



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

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

CONTRACT CHANGE NOTICE

Change Notice Number 5
to
Contract Number 200000001772

| | |
|-------------------|-----------------------------|
| CONTRACTOR | Nelson Paint Company |
| | 1 Nelson Drive, PO Box 2040 |
| | Kingsford, MI 49802 |
| | Ryan C. Holm |
| | 906-774-5566 |
| | holm@nelsonpaint.com |
| | CV0044969 |

| | | | |
|----------------------|------------------------|--------------|-----|
| STATE | Program Manager | Marcy Sims | DNR |
| | | 517-582-3049 | |
| | SimsM4@michigan.gov | | |
| | Contract Administrator | Amanda Pauly | DNR |
| 517-388-9905 | | | |
| PaulyA3@michigan.gov | | | |

| CONTRACT SUMMARY | | | | |
|---|-------------------------|------------------------------|---|-------------------|
| DESCRIPTION: Tree and Boundary Marking Paint | | | | |
| INITIAL EFFECTIVE DATE | INITIAL EXPIRATION DATE | INITIAL AVAILABLE OPTIONS | EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW | |
| September 2, 2020 | August 31, 2025 | FIVE 1-Year Options to Renew | August 31, 2026 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| Net 45 ARI | | Seven (7) Business 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"/> | 1 | <input type="checkbox"/> | | August 31, 2027 |
| CURRENT VALUE | | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | |
| \$2,126,042.26 | | \$0.00 | \$2,126,042.26 | |
| DESCRIPTION: Effective 10/01/2025, the State is exercising the second option year. The revised contract expiration date is 08/31/2027. Pricing on this Contract is increased, per Attachment A. Please note the Contract Administrator has been changed to Amanda Pauly. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval. | | | | |

FOR THE CONTRACTOR:

Nelson Paint Company

Company Name

Authorized Agent Signature

Ryan C. Holm, Sales & Business Development Manager

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Laura Gyorkos, Procurement Manager

Name & Title

Department of Natural Resources

Agency

Date

Attachment A

PRICING FOR ORDERS OVER \$200

Attachment A

STATE OF MICHIGAN

Contract No. 200000001772

Department of Natural Resources - Forest Resources Division

Tree and Boundary Marking Paint

Schedule B1 - Pricing Spreadsheet - Revised 10/01/2025

| PRICING FOR ORDERS UNDER \$200 | | | PRICING FOR ORDERS OVER \$200 | | |
|---|--------------------------|----------------------------|---|-------------------------|-------|
| Color | Curent Contract Price | Proposed Contract Price | Curent Contract Price | Proposed Contract Price | |
| Aero Spot (12oz. Cans) | | | Aero Spot (12oz. Cans) | | |
| Black | \$ 6.37 | \$ 6.74 | \$ 5.25 | \$ | 5.62 |
| Light Blue | \$ 6.37 | \$ 6.74 | \$ 5.25 | \$ | 5.62 |
| Light Green | \$ 6.37 | \$ 6.74 | \$ 5.25 | \$ | 5.62 |
| Orange | \$ 6.37 | \$ 6.74 | \$ 5.25 | \$ | 5.62 |
| Purple | \$ 6.37 | \$ 6.74 | \$ 5.25 | \$ | 5.62 |
| Red | \$ 6.37 | \$ 6.74 | \$ 5.25 | \$ | 5.62 |
| Yellow | \$ 6.37 | \$ 6.74 | \$ 5.25 | \$ | 5.62 |
| Super Spot (Quarts) | | | Super Spot (Quarts) | | |
| Black | \$ 8.93 | \$ 11.61 | \$ 6.81 | \$ | 7.15 |
| Light Blue | \$ 8.93 | \$ 11.61 | \$ 6.81 | \$ | 7.15 |
| Light Green | \$ 8.93 | \$ 11.61 | \$ 6.81 | \$ | 7.15 |
| Orange | \$ 8.93 | \$ 11.61 | \$ 6.81 | \$ | 7.15 |
| Red | \$ 8.93 | \$ 11.61 | \$ 6.81 | \$ | 7.15 |
| Yellow | \$ 8.93 | \$ 11.61 | \$ 6.81 | \$ | 7.15 |
| Super Spot (Gallons) | | | Super Spot (Gallons) | | |
| Light Blue | \$ 23.50 | \$ 24.84 | \$ 20.21 | \$ | 21.55 |
| Light Green | \$ 23.50 | \$ 24.84 | \$ 20.21 | \$ | 21.55 |
| Orange | \$ 24.89 | \$ 26.23 | \$ 21.60 | \$ | 22.94 |
| Red | \$ 24.89 | \$ 26.23 | \$ 21.60 | \$ | 22.94 |
| Yellow | \$ 24.89 | \$ 26.23 | \$ 21.60 | \$ | 22.94 |
| Boundary Mark Gun Type (Quarts) | | | Boundary Mark Gun Type (Quarts) | | |
| Black | \$ 10.89 | \$ 11.10 | \$ 9.04 | \$ | 9.25 |
| Light Blue | \$ 10.89 | \$ 11.10 | \$ 9.04 | \$ | 9.25 |
| Light Green | \$ 10.89 | \$ 11.10 | \$ 9.04 | \$ | 9.25 |
| Orange | \$ 10.89 | \$ 11.10 | \$ 9.04 | \$ | 9.25 |
| Red | \$ 10.89 | \$ 11.10 | \$ 9.04 | \$ | 9.25 |
| Yellow | \$ 10.89 | \$ 11.10 | \$ 9.04 | \$ | 9.25 |
| Boundary Mark Gun Type (Gallons) | | | Boundary Mark Gun Type (Gallons) | | |
| Light Blue | \$ 34.89 | \$ 36.12 | \$ 31.21 | \$ | 32.44 |
| Light Green | \$ 34.89 | \$ 36.12 | \$ 31.21 | \$ | 32.44 |
| Orange | \$ 34.89 | \$ 36.12 | \$ 31.21 | \$ | 32.44 |
| Red | \$ 34.89 | \$ 36.12 | \$ 31.21 | \$ | 32.44 |
| Yellow | \$ 34.89 | \$ 36.12 | \$ 31.21 | \$ | 32.44 |



