



STATE OF MICHIGAN PROCUREMENT

Department Technology, Management and Budget

Central Procurement Services

320 S Walnut Street Lansing, MI 48933

P.O. Box 30026, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number 2

to

Contract Number MA250000001374

CONTRACTOR	Aimpoint Technology, LLC	STATE	Program Manager	Various	Various
	4737 Reed Rd. Ste 152				
	Upper Arlington OH 43220				
	Kevin Potter	Contract Administrator	Angela Wright		DTMB
	614-581-2036			517-899-4646	
	kevin@aimpointtechnology.com				
	VS0319105			WrightA33@michigan.gov	

CONTRACT SUMMARY				
Salesforce Maintenance and Support				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
October 1, 2025	October 1, 2030	5 - 1 Year	October 1, 2030	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
☐ P-Card ☐ Direct Voucher (PRC) ☐ Other			☐ Yes ☒ No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$487,500.00		\$210,000.00	\$697,500.00	

DESCRIPTION
Please note the Program Manager or Contract Administrator may have changed, and are reflected on this Change Notice. Effective September 7, 2026 the parties add the attached SOW and increase the Contract Value by \$210,000 for LARA, Michigan Public Service Commission use. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
DTMB	Shoba Murali	517-898-2915	muralis@michigan.gov
LARA	Andy Hannum	514-243-9599	HannumA@michigan.gov

IT SOW CHANGE NOTICE

Contact	Phone	Email
Agency Program Manager: <i>Andy Hannum</i>	517-243-9599	HannumA@michigan.gov
DTMB Program Manager: <i>Shoba Murali</i>	517-898-2915	MuraliS@michigan.gov
Contract Admin: <i>Angela Wright</i>	517-899-4646	WrightA33@michigan.gov
Contractor Contact: <i>Kevin Potter</i>	614-581-2036	kevin@aimpointtechnology.com

1. Background.

This vendor provides maintenance and support services for LARA's Michigan Public Service Commission's 3 Salesforce Orgs, CAD/Telecom Salesforce Database, E-Dockets/Case Management Salesforce Database and Pipeline Safety Salesforce Database.

2. SOW Objectives/Purpose.

Contractor will provide IT Professional Services to support CAD/Telecom Salesforce Database, E-Dockets, and Pipeline Safety.

3. Software.

Software requirements are identified in the Business Requirement Specification Table.

A. Business Specification Number	B. Business Specification	C. Select if requirement is met by the Contractor with a Current capability, Configuration OR Customization	D. Not to Exceed number of Hours
1	MEAP Validation Update - APP Period and HESA Update	Customization	16
2	Flow Migration Analysis and Planning - CAD/Telecom	Configuration	64
3	Review Conga Docs	Configuration	64
4	MEAP Data Retention	Current capability	16
5	Edit File Deletion Permissions	Configuration	12
6	Review Updates to the Federally Reportable field for the Property Damage field	Configuration	8
7	Web-to-Case Functionality with no Active User	Configuration	32
8	Show Filing Fields for Complaint Filings	Configuration	32
9	Associate Filing and Order Objects	Configuration	32
10	Different Page Views for Order Object	Customization	16
11	Miscellaneous branding changes for new filing subscription emails and case buttons	Configuration	16
12	Date Issued cannot be populated unless Status = Issued (Managed File object)	Configuration	16
13	Penalty Not Showing on Compliance Action	Customization	32

A. Business Specification Number	B. Business Specification	C. Select if requirement is met by the Contractor with a Current capability, Configuration OR Customization	D. Not to Exceed number of Hours
14	Update Managed File Response to default to No for both Exit Summary and Exit Summary - Revised	Configuration	16
15	Update Controlling Managed File on the Exit Summary to not update for every new Managed File created from the Exit Summary	Customization	32
16	Send email notification to ALJ secretary when transcript approved	Configuration	16
17	Build field and report to identify active community users	Customization	32
18	Fix Case Comment sequential numbering	Configuration	32
19	Only allow PDFs as attachments	Configuration	32
20	Add Party record on certain Filings	Customization	32
21	Ensure Case is in open status before approving Filings	Customization	16
22	Print Case Comments button in community has problems with large amounts of data	Customization	48
23	Change how parties for COM cases are auto-added	Customization	32
24	Phone Hamburger Menu Visibility	Configuration	0
25	View Profile > Settings permissions locked down for MFA set up	Configuration	8

A. Business Specification Number	B. Business Specification	C. Select if requirement is met by the Contractor with a Current capability, Configuration OR Customization	D. Not to Exceed number of Hours
26	MEAP Validation Refactor	Customization	48
27	Complaint Portal Update to LX	Configuration	96
28	CAD Case View Redesign	Configuration	32
29	Contractor performs Digital Accessibility Remediation in coordination with DTMB eMichigan and ensures MPSC is compliant with ADA/WCAG audits that were found after CN 1..	Customization	112
30	Contractor develops, tests, and delivers for implementation the identified solution of any other identified bugs/defects or feature requests/enhancements.	Customization	112
31	ITSP Refactor	Customization	48
32	CAD Health Check	Configuration	120
33	E-Dockets Health Check	Configuration	100
34	Pipeline Health Check	Configuration	80

4. Implementation Milestones, Deliverables, and Pricing.

4.1. Implementation Table

Milestone Event	Associated Milestone Deliverable(s)	Milestone Date
SOW Planning	SOW Kickoff	Contract Execution + 10 calendar days
Requirements and Design Validation	Validation sessions, Final Requirement Validation Document, Final Design Document, Final Implementation Document	Schedule for these Milestones and Deliverables to be developed in the Project Management Plan
Testing	Final Test Results Report, Final Training Documentation, State of Michigan Digital Standards Review	Schedule for these Milestones and Deliverables to be developed in the Project Management Plan
Receive ATO	Contractor will support the State in the Authority to Operate (ATO) and System Security Plan (SSP) processes.	Schedule for these Milestones and Deliverables to be developed in the Project Management Plan
Go-Live	The Business Specifications outlined above are fully operational in the production environment for the intended users.	No later than Sept 30, 2027
Warranty	Included in the cost of Solution.	Go-Live + 90 calendar days
Support Services	Ongoing after Acceptance.	Ongoing

*Contractor will invoice upon State Acceptance of Business Specification(s) Go-Live Milestone.

5. Total SOW Pricing.

Summary Table

Description	Number of Hours	Hourly Rate	Total
Support Services	1400	\$150.00	\$ 210,000.00



STATE OF MICHIGAN PROCUREMENT

Department Technology, Management and Budget

Central Procurement Services

320 S Walnut Street Lansing, MI 48933

P.O. Box 30026, Lansing, MI 48909

CONTRACT CHANGE NOTICE

Change Notice Number 1

to

Contract Number MA250000001374

CONTRACTOR	Aimpoint Technology, LLC
	4737 Reed Rd. Ste 152
	Upper Arlington OH 43220
	Kevin Potter
	614-581-2036
	kevin@aimpointtechnology.com
	VS0319105

STATE	Program Manager	Various	Various
	Contract Administrator	Angela Wright	DTMB
		517-899-4646	
		WrightA33@michigan.gov	

CONTRACT SUMMARY

Salesforce Maintenance and Support

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
October 1, 2025	October 1, 2030	5 - 1 Year	October 1, 2030

PAYMENT TERMS	DELIVERY TIMEFRAME
Net 45	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
☐ P-Card ☐ Direct Voucher (PRC) ☐ Other	☐ Yes ☒ No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
☐		☐		
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$450,000.00	\$37,500.00	\$487,500.00		

