



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number **4**
to
Contract Number **18000000622**

CONTRACTOR	Northwest Marine Technology, Inc.
	324 West Bay Drive, Suite 107
	Olympia, WA 98502
	David Knutzen
	360-468-3375
	Dave.knutzen@nmt.us
	CV0006990

STATE	Program Manager	Jeremiah Blaauw	DNR
		324 West Bay Drive, Suite 107 (906) 235 - 7679	
		BlaauwJ@michigan.gov	
	Contract Administrator	Brooke Jones	DNR
		517-388-66833	
		JonesB30@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Northwest Marine Technology – Decimal Coded Wire Tags				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
April 16, 2018	March 31, 2023	FIVE 1-Year Options to Renew	December 31, 2024	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		90 Calendar Days ARO		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" 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"/>	One Year	<input type="checkbox"/>		December 31, 2025
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$485,000.00		\$0.00	\$485,000.00	
DESCRIPTION: Effective February 19, 2025 this Contract is exercising the third available year. The Program Manager has been changed to Jeremiah Blaauw and the Contract Administrator has been changed to Brooke Jones. All other terms, conditions, specifications, and pricing remain the same. Per Contractor and DNR agreement, and DTMB approval.				

FOR THE CONTRACTOR:

Northwest Marine Technology, Inc.

Company Name

E-SIGNED by David Knutzen
on 2025-02-19 14:23:50 EST

Authorized Agent Signature

David Knutzen

Authorized Agent (Print or Type)

2025-02-19 14:23:50

Date

FOR THE STATE:

E-SIGNED by Laura Gyorkos
on 2025-02-19 16:22:17 EST

Signature

Laura L. Gyorkos, Procurement Services Manager

Name & Title

Department of Natural Resources

Agency

2025-02-19 16:22:17

Date



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number 3
to
Contract Number 18000000622

CONTRACTOR	Northwest Marine Technology, Inc.
	324 West Bay Drive, Suite 107
	Olympia, WA 98502
	David Knutzen
	360-468-3375
	Dave.knutzen@nmt.us
	CV0006990

STATE	Program Manager	Jeremiah Blaauw	DNR
		906-235-7679	
		BlaauwJ@michigan.gov	
	Contract Administrator	Lisa Crozier-Green	DNR
		517-388-6626	
		CrozierGreenL@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Northwest Marine Technology – Decimal Coded Wire Tags				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
April 16, 2018	March 31, 2023	FIVE 1-Year Options to Renew	December 31, 2023	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		90 Calendar Days ARO		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" 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"/>	One Year	<input type="checkbox"/>		December 31, 2024
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$485,000.00		\$0.00	\$485,000.00	
DESCRIPTION: Effective February 1, 2024, pricing on this Contract is revised per attached Schedule B - PRICING MATRIX – REVISED February 1, 2024. All other terms, conditions, specifications, and pricing remain the same. Per Contractor and DNR agreement, and DTMB approval.				

STATE OF MICHIGAN

Contract Number: 18000000622

Northwest Marine Technology Decimal Coded Wire Tags™

SCHEDULE B PRICING MATRIX – REVISED February 1, 2024

1. The Contractor agrees the price proposed 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 (e.g., shipping and handling, per piece pricing, and palletizing).
2. The Contractor is not offering quick payment terms.
3. By submitting its proposal, the Contractor certifies that the prices were arrived at independently, and without consultation, communication, or agreement with any other Contractor.

Coded Wire Tags for use with Mark IV Tag Injector or Multishot Injector:

Item Number	Description	Quantity per Single Order	90 Day Delivery Price per THOUSAND tags	30 Day Delivery Price per THOUSAND tags
1CWTSTANDARD	Standard, One-and-a-half length, Half-length, Sequential, and Agency Only formats.	3,000 – 9,000 tags	\$165.00	\$190.00
1CWT1.5LENGTH		10,000 – 99,000 tags	\$115.00	\$130.00
1CWTHALF	Standard spooling is 10K tags per spool.	100,000 – 999,000 tags	\$102.00	\$120.00
1CWTSEQUENTIAL		1,000,000 tags and over	\$97.00	\$112.00
1CWTAGENCY	There are no refunds on orders of Coded Wire Tags.	Standard spool/package	10K	10K
1DCWTSP0	Special Spooling: For non-standard spooling. Minimum of 3,000 tags per spool	Special Spooling – for non-standard spooling. Minimum 3,000 tags per spool	\$65/spool	\$70/spool

