) to MGCB staff request for ad hoc evaluations or analysis of information and other types of advisory assistance. Staffing needs will vary depending on the MGCB's needs, however, the Contractor must have resources to deploy a large team within 1 weeks' time, when necessary. Generally, only a small team is required.
- F. Within 30 days of the start of each subsequent project of this Contract, the Contractor must provide MGCB staff with a detailed Statement of Work (SOW) document defining the key aspects of the project that the financial consultant will be required to complete. This document must include estimated hours and total cost of project for review and approval of the Program Manager.
- G. The Contractor must respond, within a mutually agreed upon timeframe, to required changes in the scope of the project assigned by the Program Manager including modifications to required completion dates or deployment of resources.
- H. The Contractor must complete the assigned project within the agreed upon timeframes and within the projected budget proposed and approved by the Program Manager.

2. Acceptance

2.1. Acceptance, Inspection and Testing

The State will use the following criteria to determine acceptance of the Contract Activities: See Section 16 of the Standard Contract Terms.

3. Staffing

3.1. Contractor Representative

The Contractor must appoint a Contractor Representative specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative").

The Contractor must notify the Contract Administrator at least 14 calendar days before removing or assigning a new Contractor Representative.

Ryan Stecewicz

Business Development Executive
27777 Franklin Road, Suite 800
Southfield, MI 48034
(248) 233-6988
Ryan.Stecewicz@us.gt.com

3.2. Work Hours

The Contractor must provide Contract Activities during the State's normal working hours Monday – Friday, 7:00 a.m. to 6:00 p.m. EST, and possible night and weekend hours depending on the requirements of the project.

3.3. Key Personnel

- A. The Contractor must appoint two key personnel for this project; a **Project Manager** and **support person** ((Must be a Managing Director, Partner, or Principal (or equivalent), with minimum of 15 years accounting, audit, valuation and/or tax experience, including 5+ years in leadership role)) who will be directly responsible for the day-to-day operations of the Contract (“Key Personnel”). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquires within 24 hours.

The Contractor's Key Personnel, and where they are physically located is listed below:

*The Contractor commits that the staff identified will actually perform the assigned work. Any staff substitution must have the prior approval of the State.

Project Manager: Sylvia Cho, Partner, Chicago, IL/Southfield, MI

The Project Manager must be ultimately responsible for any engagement performed under this Contract from planning to execution of the project, including communication with MGCB.

Support Persons Keith Klemowitz – Managing Director, Rosanne Aumiller - Director, and Matt Sanders - Manager. The Support Persons must assist the Project Manager with any engagement performed under this Contract from planning to execution of the project, including communication with MGCB.

- B. The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30-calendar day training period for replacement personnel.
- C. Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal (“Unauthorized Removal”). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any

Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an "Unauthorized Removal Credit"):

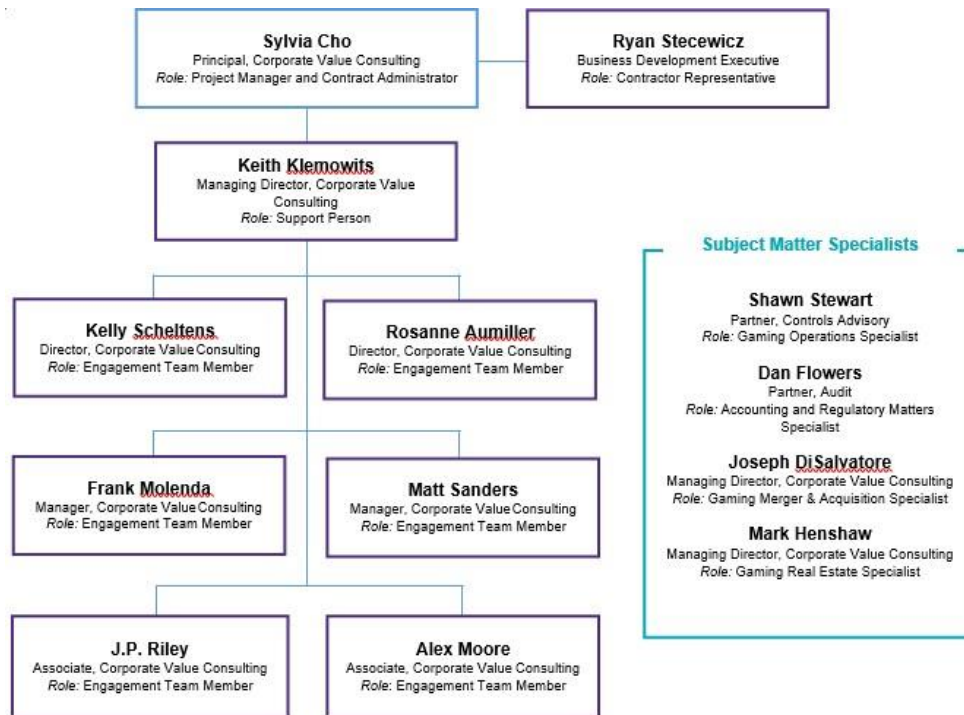
- (i) For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be up to \$5,000.00 per individual as determined by the Michigan Gaming Control Board.
 - (ii) If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$25,000.00 credit specified above, Contractor will credit the State \$833.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$25,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$50,000.00 per individual.
- D. Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any fees or other charges payable to Contractor under this Contract.