DESCRIPTION
Please note the Program Manager or Contract Administrator may have changed, and are reflected on this Change Notice. Effective June 30, 2026, the parties add the attached SOW and increase the Contract Value by \$37,500 for LARA, Michigan Public Service Commission use. All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
DTMB	Shoba Murali	517-898-2915	muralis@michigan.gov
LARA	Andy Hannum	514-243-9599	HannumA@michigan.gov

IT SOW CHANGE NOTICE

SOW Title: <i>ADA Compliance Support Hours</i>		
Contractor Name: <i>Aimpoint Technology, LLC</i>		
Requesting Agency: <i>LARA, Michigan Public Service Commission</i>		
Agency Program Manager: <i>Andy Hannum</i>	Phone: <i>517-243-9599</i>	Email: <i>HannumA@michigan.gov</i>
DTMB Program Manager: <i>Shoba Murali</i>	Phone: <i>517-898-2915</i>	Email: <i>MuraliS@michigan.gov</i>
Contract Administrator: <i>Angela Wright</i>	Phone: <i>517-899-4646</i>	Email: <i>WrightA33@michigan.gov</i>
Contractor Contact: <i>Kevin Potter</i>	Phone: <i>614-581-2036</i>	Email: <i>kevin@aimpointtechnology.com</i>

1. BACKGROUND:

This vendor provides maintenance and support services for LARA's Michigan Public Service Commission's 3 Salesforce Orgs, CAD/Telecom Salesforce Database, E-Dockets/Case Management Salesforce Database and Pipeline Safety Salesforce Database.

2. SOW OBJECTIVE(S)/PURPOSE:

Contractor will provide IT Professional Services to support WCAG 2.1 requirements.

3. SOFTWARE: Software requirements are identified in the **Business Requirement Specification Table**.

A	B	C
Business Specification Number	Business Specification	Select if requirement is met by the Contractor with a Current capability, Configuration OR Customization
1	Software Application(s) are ADA compliant per State Standards and complies with Digital Accessibility Remediation in coordination with DTMB eMichigan ADA/WCAG audits.	Customization

4. IMPLEMENTATION MILESTONES/DELIVERABLES and PRICING:

4.1. Implementation Table-

Milestone Event	Associated Milestone Deliverable(s)	Milestone Date
Project Planning	Project Kickoff	Contract Execution + 10 calendar days
Requirements and Design Validation	Validation sessions, Final Requirement Validation Document, Final Design Document, Final Implementation Document	Schedule for these Milestones and Deliverables to be developed in the Project Management Plan
Testing	Final Test Results Report, State of Michigan Digital Standards Review	Schedule for these Milestones and Deliverables to be developed in the Project Management Plan
Receive ATO	Contractor will support the State in the Authority to Operate (ATO)	Schedule for these Milestones and Deliverables to be developed in the Project Management Plan
Go-Live	The Software is fully operational in the production environment for the intended users.	Execution + 90 calendar days
Warranty	Included in the cost of Solution.	Go-Live + 90 calendar days
Support Services	Ongoing after Acceptance.	Ongoing

**Contractor will invoice upon State Acceptance of Milestone Deliverable(s).*

Total SOW Pricing

	Number of Hours	Hourly Rate	Total
Support Services:	250	\$150.00	\$37,500.00



STATE OF MICHIGAN PROCUREMENT

Department Technology, Management and Budget

Central Procurement Services

320 S Walnut Street Lansing, MI 48933

P.O. Box 30026, Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **250000001374**

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Aimpoint Technology, LLC
	4737 Reed Rd. Ste 152
	Upper Arlington Ohio 43220
	Kevin Potter
	614-581-2036
	kevin@aimpointtechnology.com
	VS0319105

STATE	Program Manager	Multiple	Multiple
	Contract Administrator	Kristine Mills	DTMB
		517-242-6402	
		millsk11@michigan.gov	

CONTRACT SUMMARY			
DESCRIPTION: Salesforce Maintenance and Support			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
10/1/2025	10/1/2030	5 - 1 Year	10/1/2030
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
☐ P-card ☐ Payment Request (PRC) ☐ Other			☐ Yes ☒ No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
THIS IS NOT AN ORDER. This Contract Agreement is awarded as a result of the State's inquiry bearing the solicitation number RFP 250000001460. Orders for Delivery will be issued directly by the Departments through the issuance of a Delivery Order.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			<u>\$450,000.00</u>

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
DTMB	Shoba Murali	517-898-2915	muralis@michigan.gov
LARA	Andy Hannum	514-243-9599	HannumA@michigan.gov

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name and Title

DTMB Central Procurement Services

Agency

Date

IT PROFESSIONAL SERVICES CONTRACT TERMS AND CONDITIONS

These Terms and Conditions, together with all Schedules (including the Statement(s) of Work), Exhibits and any other applicable attachments or addenda (Collectively this “Contract”) are agreed to between the State of Michigan (the “**State**”) and Aimpoint Technology, LLC (“**Contractor**”), a Delaware Limited Liability Company. This Contract is effective on October 1, 2025 (“**Effective Date**”), and unless terminated, will expire on October 1, 2030 (the “**Term**”).

This Contract may be renewed for up to 5 additional 1-year periods. Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via a Change Notice.

1. Definitions. For the purposes of this Contract, the following terms have the following meanings:

“**Approved Licensed Components**” means all Third-Party Components, Open-Source Components, and Background Technology that are included in or used in connection with the Software and are specifically identified in an applicable Statement of Work and approved in writing by the DTMB Program Manager (or designee) prior to inclusion or use.

“**Background Technology**” means all software, data, know-how, ideas, methodologies, specifications, and other technology created prior to or independently of the performance of the Services in which Contractor owns such Intellectual Property Rights as are necessary for Contractor to grant the rights and licenses set forth in **Section 7.d.i.2**, and for the State (including its licensees, successors and assigns) to exercise such rights and licenses, without violating any right of any third-party or any law or incurring any payment obligation to any third-party.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which the State is authorized or required by law to be closed for business.

“**Change Notice**” means a writing executed by the parties to the Contract memorializing a change to the Contract.

“**Confidential Information**” has the meaning set forth in **Subsection 21.1**.

“**Contract**” has the meaning set forth in the preamble.

“**Contract Administrator**” is the individual appointed by each party to (a) administer the terms of this Contract, and (b) approve any Change Notices under this Contract. Each party’s Contract Administrator will be identified in Schedule A or subsequent Change Notices.

“**Contractor**” has the meaning set forth in the preamble.

“**Contractor’s Bid Response**” means the Contractor’s proposal submitted in response to the Solicitation.

“**Contractor Personnel**” means all employees of Contractor, or any subcontractors or Permitted Subcontractors involved in the performance of Services hereunder.

“**Contractor Project Manager**” means the individual appointed by Contractor and identified in Schedule A or subsequent Change Notices to serve as the primary contact, to monitor and

coordinate the day-to-day activities of this Contract, and to perform other duties as may be further defined in this Contract, including an applicable Statement of Work.

“Deliverables” means the Software, Documentation, and all other documents and other materials that Contractor is required to or otherwise does provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in a Statement of Work and all Work Product.

“Digital Accessibility Standards” means the accessibility standards provided in the SOM Digital Standards, located at <https://www.michigan.gov/standards>.

“DTMB” means the Michigan Department of Technology, Management and Budget.

“Effective Date” has the meaning set forth in the preamble.

“Fees” means the fees set forth in the Pricing Schedule attached as **Schedule B**.

“Financial Audit Period” has the meaning set forth in **Subsection 23.1**.

“Harmful Code” means any software, hardware or other technologies, devices or means, the purpose or effect of which is to: (a) permit unauthorized access to, or to destroy, disrupt, disable, encrypt, modify, copy, or otherwise harm or impede in any manner, any (i) computer, software, firmware, data, hardware, system or network, or (ii) any application or function of any of the foregoing or the integrity, use or operation of any data Processed thereby; or (b) prevent the State or any Authorized User from accessing or using the Solution as intended by this Contract, and includes any virus, bug, trojan horse, worm, backdoor or other malicious computer code and any time bomb or drop dead device.