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 20000001772

| | |
|-------------------|-----------------------------|
| CONTRACTOR | Nelson Paint Company |
| | 1 Nelson Drive, PO Box 2040 |
| | Kingsford, MI 49802 |
| | Ryan C. Holm |
| | 906-774-5566 |
| | holmr@nelsonpaint.com |
| | CV0044969 |

| | | | |
|-------------------------------|-----------------|----------------------|-----|
| STATE | Program Manager | Marcy Sims | DNR |
| | | 517-582-3049 | |
| | | SimsM4@michigan.gov | |
| Contract Administrator | | Amanda Pauly | DNR |
| | | 517-388-9905 | |
| | | PaulyA3@michigan.gov | |

| CONTRACT SUMMARY | | | | |
|---|-------------------------|------------------------------|---|-------------------|
| DESCRIPTION: Tree and Boundary Marking Paint | | | | |
| INITIAL EFFECTIVE DATE | INITIAL EXPIRATION DATE | INITIAL AVAILABLE OPTIONS | EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW | |
| September 2, 2020 | August 31, 2025 | FIVE 1-Year Options to Renew | August 31, 2025 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| Net 45 ARI | | Seven (7) Business 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"/> | 1 year | <input type="checkbox"/> | | August 31, 2026 |
| CURRENT VALUE | | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | |
| \$2,126,042.26 | | \$0.00 | \$2,126,042.26 | |
| DESCRIPTION: Effective 07/11/2025, Please note the Contract Administrator has been changed to Amanda Pauly. The State is exercising the 1 option year. The revised contract expiration date is 08/31/2026. All other terms, conditions, specifications and pricing remain the same. Per Contractor, DNR agreement, and DTMB Central Procurement Services approval. | | | | |



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 200000001772

| | |
|-------------------|-----------------------------|
| CONTRACTOR | Nelson Paint Company |
| | 1 Nelson Drive, PO Box 2040 |
| | Kingsford, MI 49802 |
| | Ryan C. Holm |
| | 906-774-5566 |
| | holmr@nelsonpaint.com |
| | CV0044969 |

| | | | |
|----------------------------|------------------------|--------------------|-----|
| STATE | Program Manager | Marcy Sims | DNR |
| | | 517-582-3049 | |
| | SimsM4@michigan.gov | | |
| | Contract Administrator | Lisa Crozier-Green | DNR |
| 517-388-6626 | | | |
| CrozierGreenL@michigan.gov | | | |

| CONTRACT SUMMARY | | | | |
|--|-------------------------|------------------------------|---|-------------------|
| DESCRIPTION: Tree and Boundary Marking Paint | | | | |
| INITIAL EFFECTIVE DATE | INITIAL EXPIRATION DATE | INITIAL AVAILABLE OPTIONS | EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW | |
| September 2, 2020 | August 31, 2025 | FIVE 1-Year Options to Renew | August 31, 2025 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| Net 45 ARI | | Seven (7) Business 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 type="checkbox"/> | | <input type="checkbox"/> | | |
| CURRENT VALUE | | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | |
| \$2,126,042.26 | | \$0.00 | \$2,126,042.26 | |
| DESCRIPTION: Effective September 2, 2022 pricing on this Contract is increased per Attachment A. All other terms, conditions, specifications and pricing remain the same. Per Contractor and DNR agreement. | | | | |

Attachment A

STATE OF MICHIGAN

Contract No. 200000001772

Department of Natural Resources - Forest Resources Division

Tree and Boundary Marking Paint

SCHEDULE B1 - PRICING SPREADSHEET - Revised 9/2/22

| Aero Spot (12 oz. Cans) | Orders UNDER \$200 | Orders OVER \$200 |
|---|---------------------------|--------------------------|
| Black | \$ 6.37 | \$ 5.25 |
| Light Blue | \$ 6.37 | \$ 5.25 |
| Light Green | \$ 6.37 | \$ 5.25 |
| Orange | \$ 6.37 | \$ 5.25 |
| Purple | \$ 6.37 | \$ 5.25 |
| Red | \$ 6.37 | \$ 5.25 |
| Yellow | \$ 6.37 | \$ 5.25 |
| Super Spot - Gun Type (Quarts) | Orders UNDER \$200 | Orders OVER \$200 |
| Black | \$ 8.93 | \$ 6.81 |
| Light Blue | \$ 8.93 | \$ 6.81 |
| Light Green | \$ 8.93 | \$ 6.81 |
| Orange | \$ 8.93 | \$ 6.81 |
| Red | \$ 8.93 | \$ 6.81 |
| Yellow | \$ 8.93 | \$ 6.81 |
| Super Spot - Gun Type (Gallons) | Orders UNDER \$200 | Orders OVER \$200 |
| Light Blue | \$ 23.50 | \$ 20.21 |
| Light Green | \$ 23.50 | \$ 20.21 |
| Orange | \$ 24.89 | \$ 21.60 |
| Red | \$ 24.89 | \$ 21.60 |
| Yellow | \$ 24.89 | \$ 21.60 |
| Boundary Mark - Gun Type (Quarts) | Orders UNDER \$200 | Orders OVER \$200 |
| Black | \$ 10.89 | \$ 9.04 |
| Light Blue | \$ 10.89 | \$ 9.04 |
| Light Green | \$ 10.89 | \$ 9.04 |
| Orange | \$ 10.89 | \$ 9.04 |
| Red | \$ 10.89 | \$ 9.04 |
| Yellow | \$ 10.89 | \$ 9.04 |
| Boundary Mark - Gun Type (Gallons) | Orders UNDER \$200 | Orders OVER \$200 |
| Light Blue | \$ 34.89 | \$ 31.21 |
| Light Green | \$ 34.89 | \$ 31.21 |
| Orange | \$ 34.89 | \$ 31.21 |
| Red | \$ 34.89 | \$ 31.21 |
| Yellow | \$ 34.89 | \$ 31.21 |