Precut Coded Wire Tags for use with Single Shot Injector

1DCWTPRE	Precut CWT. Sequential format only. The tags will arrive mounted on a data sheet and ready to use. Minimum 100 tags.	\$75.00 / 100 tags
1INJ000005	Single Shot Tag Injector for precut CWTs	\$200.00 / each
1INJ000006	Spare needle for Single Shot Tag Injector (includes push wire).	\$55.00 / each

NOTES:

Small Data Groups – Any data group that is smaller than 10,000 tags will be charged at 3,000 – 9,000 prices without regard to the total quantity of tags ordered.

Special Spooling – Standard packaging is 10,000 tags per spool. If non-standard spooling is required, each additional spool will carry a surcharge of \$65 / \$70 per spool, based on delivery timeframe. The minimum number of tags per spool is 3,000.

Quantity Pricing – Quantity pricing will apply to any single order. A single order consists of one billing address, one shipping address and one invoice per shipment. The order may include both 30-day and 90-day items.

FOR THE CONTRACTOR:

Northwest Marine Technology, Inc.

Company Name

E-SIGNED by David Knutzen
on 2024-01-30 09:56:07 EST

Authorized Agent Signature

David Knutzen

Authorized Agent (Print or Type)

2024-01-30 09:56:07 UTC

Date

FOR THE STATE:

E-SIGNED by Laura Gyorkos
on 2024-01-30 10:04:56 EST

Signature

Laura L. Gyorkos, Procurement Services Manager

Name & Title

Department of Natural Resources

Agency

2024-01-30 10:04:56 UTC

Date



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number **2**
to
Contract Number **18000000622**

CONTRACTOR	Northwest Marine Technology, Inc.
	324 West Bay Drive, Suite 107
	Olympia, WA 98502
	David Knutzen
	360-468-3375
	Dave.knutzen@nmt.us
	CV0006990

STATE	Program Manager	Jeremiah Blaauw	DNR
		906-235-7679	
		BlaauwJ@michigan.gov	
	Contract Administrator	Lisa Crozier-Green	DNR
		517-388-6626	
		CrozierGreenL@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Northwest Marine Technology – Decimal Coded Wire Tags			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
April 16, 2018	March 31, 2023	FIVE 1-Year Options to Renew	December 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		90 Calendar Days ARO	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
DESCRIPTION OF CHANGE NOTICE			
OPTION	LENGTH OF OPTION	EXTENSION	REVISD EXP. DATE
<input checked="" type="checkbox"/>	One Year	<input type="checkbox"/>	December 31, 2024
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$485,000.00		\$0.00	\$485,000.00
DESCRIPTION: Effective January 1, 2024, this Contract is exercising the second available option year. All other terms, conditions, specifications, and pricing remain the same. Per Contractor and DNR agreement, and DTMB approval.			

FOR THE CONTRACTOR:

Northwest Marine Technology, Inc.

Company Name

E-SIGNED by David Knutzen
on 2023-12-27 12:39:58 EST

Authorized Agent Signature

David Knutzen

Authorized Agent (Print or Type)

2023-12-27 12:39:58 UTC

Date

FOR THE STATE:

E-SIGNED by Laura Gyorkos
on 2024-01-02 08:51:23 EST

Signature

Laura L. Gyorkos, Procurement Services Manager

Name & Title

Department of Natural Resources

Agency

2024-01-02 08:51:23 UTC

Date



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48933

CONTRACT CHANGE NOTICE

Change Notice Number 1
to
Contract Number 18000000622

CONTRACTOR	Northwest Marine Technology, Inc.
	324 West Bay Drive, Suite 107
	Olympia, WA 98502
	David Knutzen
	360-468-3375
	Dave.knutzen@nmt.us
	CV0006990