3.4. Organizational Chart

The Contractor must provide an overall organizational chart that details staff members, by name and title, and subcontractors.

The Contractor must provide and update, when changed, an organizational chart indicating lines of authority for personnel involved in the performance of the Contract. This chart must also show lines of authority to the next senior level of management and indicate who will have prime responsibility and final authority for the work.

Organizational chart



3.5. Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

The legal business name; address; telephone number; a description of subcontractor’s organization and the services it will provide; and information concerning subcontractor’s ability to provide the Contract Activities.

The relationship of the subcontractor to the Contractor.

Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.

A complete description of the Contract Activities that will be performed or provided by the subcontractor. The Contractor will not be utilizing subcontractors. All work will be performed by Contractor personnel, utilizing Grant Thornton International Ltd. member firms as needed.

3.6. Security

The Contractor will be subject the following security procedures:

The State may investigate the Contractor’s personnel before they may have access to State facilities and systems. The scope of the background check is at the discretion of the State and the results will be used to determine Contractor personnel eligibility for working with State facilities and systems. The investigations may require fingerprinting and release forms to be signed by Contractor personnel. Any request for background checks will be initiated by the State and will be reasonably related to the type of work requested.

The Contractor must explain additional security measures it has in place to ensure the security of State records.

Background checks and identification badges

The Contractor must perform background checks when employees are onboarded. The Contractor must perform additional background investigations if required on specific engagements. The Contractor's background screenings must include but not limited to include the following:

- SSN Trace
- Criminal county search (7-year address history)
- Criminal federal search (7-year address history)
- Federal bankruptcy search (7-year address history)
- Multi-state instant criminal check
- Nationwide sex offender registry check
- Extended global sanctions
- DMV driving records
- Credential Verification
- Client criteria
- Education verification - enhanced + client contact
- Employment verification - enhanced + client contact
- Locator select + verification

The Contractor's personnel must have in their possession, ID badges identifying them as Contractor employees and present them when requested. The Contractor's personnel must also possess, and wear State issued identification badges on State premises as required.

Overall data security policies

The Contractor must ensure State data is protected from electronic intrusion through several methods, and multiple levels of authentication. The Contractor must maintain software update distribution system and monitoring of systems. Contractor's computers must be backed up daily and the data stored off-site.

Remote access to the Contractor's network must be managed via a secure Virtual Private Network (VPN). Contractor must ensure only computers with Contractor's digital keys are able to connect to the Contractor's file servers. Contractor's network drives must be in a secure physical location also controlled by user logon.

All Contractor's workstations (desktops and laptops) must be protected with virus scanning and firewall software as well as secured via a Microsoft Active Directory password. All State data on the workstations must be encrypted.

All e-mail originating from Contractor's systems must be encrypted and access to external e-mail accounts from the Contractor's network is prohibited. Contractor must also provide a more secure method (using a file transfer appliance) for use in exchanging files with the State.