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

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

CONTRACT CHANGE NOTICE

Change Notice Number **2**
to
Contract Number 200000001772

| | |
|-------------------|-----------------------------|
| CONTRACTOR | Nelson Paint Company |
| | 1 Nelson Drive, PO Box 2040 |
| | Kingsford, MI 49802 |
| | Ryan C. Holm |
| | 906-774-5566 |
| | holmr@nelsonpaint.com |
| | CV0044969 |

| | | | |
|--------------|------------------------|----------------------------|-----|
| STATE | Program Manager | Marcy Sims | DNR |
| | | 517-582-3049 | |
| | | SimsM4@michigan.gov | |
| | Contract Administrator | Lisa Crozier-Green | DNR |
| | | 517-388-6628 | |
| | | CrozierGreenL@michigan.gov | |

| CONTRACT SUMMARY | | | | |
|---|-------------------------|------------------------------|--|---|
| DESCRIPTION: Tree and Boundary Marking Paint | | | | |
| INITIAL EFFECTIVE DATE | INITIAL EXPIRATION DATE | INITIAL AVAILABLE OPTIONS | EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW | |
| September 2, 2020 | August 31, 2025 | Five 1-Year Options to Renew | August 31, 2025 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| Net 45 ARI | | Seven (7) Business 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 type="checkbox"/> | | <input type="checkbox"/> | | |
| CURRENT VALUE | | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | |
| \$2,126,042.26 | | \$0.00 | \$2,126,042.26 | |
| DESCRIPTION: Effective October 15, 2021 pricing on this Contract is increased per Attachment 1. All other terms, conditions, specifications and pricing remain the same. Per Contractor and DNR agreement. | | | | |

ATTACHMENT A

SCHEDULE B1 - PRICING SPREADSHEET - Revised 10/15/21

| Aero Spot (12 oz. Cans) | Orders UNDER \$200 | Orders OVER \$200 |
|--------------------------------|---------------------------|--------------------------|
| Black | \$ 4.90 | \$ 3.70 |
| Light Blue | \$ 4.90 | \$ 3.70 |
| Light Green | \$ 4.90 | \$ 3.70 |
| Orange | \$ 4.90 | \$ 3.70 |
| Purple | \$ 4.90 | \$ 3.70 |
| Red | \$ 4.90 | \$ 3.70 |
| Yellow | \$ 4.90 | \$ 3.70 |

| Super Spot - Gun Type (Quarts) | Orders UNDER \$200 | Orders OVER \$200 |
|---------------------------------------|---------------------------|--------------------------|
| Black | \$ 6.87 | \$ 5.58 |
| Light Blue | \$ 6.87 | \$ 5.58 |
| Light Green | \$ 6.87 | \$ 5.58 |
| Orange | \$ 6.87 | \$ 5.58 |
| Red | \$ 6.87 | \$ 5.58 |
| Yellow | \$ 6.87 | \$ 5.58 |

| Super Spot - Gun Type (Gallons) | Orders UNDER \$200 | Orders OVER \$200 |
|--|---------------------------|--------------------------|
| Light Blue | \$ 17.40 | \$ 15.63 |
| Light Green | \$ 17.40 | \$ 15.63 |
| Orange | \$ 18.88 | \$ 17.02 |
| Red | \$ 18.88 | \$ 17.02 |
| Yellow | \$ 18.88 | \$ 17.02 |

| Boundary Mark - Gun Type (Quarts) | Orders UNDER \$200 | Orders OVER \$200 |
|--|---------------------------|--------------------------|
| Black | \$ 8.36 | \$ 7.00 |
| Light Blue | \$ 8.36 | \$ 7.00 |
| Light Green | \$ 8.36 | \$ 7.00 |
| Orange | \$ 8.36 | \$ 7.00 |
| Red | \$ 8.36 | \$ 7.00 |
| Yellow | \$ 8.36 | \$ 7.00 |

| Boundary Mark - Gun Type (Gallons) | Orders UNDER \$200 | Orders OVER \$200 |
|---|---------------------------|--------------------------|
| Light Blue | \$ 25.15 | \$ 22.99 |
| Light Green | \$ 25.15 | \$ 22.99 |
| Orange | \$ 25.15 | \$ 22.99 |
| Red | \$ 25.15 | \$ 22.99 |
| Yellow | \$ 25.15 | \$ 22.99 |



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

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

CONTRACT CHANGE NOTICE

Change Notice Number **1**
to
Contract Number 200000001772

| | |
|-------------------|-----------------------------|
| CONTRACTOR | Nelson Paint Company |
| | 1 Nelson Drive, PO Box 2040 |
| | Kingsford, MI 49802 |
| | Ryan C. Holm |
| | 906-774-5566 |
| | holmr@nelsonpaint.com |
| | CV0044969 |

| | | | |
|----------------------------|------------------------|--------------------|-----|
| STATE | Program Manager | Marcy Sims | DNR |
| | | 517-582-3049 | |
| | SimsM4@michigan.gov | | |
| | Contract Administrator | Lisa Crozier-Green | DNR |
| 517-388-6628 | | | |
| CrozierGreenL@michigan.gov | | | |

| CONTRACT SUMMARY | | | | |
|--|-------------------------|------------------------------|---|-------------------|
| DESCRIPTION: Tree and Boundary Marking Paint | | | | |
| INITIAL EFFECTIVE DATE | INITIAL EXPIRATION DATE | INITIAL AVAILABLE OPTIONS | EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW | |
| September 2, 2020 | August 31, 2025 | Five 1-Year Options to Renew | August 31, 2025 | |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | | |
| Net 45 ARI | | Seven (7) Business 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 |
| Amanda Paul <input type="checkbox"/> | | <input type="checkbox"/> | | |
| CURRENT VALUE | | VALUE OF CHANGE NOTICE | ESTIMATED AGGREGATE CONTRACT VALUE | |
| \$2,126,042.26 | | \$0.00 | \$2,126,042.26 | |
| DESCRIPTION: Effective March 31, 2021 all Contractor contact information for Michael Edwards and Michael Fiera has been changed to Ryan C. Holm. All other terms, conditions, specifications and pricing remain the same. Per Contractor and DNR agreement. | | | | |