STATE	Program Manager	Dan Sampson	DNR
		231-330-7374	
		SampsonD@michigan.gov	
STATE	Contract Administrator	Lisa Crozier-Green	DNR
		517-388-6626	
		CrozierGreenL@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Northwest Marine Technology – Decimal Coded Wire Tags			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
April 16, 2018	March 31, 2023	FIVE 1-Year Options to Renew	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		90 Calendar Days ARO	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
DESCRIPTION OF CHANGE NOTICE			
OPTION	LENGTH OF OPTION	EXTENSION	REVISD EXP. DATE
<input checked="" type="checkbox"/>	One Year	<input type="checkbox"/>	December 31, 2023
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE
\$485,000.00		\$0.00	\$485,000.00
DESCRIPTION: Effective March 31, 2023, this Contract is exercising the first available option year. Per Vendor request and DNR approval, the Revised Expiration Date will be changed to December 31, 2023. Effective January 1, 2024 the Contract Price Term will coincide with the calendar year. Schedule B – Pricing has been revised effective April 1, 2023. Please note – the Program Manager has been changed to Dan Sampson. All other terms, conditions, specifications, and pricing remain the same. Per Contractor and DNR agreement.			

STATE OF MICHIGAN

Contract Number: 18000000622

Northwest Marine Technology Decimal Coded Wire Tags™

SCHEDULE B PRICING MATRIX – REVISED April 1, 2023

1. The Contractor agrees the price proposed 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 (e.g., shipping and handling, per piece pricing, and palletizing).
2. The Contractor is not offering quick payment terms.
3. By submitting its proposal, the Contractor certifies that the prices were arrived at independently, and without consultation, communication, or agreement with any other Contractor.

Price quote for Decimal Standard Tags:

	Quantity per Single Order	90 Day Delivery Price per THOUSAND tags	30 Day Delivery Price per THOUSAND tags
1DCWT	3,000 – 9,000 tags	\$163.00	\$187.00
	10,000 – 99,000 tags	\$112.00	\$130.00
	100,000 – 999,000 tags	\$102.00	\$120.00
	1,000,000 tags and over	\$97.00	\$112.00
	Standard spool/package	10K	10K
1DCWTSP0	Special Spooling – for non-standard spooling. Minimum 3,000 tags per spool	\$65/spool	\$70/spool

NOTES:

Small Data Groups – Any data group that is smaller than 10,000 tags will be charged at 3,000 – 9,000 prices without regard to the total quantity of tags ordered.

Special Spooling – Standard packaging is 10,000 tags per spool. If non-standard spooling is required, each additional spool will carry a surcharge of \$65 / \$70 per spool, based on delivery timeframe. The minimum number of tags per spool is 3,000.

Quantity Pricing – Quantity pricing will apply to any single order. A single order consists of one billing address, one shipping address and one invoice per shipment. The order may include both 30-day and 90-day items.



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**

Department of Natural Resources

525 West Allegan, Constitution Hall, Third Floor
Lansing, MI 48913

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **18000000622**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Northwest Marine Technology, Inc.
	324 West Bay Drive, Suite 107
	Olympia, WA 98502
	David Knutzen
	360-468-3375
	Dave.knutzen@nmt.us
	5793

STATE	Program Manager	Steve Vanderlaan	DNR
		231-325-4611	
		VanderlaanS@michigan.gov	
	Contract Administrator	Lisa Crozier-Green	DNR
		517-284-5938	
		CrozierGreenL@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Northwest Marine Technology Decimal Coded Wire Tags			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
April 16, 2018	March 31, 2023	Five 1-Year Options to Renew	March 31, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		90 Calendar Days ARO	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
The terms and conditions of this Contract are those of RFP 18000001402, this Contract Agreement and the vendor's quote dated March 23, 2018. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$485,000.00



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

Contract Number 18000000622

Northwest Marine Technology Decimal Coded Wire Tags™

This STANDARD CONTRACT ("Contract") is agreed to between the State of Michigan (the "State") and Northwest Marine Technology, Inc ("Contractor"), a Washington State S-Corporation. This Contract is effective on April 15, 2018 ("Effective Date"), and unless terminated, expires on March 31, 2023.

This Contract may be renewed for up to Five (5) additional 1-Year Option Year periods. 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:

- 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.