The Contractor must routinely review its security practices and technologies and makes changes and improvements as necessary. The Contractor must not share details about these reviews. The Contractor must discuss and review any concerns on a case by case basis with the State's Program Manager. In the event of a compromise or known breach, the Contractor must notify the State Program Manager immediately.

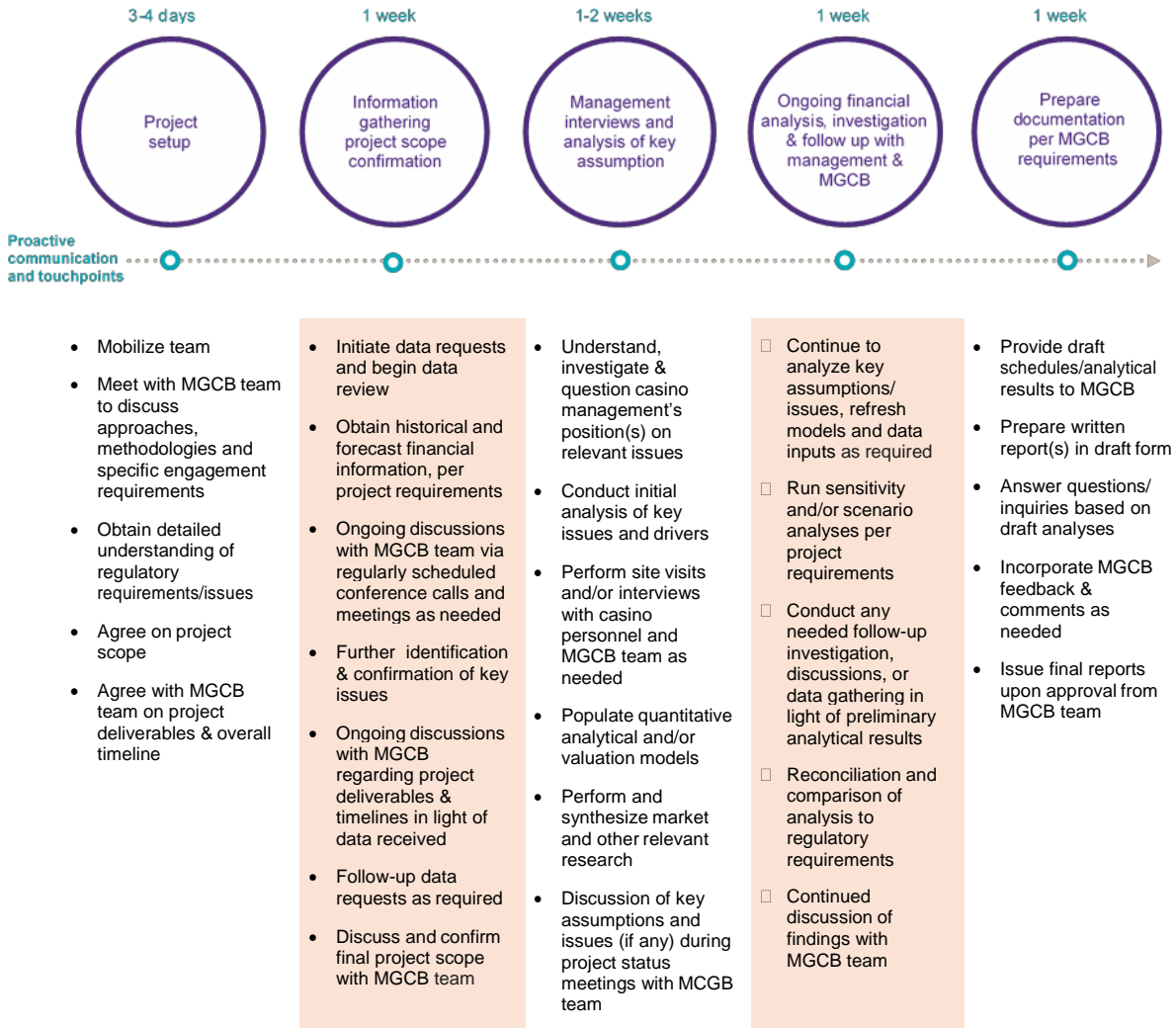
4. Project Management

4.1. Project Plan

The Contractor will carry out projects under the direction and control of MGCGB.