STATE OF MICHIGAN PROCUREMENT

Department of Natural Resources

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

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. 200000001772

between

THE STATE OF MICHIGAN

and

| | |
|-------------------|-----------------------------|
| CONTRACTOR | Nelson Paint Company |
| | 1 Nelson Drive, PO Box 2040 |
| | Kingsford, MI 49802 |
| | Michael Feira |
| | 906-774-5566 |
| | feiram@nelsonpaint.com |
| | CV0044969 |

| | | | |
|----------------------------|------------------------|--------------------|-----|
| STATE | Program Manager | Marcy Sims | DNR |
| | | 517-582-3049 | |
| | SimsM4@michigan.gov | | |
| | Contract Administrator | Lisa Crozier-Green | DNR |
| 517-388-6626 | | | |
| CrozierGreenL@michigan.gov | | | |

CONTRACT SUMMARY

DESCRIPTION: Tree and Boundary Marking Paint

| INITIAL EFFECTIVE DATE | INITIAL EXPIRATION DATE | INITIAL AVAILABLE OPTIONS | EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW |
|--|-------------------------|------------------------------|---|
| September 2, 2020 | August 31, 2025 | Five 1-Year Options to Renew | August 31, 2025 |
| PAYMENT TERMS | | DELIVERY TIMEFRAME | |
| Net 45 ARI | | Seven (7) Business 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 | | | |
| MISCELLANEOUS INFORMATION | | | |
| <p>The terms and conditions of this Contract are those of RFP 200000001993, this Contract Agreement and the vendor's quote dated June 25, 2020. In the event of any conflicts between the specifications and / or terms and conditions indicated by the State and those indicated by the vendor, those of the State take precedence. This Contract is pursuant to approval by the State Administrative Board on September 1, 2020.</p> | | | |
| ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION | | \$2,126,042.26 | |

STATE OF MICHIGAN

Contract No. 200000001772
Department of Natural Resources - Forest Resources Division
Tree and Boundary Marking Paint

SCHEDULE A - STATEMENT OF WORK

BACKGROUND

The Michigan Department of Natural Resources (DNR) manages over 4 million acres of forest lands. Tree and boundary marking paints are required to prepare forest products for commercial sale. Paint will be used to mark individual trees for sale or to mark the area boundary in a timber sale. Timber sales are designed to improve the condition of the forest by releasing the residual trees from competition; revenue from timber sales is used to manage State Forests.

SCOPE

This Contract includes Nelson Paint Company tree marking paint in a variety of colors supplied in aerosol cans, quarts and gallon containers, and boundary marking paint in a variety of colors supplied in quarts and gallon container, delivered to Forest Resources Division Field Office locations throughout the State.

Pricing includes shipping F.O.B. Destination to forest Resources Division Field Office locations throughout the State.

REQUIREMENTS

1. General Requirements

- A. The Contractor agrees tree and boundary marking paint supplied shall:
 - 1. Show no sign of thinning of the film.
 - 2. Provide highly visible color and remain true to color, showing no sign of fading or color change.
 - 3. Meet current EPS regulations for volatile organic compounds (VOC) content. DNR prefers low VOC paint.
 - 4. Not cause irritation to the skin, eyes, nose, throat or lungs.
 - 5. Be lead-free.
 - 6. Be suitable for application/adherence to tree or boundary surfaces through range of -20°F to 110°F.
 - 7. Dry to the point of rain resistance within 30 minutes of application.
 - 8. Provide dry hard time within 48 hours.
 - 9. Withstand storage in temperatures from -20°F to 110°F,
 - 10. Provide shelf-life of three years after delivery.
 - 11. Paint solids shall not settle out.
 - 12. Paint shall require no more than one-minute hand shaking to be ready for use.
- B. Tree marking paint shall:
 - 1. Provide excellent durability on all types of trees, and
 - 2. Adhere to cold and or wet tree bark, without blistering, peeling, streaking or running.

1.1. Product Specifications

A. Nelson Aero Spot Tree Marking Paint

- 1. 12-ounce, aerosol cans
- 2. Guaranteed minimum three-year duration.
- 3. Colors available:
 - a. Black
 - b. Light Blue
 - c. Light Green
 - d. Orange
 - e. Purple
 - f. Red
 - g. Yellow

B. Nelson Super Spot – Gun Type – Tree Marking Paint – Quart Containers

- 1. Paint shall spray easily through a hand-operated spray gun up to a minimum of 10 feet with no clogging or settling.
- 2. Quart cans shall have a round, conical top with threads compatible with the Nelson Paint Company brand Nelspot D-103 spray gun.
- 3. Guaranteed minimum three-year duration.
- 4. Colors available:
 - a. Black

- b. Light Blue
- c. Light Green
- d. Orange
- e. Red
- f. Yellow

C. Nelson Super Spot – Gun Type – Tree Marking Paint – Gallon Containers

1. Paint shall spray easily through a hand-operated spray gun up to a minimum of 10 feet with no clogging or settling.
2. Guaranteed minimum three-year duration.
3. Colors available:
 - a. Light Blue
 - b. Light Green
 - c. Orange
 - d. Red
 - e. Yellow

D. Nelson Boundary Mark – Boundary Marking Paint – Gun Type – Quart Containers

1. Paint shall spray easily through a hand-operated spray gun up to a minimum of 10 feet with no clogging or settling.
2. Quart cans must have a round, conical top with threads compatible with the Nelson Paint Company brand Nelspot D-103 spray gun.
3. Guaranteed minimum five-year duration.
4. Colors available:
 - a. Black
 - b. Light Blue
 - c. Light Green
 - d. Orange
 - e. Red
 - f. Yellow

E. Nelson Boundary Mark – Boundary Marking Paint – Gun Type – Gallon Containers

1. Paint shall spray easily through a hand-operated spray gun up to a minimum of 10 feet with no clogging or settling.
2. Guaranteed minimum five-year duration.
3. Colors available:
 - a. Light Blue
 - b. Light Green
 - c. Orange
 - d. Red
 - e. Yellow

1.2. Warranties

- A. The Contractor warrants that upon delivery paint will conform to Contractor’s internal specification for such goods.
- B. This warranty is valid for thirty (30) days from the date of delivery of goods and expires thereafter.
- C. The Contractor will replace any defective product at no cost, all issues should be reported to the Contractor Sales Team.
- D. The Contractor will expedite shipment of replacement product and provide return labels for defective product, if required.
- E. To report warranty issues, DNR may contact Contractor sales staff at 906-774-5566. Sales staff will receive the warranty claim and process accordingly.
- F. The Contractor states defects will be examined by the Nelson Quality Control Office.
- G. Warranty replacements will be shipped to the designed DNR address free of charge.
- H. The State reserves the right to require additional warranties other than those identified by the Contractor in this Contract.

