STATE OF MICHIGAN PROCUREMENT

Department Of State
430 W. Allegan St.
Lansing, MI 48918

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number **MA230000000956**

CONTRACTOR	
	American Security Cabinets
	1010 Summit Ave N
	Sauk Rapids MN 56379
	Kevin Johnson
	952-974-1104
	kjonhson@ascabr.com
	VS0264411

STATE			
	Program Manager	David Tarrant	MDOS
		517-335-3230	
		tarrantd2@michigan.gov	
	Contract Administrator	Joseph Hill	MDOS
		517-241-1513	
		HillJ56@michigan.gov	

CONTRACT SUMMARY			
Election Ballot Drop Boxes			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE**
June 8, 2023	June 8, 2028	3 - 1 Year	June 8, 2028
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
Net 45		Per Schedule A	
ALTERNATE PAYMENT OPTIONS		**EXTENDED PURCHASING**	
☐ P-Card ☐ Direct Voucher (PRC) ☐ Other		☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS			
Per Statement of Work, Schedule A, Section 2.2			

DESCRIPTION OF CHANGE NOTICE				
OPTION	**LENGTH OF OPTION**	**EXTENSION**	**LENGTH OF EXTENSION**	**REVISED EXP. DATE**
☐		☐		
CURRENT VALUE	**VALUE OF CHANGE NOTICE**	**ESTIMATED AGGREGATE CONTRACT VALUE**		
$5,000,000.00	$0.00	$5,000,000.00		

DESCRIPTION
Please note the Program Manager or Contract Administrator may have changed, and are reflected on this Change Notice. Close Commodity Line # 6 - M710PC Indoor Box AV Ballot Dropbox. Stock # BAL-710-PG- OHC American Security Cabinets discontinued this item. The limited run of this Ballot Dropbox has sold out. No Change to overall estimated contract value.

FOR THE CONTRACTOR:

American Security Cabinets

Company Name

E-SIGNED by Kevin Johnson
on 2026-05-12 21:57:40 EDT

Authorized Agent Signature

Kevin Johnson

Authorized Agent (Print or Type)

2026-05-12 21:57:40

Date

FOR THE STATE:

E-SIGNED by Chad Bassett
on 2026-05-13 08:26:20 EDT

Signature

Chad Bassett Director of Procurement

Name and Title

Department Of State

Agency

2026-05-13 08:26:20

Date

BAL-710-PG-OHC is no longer available (04/13/2026)

STATE OF MICHIGAN PROCUREMENT Michigan.gov/MiProcurement

American Security Cabinets LLC

Pricing Sheet:

Stock/ Item #	Item Name	Quantity Available by:			Price	Notes/Comments/ Description/Discounts
		Mid-June	8-24-23	12-14-23		
BAL-400-SS- OW	Model 400 stainless steel kiosk	30	15-25	15-25	$995.00	Capacity approx. 200 ballots - Includes Ballot Box, Inner collection tote, No anchor bolts - wall mounted (Freight Charged Separately)
ASC-M400-KC	Model 400 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$148.00	Kiosk Cover for Model 400 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-450-SS- OC	Model 450 stainless steel kiosk	25	15-25	15-25	$1,725.00	Capacity approx. 500 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M450-KC	Model 450 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$155.00	Kiosk Cover for Model 450 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-500-SS- OC	Model 500 stainless steel kiosk	20	15-25	15-25	$1,675.00	Capacity approx. 350 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M500-KC	Model 500 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$148.00	Kiosk Cover for Model 500 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-610-SS- OC	Model 610 stainless steel kiosk	25	15-25	15-25	$2,325.00	Capacity approx. 750 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M610-KC	Model 610 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$155.00	Kiosk Cover for Model 610 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-710-SS- OHC	Model 710 stainless steel kiosk	600	200-500	200-500	$1,925.00	Capacity approx. 1600 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
BAL-710-PG- OHC	Model 710 POWDER COATED kiosk	25	15-25	15-25	$1,425.00	**INDOOR** - Capacity approx. 1600 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M710-KC	Model 710 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$148.00	Kiosk Cover for Model 710 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
ASC-710-LCT	Model 710 Locking Canvas Tote	6-8wk LT	6-8wk LT	6-8wk LT	$295.00	Locking canvas liner for Model 710 - includes Tote, Liner, & hand Truck ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-810-SS- OHC	Model 810 stainless steel kiosk	75	50-100	50-100	$2,625.00	Capacity approx. 2400 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)

ASC-M810-KC	Model 810 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$170.00	Kiosk Cover for Model 810 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
ASC-810-LCT	Model 810 Locking Canvas Tote	6-8wk LT	6-8wk LT	6-8wk LT	$385.00	Locking canvas liner for Model 810 - includes Tote, Liner, & hand Truck ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-910-SS- OHC	Model 910 stainless steel kiosk	50	25-50	25-50	$3,850.00	Capacity approx. 5500 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M910-KC	Model 910 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$205.00	Kiosk Cover for Model 910 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)

Graphics (as per Schedule C) are included in the price of the Ballot Boxes.