- 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: Lisa Crozier-Green, Contract Administrator 525 West Allegan, Constitution Hall, Third Floor Lansing, MI 48913 CrozierGreenL@michigan.gov 517-284-5938	If to Contractor: David Knutzen 324 West Bay Drive, Suite 107 Olympia, WA 98502 dave.knutzen@nmt.us 360-468-3375
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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 Crozier-Green, Contract Administrator 525 West Allegan, Constitution Hall, Third Floor Lansing, MI 48913 CrozierGreenL@michigan.gov 517-284-5938	Contractor: David Knutzen 324 West Bay Drive, Suite 107 Olympia, WA 98502 dave.knutzen@nmt.us 360-468-3375
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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: Steve VanDerLaan, Stocking Biologist Wolf Lake State Fish Hatchery VanderlaanS@michigan.gov 231-325-4611	Contractor: David Knutzen 324 West Bay Drive, Suite 107 Olympia, WA 98502 dave.knutzen@nmt.us 360-468-3375
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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.** The Contractor agrees to maintain the insurances identified below and is responsible for all deductibles. All required insurance shall: (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.
Umbrella or Excess Liability Insurance	
<u>Minimal Limits:</u> \$5,000,000 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.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	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) 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.	

If any of the required policies provide **claims-made** coverage, the Contractor agrees to: (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 agrees to: (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. **Reserved.**
8. **Reserved.**
9. **Independent Contractor.** The Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. The 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. The 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 the Contractor's status as an independent contractor.
10. **Subcontracting.** The Contractor agrees not to delegate any of its obligations under the Contract without the prior written approval of the State. The Contractor agrees to 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 agrees to: (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. The 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 the Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Upon request, the Contractor agrees to 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 will be provided as requested. The 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.** The Contractor agrees not to 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.

14. **Change of Control.** The Contractor agrees to 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) 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 shall require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** The 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 the 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, the Contractor agrees to 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 the Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If the 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.

17. **Delivery.** The Contractor agrees to deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in Schedule A. All containers and packaging shall become the State's exclusive property upon acceptance.
18. **Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with the Contractor. The Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to the 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 the Contractor. Rejected Contract Activities not removed by the Contractor within 10 calendar days will be deemed abandoned by the Contractor, and the State will have the right to dispose of it as its own property. The Contractor agrees to reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.
19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. 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.

- 20. Terms of Payment.** Invoices shall 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. The Contractor agrees to only charge for Contract Activities performed as specified in Schedule A. Invoices shall 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 the 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 reserves 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 the Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to the Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. The Contractor's acceptance of final payment by the State constitutes a waiver of all claims by the 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 agrees to register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If the 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 the Contractor against any amount payable by the State to the 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 the Contractor with a written stop work order detailing the suspension. The Contractor agrees to comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by the 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 the 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; or (e) 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 the 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 the 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. The Contractor agrees to 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.

- 24. Termination for Convenience.** The State may immediately terminate this Contract 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 the 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 all reasonable costs, as determined by the State, for State approved Transition Responsibilities.

25. Transition Responsibilities. Upon termination or expiration of this Contract for any reason, the Contractor agrees, for a period of time specified by the State (not to exceed 90 calendar days), to 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 the 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 the Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

26. General Indemnification. The Contractor agrees to 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 the Contractor (or any of the 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 the Contractor (or any of the 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 the Contractor (or any of the Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify the Contractor in writing if indemnification is sought; however, failure to do so will not relieve the Contractor, except to the extent that the Contractor is materially prejudiced. The Contractor agrees, 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 if the State deems necessary. The 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, shall 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 the 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, the Contractor shall, 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 the 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 the 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. **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.

29. **Disclosure of Litigation, or Other Proceeding.** The Contractor agrees to notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving the Contractor, a subcontractor, or an officer or director of the 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 (e) a Proceeding involving any license that the Contractor is required to possess in order to perform under this Contract.
30. **State Data.** All data and information provided to the 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, the Contractor agrees to 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. The Contractor agrees to assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing purposes.
31. **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. 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.

- 32. Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit the Contractor to verify compliance with this Contract. The Contractor agrees to retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting 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, the Contractor agrees to 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 the Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. The Contractor agrees to 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 the Contractor, any parent, affiliate, or subsidiary organization of the Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

- 33. Warranties and Representations.** The Contractor represents and warrants: (a) The Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and the 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) the Contractor agrees to 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 the Contractor in connection with the Contract fairly and accurately represents the Contractor's business, properties, finances, and operations as of the dates covered by the information, and the 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) the 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 23, Termination for Cause.