1.3. Recall Requirements and Procedures - RESERVED

1.4. Quality Assurance Program

- A. The Contractor states a full review of each batch of paint is made by the Nelson Paint Quality Control Officer. Actual weather tests are ongoing. Complete grind and blend specifications are in place. Batch contract assessment of each batch with records maintain for a minimum of seven (7) years.

1.5. Incentives

- A. The Contractor is not offering any special incentives or quick payment terms.

2. Service Levels

2.1. Time Frames

- A. All Contract Activities must be delivered within SEVEN (7) business days from receipt of order. The receipt of order date is pursuant to the **Notices** section of the Standard Contract Terms.

2.2. Delivery

- A. Delivery will be F.O.B. Destination.
- B. Delivery will be made at various locations throughout the State, both Upper and Lower Peninsulas.
- C. The Contractor will provide lift gate service, when required, at no additional charge to the State.

2.3. Installation - RESERVED

2.4. Technical Support and Repairs - RESERVED

2.5. Maintenance - RESERVED

2.6. Training - RESERVED

2.7. Reporting

- A. The Contractor agrees to submit the following reports to the Program Manager, Contract Administrator, or designee when requested:
 - 1. Annual Sales Report by State Fiscal Year (10/1 – 9/30) including:
 - a. Item
 - b. Color
 - c. Quantity
 - d. Price Each
 - e. Total Spend

2.8. Meetings

- A. The Contractor agrees to attend any meetings required by the DNR, but requests meetings conducted remotely, when practicable.
- B. The State may request meetings as it deems appropriate.

3. Staffing

3.1. Contractor Representative

- A. The Contractor agrees to appoint ONE (1) individual, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities and answer questions related to ordering and delivery, etc. (the "Contractor Representative").
- B. The Contractor Representative will be available for calls during the hours of 8:00 a.m. to 5:00 p.m. EST, Monday – Friday.
- C. If the Contractor Representative is unavailable for contact during the stated days and times, the Contractor Representative will provide back-up contact information via voice mail and automated email reply.
- D. The Contractor agrees to notify the Contract Administrator at least TEN (10) calendar days before removing or assigning a new Contractor Representative.

| |
|---|
| Contractor Representative: Michael Feira Email: feiram@nelsonpaint.com Telephone: 906-774-5566 Days / Times Available: Monday – Friday, 8:00 a.m. to 5:00 p.m. EST |
|---|

3.2. Key Personnel

The Contractor agrees to identify Key Personnel, indicate where they will be physically located, describe the functions they will perform, and provide current chronological résumés.

- A. The Contractor agrees to appoint ONE (1) individual who will be directly responsible for the day to day operations of the Contract ("Key Personnel"). The individual appointed may be the same individual as the Contractor Representative.
- B. Key Personnel will be specifically assigned to this account, knowledgeable on the contractual requirements, and respond to State inquiries within FOUR (4) business hours.
 - 1. The Contractor agrees not to remove or 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, resignation, or termination for cause.
 - 2. The State may request a résumé and conduct an interview before approving a change.
 - 3. The State may require a 30-calendar day training period for replacement personnel.
- C. The Contractor agrees to identify the Key Personnel, indicate where they will be physically located, describe the functions they will perform, and provide current chronological résumés.

| |
|--|
| Key Personnel: Michael E. Edwards Physical Location: 1 Nelson Drive, Kingsford, MI 49802 Email: edwardsm@nelsonpaint.com Telephone: 906-774-5566 Days / Times Available: Monday – Friday, 8:00 a.m. – 5:00 p.m. EST Functions Performed: CEO / GM |
|--|

3.3. [

- A. The Contractor states no subcontractors will be utilized for any portion of the production or packaging of paint.
- B. The Contractor intends to utilize various commercial carriers such as XPOLogistics, FedEx, UPS, etc. dependent upon size of the order, applicable rates, and delivery timeframes.
- C. In the event the Contractor requires the use of subcontractors, the Contractor agrees to provide the following:
 - 1. Subcontractor's legal business name, address, and telephone number,
 - 2. Description of the subcontractor's organization,
 - 3. Information concerning subcontractor's ability to provide the Contract Activities,
 - 4. The relationship of the subcontractor to the Contractor,
 - 5. Details of the Contractor's previous working experience with the subcontractor,
 - 6. A complete description of the Contract Activities that will be performed or provided by the subcontractor.

3.4. Security

- A. The Contractor agrees:
 - 1. Prior to shipping, product for the DNR is segregated to a secure area.
 - 2. Orders are shipped with specific instruction provided by the DNR.
 - 3. The Contractor utilizes only license, bonded and MDOT compliant freight carriers or recognized reputation.
 - 4. Background checks for commercial carrier employees are performed by the commercial carrier.
 - 5. Commercial carriers used require employees to wear carrier uniforms or display employee identification.
 - 6. Contractor employees are screened by Talent Wise prior to employment with the Contractor.
- B. The State may require the Contractor's personnel to wear State issued identification badges.

4. Pricing

4.1. Price Term

- A. Pricing is firm for a 365-day period ("Pricing Period"). The first pricing period begins on the Effective Date of the Contract.
- B. Price quoted must include delivery, F.O.B. Destination. Any variation must be included in Schedule B – Pricing.