STATE OF MICHIGAN PROCUREMENT

Michigan Department of State
430 W. Allegan
Lansing, MI, 48133

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **230000000956**
between
THE STATE OF MICHIGAN
and

CONTRACTOR	
	American Security Cabinets
	1010 Summit Ave N
	Sauk Rapids, MN, 56379
	Kevin Johnson
	952-974-1104
	kjohnson@ascabr.com
	VS0264411

STATE			
	Program Manager	David Tarrant	MDOS
		517-335-3230	
		TarrantD2@michigan.gov	
	Contract Administrator	Ross Anderson	MDOS
		517-241-1513	
		AndersonR36@Michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: As per RFP 230000001345, contract to provide MDOS Elections Absent Voter Ballot Drop Boxes.			
INITIAL EFFECTIVE DATE	**INITIAL EXPIRATION DATE**	**INITIAL AVAILABLE OPTIONS**	**EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW**
06/08/2023	06/08/2028	3	06/08/2028
PAYMENT TERMS		**DELIVERY TIMEFRAME**	
Net 45			
ALTERNATE PAYMENT OPTIONS			**EXTENDED PURCHASING**
☐ P-card ☐ Payment Request (PRC) ☒ Other			☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS			
As per Statement of Work, Section 2.2			
MISCELLANEOUS INFORMATION			
As per the Award Recommendation Synopsis posted to SIGMA VSS, there are 3 vendors being awarded a contract to supply Ballot Drop Boxes. The estimated total amount to supply all boxes was $15,000,000.00, and therefore we have split this total equally amongst the 3 vendors for now. As we begin the ordering process, MDOS will amend the totals via the process of a Contract Change Notice. As a reminder and as per the RFP instructions, “However, no order quantities are guaranteed of any specific box or vendor.”			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			**$5,000,000.00**

FOR THE CONTRACTOR:

American Security Cabinets
Company Name

Authorized Agent Signature

Kevin Johnson
Authorized Agent **(Print or Type)**

6/15/2023
Date

FOR THE STATE:

E-SIGNED by Michael Brady
on 2023-06-16 15:44:37 EDT
Signature

Michael Brady
Name & Title

Agency

2023-06-16 15:44:37 UTC
Date

SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

Master Agreement (MA) No. 230000000956

Michigan Bureau of Elections - Ballot Drop Boxes

BACKGROUND

The Secretary of State is Michigan's chief election officer; however, State of Michigan (SOM) elections are decentralized and administered at the local level. The Bureau of Elections (BOE) within the Michigan Department of State (MDOS) provides election oversight, monitoring, and other services to the local elections jurisdictions, consisting of 83 county clerks, 280 city clerks and 1,240 township clerks.

Michigan voters passed Proposal 2 in the November 2022 election. Among other things, Proposal 2 requires at least one state-funded, secure, accessible ballot drop box for every municipality regardless of the number of registered voters in that municipality. If the municipality has more than 15,000 voters, there must be at least one such ballot box, distributed equitably, for every 15,000 voters in the municipality.

Since some local jurisdictions already have ballot boxes, the estimated need will be for approximately 600~2,000 total boxes. However, no order quantities are guaranteed of any specific box or vendor.

MDOS seeks to contract with one or more vendors to provide ballot drop boxes. About 25%~35% of these ballot boxes must be delivered and installed or available for installation at local jurisdictions by mid-June 2023 for the August 2023 election. An additional 25%~35% must be delivered and installed by August 24, 2023, for the November 2023 election. The remainder of the ballot boxes must be delivered and installed before December 14, 2023. There may be subsequent orders as well.

SCOPE

1) Provide a catalog or pricing sheet of currently available ballot boxes that meet the requirements.
    a) Include pricing for ballot boxes for either interior or outside locations, or both.
    b) Include pricing for any peripheral equipment such as locking or security options, etc., if not included in the ballot box price.
2) An initial series of orders of ballot boxes in mid-2023 to meet the requirements of Proposal 2 for Michigan's August 8, 2023, election.
    a) For Proposal 2, local jurisdictions will select a style(s) and quantities of ballot boxes and provide their needs to BOE.
    b) BOE will aggregate the quantities for each style and vendor and send to Procurement to make a collated order to the contractor(s). These orders will likely have a regular frequency of weekly/bi-weekly. The orders will have multiple "ship to" addresses. BOE will also provide contact information and local jurisdiction business hours for each jurisdiction.

c) Contractor will ship orders directly to each local jurisdiction and contact the jurisdiction as needed to arrange delivery times.

3) Vendor will invoice separately for each shipment to each local jurisdiction. Vendor must send all invoices to: sospaymentprocess@michigan.gov.

a) Vendor must send the name of the shipping company and tracking number to both BOE and to the local jurisdictions.

b) Vendor must have the shipping company contact the local jurisdiction to whom they are delivering with the expected date and time of delivery.

c) The shipping company must have the local jurisdiction sign for delivery.