“Hosted Services” means the hosting, management and operation of the: Operating Environment, Software, other services (including support and subcontracted services), and related resources for access and use by the State and its Authorized Users, including any services and facilities related to disaster recovery obligations.

“Intellectual Property Rights” means all or any of the following: (a) patents, patent disclosures, and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, together with all of the associated goodwill; (c) copyrights and copyrightable works (including computer programs), mask works and rights in data and databases; (d) trade secrets, know-how and other confidential information; and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection provided by applicable law in any jurisdiction throughout the world.

“Key Personnel” means any Contractor Personnel identified as key personnel in the Contract.

“Object Code” means computer programs assembled or compiled in magnetic or electronic binary form on software media, which are readable and useable by machines, but not generally readable by humans without reverse assembly, reverse compiling, or reverse engineering.

“Offshore Resources” mean resources, including Contractor Personnel, outside of the United States or its territories.

“Open Source Components” means any software component that is subject to any open-source copyright license agreement, including any GNU General Public License or GNU Library or Lesser

Public License, or other obligation, restriction or license agreement that substantially conforms to the Open Source Definition as prescribed by the Open Source Initiative or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled.

“Operating Environment” means, collectively, the platform, environment and conditions on, in or under which the Software is intended to be installed and operate, as set forth in a Statement of Work, including such structural, functional and other features, conditions and components as hardware, operating software, system architecture, configuration, computing hardware, ancillary equipment, networking, software, firmware, databases, data, and electronic systems (including database management systems).

“PAT” Means a document or product accessibility template, including any Information Technology Industry Council Voluntary Product Accessibility Template or VPAT®, that specifies how information and software products, such as websites, applications, software and associated content, conform to the Digital Accessibility Standards.

“Permitted Subcontractor” has the meaning set forth in **Section 3.f**

“Person” means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association, or other entity.

“Pricing Schedule” means the schedule attached as **Schedule B**.

“Process” means to perform any operation or set of operations on any data, information, material, work, expression or other content, including to (a) collect, receive, input, upload, download, record, reproduce, store, organize, combine, log, catalog, cross-reference, manage, maintain, copy, adapt, alter, translate or make other improvements or derivative works, (b) process, retrieve, output, consult, use, disseminate, transmit, submit, post, transfer, disclose or otherwise provide or make available, or (c) block, erase or destroy. **“Processing”** and **“Processed”** have correlative meanings.

“Representatives” means a party's employees, officers, directors, partners, shareholders, agents, attorneys, successors and permitted assigns.

“RFP” means the State's request for proposal designed to solicit responses for Services under this Contract.

“Services” means any of the services, including but not limited to, Hosted Services, installation, configuration, implementation, and/or Support Services, that the Contractor is required to or otherwise does provide under this Contract.

“Service Level Agreement” means the schedule attached as **Schedule D**, setting forth the Support Services Contractor will provide to the State, and the parties' additional rights and obligations with respect thereto.

“Site” means any physical location(s) designated by the State in, or in accordance with, this Contract or a Statement of Work for delivery and installation of the Deliverable, if applicable.

“Software” means, collectively, (a) the State's software, applications, and systems described in, or otherwise used in connection with, this Contract; (b) all Software Deliverables that Contractor

provides to the State under this Contract; and (c) all updates, patches, new versions, new releases, enhancements, improvements, and other modifications of the foregoing.

“Software Deliverable” means any Software Work Product and/or Approved Licensed Component provided under this Contract.

“Software Work Product” means all computer programs that Contractor develops, creates, delivers, or otherwise provides to the State under this Contract, including but not limited to software applications, modules and systems, application programming interfaces, computer scripts, routines, macros, programming tools, user interfaces, and all updates, upgrades, patches, new versions, new releases, enhancements, improvements, and other modifications of the foregoing.

“Source Code” means the human readable source code of the Software to which it relates, in the programming language in which the Software was written, together with all related flow charts and technical documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, build, operate, support, maintain and develop modifications, upgrades, updates, adaptations, enhancements, new versions and other derivative works and improvements of, and to develop computer programs compatible with, the Software.

“State” means the State of Michigan.

“State Data” has the meaning set forth in **Section 20**.

“State Hosted” means the Operating Environment is not provided by Contractor or one or more of its Permitted Subcontractors.

“State Materials” means all materials and information, including but not limited to documents, data, know-how, ideas, trademarks, methodologies, specifications, software, content and technology, in any form or media, directly or indirectly provided or made available to Contractor by or on behalf of the State in connection with this Contract, whether or not the same: (a) are owned by the State, a third party or in the public domain; or (b) qualify for or are protected by any Intellectual Property Rights.

“State Program Managers” are the individuals appointed by the State, or their designees, to (a) monitor and coordinate the day-to-day activities of this Contract; (b) co-sign off on Acceptance of the Deliverables; and (c) perform other duties as may be specified in a Statement of Work. Program Managers will be identified in Schedule A or subsequent Change Notices.

“State Review Period” has the meaning set forth in **Section 10**.

“State Systems” means the information technology infrastructure, including the computers, software, databases, electronic systems (including database management systems) and networks, of the State or any of its designees.

“Statement of Work” means any statement of work entered into by the parties and incorporated into this Contract. The initial Statement of Work is attached as **Schedule A**.

“Stop Work Order” has the meaning set forth in **Section 12**.



“Support Services” means the maintenance and support Services Contractor is required to or otherwise does provide to the State under the Service Level Agreement.

“Term” has the meaning set forth in the preamble.

“Third-Party Components” means any materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, content, and technology, in any form or media, in which any Person other than the State or Contractor owns any Intellectual Property Right, but excluding Open-Source Components.

“Transition Period” has the meaning set forth in **Section 15**.

“Transition Responsibilities” has the meaning set forth in **Section 15**.

“Unauthorized Removal” has the meaning set forth in **Subsection 3.e**.

“Unauthorized Removal Credit” has the meaning set forth in **Subsection 3.e**.

“User Data” means all data, queries, prompts, information and other content of any type and in any format, medium or form, whether audio, visual, digital, screen, GUI or other, that is input, uploaded to, placed into or collected, stored, Processed, generated or output by any user, device, system or network by or on behalf of the State, including but not limited to any and all works, inventions, data, analyses, information that identifies State or State’s intended users’ devices or equipment, location information, or other information and materials resulting from any use of the Software by or on behalf of the State under this Contract, even if not input by a user.

“Warranty Period” means the 90 calendar-day period commencing on the date of the State's Acceptance of Software or Deliverables for which Support Services are provided free of charge.

“Work Product” means all State-specific deliverables that Contractor is required to, or otherwise does, provide to the State under this Contract including but not limited to Software Work Product, reports, project management documents, forms, templates, and other State-specific documents and related materials together with all ideas, concepts, processes, and methodologies developed in connection with this Contract whether or not embodied in this Contract.

2. Statement of Work. Contractor will provide the Services and Deliverables pursuant to Statements of Work, entered into under this Contract. The Terms and Conditions of this Contract will apply at all times to Statements of Work. The State will have the right to terminate any Statement of Work, in whole or in part, as set forth in Sections 13 and 14 of this Contract. Contractor acknowledges that time is of the essence with respect to Contractor’s obligations under this Contract and agrees that prompt and timely performance of all such obligations in accordance with this Contract is strictly required.

3. Performance of Services.

- a. Software Deliverables.
 - i. Delivery.