4.2. Price Changes

- A. Adjustments may be requested, in writing, by either party.
- B. Any approved adjustments in price will require a mutually executed change notice.
- C. Any approved adjustments in price will take effect no earlier than the next Pricing Period.
- D. Any adjustments will be based on changes in actual Contractor costs. Any request for adjustment must be supported by written evidence documenting the change in costs.
- E. 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.
- F. 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.
- G. The Contractor remains responsible for Contract Activities at the current price for all orders received before the start date of the new Pricing Period.

5. Ordering

5.1. Authorizing Document

- A. The authorizing document for the Contract will be a properly executed Delivery Order.
- B. Orders for delivery will be issued to the Contractor by the DNR. An oral, emailed or faxed order for delivery by authorized DNR personnel constitutes an order under the Contract, however, delivery may not be completed until the Contractor received a properly executed Delivery Order (DO).
- C. The Contractor may provide an order form for use by DNR staff.

5.2 Order Verification

- A. The Contractor agrees to have internal controls, approved by DNR Procurement Services, to verify abnormal orders and to ensure that only authorized individuals place orders.
- B. The Contractor agrees DNR may place orders by telephone or email to sales@nelsonpaint.com. Written orders may be submitted but are not required. The Contractor will provide the DNR with order forms if requested.

5.3 Minimum Order

- A. The Contractor states no minimum order requirement.

6. Delivery

6.1. Delivery Programs

- A. The Contractor intends to utilize the best source commercial carrier for delivery, subject to DNR specifications, as requested.
- B. The Contractor agrees to provide the commercial carrier with any special delivery instructions such as advance notification / verification of delivery date and timeframe, when applicable. Due to the majority of DNR locations within 1 or 2-day shipping points, 24-hour notification may be the only option available.
- C. The Contractor agrees to provide email order verification with shipment tracking information to DNR contact, if contact information is provided.
- D. The Contract agrees to request commercial carrier to notify DNR staff prior to arrival on site, to ensure DNR staff are on site to receive order, when applicable.

6.2. Packaging and Palletizing

- A. The Contractor agrees packaging will be optimized to permit the lowest freight rate.
- B. Shipments will be palletized whenever possible using manufacturer's standard 4-way shipping pallets.

7. Acceptance

7.1. Acceptance, Inspection and Testing

- A. Acceptance is pursuant to Section 14, Acceptance, of the Standard Contract Terms.

8. Invoice and Payment

8.1. Invoice Requirements

- A. Invoices are pursuant to Section 15 of the Standard Contract Terms.
- B. Payment terms are Net 45 days after receipt of invoice (ARI) unless a quick payment discount is offered. The Contractor is 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.
- C. All invoices submitted to the State must include:
 - 1) date
 - 2) delivery order number / document ID
 - 3) quantity
 - 4) description of the Contract Activities
 - 5) unit price
 - 6) shipping cost (if any) and
 - 7) total price.

8.2. Payment Methods

- A. The State will make payment for Contract Activities by Electronic Funds Transfer (EFT) only.
- B. The Contractor must be registered and active in SIGMA VSS and must be EFT compliant.

9. Contractor's Project Plan

- A. The Contractor agrees to carry out this project under the direction and control of the Program Manager.

10. Licensing Agreement

- A. The Contractor must provide a copy of any applicable licensing agreement.

11. Liquidated Damages

- A. 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.
- B. If there is late or improper completion of the Contract Activities the State is entitled to collect liquidated damages in the amount of \$500 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work.
- C. Unauthorized Removal of Key Personnel will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. The State reserves the right to assess liquidated damages against Contractor as specified below.
 - 1. The State is entitled to collect \$500 per individual per day for the removal of any Key Personnel without prior approval of the State.
 - 2. The State is entitled to collect \$500 per individual per day for an unapproved or untrained key personnel replacement.

12. Additional Requirements

12.1. Environmental and Energy Efficient Products

The Contractor agrees to identify any energy efficient, bio-based, or otherwise environmentally friendly products or processes used. The Contractor must include any relevant third-party certification, including the verification of a United States Department of Agriculture certified bio-based product label or process.

12.2. 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 must be properly identified, including any applicable identification number, such as a National Stock Number or Special Item Number.

12.3. Mercury Content

Pursuant to MCL 18.1261d, mercury-free products must 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 must provide justification as to why the specified product is essential. All products containing mercury must be labeled as containing mercury.

STATE OF MICHIGAN

Contract No. 200000001772
Department of Natural Resources - Forest Resources Division
Tree and Boundary Marking Paint

SCHEDULE B - PRICING

1. The Contractor price 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). Pricing is F.O.B. Destination.
2. The Contractor is not offering quick payment terms.