4) BOE may make subsequent orders to fulfill Proposition 2's requirements.

5) Provide the ability for local jurisdictions to directly purchase small quantities of ballot boxes for their needs outside of Proposal 2. These purchases will be ordered and paid for by the local jurisdiction (BOE will not be involved in these purchases, other than making the catalog of conforming boxes available).

6) Most jurisdictions are on municipal properties and are anticipated to install their own ballot boxes. However, bidder may provide pricing for optional on-site installation of ballot boxes if vendor is able to supply or subcontract for installation services. *Installation services will be paid by local jurisdictions.*

REQUIREMENTS

1. General Requirements

1.1. Product Specifications

The Contractor must provide the following:

Pricing for ballot boxes, to include but not limited to exterior-located boxes, interior-located boxes, and wall-mounted boxes with exterior mail slot but interior located container. All ballot boxes must meet the following:

1.1.1. Rust-resistant (for example, aluminum, stainless steel)
1.1.2. Weather resistant
1.1.3. Fire suppressant / resistant
1.1.4. Theft deterrent / resistant
1.1.5. ADA compliant
1.1.6. Liquid drainage system, to prevent anything poured into openings from damaging the contents
1.1.7. At least two unique keys per lock. Unique keys must only open a single, particular box and may not open any other boxes. Replacement unique keys cannot be ordered and cannot be duplicated.
1.1.8. Shipped fully assembled by bidder.
1.1.9. Capable of being securely locked and bolted to ground or another object. Bidder must provide appropriate bolts or fasteners that meet industry security, durability, and other standards.
1.1.10. Equipped with a single slot or mailbox-style lever to allow absent voter ballot return envelopes to be placed in the drop box, and all other openings on the

drop box must be securely locked. The slot or drop opening must be large enough to easily accommodate a ballot return envelope.

1.1.11. Quantity - probable maximum of approximately 600~2,000 total boxes. Contractor must state the quantity of each type/style of ballot box and peripheral equipment that Contractor can have on-site at local jurisdictions by mid-June 2023 for the initial order. Contractor must also state the number of each type/style of ballot box available by August 24, 2023, and by December 14, 2023. No order quantities are guaranteed of any specific box or vendor.

1.1.12. Each box must be large enough to accept a minimum of 100 ballot envelopes.

1.2. Samples

Upon notification that contractor had passed the technical evaluation, contractor was required to provide sample ballot boxes that are identical to the proposed ballot boxes. The samples were required be received by the Bureau of Elections within 14 calendar days from the notification.

1.3. Warranties

The Contractor must provide the following warranties:

- Stainless steel parts and assemblies have a lifetime warranty against material rust through (powder coating not included.). Non-stainless assemblies have a three-year warranty against normal wear and tear. Shipping and installation not included. All prices shown and payments made in U.S. Funds only.
- As stated above, the stainless steel is warrantied for life against rust through; All Non-Stainless assemblies 3 years – examples: Vinyl signs, totes, added powder coating, etc.
- Phone: 877-350-0693 or email Sales@ascabr.com
- Any replacement items are mailed within 3-7 days of the reported issue. Larger repairs may require shipping a replacement cabinet which will be shipped within 14 days.
- American Security Cabinets handles all warranty claims internally.
- Contact: Sam McMahon – 877-350-0693 smcmahon@ascabr.com 1010 Summit Ave N, Sauk Rapids, MN 56379

1.4. Recall Requirements and Procedures

The Contractor must communicate recalls to Michigan Department of State (MDOS) immediately and in accordance with the warranty procedures outlined in section 1.2. Plan of action may vary based on complexity of recall.

1.5. Quality Assurance Program

Every cabinet must go through a quality inspection before it is shipped. This process inspects and records all functions of the cabinet

1) Assembly of Cabinet
2) Functions of the Lock

3) Proper weather protection
4) Correct Graphics (as per Schedule C)
5) Quality Approval
6) Shipping.

All of this must be recorded within contractor system with corresponding pictures and be available to MDOS upon request, including with any warranty issue.

1.6. Incentives
Quantity discounts are reflected in the price table included in Schedule B.

1.7. Transition:

A. **Contract Execution:** Contract will be considered executed upon being signed by both the contractor and the State of Michigan.

B. **Post-Contract Transition**: Invoices must be sent within 45 days after expiration of contract. Any invoices received after 45 days will result in a non-payment of invoice.

2. Service Requirements

2.1. Timeframes
All Contract Activities must be delivered within 30 calendar days from receipt of order. The receipt of order date is pursuant to the **Notices** section of the *Standard Contract Terms*.

The State will provide details for the standard graphic design before the first order.

2.2. Delivery
Provided standard graphics (as per Schedule C) are pre-approved, delivery will be within 30 calendar days upon date of order. Delivery will be made at local jurisdiction locations and business hours (addresses to be provided).