1. Contractor must deliver all Software, Software Work Product, and any other Work Product to the State in all applicable forms or formats required by the State, as provided in an applicable Statement of Work.
 2. Contractor will deliver all Software Deliverables to the State in both Object Code and Source Code form.
 3. Unless otherwise expressly provided in this Section or an applicable Statement of Work, all Deliverables will be provided by Contractor to State in the manner requested by the State.
- ii. Source Code. At any time during the Term, within 1 Business Day of the State's written request, Contractor will provide to the State, in a format and manner specified by the State, a copy of the most recent version of the Source Code for the Software identified by the State in the request.
 - iii. Licensed Components. Contractor will not provide or include in any Software, Software Work Product, or other Work Product any Background Technology, Third-Party Components, or any Open-Source Components, except for Approved Licensed Components.
 - iv. Support. Contractor will provide Support Services for the Software pursuant to the Service Level Agreement attached as Schedule D to this Contract.

b. Accessibility Requirements.

- i. All Deliverables created or provided by Contractor under this Contract, including associated content and documentation, must at all times conform to the Digital Accessibility Standards. Upon the request of the State, Contractor must provide a completed PAT for each Deliverable provided under the Contract. All "Not Applicable" or "N/A" responses to the specifications, if any, must be fully explained. A description of the evaluation methods used to support such conformance claims, including, if applicable, any third-party testing, must be provided. Throughout the Term of the Contract, at no additional costs to the State, Contractor must:
 1. promptly respond to and resolve, in a manner acceptable to the State, any complaint the State receives regarding the accessibility of any Deliverable;
 2. upon the State's written request, provide Deliverables in one or more alternative formats and within timeframes specified by the State; and
 3. participate in State of Michigan Digital Standards Review described below.

- ii. State of Michigan Digital Standards Review. Prior to Deliverables being accepted, put into production, or as otherwise required by the State, the State may conduct a Digital Standards Review to assess their accessibility and compliance with the Digital Accessibility Standards. Contractor must assist the State with each such review, including submitting documentation or other information regarding accessibility and compliance with the Digital Accessibility Standards. Contractor must, at its sole cost and expense, remediate all issues resulting from such review in a manner and timeframe accepted in writing by the State, which may include providing a remediation status report and updated PAT to the State and a re-assessment of accessibility.
- iii. Warranty. Contractor warrants that all conformance claims regarding conformance to the Digital Accessibility Standards made by Contractor pursuant to this Contract, including all information provided in any PAT Contractor provides to the State, are true and correct. If the State determines such conformance claims provided by the Contractor represent a higher level of conformance than what is actually provided to the State, Contractor will, at its sole cost and expense, promptly remediate the Software to align with Contractor's stated conformance claims in accordance with plans and timelines that are approved in writing by the State. If Contractor is unable to resolve such issues in a manner acceptable to the State, in addition to all other remedies available to the State, the State may terminate this Contract for cause under Section 14.
- iv. Indemnification. Contractor must, without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State arising out of Contractor's failure to comply with the foregoing accessibility standard. Failure to comply with the requirements in this Section 3.b will constitute a material breach of this Contract.

c. Contractor Personnel.

- i. Contractor is solely responsible for all Contractor Personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.
- ii. Prior to any Contractor Personnel performing any Services, Contractor will:
 - 1. ensure that such Contractor Personnel have the legal right to work in the United States;

2. upon request, require such Contractor Personnel to execute written agreements, in form and substance acceptable to the State, that bind such Contractor Personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract and Intellectual Property Rights provisions that grant the State rights in the Deliverables consistent with the provisions of Section 8 and, upon the State's request, provide the State with a copy of each such executed contract; and
3. upon request, or as otherwise specified in a Statement of Work, perform background checks on all Contractor Personnel 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 on Contractor Personnel. 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.
- iii. Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.
- iv. The State reserves the right to require the removal of any Contractor Personnel found, in the judgment of the State, to be unacceptable. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.

- d. **Contractor Project Manager.** Throughout the Term of this Contract, Contractor must maintain a Contractor employee acceptable to the State to serve as Contractor Project Manager, who will be considered Key Personnel of Contractor.
 - i. Contractor Project Manager must:
 - 1. have the requisite authority, and necessary skill, experience, and qualifications, to perform in such capacity;
 - 2. be responsible for overall management and supervision of Contractor's performance under this Contract; and
 - 3. be the State's primary point of contact for communications with respect to this Contract, including with respect to giving and receiving all day-to-day approvals and consents.
 - ii. Contractor Project Manager must attend all regularly scheduled meetings as set forth in a Statement of Work or as otherwise directed by the State.
 - iii. Contractor will maintain the same Contractor Project Manager throughout the Term of this Contract, unless:
 - 1. the State requests in writing the removal of Contractor Project Manager;
 - 2. the State consents in writing to any removal requested by Contractor in writing;
 - 3. Contractor Project Manager ceases to be employed by Contractor, whether by resignation, involuntary termination or otherwise.
 - iv. Upon the occurrence of any event set forth in Sections 3(d)(iii)(1-3) above, Contractor will promptly replace its Contractor Project Manager. Such replacement will be subject to the State's prior written approval.
- e. **Contractor's Key Personnel**
 - i. The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Program Managers or their designees, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, Contractor must propose another qualified individual for the position for State approval.
 - ii. Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). An

Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract.

- iii. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to determine and remedy the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Section 16, Contractor will issue to the State an amount equal to \$25,000 per individual (each, an "Unauthorized Removal Credit").
 - iv. Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract.
- f. **Subcontractors.** Contractor will not, without the prior written approval of the State, which consent may be given or withheld in the State's sole discretion, engage any third party to perform Services (including to create any Work Product). The State's approval of any such third party (each approved third party, a "Permitted Subcontractor") does not relieve Contractor of its representations, warranties or obligations under this Contract. Without limiting the foregoing, Contractor will:
- i. be responsible and liable for the acts and omissions of each such subcontractor (including such Permitted Subcontractor and Permitted Subcontractor's employees who, to the extent providing Services or Deliverables, will be deemed Contractor Personnel) to the same extent as if such acts or omissions were by Contractor or its employees;
 - ii. upon request of the State, name the State a third-party beneficiary under Contractor's contract with each Permitted Subcontractor with respect to the Services and Work Product;
 - iii. be responsible for all fees and expenses payable to, by or on behalf of each Permitted Subcontractor in connection with this Contract, including, if applicable, withholding of income taxes, and the payment and withholding

of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits; and

- iv. prior to the provision of Services or Deliverables by any Permitted Subcontractor, if requested by the State:
 1. obtain from such Permitted Subcontractor confidentiality, work-for-hire and Intellectual Property Rights assignment agreements, in form and substance acceptable by the State, giving the State rights consistent with those set forth in Section 8 and, upon request, provide the State with a fully-executed copy of each such contract; and
 2. with respect to all Permitted Subcontractor employees providing Services or Deliverables, comply with its obligations under Section 3.c above.

4. 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 received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Kristine Mills 320 S Walnut St, Lansing MI, 48908 517-242-6402 millsk11@michigan.gov	Aimpoint Technology c/o Kevin Potter 4737 Reed Rd., Ste. 152 Upper Arlington, Ohio 43220 kevin@aimpointtechnology.com 614-581-2036

5. Insurance. Contractor must maintain the minimum insurances identified in the Insurance Schedule attached as **Schedule C**.

6. Independent Contractors. 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.

7. Intellectual Property Rights and Licenses.

- a. **State Materials.** The State will remain the sole and exclusive owners of all right, title, and interest in and to State Materials, including all Intellectual Property Rights therein. The State hereby grants to Contractor the limited, royalty-free, non-exclusive right and license to State Materials solely as necessary to incorporate such State Materials into, or otherwise use such State Materials in connection with provision of Services and creating the Deliverables during the Term of this Contract. All other rights in and to the State Materials

are expressly reserved by the State. All State Materials are considered Confidential Information of the State.