- A. The Contractor must submit a written project plan within 30 calendar days of the start of each project. Although there will be continuous liaison with the Contractor team, the Contractor's project manager must meet as needed with the Program Manager or designee for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving problems that arise.

The Contractor's Project Manager will be the State's single point of contact to manage all services. See project plan outline below:



- B. The Contractor may be required to submit brief written summaries, on a periodic basis as determined by the Program Manager, which outline the work accomplished during the reporting period; work to be accomplished during the subsequent reporting period; problems, real or anticipated, which should be brought the attention of the Program Manager and designee; and

notification of any significant deviation from previously agreed upon work plans, including changes in the number of hours to complete the project.

4.2. Meetings

The Contractor must attend any meetings as determined by the MGCB, including but not limited to:

- Kick off meeting
- Project Status meetings – frequency to be determined by Program Manager with each project;
- Project Wrap-up meetings – post project timeframe to be determined by Program Manager with each project.

The State may request other meetings, as it deems appropriate.

4.3. Reporting

The Contractor must submit the following reports to the Program Manager and any other reports as determined necessary by MGCB with each project:

- Periodic (as determined by the Program Manager) written status report to the Program Manager or designee relative to the progress on each major component of the Statement of Work.
- Monthly report of the Contractor's time spent on the project and the general breakdown of activities, i.e., document review and analysis, participation in meetings, development of benchmarks, report writing, etc., performed during the prior month, must be approved by the Program Manager of the project and submitted on Contractor's company letterhead.
- Prior to the completion of the Statement of Work, submit draft report(s) addressing each of the components of the Statement of Work and detailing the results of findings and relevant recommendations or observations.
- Final report(s) detailing the results of findings and relevant recommendations or observations. This report must be a concise and fully supported written report regarding their opinion of the relevant financial issues as defined by the SOW and must be approved by the Program Manager.
- Ad Hoc reports or opinion letters as to specific issues that raised by MCGB staff.

The Contractor agrees to meet reporting requirements see Section 4.1 for details regarding reporting.

5. Ordering

5.1. Authorizing Document

The appropriate authorizing document for the Contract will be a Delivery Order (DO).

6. Invoice and Payment

6.1. Invoice Requirements

All invoices submitted to the State must include: (a) date; (b) delivery order; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); and (g) total price. Overtime, holiday pay, and travel expenses will not be paid.

The invoices should be received within 30 days after the date services of claimed expenses are completed.

6.2. Payment Methods

The State will make payment for Contract Activities by EFT.

7. Liquidated Damages

Late or improper completion of the Contract Activities will cause loss and damage to the State and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, if there is late or improper completion of the Contract Activities the State is entitled to collect liquidated damages in the amount of \$5,000 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work.

STATE OF MICHIGAN

Contract # 171 180000001206

Financial Consulting Services for the Michigan Gaming Control Board

SCHEDULE B PRICING

1. Pricing includes all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State. Travel expenses may be billed separately; International Travel must be approved by the MGCB Program Manager; continental US Travel must be billed at rates within the State of Michigan's Travel Policy, which can be viewed at https://www.michigan.gov/dtmb/0,5552,7-358-82548_13132---,00.html.

Level	Estimated* Hours per Year	Hourly Rate Year 1	Hourly Rate Year 2	Hourly Rate Year 3	Hourly Rate Year 4	Hourly Rate Year 5
Partner	300	\$443.70	\$448.14	\$452.62	\$457.14	\$461.72
Manager Director	300	\$443.70	\$448.14	\$452.62	\$457.14	\$461.72
Director	300	\$402.90	\$406.93	\$411.00	\$415.11	\$419.26
Manager	500	\$306.00	\$309.06	\$312.15	\$315.27	\$318.42
Senior Staff	500	\$255.00	\$257.55	\$260.13	\$262.73	\$265.35
Support Staff	500	\$102.00	\$103.02	\$104.05	\$105.09	\$106.14
TOTAL YEARLY PRICE		\$718,590.00	\$725,775.90	\$733,033.66	\$740,364.00	\$747,767.64

TOTAL FIVE YEAR PRICE	\$3,665,531.20
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*Hours are an estimate only. The actual number of hours that will be needed for each project will vary and are not guaranteed.