- 34. Conflicts and Ethics.** The Contractor agrees to 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. The Contractor agrees to immediately notify the State of any violation or potential violation of these standards. This Section applies to the Contractor, any parent, affiliate, or subsidiary organization of the Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.
- 35. Compliance with Laws.** The Contractor agrees to comply with all federal, state and local laws, rules and regulations.
- 36. Reserved.**
- 37. Reserved.**
- 38. 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.*, the 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.
- 39. 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.
- 40. 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. The Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. The Contractor agrees to appoint agents in Michigan to receive service of process.
- 41. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with the Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 42. 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. The 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.
- 43. 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.
- 44. 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.

45. **Website Incorporation.** The State is not bound by any content on the Contractor's website unless expressly incorporated directly into this Contract.
46. **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.
47. **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.
48. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
49. **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.
50. **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.
51. **Federal Provisions.** The provisions in this addendum may apply if the purchase will be paid for in whole or in part with funds obtained from the federal government. If any provision below is not required by federal law for this Contract, then it does not apply and must be disregarded. If any provision below is required to be included in this Contract by federal law, then the applicable provision applies and the language is not negotiable. If any provision below conflicts with the State's terms and conditions, including any attachments, schedules, or exhibits to the State's Contract, the provisions below take priority to the extent a provision is required by federal law; otherwise, the order of precedence set forth in the Contract applies. Hyperlinks are provided for convenience only; broken hyperlinks will not relieve Contractor from compliance with the law.
- A. **Federally Assisted Construction Contracts.** If this contract is a "**federally assisted construction contract**" as defined in 41 CRF Part 60-1.3, and except as otherwise may be provided under 41 CRF Part 60, then during performance of this Contract, the Contractor agrees as follows:
- (1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:
- Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.

(4) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

- B. **Davis-Bacon Act (Prevailing Wage).** If applicable, the Contractor (and its subcontractors) for **prime construction contracts** in excess of \$2,000 must comply with the Davis-Bacon Act (40 USC 3141-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction").
- C. **Copeland "Anti-Kickback" Act.** If applicable, the Contractor must comply with the Copeland "Anti-Kickback" Act (40 USC 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"), which prohibits the Contractor and subrecipients from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.

- D. **Contract Work Hours and Safety Standards Act.** If the Contract is **in excess of \$100,000** and **involves the employment of mechanics or laborers**, the Contractor must comply with 40 USC 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5), as applicable.
- E. **Rights to Inventions Made Under a Contract or Agreement.** If the Contract is funded by a federal "funding agreement" as defined under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- F. **Clean Air Act.** If this Contract is **in excess of \$150,000**, the Contractor must comply with all applicable standards, orders, and regulations issued under the Clean Air Act (42 USC 7401-7671q) and the Federal Water Pollution Control Act (33 USC 1251-1387). Violations must be reported to the federal awarding agency and the regional office of the Environmental Protection Agency.
- G. **Debarment and Suspension.** A "contract award" (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- H. **Byrd Anti-Lobbying Amendment.** If this Contract **exceeds \$100,000**, bidders and the Contractor must file the certification required under 31 USC 1352.
- I. **Procurement of Recovered Materials.** Under 2 CFR 200.322, a non-Federal entity that is a state agency or agency of a political subdivision of a state **and its contractors** must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

STATE OF MICHIGAN

Contract Number: 18000000622

Northwest Marine Technology Decimal Coded Wire Tags™

SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

BACKGROUND

The Michigan Department of Natural Resources tags an estimated 1,000,000 fish annually at several fish hatcheries around the State as a part of federally-funded research. Tagging fish for tracking and data gathering purposes has been an on-going project in Michigan since 1985.

The DNR currently owns and utilizes twelve Northwest Marine Technologies Mark IV Automatic Tag Injector units for tagging fish. Mark IV Automatic Tag Injectors tag fish by implanting Decimal Coded Wire Tags™ into tissue beneath the skin. Decimal Coded Wire Tags™ are magnetized stainless steel wire tags marked with rows of digital numbers denoting specific batch or individual codes that facilitate research gathering. Decimal Coded Wire Tags™ are very specific in nature and must be compatible with Mark IV tagging units.

SCOPE

This Contract is for Decimal Coded Wire Tags™ for tagging fish for Department of Natural Resources (DNR) Fisheries Division.