- b. **State Ownership of Software and Work Product.** Except as set forth in Section 7.d, the State is and will be the sole and exclusive owner of all right, title, and interest in and to all Software and Work Product, including all Intellectual Property Rights. In furtherance of the foregoing:
 - 1. Contractor will create all Software and Work Product as work made for hire as defined in Section 101 of the Copyright Act of 1976; and
 - 2. To the extent any Software, Work Product, or Intellectual Property Rights do not qualify as, or otherwise fails to be, work made for hire, Contractor hereby:
 - a. assigns, transfers, and otherwise conveys to the State, irrevocably and in perpetuity, throughout the universe, all right, title, and interest in and to such Software or Work Product, including all Intellectual Property Rights; and
 - b. irrevocably waives any and all claims Contractor may now or hereafter have in any jurisdiction to so-called “moral rights” or rights of droit moral with respect to the Software or Work Product.
- c. **Further Actions.** Contractor will, and will cause the Contractor Personnel to, take all appropriate action and execute and deliver all documents, necessary or reasonably requested by the State to effectuate any of the provisions or purposes of Section 8.b, or otherwise as may be necessary or useful for the State to prosecute, register, perfect, record, or enforce its rights in or to any Software, Work Product, or any Intellectual Property Right therein. Contractor hereby appoints the State as Contractor’s attorney-in-fact with full irrevocable power and authority to take any such actions and execute any such documents if Contractor refuses, or within a period deemed reasonable by the State otherwise fails, to do so.
- d. **Approved Licensed Components.** Contractor will not include any Background Technology or any Third Party or Open Source Component in any Deliverable provided to the State, with first receiving the State’s express approval.
 - i. Background Technology.
 - 1. Contractor is and will remain the sole and exclusive owner of all right, title, and interest in and to the Background Technology, including all Intellectual Property Rights therein, subject to the following Background Technology License.
 - 2. Background Technology License. Contractor hereby grants to the State such rights and licenses with respect to the Background Technology that

will allow the State to use and otherwise exploit perpetually throughout the universe for all or any purposes whatsoever the Software and Work Products, to the same extent as if the State owned the Background Technology, without incurring any fees or costs to Contractor (other than the Fees set forth under this Contract) or any other Person in respect of the Background Technology. In furtherance of the foregoing, such rights and licenses will:

- a. be irrevocable, perpetual, fully paid-up and royalty-free;
- b. include the rights to use, reproduce, perform (publicly or otherwise), display (publicly or otherwise), modify, improve, create derivative works of, distribute, import, make, have made, sell and offer to sell the Background Technology, including all such modifications, improvements and derivative works thereof, solely as part of, or as necessary to use and exploit, the Software and Work Products; and be freely assignable and sublicensable, in each case solely in connection with the assignment or licensing of the Software or Deliverables or any portion, modification, or derivative work thereof, and only to the extent necessary to allow the assignee or sublicensee, as the case may be, to use and exploit the Software or Deliverables or portion, modification, improvement, or derivative work thereof.

ii. Third-Party Components and Open-Source Components.

1. Ownership of all Third-Party Components and Open-Source Components, including all Intellectual Property Rights therein, is and will remain with its respective owners, subject to the following licenses.
2. Third-Party and Open-Source Component Licenses. Prior to the delivery of any Software or Work Product, Contractor will secure for the State, at Contractor's sole cost and expense, such rights, licenses, consents and approvals for any Third-Party Components and Open-Source Components, that will allow the State to use and otherwise exploit perpetually throughout the universe for all or any purposes whatsoever the Software or Deliverables, to the same extent as if the State owned the Third-Party Components and Open-Source Components, without incurring any fees or costs to any Third-Party (other than the Fees set forth under this Contract) in respect of the Third-Party Components and Open-Source Components. In furtherance of the foregoing, such rights and licenses will:
 - a. be irrevocable, perpetual, fully paid-up and royalty-free;
 - b. include the rights to use, reproduce, perform (publicly or otherwise), display (publicly or otherwise), modify, improve, create derivative

works of, distribute, import, make, have made, sell and offer to sell the Third-Party Components and Open-Source Components, including all such modifications, improvements and derivative works thereof, solely as part of, or as necessary to use and exploit, the Software and Work Products; and

- c. be freely assignable and sublicensable, in each case solely in connection with the assignment or licensing of the Software or Deliverables or any portion, modification, or derivative work thereof, and only to the extent necessary to allow the assignee or sublicensee, as the case may be, to use and exploit the Software or Deliverables or portion, modification, improvement, or derivative work thereof.

8. Assignment. Contractor may not assign this Contract or any of its rights or delegate any of its duties or obligations hereunder, voluntarily, or involuntarily, whether by merger (regardless of whether it is the surviving or disappearing entity), conversion, consolidation, dissolution, or operation of law to any other party without the prior written 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 governmental entity if such assignment is made reasonably necessary by operation of controlling law or regulation. 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.

9. Change of Control. Contractor will notify the State, within 30 calendar days of any public announcement or otherwise once legally permitted to do so, of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following:

- (a) a sale of more than 50% of Contractor's stock;
- (b) a sale of substantially all of Contractor's assets;
- (c) a change in a majority of Contractor's board members;
- (d) consummation of a merger or consolidation of Contractor with any other entity;
- (e) a change in ownership through a transaction or series of transactions;
- (f) or the board (or the stockholders) approves a plan of complete liquidation.

A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes. In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

10. Acceptance. Unless otherwise provided in the Statement of Work, this Section will control acceptance of all Services and Deliverables. Services and Deliverables are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("State Review Period"). If the Services and Deliverables are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Services or Deliverables are



accepted, but noted deficiencies must be corrected; or (b) the Services or Deliverables are rejected. If the State finds material deficiencies, it may: (i) reject the Services or Deliverables without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate a Statement of Work in accordance with **Section 13**, Termination for Cause.

Within 10 Business Days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Services or Deliverables, Contractor must cure, at no additional cost, the deficiency and deliver acceptable Services or Deliverables to the State. If acceptance with deficiencies or rejection of the Services or Deliverables impacts the content or delivery of other non-completed Services or Deliverables, the parties 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 Statement of Work in whole or in part. The State, or a third party identified by the State, may perform the Services and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

11. Terms of Payment. Invoices must conform to the requirements set forth in a Statement of Work. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Services and Deliverables performed as specified in this Contract. 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 and Deliverables purchased under this Contract are for the State's exclusive use. Notwithstanding the foregoing, 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 Services or Deliverables. 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.

Throughout the Term, all Pricing set forth in this Contract will be as set forth Schedule B - Pricing Schedule and will not be increased..

12. Stop Work Order. The State may suspend any or all activities under at a Statement of Work at any time. The State will provide Contractor a written stop work order detailing the suspension (a “Stop Work Order”). 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 Statement of Work. The State will not pay for Services or Work Product, Contractor’s lost profits, or any additional compensation during a stop work period.

13. Termination for Cause. The State may terminate this Contract, in whole or in part (including individuals Statements of Work), if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any State 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 under this Contract or the Statement of Work; 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 14**, Termination for Convenience.

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

14. 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 Services immediately and Contractor must submit all invoices for Services accepted by the State within 30 days of the date of termination. Failure to submit an invoice within that timeframe will constitute a waiver by Contractor for any amounts due to Contractor for Services accepted by the State under this Contract; or (b) continue to perform the Services in accordance with **Section 15**, 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.

15. Transition Responsibilities.

(a) Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days; the “**Transition Period**”), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract to continue without interruption or adverse effect, and to facilitate the orderly transfer of the Services to the State or its designees. Such transition assistance may include but is not limited to:

- (i) continuing to perform the Services at the established Contract rates;
- (ii) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services to the State or the State’s designee;
- (iii) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, and comply with **Section 21**, including without limitation, the return or destruction of State Data at the conclusion of the Transition Period; and
- (iv) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, the “**Transition Responsibilities**”). The Term of this Contract is automatically extended through the end of the Transition Period.