The State does not guarantee any minimum quantities or orders.

2.3. Installation
The Contractor will not provide physical installation.

The cabinets come with both written instructions and this video - **https://youtu.be/liuLSBKaTgk**

2.4. Project Prevailing Wage Requirements, applicable only if construction or installation is required as part of Contract Activities

The Contractor (and its Subcontractors) must pay all mechanics and laborers employed directly on the site of the work, unconditionally and at least once a week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of payment, computed at wage rates not less than those stated in the advertised specifications as prevailing wages based on locality, regardless of any contractual relationship which may be alleged to exist between the Contractor or subcontractor and the laborers and mechanics.

Contractor must post the scale of wages to be paid in a prominent and easily accessible place at the site of the work.

2.5. Reserved.

2.6. Maintenance and Repairs:
The Contractor will not provide maintenance and Repairs. Any issues with the cabinet would be covered in accordance with the warranty.

2.7. Training
The Contractor must provide the following training: original manuals and documentation, including installation instructions.

The Contractor will include installation instructions inside the access door of each unit. Which includes the care and maintenance information decal.

2.8. Reporting
The Contractor will submit to the Program manager any requested reports for any requested date ranges.

The Contractor will retain the following data for each shipment for the duration of the contract and one year after the contract ends: shipping date; shipping company name(s); tracking numbers; price, quantity, and name of product shipped; name and addresses of local jurisdictions to which the product was shipped; and confirmed delivery date.

Upon request of the Program Manager, the Contractor must provide a report in a format such as CSV that can be imported into Microsoft Excel of the requested data within 5 Business Days.

In addition to the required ad hoc reporting, the Contractor must provide a quarterly report of the requested information.

Any other MDOS requested reports.

2.9. Meetings
The Contractor must attend the following meetings:

Kick-off meeting within 15 days of the Effective Date.

The State may request other meetings as it deems appropriate.

3. Staffing
3.1. Contractor Representative
The Contractor must appoint a Contractor Representative specifically assigned to State of Michigan accounts who will respond to State inquiries regarding the Contract Activities, answer questions related to ordering and delivery, etc. (the “Contractor Representative”).

The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

Contractor Representative: Kevin Johnson, kjohnson@ascabr.com, 952-974-1104

3.2. Reserved

3.3. Reserved

3.4. Reserved

3.5. Customer Service Toll-Free Number

The toll-free number for the State to contact the Contractor Representative is **877-350-0693**. The Contractor must be available for calls during the hours of 8 am to 5 pm EST Monday through Friday.

3.6. Technical Support, Repairs and Maintenance

The toll-free number for the State to contact the Contractor for technical support, repairs and maintenance is **877-350-0693**. The Contractor must be available for calls and service during the hours of 8 am to 5 pm EST Monday through Friday at a minimum.

3.7. Disclosure of Subcontractors

The Contractor does not intend to use Subcontractors.

However, if the Contractor intends to utilize subcontractors, the Contractor must immediately 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. Of the total bid, the price of the subcontractor's work. 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.

3.8. Security

The Contractor will not be accessing any state facilities.

4. Pricing

4.1. Price Term

Pricing is firm for the entire length of the Contract.

4.2. Price Changes

Adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources, such as the Consumer Price Index; Producer Price Index; other pricing indices as needed; economic and industry data; manufacturer or supplier letters noting the increase in pricing; and any other data the State deems relevant.

Following the presentation of supporting documentation, both parties will have 30 days to review the information and prepare a written response. If the review reveals no need for modifications, pricing will remain unchanged unless mutually agreed to by the parties. If the review reveals that changes are needed, both parties will negotiate such changes, for no longer than 30 days, unless extended by mutual agreement.

The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.

4.3. Reserved

5. Ordering

5.1. Authorizing Document

The appropriate authorizing document for the Contract will be Delivery Order (DO) issued by the Michigan Department of State.

Michigan Department of State will generally order as follows:

- Maximum of 10 units per vendor or every 2 weeks, whichever comes first.
- Orders will have a specific order number for those units, to allow for easier tracking.
- Each order will have separate lines for each jurisdiction which will contain the shipping information for each location.

Local jurisdictions may order and purchase additional boxes at their own expense through any method agreed upon by the bidder and the local jurisdiction. Any orders from local jurisdictions will not be on a State of Michigan DO and will have separate lead times based on availability.

5.2. Order Verification

The Contractor has the following internal controls approved by Michigan Department of State Procurement Services to verify abnormal orders and to ensure that only authorized individuals place orders:

The Contractor's system is able to identify at the primary level which individuals are authorized as purchasers and will only be updated upon notification from the MDOS Contract Administrator.