REQUIREMENTS

The Contractor agrees to provide the following Deliverable(s):

Decimal Coded Wire Tags™ comprised of magnetized stainless steel wire, .25mm in diameter, marked with rows of digital numbers denoting specific batch or individual codes. Wire tags shall be Northwest Marine Technology standard length tags with standard decimal format. Wire tags shall be manufactured by Northwest Marine Technology (NWT) to be compatible with Mark IV Automatic Tag Injector. Tagging equipment requires specific wire to operate and produce coded tags in the precise manner they are designed.

1. General Requirements

1.1. Product Specifications

- A. Northwest Marine Technology (NWT) Decimal Coded Wire Tags™
- B. Magnetized stainless steel wire
- C. .25mm in diameter
- D. Marked with rows of digital numbers denoting specific lot codes & individual code numbers
- E. Standard length
- F. Standard decimal format
- G. 100% compatible with Northwest Marine Technology (NWT) Mark IV Automatic Tag Injector

1.2. Warranties

The State reserves the right to require additional warranties other than those identified by the Contractor.

The Contractor warrants all equipment and parts offered for sale by Northwest Marine Technology are fully guaranteed for one year following the invoice date against failure caused by defective material or workmanship. Within the guarantee period, Northwest Marine Technology will repair or replace, at its discretion and free of charge, F.O.B. Shaw Island, Washington, all defective parts or defects in workmanship. This does not apply to parts or materials experiencing normal wear and tear, nor does this apply to Northwest Marine Technology equipment used with tags or parts that Northwest Marine Technology

has not tested and approved for use in Northwest Marine Technology equipment. Northwest Marine Technology is not liable for (i) consequential damages; (ii) incidental damages, or (iii) implied warranties of merchantability or fitness for a particular purpose.

1.3. Recall Requirements and Procedures

Recalls will be handled on an individual bases with course of remedied action depending on the particular issue

1.4. Quality Assurance Program

All NMT products are inspected for quality assurance of parts ordered and delivered.

1.5. Incentives

Incentives will be based on product and quantity ordered and offered equally to all customers.

2. Service Levels

2.1. Time Frames

- A. All Contract Activities shall be delivered within 90 calendar days from receipt of order. The receipt of order date is pursuant to Section 2, Notices, of the Standard Contract Terms.
- B. The Contractor is not offering quick-ship or quantity discounts.

2.2. Delivery

The Contractor agrees to deliver within 90 calendar days upon date of order.

Deliveries will be made to the following locations:

Wolf Lake State Fish Hatchery
34270 Country Road 652
Mattawan, MI 49071
269-668-2696, ext. 25

Platte River State Fish Hatchery
15210 US Highway 31
Beulah, MI 49617-9760
231-327-4611

Oden State Fish Hatchery
3377 ½ Oden Road
Oden, MI 49764
231-327-4689

Thompson State Fish Hatchery
RR2, Box 2534, M-149
Thompson, MI 49855
906-341-5587

Marquette State Fish Hatchery
488 Cherry Creek Road
Marquette, MI 49855
906-249-1611

Harrietta State Fish Hatchery
6801 W. Thirty Mile
Harrietta, MI 49638
231-389-2211

2.3. Reporting

The Contractor agrees to abide by any State reporting requirements. .

3. Staffing

3.1. Contractor Representative

The Contractor has appointed the following individual, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answer questions related to ordering and delivery, etc. (the "Contractor Representative"). The Contractor Representative is available seven days a week, twenty-four hours a day.

The Contractor agrees to notify the Contract Administrator at least ten (10) calendar days before removing or assigning a new Contractor Representative.

The Contractor Representative is:
David Knutzen
324 West Bay Drive, Suite 107
Olympia, WA 98502
Telephone: 360-468-3375
Cell Phone: 360-791-1320
Email: dave.knutzen@nmt.us

3.2. Key Personnel

The Contractor has appointed the following individual who will be directly responsible for the day to day operations of the Contract ("Key Personnel"). Key Personnel shall be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 24 hours.

The Contractor agrees not to remove or re-assign Key Personnel without the prior consent of the State. Prior consent is not required for reassignment for reasons beyond the Contractor's control, including illness, disability, death, leave of absence, personal emergency circumstances, resignation, or termination for cause. The State may request a résumé and conduct an interview before approving a change. The State may require a 30 calendar day training period for replacement personnel.