(b) Contractor will follow the transition plan attached as **Schedule F** as it pertains to both transition in and transition out activities.

16. Indemnification

16.1 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).



16.2 Indemnification Procedure. 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:

- (a) regular updates on proceeding status;
- (b) participate in the defense of the proceeding;
- (c) employ its own counsel; and to
- (d) retain control of the defense, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. Any litigation activity on behalf of the State or any of its subdivisions 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.

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

17. Infringement Remedies.

17.1 The remedies set forth in this Section are in addition to, and not in lieu of, all other remedies that may be available to the State under this Contract or otherwise, including the State's right to be indemnified for such actions.

17.2 If any Deliverable, or any component thereof, other than State Materials, is found to be infringing or if any use of any Software or any component thereof is enjoined, threatened to be enjoined or otherwise the subject of an infringement claim, Contractor must, at Contractor's sole cost and expense:

- (a) procure for the State the right to continue to use such Deliverable, or component thereof to the full extent contemplated by this Contract; or
- (b) modify or replace the materials that infringe or are alleged to infringe ("**Allegedly Infringing Materials**") to make the Deliverable and all of its components non-infringing while providing fully equivalent features and functionality.

17.3 If neither of the foregoing is possible notwithstanding Contractor's best efforts, then Contractor may direct the State to cease any use of any materials that have been enjoined or finally adjudicated as infringing, provided that Contractor will:

- (a) refund to the State all amounts paid by the State in respect of such Allegedly Infringing Materials and any other aspects of the Deliverable provided under a Statement of Work for the Allegedly Infringing Materials that the State cannot reasonably use as intended under this Contract; and
- (b) in any case, at its sole cost and expense, secure the right for the State to continue using the Allegedly Infringing Materials for a transition period of up to 6

months to allow the State to replace the affected features of the Deliverable without disruption.

17.4 If Contractor directs the State to cease using any Deliverable under **Subsection 18.3**, the State, at its sole discretion, will be entitled to declare such a direction from the Contractor to cease use a material breach of the Contract and may terminate this Contract under **Section 13**.

18. Disclaimer of Damages and Limitation of Liability.

18.1 The State's Disclaimer of Damages. THE STATE WILL NOT BE LIABLE, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

18.2 The State's Limitation of Liability. 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.

19. 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 Permitted Subcontractor, or an officer or director of Contractor or Permitted 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:
 - (i) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or
 - (ii) 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.

20. State Data.

20.1 Ownership. The State's data ("**State Data**"), which will be treated by Contractor as Confidential Information, includes:

- (a) User Data;
- (b) Work Product;
- (c) all data made available to Contractor for or during the provision of the Solution, including but not limited to all text, sound, video, image files, or software; and

(d) any other data collected, used, Processed, stored, or generated in connection with the Solution, including but not limited to:

(i) personally identifiable information (“**PII**”) collected, used, Processed, stored, or generated as the result of the Solution, including, without limitation, any information that identifies an individual, such as an individual’s social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother’s maiden name, email address, credit card information, or an individual’s name in combination with any other of the elements here listed; and

(ii) protected health information (“**PHI**”) collected, used, Processed, stored, or generated as the result of the Solution, which is defined under the Health Insurance Portability and Accountability Act (“**HIPAA**”) and its related rules and regulations.

20.2 State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State.

20.3 Contractor Use of State Data. Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Solution, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Solution. Contractor must:

(a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss;

(b) use and disclose State Data solely and exclusively for the purpose of providing the Solution, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law;

(c) keep and maintain State Data in the United States or its territories. For the avoidance of doubt, Offshore Resources are not permitted under this Contract; and

(d) not use, sell, rent, transfer, mine, distribute, commercially exploit, or otherwise disclose or make available State Data for Contractor’s own purposes or for the benefit of anyone other than the State without the State’s prior written consent. Contractor’s misuse of State Data may violate state or federal laws, including but not limited to MCL 752.795

20.4 Third-Party Requests. Contractor will immediately notify the State upon receipt of any third-party requests which in any way might reasonably require Access to State Data. Contractor will notify the State Program Managers or their designees by the fastest means available and also in writing. Contractor must provide such notification within twenty-four (24) hours from Contractor’s receipt of the request. Contractor will not respond to subpoenas, service of process, FOIA requests, and other legal requests related to the State without first notifying the State. Upon request by the State, Contractor must provide to the State, its proposed response to the third-party request with adequate time for the State to review, and, as it deems necessary, to revise the response, object, or take other action.

20.5 Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, integrity, or availability of State Data or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable:

- (a) notify the State as soon as practicable but no later than 24 hours of becoming aware of such occurrence;
- (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State;
- (c) in the case of PII or PHI, at the State's sole election:
 - (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within 5 calendar days of the occurrence; or
 - (ii) reimburse the State for any costs in notifying the affected individuals;
- (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than 24 months following the date of notification to such individuals;
- (e) perform or take any other actions required to comply with applicable law as a result of the occurrence;
- (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and resolution;
- (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence;
- (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and
 - (i) provide to the State a detailed plan within 10 calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description

of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination.

20.6 The parties agree that any damages arising out of a breach of the terms set forth in this Section are to be considered direct damages and not consequential damages.

21. 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.

21.1 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). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

21.2 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 the Contractor’s subcontractor is permissible where:

- (a) the subcontractor is a Permitted Subcontractor;
- (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Permitted Subcontractor's responsibilities; and

(c) Contractor obligates the Permitted Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any of the Contractor's and Permitted Subcontractor's Representatives may be required to execute a separate agreement to be bound by the provisions of this

Subsection .

21.3 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. Each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

21.4 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.

21.5 Surrender of Confidential Information. Upon termination or expiration of this Contract or a Statement of Work, in whole or in part, each party must, within 5 Business Days from the date of termination or expiration, 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. Upon confirmation from the State, of receipt of all data, Contractor must permanently sanitize or destroy the State's Confidential Information, including State Data, from all media including backups using National Security Agency ("NSA") and/or National Institute of Standards and Technology ("NIST") (NIST Guide for Media Sanitization 800-88) data sanitization methods or as otherwise instructed by the State. If the State determines that the return of any Confidential Information is not feasible or necessary, Contractor must destroy the Confidential Information as specified above. The Contractor must certify the destruction of Confidential Information (including State Data) in writing within 5 Business Days from the date of confirmation from the State.

22. Reserved.

23. Records Maintenance, Inspection, Examination, and Audit.

23.1 Right of Audit. Pursuant to MCL 18.1470, the State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to this Contract through the Term of this Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Financial Audit Period**"). If an audit, litigation, or other action involving the records is



initiated before the end of the Financial Audit Period, Contractor must retain the records until all issues are resolved.

23.2 Right of Inspection. 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 Services are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of this Contract must be paid or refunded within 45 calendar days.

23.3 Application. This **Section 23** applies to Contractor, any Affiliate, and any Permitted Subcontractor that performs Services in connection with this Contract.

24. Data Security Requirements. Throughout the Term and at all times in connection to the Solution, Contractor will maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State's Confidential Information that comply with the requirements of the State's data security policies as set forth in **Schedule E** to this Contract.

25. Contractor Representations and Warranties.

25.1 General. Contractor represents and warrants to the State that: (a) it will perform all Services in a professional and workmanlike manner in accordance with best industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under the Statement of Work; (b) the Services and Deliverables provided by Contractor will not infringe the patent, trademark, copyright, trade secret, or any other intellectual property or proprietary rights of any third party; (c) it has the full right, power, and authority to enter into this Contract, to grant the rights and licenses it is obligated to provide under this Contract, and to perform its contractual obligations; (d) 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; (e) the Contract signatory has the authority to enter into this Contract; (f) 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; and (g) 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.