6. Delivery

6.1. Delivery Programs

The Contractor must ship all cabinets via freight as follows:

- Smaller quantities via LTL freight
- Bulk orders via direct freight shipment

The Contractor must provide MDOS with an email including the tracking number and tracking site URL. The Contractor provided the following toll-free number for customer service with shipping assistance: **877-350-0693.**

6.2. Packaging and Palletizing

Packaging will be optimized to permit the lowest freight rate. Shipments will be palletized whenever possible using manufacturer's standard 4-way shipping pallets.

Laserfab pallets and packaging are customized to provide the maximum protection for freight travel at the lowest freight rate possible.

7. Acceptance

7.1. Acceptance, Inspection and Testing

The State will use the following criteria to determine acceptance of the Contract Activities: Per Standard Contract Terms below.

7.2. Final Acceptance
Per Standard Contract Terms below and signed Notice of Contract.

8. Invoice and Payment
8.1. Invoice Requirements

All invoices submitted to the State must include: (a) order date; (b) purchase order or delivery order number; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); (g) vendor-generated invoice number; (h) delivery date, (i) jurisdiction name, (j) delivery address(es), and (k) total price.

8.2. Payment Methods
The State will make payment for Contract Activities via EFT. Local jurisdictions may make payments via other methods as agreed to with the Contractor.

8.3. Procedure
Invoices will be submitted to: sospaymentprocess@michigan.gov. Vendor must include specified information and invoice for each shipment to each local jurisdiction.

9. Project Plan
The Contractor will carry out this project under the direction and control of the Program Manager.

The Contractor has named the following personal as key contacts for this contract:

- Kevin Johnson – Director of Sales & Marketing 952-974-1104 kjohnson@ascabr.com
- Sam McMahon – Account Executive 952-974-1131 smcmahon@ascabr.com
- Payton Johnson – Account Support 952-974-1137 pjohnson@ascabr.com

10. Licensing Agreement
The Contractor must provide a copy of any applicable licensing agreement.

N/A

11. 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.

12. Additional Requirements

12.1. Multiple Vendors
The state does not guarantee any minimum quantity to any vendor or of any quantity of an item and may use multiple vendors.

NONE LISTED

12.2. Environmental and Energy Efficiency Product Standards
The Contractor must identify any energy efficient, bio-based, or otherwise environmentally friendly products used in the products. Contractor must include any

relevant third-party certification, including the verification of a United States Department of Agriculture certified bio-based product label. Contractor must describe how products that meet these requirements are identified or otherwise labelled.

NONE LISTED

12.3. Hazardous Chemical Identification

In accordance with the federal Emergency Planning and Community Right-to-Know Act, 42 USC 11001, *et seq.*, as amended, the Contractor must provide a Material Safety Data Sheet listing any hazardous chemicals as defined in 40 CFR §370.2, to be delivered. Each hazardous chemical must be properly identified, including any applicable identification number, such as a National Stock Number or Special Item Number.

The Contractor must identify any hazardous chemicals that will be provided under any resulting contract.

NONE LISTED

12.4. Mercury Content

Pursuant to MCL 18.1261d, mercury-free products must be procured when possible. The Contractor must explain if it intends to provide products containing mercury, the amount or concentration of mercury, and whether cost competitive alternatives exist. If a cost competitive alternative does exist, the Contractor must provide justification as to why the particular product is essential. All products containing mercury must be labeled as containing mercury.

NONE LISTED

12.5. Brominated Flame Retardants

The State prefers to purchase products that do not contain brominated flame retardants (BFRs) whenever possible. The Contractor must disclose whether the products contain BFRs. Contractor must describe how products that meet these requirements are identified or otherwise labelled.

NONE LISTED

12.6 Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS)

The Contractor must confirm that the provided products do not intentionally contain PFAS. This consists of all components of the provided products, including product packaging.

NONE LISTED

13. Reserved

SCHEDULE B - PRICING

Master Agreement (MA) No. 230000000956

Michigan Bureau of Elections - Ballot Drop Boxes

1. The Contractor was required to provide a pricing schedule for the proposed Contract Activities using the pricing sheet table on the next page or a substantially conforming pricing sheet. The pricing schedule was required be submitted in a modifiable format (e.g., Microsoft Word or Excel); however, also allowed for submitting an additional pricing schedule in a non-modifiable format (e.g., PDF). Failure to complete the pricing schedule as requested would have resulted in disqualification of the proposal.

2. Price proposals included all costs, including but not limited to, any one-time or set-up charges, fees, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).

3. The Contractor was encouraged to offer quick payment terms. The number of days must not include processing time for payment to be received by the Contractor's financial institution.

   Quick payment terms: 2% discount off invoice if paid within 30 days after receipt of invoice.

4. By submitting its proposal, the Contractor certifies that the prices were arrived at independently, and without consultation, communication, or agreement with any other Contractor.