| SCHEDULE B1 - PRICING SPREADSHEET | | | | |
|---|----------------------------------|------------------------------------|----------------------------|-----------------------|
| | Estimated Annual Quantity | Estimated Contract Quantity | Proposed Price Each | Total Proposed |
| Nelson Aero Spot - 12 ounce cans | | | | |
| Black | 150 | 1500 | \$ 3.27 | \$ 4,900.50 |
| Light Blue | 700 | 7000 | \$ 3.27 | \$ 22,869.00 |
| Light Green | 600 | 6000 | \$ 3.27 | \$ 19,602.00 |
| Orange | 150 | 1500 | \$ 3.27 | \$ 4,900.50 |
| Purple | 100 | 1000 | \$ 3.27 | \$ 3,267.00 |
| Red | 700 | 7000 | \$ 3.27 | \$ 22,869.00 |
| Yellow | 200 | 2000 | \$ 3.27 | \$ 6,534.00 |
| Nelson Super Spot - Tree Marking Paint - Gun Type - Quarts | | | | |
| Black | 75 | 750 | \$ 4.56 | \$ 3,421.43 |
| Light Blue | 1500 | 15000 | \$ 4.56 | \$ 68,428.57 |
| Light Green | 2000 | 20000 | \$ 4.56 | \$ 91,238.10 |
| Orange | 8000 | 80000 | \$ 4.56 | \$ 364,952.38 |
| Red | 3500 | 35000 | \$ 4.56 | \$ 159,666.67 |
| Yellow | 1000 | 10000 | \$ 4.56 | \$ 45,619.05 |
| Nelson Super Spot - Tree Marking Paint - Gun Type - Gallons | | | | |
| Light Blue | 1000 | 10000 | \$ 12.59 | \$ 125,904.76 |
| Light Green | 300 | 3000 | \$ 12.59 | \$ 37,771.43 |
| Orange | 4000 | 40000 | \$ 13.98 | \$ 559,238.10 |
| Red | 150 | 1500 | \$ 13.98 | \$ 20,971.43 |
| Yellow | 100 | 1000 | \$ 13.98 | \$ 13,980.95 |
| Nelson Boundary Mark - Boundary Marking Paint - Gun Type - Quart: | | | | |
| Black | 250 | 2500 | \$ 5.76 | \$ 14,404.76 |
| Light Blue | 600 | 6000 | \$ 5.76 | \$ 34,571.43 |
| Light Green | 800 | 8000 | \$ 5.76 | \$ 46,095.24 |
| Orange | 2000 | 20000 | \$ 5.76 | \$ 115,238.10 |
| Red | 1500 | 15000 | \$ 5.76 | \$ 86,428.57 |
| Yellow | 200 | 2000 | \$ 5.76 | \$ 11,523.81 |
| Nelson Boundary Mark - Boundary Marking Paint - Gun Type - Gallon: | | | | |
| Light Blue | 25 | 250 | \$ 19.03 | \$ 4,757.14 |
| Light Green | 200 | 2000 | \$ 19.03 | \$ 38,057.14 |
| Orange | 400 | 4000 | \$ 19.03 | \$ 76,114.29 |
| Red | 100 | 1000 | \$ 19.03 | \$ 19,028.57 |
| Yellow | 100 | 1000 | \$ 19.03 | \$ 19,028.57 |
| Total Proposed for Contract | | | | \$2,041,382.48 |

| Tiered Pricing Schedule - Orders Under \$200.00 | |
|---|----------------------------|
| | Proposed Price Each |
| Nelson Aero Spot - 12 ounce cans | |
| Black | \$ 4.47 |
| Light Blue | \$ 4.47 |
| Light Green | \$ 4.47 |
| Orange | \$ 4.47 |
| Purple | \$ 4.47 |
| Red | \$ 4.47 |
| Yellow | \$ 4.47 |
| Nelson Super Spot - Tree Marking Paint - Gun Type - Quarts | |
| Black | \$ 5.85 |
| Light Blue | \$ 5.85 |
| Light Green | \$ 5.85 |
| Orange | \$ 5.85 |
| Red | \$ 5.85 |
| Yellow | \$ 5.85 |
| Nelson Super Spot - Tree Marking Paint - Gun Type - Gallons | |
| Light Blue | \$ 14.36 |
| Light Green | \$ 14.36 |
| Orange | \$ 15.84 |
| Red | \$ 15.84 |
| Yellow | \$ 15.84 |
| Nelson Boundary Mark - Boundary Marking Paint - Gun Type - Quart: | |
| Black | \$ 7.12 |
| Light Blue | \$ 7.12 |
| Light Green | \$ 7.12 |
| Orange | \$ 7.12 |
| Red | \$ 7.12 |
| Yellow | \$ 7.12 |
| Nelson Boundary Mark - Boundary Marking Paint - Gun Type - Gallon: | |
| Light Blue | \$ 21.19 |
| Light Green | \$ 21.19 |
| Orange | \$ 21.19 |
| Red | \$ 21.19 |
| Yellow | \$ 21.19 |



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Nelson Paint Company (“**Contractor**”), a Michigan Corporation. This Contract is effective on September 2, 2020 (“**Effective Date**”), and unless terminated, expires on August 31, 2025.

This Contract may be renewed for up to FIVE (5) 1-Year Renewal Options. 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 contacting 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 Department of Natural Resources 525 West Allegan, Constitution Hall, Third Floor Lansing, MI 48933 CrozierGreenL@michigan.gov 517-388-6626 | If to Contractor: Michael E. Edwards 1 Nelson Drive Kingsford, MI 49802 edwardsm@nelsonpaint.com 906-774-5566 |
|---|---|

- 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 Department of Natural Resources 525 West Allegan, Constitution Hall, Third Floor Lansing, MI 48933 | Contractor: Michael E. Edwards 1 Nelson Drive Kingsford, MI 49802 edwardsm@nelsonpaint.com |
|---|---|

| | |
|--|--------------|
| CrozierGreenL@michigan.gov 517-388-6626 | 906-774-5566 |
|--|--------------|

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: Marcy Sims, DNR Forest Resources Division 525 West Allegan, Constitution Hall, Fifth Floor Lansing, MI 48933 SimsM4@michigan.gov 517-582-3049 | Contractor: Michael E. Edwards 1 Nelson Drive Kingsford, MI 49802 edwardsm@nelsonpaint.com 906-774-5566 |
|--|---|

5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A-" or better, and a financial size of VII or better.

| Required Limits | Additional Requirements |
|--|--|
| Commercial General Liability Insurance | |
| <u>Minimum 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 04. |
| Umbrella or Excess Liability Insurance | |
| <u>Minimum Limits:</u> \$5,000,000 General Aggregate | Contractor must have their policy follow form. |
| Automobile Liability Insurance | |
| <u>Minimum Limits:</u> \$1,000,000 Per Accident | 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>Minimum Limits:</u> Coverage according to applicable laws governing work activities. | Waiver of subrogation, except where waiver is prohibited by law. |

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 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 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. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.
8. **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.
9. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
10. **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 Schedule A, 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.
11. **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.
12. **Change of Control.** Contractor will notify within 30 days of any public announcement or otherwise once legally permitted to do so, 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 must require the successor to assume this Contract and all of its obligations under this Contract.

13. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
14. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 21, 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.

15. **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 Schedule A. All containers and packaging become the State's exclusive property upon acceptance.
16. **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.
17. **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.
18. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. All prices 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.

19. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
20. **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.
21. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; 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 Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later

determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State 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 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.