25.2 Software. Contractor represents and warrants to the State that: (a) the State will receive good and valid title to the Software, free and clear of all encumbrances and liens of any kind; (b) when delivered and installed by Contractor, the Software will not contain any Harmful Code; and (c) the Software will not contain, or operate in such a way that it is

compiled with or linked to any Third-Party Component, Open-Source Component, and Background Technology not previously approved by the State in writing.

25.3 Work Product Representations and Warranties. Contractor represents and warrants to the State that:

- i. Contractor has all necessary rights, title, and/or licenses required to create, develop, or generate Work Product and to transfer all ownership rights in Work Product to the State.
- ii. Contractor has verified that no third-party intellectual property has been incorporated into any Work Product created, developed, or generated by any nonhuman means used by Contractor.

25.4 A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 13, Termination for Cause.

26. 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 including an offer of employment; 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 Permitted Subcontractor that provides the Solution in connection with this Contract.

27. Compliance with Laws. Contractor, its subcontractors, including Permitted Subcontractors, and their respective Representatives must comply with all laws in connection with this Contract.

28. 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.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, 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 the Contract.

29. Unfair Labor Practice. Under MCL 423.324, the State may void this Contract if the name of the Contractor, or the name of a subcontractor, manufacturer, or supplier of the Contractor, subsequently appears on the Unfair Labor Practice register compiled under MCL 423.322.

30. Governing Law. This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles. Contractor waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint an agent in Michigan to receive service of process.



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

32. 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.

33. 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 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.

34. Media Releases. News releases (including promotional literature and commercial advertisements) pertaining to this Contract or project to which it relates must not be made without the prior written approval of the State, and then only in accordance with the explicit written instructions of the State.

35. 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.

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

37. Contract Modification. This Contract may not be amended except by signed agreement between the parties, executed by their respective Contract Administrators (a "Change Notice").



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

39. Further Assurances. Each party will, upon the reasonable request of the other party, execute such documents and perform such acts as may be necessary to give full effect to the terms of this Contract.

40. Relationship of the Parties. The relationship between the parties is that of independent contractors. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor. Neither party has authority to contract for nor bind the other party in any manner whatsoever.

41. Headings. The headings in this Contract are for reference only and do not affect the interpretation of this Contract.

42. No Third-Party Beneficiaries. This Contract is for the sole benefit of the parties and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to or will confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Contract. However, if this Contract is subject to the Michigan Prevailing Wage Act, MCL 408.1101 et seq. construction mechanics (as defined in MCL 408.1101 (b)) are intended beneficiaries for the limited purposes set forth and as required by MCL 408.1112.

43. Prevailing Wage Act Statutory Provision. As required by MCL 408.1112, if the Michigan Prevailing Wage Act, MCL 408.1101 et seq. applies to this Contract, construction mechanics (as defined in MCL 408.1101 (b)) are intended beneficiaries of the contractual prevailing wage, fringe benefit, and nondiscrimination nonretaliation requirements of the Contract. Any construction mechanic aggrieved by the failure of a Contractor or subcontractor to pay prevailing wages or benefits as specified in this Contract, or by a violation of MCL 408.1107, in addition to any other remedies provided in Public Act 10 of 2023 or by law, may bring an action in a court of competent jurisdiction against the Contractor or subcontractor for damages or injunctive relief and may be awarded reinstatement or other appropriate relief, and all damages sustained, together with actual costs and attorney fees at trial and on appeal. If the Michigan Prevailing Wage Act, MCL 408.1101 et seq. applies to this Contract, the rates of wages and fringe benefits to be paid to each class of construction mechanic (as defined in MCL 408.1101 (b)) by Contractor and subcontractors must not be less than the wage and fringe benefit rates prevailing in the locality in which the work is performed.

44. Equitable Relief. Each party to this Contract acknowledges and agrees that (a) a breach or threatened breach by such party of any of its obligations under this Contract may give rise to irreparable harm to the other party for which monetary damages would not be an adequate remedy and (b) in the event of a breach or a threatened breach by such party of any such obligations, the other party hereto is, in addition to any and all other rights and remedies that may be available to such party at law, at equity or otherwise in respect of such breach, entitled to seek equitable relief,

including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security, and without any requirement to prove actual damages or that monetary damages will not afford an adequate remedy, until or unless required by that court. Each party to this Contract agrees that such party will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms of this Section.

45. Effect of Contractor Bankruptcy. All rights and licenses granted by Contractor under this Contract are and will be deemed to be rights and licenses to “intellectual property,” and all Deliverables are and will be deemed to be “embodiments” of “intellectual property,” for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the “**Code**”). If Contractor or its estate becomes subject to any bankruptcy or similar proceeding, the State retains and has the right to fully exercise all rights, licenses, elections, and protections under this Contract, the Code and all other applicable bankruptcy, insolvency, and similar laws with respect to all Deliverables. Without limiting the generality of the foregoing, Contractor acknowledges and agrees that, if Contractor or its estate will become subject to any bankruptcy or similar proceeding:

(a) all rights and licenses granted to the State under this Contract will continue subject to the terms and conditions of this Contract, and will not be affected, even by Contractor’s rejection of this Contract; and

(b) the State will be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any Deliverables, and the same, if not already in the State’s possession or in escrow, if applicable, will be promptly delivered to the State, unless Contractor elects to and does in fact continue to perform all of its obligations under this Contract.

46.. Liquidated Damages.

46.1 The parties understand and agree that any liquidated damages (which includes but is not limited to applicable credits) set forth in this Contract are reasonable estimates of the State’s damages in accordance with applicable law.

46.2 The parties acknowledge and agree that Contractor could incur liquidated damages for more than one event.

46.3 The assessment of liquidated damages will not constitute a waiver or release of any other remedy the State may have under this Contract for Contractor’s breach of this Contract, including without limitation, the State’s right to terminate this Contract for cause and the State will be entitled in its discretion to recover actual damages caused by Contractor’s failure to perform its obligations under this Contract. However, the State will reduce such actual damages by the amounts of liquidated damages received for the same events causing the actual damages.

46.4 Amounts due the State as liquidated damages may be set off against any Fees payable to Contractor under this Contract, or the State may bill Contractor as a separate item and Contractor will promptly make payments on such bills.

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

Schedule A	Statement of Work
Schedule B	Pricing Schedule
Schedule C	Insurance Schedule
Schedule D	Service Level Agreement
Schedule E	Data Security Requirements
Schedule F	Transition Plan
Schedule G	Federal Provision Addendum
Schedule H	Exhibit 1 - Byrd anti-lobbying certification

48. Counterparts. This Contract may be executed in counterparts, each of which will be deemed an original, but all of which together are deemed to be one and the same agreement and will become effective and binding upon the parties as of the Effective Date at such time as all the signatories hereto have signed a counterpart of this Contract. A signed copy of this Contract delivered by facsimile, e-mail or other means of electronic transmission (to which a signed copy is attached) is deemed to have the same legal effect as delivery of an original signed copy of this Contract.

49. Entire Agreement. These Terms and Conditions, including all Statements of Work and other Schedules and Exhibits (again collectively the “Contract”) constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements made in the Terms and Conditions, the Schedules, Exhibits, and a Statement of Work, the following order of precedence governs: (a) first, these Terms and Conditions and (b) second, Schedule E – Data Security Requirements and (c) third, each Statement of Work; and (d) fourth, the remaining Exhibits and Schedules to this Contract. NO TERMS ON CONTRACTOR’S INVOICES, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE SERVICES, OR DOCUMENTATION HEREUNDER, EVEN IF ATTACHED TO STATE’S DELIVERY OR PURCHASE ORDER, WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE OR ANY AUTHORIZED USER FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE AND THE AUTHORIZED USER, EVEN IF ACCESS TO OR USE OF SUCH SERVICE OR DOCUMENTATION REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

SCHEDULE A – STATEMENT OF WORK

1. DEFINITIONS

The following terms have the meanings set forth below. All initial capitalized terms that are not defined in this Schedule shall have the respective meanings given to them in Section 1 of the Contract Terms and Conditions.