American Security Cabinets LLC

Pricing Sheet:

Stock/ Item #	Item Name	Quantity Available by:			Price	Notes/Comments/ Description/Discounts
		Mid-June	8-24-23	12-14-23		
BAL-400-SS- OW	Model 400 stainless steel kiosk	30	15-25	15-25	$995.00	Capacity approx. 200 ballots - Includes Ballot Box, Inner collection tote, No anchor bolts - wall mounted (Freight Charged Separately)
ASC-M400-KC	Model 400 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$148.00	Kiosk Cover for Model 400 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-450-SS- OC	Model 450 stainless steel kiosk	25	15-25	15-25	$1,725.00	Capacity approx. 500 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M450-KC	Model 450 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$155.00	Kiosk Cover for Model 450 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-500-SS- OC	Model 500 stainless steel kiosk	20	15-25	15-25	$1,675.00	Capacity approx. 350 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M500-KC	Model 500 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$148.00	Kiosk Cover for Model 500 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-610-SS- OC	Model 610 stainless steel kiosk	25	15-25	15-25	$2,325.00	Capacity approx. 750 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M610-KC	Model 610 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$155.00	Kiosk Cover for Model 610 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-710-SS- OHC	Model 710 stainless steel kiosk	600	200-500	200-500	$1,925.00	Capacity approx. 1600 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
BAL-710-PG- OHC	Model 710 POWDER COATED kiosk	25	15-25	15-25	$1,425.00	**INDOOR** - Capacity approx. 1600 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M710-KC	Model 710 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$148.00	Kiosk Cover for Model 710 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
ASC-710-LCT	Model 710 Locking Canvas Tote	6-8wk LT	6-8wk LT	6-8wk LT	$295.00	Locking canvas liner for Model 710 - includes Tote, Liner, & hand Truck ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-810-SS- OHC	Model 810 stainless steel kiosk	75	50-100	50-100	$2,625.00	Capacity approx. 2400 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)

ASC-M810-KC	Model 810 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$170.00	Kiosk Cover for Model 810 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)
ASC-810-LCT	Model 810 Locking Canvas Tote	6-8wk LT	6-8wk LT	6-8wk LT	$385.00	Locking canvas liner for Model 810 - includes Tote, Liner, & hand Truck ****6-8 week lead time on this item** (Freight Charged Separately)
BAL-910-SS- OHC	Model 910 stainless steel kiosk	50	25-50	25-50	$3,850.00	Capacity approx. 5500 ballots - Includes Ballot Box, Inner collection tote & Anchor Bolts (Freight Charged Separately)
ASC-M910-KC	Model 910 Kiosk Cover	6-8wk LT	6-8wk LT	6-8wk LT	$205.00	Kiosk Cover for Model 910 - includes cover and Lock ****6-8 week lead time on this item** (Freight Charged Separately)

Graphics (as per Schedule C) are included in the price of the Ballot Boxes.

SCHEDULE C - GRAPHICS

Master Agreement (MA) No. 230000000956

Michigan Bureau of Elections - Ballot Drop Boxes

The below is a mock-up of the graphics approved for use by the State of Michigan.

The font size is going to be dependent on the dimensions of the box.

The font used is Open Sans Extrabold Italic.

The gradient goes from blue (#222a89) to red (#d7203a) at a -40 angle (120% scale spread.

There should be sufficient space (similar to the mock-up) to add a jurisdiction name if desired.

The following text is to be used:

- For the slot area:

Insert AV Ballot In Signed, Sealed Envelope

AV Applications Accepted Here

- For the large area:

Official Absentee Voter Ballot Drop Box

Insert absentee ballot in signed, sealed envelope
Absentee applications accepted here
Michigan.gov/VOTE
OFFICIAL
ABSENTEE
BALLOT
DROP BOX

STANDARD CONTRACT TERMS

This STANDARD CONTRACT ("**Contract**") is agreed to between the State of Michigan (the "**State**") and American Security Cabinets ("**Contractor**"), a Minnesota LLC. This Contract is effective on June 8, 2023 ("**Effective Date**"), and unless terminated, will expire on June 8, 2028 (the "**Term**").

This Contract may be renewed for up to three (3) additional one-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 (the "**Contract Activities**") described in a Statement of Work, the initial Statement of Work is attached as Schedule A – Statement of Work. 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 unless otherwise specified in a Statement of Work.

   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) 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; (i) comply with all State physical and IT security policies and standards which will be made available upon request; and (j) 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:
See Contract Administrator information shown below.	See below

3. **Contract Administrator.** The Contract Administrator, or the individual duly authorized 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:	Contractor:
Ross Anderson 430 W. Allegan St. Lansing, MI, 48933 AndersonR36@michigan.gov 517-241-1513	Kevin Johnson 1010 Summit Ave N Sauk Rapids, MN 56379 kjohnson@ascabr.com 952-974-1104

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:	Contractor:
David Tarrant 430 W. Allegan St. Lansing, MI, 48933 TarrantD2@michigan.gov 517-335-3230	Samantha McMahon 1010 Summit Ave N Sauk Rapids, MN 56379 smcmahon@ascabr.com 952-974-1131

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 a Statement of Work) if, in the opinion of the State, it will ensure performance of the Contract.