The Contractor Key Personnel is:
David Knutzen
324 West Bay Drive, Suite 107
Olympia, WA 98502
Telephone: 360-468-3375
Cell Phone: 360-791-1320
Email: dave.knutzen@nmt.us

3.3. Disclosure of Subcontractors

The Contractor does not intend, initially, to utilize subcontractors. In the event the Contractor requires the use of a subcontractor, the Contractor agrees to provide 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 and the details of any previous relationship with the subcontractor, as well as a complete description of the Contract Activities that will be performed or provided by the subcontractor.

4. Pricing

4.1. Price Term

Pricing is firm for a 365 day period ("Pricing Period"). The first pricing period begins on the Effective Date of the Contract. Adjustments may be requested, in writing, by either party and will take effect no earlier than the next Pricing Period.

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.

5. Ordering

5.1. Authorizing Document

The appropriate authorizing document for the Contract will be a properly executed purchase order.

5.2 Order Verification

The Contractor agrees to have internal controls, approved by DNR-Procurement, to verify abnormal orders and to ensure that only authorized individuals place orders.

6. Delivery

6.1. Delivery Programs

The Contractor will use UPS for shipping.

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.

7. Acceptance

7.1. Acceptance, Inspection and Testing

The Contractor agrees to the Standard Contract Terms, Section 16, Acceptance terms.

8. Invoice and Payment

8.1. Invoice Requirements

The Contractor agrees all invoices submitted to the State will include:

- a. Date
- b. Purchase order number
- c. Quantity ordered with numeric tag code breakdown included
- d. Description of the Contract Activities
- e. Unit price
- f. Shipping cost (if any); and
- g. Total price.

8.2. Payment Methods

The State will make payment for Contract Activities by Electronic Funds Transfer (EFT) only. The Contractor is responsible for ensuring they are registered as a vendor in SIGMA and that they are EFT compliant.

9. 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.

10. Additional Requirements

10.1. Environmental and Energy Efficient Products

The Contractor will identify any energy efficient, bio-based, or otherwise environmental friendly products used in the products. The Contractor will include any relevant third-party certification, including the verification of a United States department of agriculture certified bio based product label.

10.2. 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 agrees to provide a Material Safety Data Sheet listing any hazardous chemicals, as defined in 40 CFR §370.2, to be delivered. Each hazardous chemical will be properly identified, including any applicable identification number, such as a National Stock Number or Special Item Number.

The Contractor agrees to identify any hazardous chemicals that will be provided under this Contract.

10.3. Mercury Content

Pursuant to MCL 18.1261d, mercury-free products will be procured when possible. The Contractor agrees to 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 will provide justification as to why the particular product is essential. All products containing mercury will be labeled as containing mercury.

STATE OF MICHIGAN

Contract Number: 18000000622

Northwest Marine Technology Decimal Coded Wire Tags™

SCHEDULE B PRICING MATRIX

1. The Contractor agrees the price proposed 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 (e.g., shipping and handling, per piece pricing, and palletizing).
2. The Contractor is not offering quick payment terms.
3. By submitting its proposal, the Contractor certifies that the prices were arrived at independently, and without consultation, communication, or agreement with any other Contractor.

Price quote for Decimal Standard Tags:

Quantity per Single Order	90 Day Delivery Price per THOUSAND tags	30 Day Delivery Price per THOUSAND tags
2,000 – 9,000 tags	\$155.00	\$169.00
10,000 – 99,000 tags	\$107.00	\$118.00
100,000 – 999,000 tags	\$97.00	\$110.00
1,000,000 tags and over	\$92.00	\$102.00
Standard spool/package	10K	10K
Additional charge (if any) for non-standard spool/package (include notes below)	Any data group less than 10K will be charged at the 2K-9K price	Any data group less than 10K will be charged at the 2K-9K price

NOTES:

Small Data Groups – Any data group that is smaller than 10,000 tags will be charged at the 2,000 – 9,000 price without regard to the total quantity of tags ordered.

Special Spooling – Standard packaging is 10,000 tags per spool. If non-standard spooling is required, each additional spool will carry a surcharge of \$60.00. The minimum number of tags per spool is 2,000.

Quantity Pricing – Quantity pricing will apply to any single order. A single order consists of one billing address, one shipping address and one invoice per shipment. The order may include both 30-day and 90-day items.