22. 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 Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 23, 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.

23. 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) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

24. General Indemnification. Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any 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 if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

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

25. 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.

- 26. 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.
- 27. 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 (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
- 28. 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 purposes.
- 29. 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.

- 30. Records Maintenance, Inspection, Examination, and Audit.** 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 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, 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 any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

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

- 31. Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (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 21, Termination for Cause.

- 32. 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.

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

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

- 35. 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.

- 36. 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.
- 37. Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
- 38. Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
- 39. 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.
- 40. 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.

- 41. 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.
- 42. Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
- 43. 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:

Schedule A
Schedule B
Schedule B1
Schedule B2

Statement of Work
Pricing
Pricing Spreadsheet
Tiered Pricing – Orders Under \$200

- 44. Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and schedules and exhibits which are hereby expressly incorporated, 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.

- 45. 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.
- 46. Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
- 47. 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.
- 48. 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

This addendum applies to purchases that will be paid for in whole or in part with funds obtained from the federal government. The provisions below are required, 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.

1. Equal Employment Opportunity

If this Contract is a "federally assisted construction contract" as defined in [41 CFR Part 60-1.3](#), and except as otherwise may be provided under [41 CFR 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.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: *Provided*, that if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

2. Davis-Bacon Act (Prevailing Wage)

If this Contract is a **prime construction contracts** in excess of \$2,000, the Contractor (and its Subcontractors) 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"), and during performance of this Contract the Contractor agrees as follows:

- (1) All transactions regarding this contract shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable.
- (2) Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.
- (3) Additionally, contractors are required to pay wages not less than once a week.

3. Copeland "Anti-Kickback" Act

If this Contract is a contract for construction or repair work in excess of \$2,000 where the Davis-Bacon Act applies, 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, and during performance of this Contract the Contractor agrees as follows:

- (1) Contractor. The Contractor shall comply with 18 U.S.C. §874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into this contract.
- (2) Subcontracts. The Contractor or Subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA or the applicable federal awarding agency may by appropriate instructions require, and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- (3) Breach. A breach of the contract clauses above may be grounds for termination of the contract, and for debarment as a Contractor and Subcontractor as provided in 29 C.F.R. § 5.12.

4. 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, and during performance of this Contract the Contractor agrees as follows:

- (1) Overtime requirements. No Contractor or Subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (1) of this section the Contractor and any Subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and Subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The State shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or Subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.
- (4) Subcontracts. The Contractor or Subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1) through (4) of this section and also a clause requiring the Subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

5. 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.

6. Clean Air Act and the Federal Water Pollution Control 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 7401-7671g](#)) and the Federal Water Pollution Control Act ([33 USC 1251-1387](#)), and during performance of this Contract the Contractor agrees as follows:

Clean Air Act

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

Federal Water Pollution Control Act

1. The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The Contractor agrees to report each violation to the State and understands and agrees that the State will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency or the applicable federal awarding agency, and the appropriate Environmental Protection Agency Regional Office.
3. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA or the applicable federal awarding agency.

7. 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](#) ([51 FR 6370; February 21, 1986](#)) and 12689 ([54 FR 34131; August 18, 1989](#)), “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](#).

- (1) This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the Contractor is required to verify that none of the Contractor’s principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) This certification is a material representation of fact relied upon by the State. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

8. Byrd Anti-Lobbying Amendment

Contractors who apply or bid for an award of **\$100,000 or more** shall file the required certification in Exhibit 1 – Byrd Anti-Lobbying Certification below. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, officer or employee of Congress, or an employee of a Member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

9. Procurement of Recovered Materials

Under [2 CFR 200.322](#), Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act.

- (1) In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
 - a. Competitively within a timeframe providing for compliance with the contract performance schedule;
 - b. Meeting contract performance requirements; or
 - c. At a reasonable price.
- (2) Information about this requirement, along with the list of EPA- designated items, is available at EPA’s Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- (3) The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act.

10. Additional FEMA Contract Provisions.

The following provisions apply to purchases that will be paid for in whole or in part with funds obtained from the Federal Emergency Management Agency (FEMA):

- (1) Access to Records. The following access to records requirements apply to this contract:
 - a. The Contractor agrees to provide the State, the FEMA Administrator, the Comptroller General of the United States, or any of their authorized representatives access to any books, documents, papers, and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts, and transcriptions.
 - b. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
 - c. The Contractor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the contract.
 - d. In compliance with the Disaster Recovery Act of 2018, the State and the Contractor acknowledge and agree that no language in this contract is intended to prohibit audits or internal reviews by the FEMA Administrator or the Comptroller General of the United States.
- (2) Changes.
See the provisions regarding modifications or change notice in the Contract Terms.
- (3) DHS Seal, Logo, And Flags
The Contractor shall not use the DHS seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.
- (4) Compliance with Federal Law, Regulations, and Executive Orders
This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor will comply with all applicable Federal

law, regulations, executive orders, FEMA policies, procedures, and directives.

(5) No Obligation by Federal Government

The Federal Government is not a party to this contract and is not subject to any obligations or liabilities to the State, Contractor, or any other party pertaining to any matter resulting from the Contract.”

(6) Program Fraud and False or Fraudulent Statements or Related Acts

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor’s actions pertaining to this contract.

Exhibit 1 - Byrd Anti-Lobbying Certification

Contractor must complete this certification if the purchase will be paid for in whole or in part with funds obtained from the federal government and the purchase is greater than \$100,000.

APPENDIX A, 44 C.F.R. PART 18 – CERTIFICATION REGARDING LOBBYING

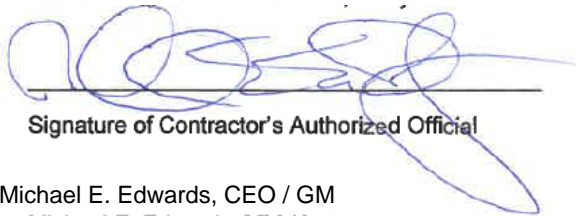
Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Contractor, Nelson Paint Company, 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

Michael E. Edwards, CEO / GM

July 2, 2020