6. **Insurance Requirements.**

Contractor, at its sole expense, must maintain the insurance coverage identified below. With respect to Privacy and Security Liability, Contractor may, at the discretion of the MDOS Contract Administrator, defer coverage up to no more than 30 days prior to beginning any work or deliverables under this Contract. All required insurance must: (a)

protect the State from claims that may arise out of, are alleged to arise out of, or otherwise 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

TABLE 6.1

Required Limits	Additional Requirements
Commercial General Liability Insurance	
Minimum Limits: $1,000,000 Each Occurrence $1,000,000 Personal & Advertising Injury $2,000,000 Products/Completed Operations $2,000,000 General Aggregate	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 20 10 12 19 and CG 20 37 12 19.
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.	
Workers' Compensation Insurance	
Minimum Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
Minimum Limits: $500,000 Each Accident $500,000 Each Employee by Disease $500,000 Aggregate Disease	

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 cancelled 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 delivery order number, at Contract formation and within twenty (20) calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurance contained in this Section; (c) notify the Contract Administrator within five (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 to 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. **Reserved**

8. **Reserved**

9. **Relationship of the Parties.** The relationship between the parties is that of independent contractors. 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. Neither party has authority to contract for nor bind the other party in any manner whatsoever.

10. **Intellectual Property Rights.** If a Statement of Work requires Contractor to create any intellectual property, 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.

11. **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.

12. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel providing services by providing a notice to Contractor.

13. **Background Checks.** Pursuant to Michigan law, all agencies subject to IRS Pub. 1075 are required to ask the Michigan State Police to perform fingerprint background checks on all employees, including Contractor and Subcontractor employees, who may have access to any database of information maintained by the federal government that contains confidential or personal information, including, but not limited to, federal tax information. Further, pursuant to Michigan law, any agency described above is prohibited from providing Contractors or Subcontractors with the result of such background check. For more information, please see Michigan Public Act 427 of 2018. Upon request, or as may be specified in a Statement of Work, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.

14. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. 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.

15. **Change of Control.** Contractor will notify the State, within 30 days of any public announcement or otherwise once legally permitted to do so, 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) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) 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.

    In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

16. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in a Statement of Work.

17. **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 a Statement of Work. 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 24, 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, 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 for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

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. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

18. **Delivery.** Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in a Statement of Work. All containers and packaging become the State's exclusive property upon acceptance.

19. **Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.

20. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in a Statement of Work. If the Contract Activities do not function as warranted during the warranty period, the State may return such non-conforming Contract Activities to the Contractor for a full refund.

21. **Invoices and 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 provided as specified in a Statement of Work. 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 fees are exclusive 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.

Excluding federal government charges and terms, Contractor warrants and agrees that each of the fees, economic or product terms or warranties granted pursuant to this Contract are comparable to or better than the equivalent fees, economic or product term or warranty being offered to any commercial or government customer (including any public educational institution within the State of Michigan) of Contractor. If Contractor enters into any arrangements with another customer of Contractor to provide the products or services, available under this Contract, under more favorable prices, as the prices may be indicated on Contractor's current U.S. and International price list or comparable document, then this Contract will be deemed amended as of the date of such other arrangements to incorporate those more favorable prices, and Contractor will immediately notify the State of such fee and formally memorialize the new pricing in a change notice.

22. Liquidated Damages. Liquidated damages, if applicable, will be assessed as described in a Statement of Work. The parties understand and agree that any liquidated damages (which includes but is not limited to applicable credits) set forth in this Contract are reasonable estimates of the State's damages in accordance with applicable law. The parties acknowledge and agree that Contractor could incur liquidated damages for more than 1 event. The assessment of liquidated damages will not constitute a waiver or release of any other remedy the State may have under this Contract for Contractor's breach of this Contract, including without limitation, the State's right to terminate this Contract for cause under Section 24 and the State will be entitled in its discretion to recover actual damages caused by Contractor's failure to perform its obligations under this Contract. However, the State will reduce such actual damages by the amounts of liquidated damages received for the same events causing the actual damages. Amounts due the State as liquidated damages may be set off against any fees payable to Contractor under this Contract, or the State may

bill Contractor as a separate item and Contractor will promptly make payments on such bills.

23. **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 delivery order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.

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

    (b) If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (i) cease performance immediately. Contractor must submit all invoices for Contract Activities accepted by the State within 30 days of the date of termination. Failure to submit an invoice within that timeframe will constitute a waiver by Contractor for any amounts due to Contactor for Contract Activities accepted by the State under this Contract or (ii) 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 25, Termination for Convenience.

    The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. Contractor must promptly reimburse to the State any fees prepaid by the State prorated to the date of such termination, including any prepaid fees. 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, and any costs the State incurs to procure the Contract Activities from other sources.

25. Termination for Convenience. The State may immediately terminate this Contract in whole or in part without penalty and for any reason or no 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. Contractor must submit all invoices for Contract Activities accepted by the State within 30 days of the date of termination. Failure to submit an invoice within

that timeframe will constitute a waiver by Contractor for any amounts due Contractor for Contract Activities accepted by the State under this Contract, or (b) continue to perform the Contract Activities in accordance with Section 26, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities to the extent the funds are available.

26. 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 **120** calendar days), 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) 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 (d) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

27. Return of State Property. Upon termination or expiration of this Contract for any reason, Contractor must take 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 the Contractor by any entity, agent, vendor, or employee of the State.

28. 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 breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) 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); and (d) any acts or omissions of 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; (iii) employ its own counsel; and to (iv) retain control of the defense, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior 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.

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.

The State is constitutionally prohibited from indemnifying Contractor or any third parties.

29. **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.

30. **Limitation of Liability and Disclaimer of Damages. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR 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 THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.

31. **Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (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; or (3) any complaint filed in a legal or administrative proceeding alleging the Contractor or its subcontractors discriminated against its employees, subcontractors, vendors, or suppliers during the term of this Contract; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.

32. **State Data.** All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State ("**State Data**"); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing or commercial purposes.

33. **Reserved.**

34. **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.

    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; or, (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 or is: (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. 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 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.

35. **Reserved.**

36. **Reserved.**

37. **Reserved.**

38. **Records Maintenance, Inspection, Examination, and Audit.** Pursuant to MCL 18.1470, the State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain and provide to the State or its designee and the auditor general upon request, all 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 and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If 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.

39. **Representations and Warranties.** 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; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (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. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 24, Termination for Cause.

40. **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.

41. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.

42. **Prevailing Wage.** Contractor must comply with prevailing wage requirements, to the extent applicable to this Contract.

43. **Reserved.**

44. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq*., the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq*., and Executive Directive 2019-09. 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 (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of this Contract.

45. **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.

46. **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 the Michigan Court of Claims. Complaints against the State must be initiated in Ingham County, Michigan. Contractor waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint an agent in Michigan to receive service of process.

47. **Non-Exclusivity.** Nothing contained in this Contract is intended nor is to be construed as creating any requirements contract with Contractor, nor does it provide Contractor with a right of first refusal for any future work. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.

48. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god 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.

49. **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.

50. **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 the prior written approval of the State, and then only in accordance with the explicit written instructions of the State.

51. **Schedules**. All Schedules and Exhibits that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

Document Title	Document Description
Schedule A	Statement of Work
Schedule B	Pricing Sheet
Schedule C	Graphics

52. **Entire Agreement and Order of Precedence.** This Contract, which includes Statement of Work, and 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 Statement of Work; (b) second, 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, OR DOCUMENTATION HEREUNDER, EVEN IF ATTACHED TO THE STATE'S DELIVERY OR PURCHASE ORDER, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

53. **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.

54. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.

55. **Survival.** Any right, obligation or condition that, by its express terms or nature and context is intended to survive, will survive the termination or expiration of this Contract; such rights, obligations, or conditions include, but are not limited to, those related to transition responsibilities; indemnification; disclaimer of damages and limitations of liability; State Data; non-disclosure of Confidential Information; representations and warranties; insurance and bankruptcy.

56. **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.

FEDERAL PROVISIONS ADDENDUM

Contractor acknowledges and agrees that the State may utilize funds obtained from the federal government which may have additional contractual requirements. Contractor agrees that, if the State determines that federal rules or regulations require the appendage of specific contractual language to this Contract related to specific types of federal funding, including but not limited to Title 2 of the Code of Federal Regulations (C.F.R.) Part 200 and Appendix II to Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Contractor agrees to, through a Contract Change Notice, append such required contractual language to this Contract if reasonably necessary to keep the State and Contractor in compliance with federal funding requirements and comply with the terms set forth therein.

The Contractor, Laserfab Inc., certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Kevin Johnson — Director of Sales

Name and Title of Contractor's Authorized Official

04/27/2023

Date

FEDERAL PROVISIONS ADDENDUM

Contractor acknowledges and agrees that the State may utilize funds obtained from the federal government which may have additional contractual requirements. Contractor agrees that, if the State determines that federal rules or regulations require the appendage of specific contractual language to this Contract related to specific types of federal funding, including but not limited to Title 2 of the Code of Federal Regulations (C.F.R.) Part 200 and Appendix II to Part 200 – Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Contractor agrees to, through a Contract Change Notice, append such required contractual language to this Contract if reasonably necessary to keep the State and Contractor in compliance with federal funding requirements and comply with the terms set forth therein.

The Contractor, American Security Cabinets, certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Contractor understands and agrees that the provisions of 31 U.S.C. Chap. 38, Administrative Remedies for False Claims and Statements, apply to this certification and disclosure, if any.

Signature of Contractor's Authorized Official

Kevin Johnson – Director of Sales

Name and Title of Contractor's Authorized Official

04/27/2023

Date