Term	Definition
MPSC	Michigan Public Service Commission
LARA	Licensing and Regulatory Affairs
CAD/Telecom Database	Customer Assistance Division and Telecommunications complaints are housed in this Salesforce database. In addition, ITSP, MEAP and Communications also uses it.
ITSP	Intrastate Telecommunications Service Providers are required to register annually in the telecommunications Salesforce database.
MEAP	Michigan Energy Assistance Program grantees are required to provide reports and audit documentation via Salesforce portal.
E-Dockets	Salesforce case management system for MPSC's regulatory docket, public legal case data, and authorized Commission decisions.
Pipeline Safety Database	Salesforce org to monitor the distribution, production, transmission, and underground storage of natural gas in Michigan
Salesforce Release Readiness	Salesforce typically has three defined releases to their software per year. Vendor would assist with our readiness for these.
Bug/Defect Fixes	Vendor develops, tests, and delivers for implementation the identified solution of any identified bugs/defects.
New Feature Requests	Vendor develops, tests, and delivers for implementation the identified solution of any identified feature requests/enhancements.
MiLogin	The State of Michigan's Single Sign On (SSO) gateway.
Conga	Salesforce application used for document and email templates
DTMB	Department of Technology, Management and Budget

2. BACKGROUND

The Michigan Public Service Commission (MPSC) utilizes Salesforce.com for three Salesforce environments:

CAD/Telecom Salesforce Database, The Customer Assistance Division (CAD)/Telecom Database of the MPSC handles the data and all associated reporting of the 3 areas listed below. Overall, there are internal users (40 total) using MiLogin; external web portal users (1000 total); and associated web forms/pages.

E-Dockets, Case management system for MPSC's regulatory docket, public legal case data, and authorized Commission decisions related to regulated state energy and telecommunications utilities per Public Act 16 of 1929, MCL 483.1. System includes a database and all associated reporting for internal users (58 total); MiLogin access; web portal users (200 total); and associated web forms/pages.

Pipeline Safety, The Gas Safety and Operations Division of the MPSC maintains responsibility for monitoring the distribution, production, transmission, and underground storage of natural gas in Michigan. MPSC staff are a liaison with the federal pipeline safety officials to enforce gas safety standards and performs gas safety inspections. System includes a database and all associated reporting for internal users (34 total); MiLogin access; web portal users (30 total with the potential for approximately 100 users in the next year); and associated web forms/pages.

3. PURPOSE

Contractor will provide up to 600 hours of Salesforce maintenance and Support Services each year (including related applications like Conga) over the period of this SOW. Should additional requirements be identified during the term of this agreement that exceed the requested number of hours procured, Contractor will obtain authorization from Customer in advance and prepare a change order for the requested number of hours. No work in excess of the number of hours stated in this agreement will be performed without an executed change order. These 600 hours will be divided equally to support the CAD/Telecom (200 hours), E-Dockets (200 hours) and Pipeline Safety (200 hours) Salesforce environments, as described in the background.

Contractor will provide IT Professional Services to support CAD/Telecom Salesforce Database, E-Dockets, and Pipeline Safety.

Term of the Agreement: 5 base years with 5 - 1 year options

4. IT ENVIRONMENT RESPONSIBILITIES

Contractor will provide maintenance and support services to support MPSC's existing State Hosted Salesforce applications. Included in SCHEDULE E – Data Security Requirements; the Contractor will be required to meet all State PSP's, public and non-public applicable to this Contract.

5. ADA COMPLIANCE

The State is required to comply with the Americans with Disabilities Act of 1990 (ADA) and has adopted standards and procedures regarding accessibility requirements for websites and software applications. All websites, applications, software, and associated content and documentation provided by the Contractor as part of the Solution must comply with the Digital Accessibility Standards.



Starting 4/24/2026, throughout the Term, all websites, applications, software, content, and electronic documents, including but not limited to mobile applications, text, images, sounds, videos, controls, animations, links, and documents (including files in the following formats: PDF, word processing, presentation, and spreadsheet), created, provided, or made available by the Contractor under this Contract, must comply with WCAG 2.1 Level AA.

6. RESERVE

7. ACCESS CONTROL AND AUTHENTICATION

The Contractor must implement identity federation with the State's MiLogin IT Identity and Access Management (IAM) environment as described in the State of Michigan Administrative Guide ([1340.00.020.08 Enterprise Identity and Access Management Services Standard \(michigan.gov\)](#)).

To support federation with the SOM MiLogin, the Contractor must support SAML, OpenID or OAuth federated identity protocols.

Solutions running within the States internally managed IT environment may be suitable for integration with the State's Active Directory services as identified in the 1340.00.020.08 standard.

8. REQUIRED FUNCTIONALITY RELATING TO DATA RETENTION, DISPOSAL, AND RETRIEVAL

Except as otherwise stated in the Contract, Contractor will not dispose of, delete, or destroy State Data without the prior written approval of the State. Contractor will support the State in executing secure data management processes.

9. END USER AND IT OPERATING ENVIRONMENT

The SOM IT environment includes FedRAMP authorized major cloud providers and on-premises market leading virtualization environments, with supporting platforms that includes enterprise storage, monitoring, and management running in house and in cloud hosting provides.

Contractor must accommodate the latest browser versions (including mobile browsers) as well as some pre-existing browsers. To ensure that users are able to access online services, Contractor must ensure applications and websites display and function accurately in, at minimum, the two most recent major versions of the following browsers or successor browser, without reliance on special plugins or extensions:

- Google Chrome
- Microsoft Edge
- Firefox
- Safari
- Any future browsers that obtain over 5% of market share as measured by industry sites such as statcounter.com or W3counter.com

Contractor must support the current and future State standard environment at no additional cost to the State.

10. SOFTWARE

Software requirements are identified in **Schedule A – Table 1 Business Specification Worksheet**.

Look and Feel Standards

All software items provided by the Contractor must adhere to the State of Michigan Application/Site standards which can be found at <https://www.michigan.gov/standards>.

Mobile Responsiveness

If the software will be used on a mobile device as define in Schedule A – Table 1, Business Specification Worksheet, the Software must utilize responsive design practices to ensure the application is accessible via a mobile device.

SOM IT Environment Access

Contractor will not access State environments or State Systems from locations outside the United States or the jurisdiction territories of the United States. Contractor must access State environments using one or more of the following methods:

- State provided VDI (Virtual Desktop Infrastructure) where compliant.
- State provided and managed workstation device.
- Contractor owned and managed workstation maintained to all State policies and standards.
- Contractor required interface with State Systems which must be maintained in compliance with State policies and standards as set forth in **Schedule E – Data Security Requirements**.

11. INTEGRATION

Contractor must integrate their solution to the following technologies:

Current Technology	1 - MiLogin 2 - Salesforce
Volume of Data	Salesforce Data Space (all 3 orgs) – 16.6 GB Salesforce File Space (all 3 orgs) – 251 GB
Format of the input & export files	Files are input as mostly pdf, csv and docx formats.

12. MIGRATION

The State does not have any migrations planned at this time. If migration is needed, a Statement of Work will be added to the Contract to determine scope, size and cost of migration.

The database may be increased at the time of transition, if required by the State.

13. HARDWARE - RESERVED

14. TRAINING SERVICES

The Contractor must provide administration and end-user training for implementation, go-live support, and operational handoff. Training will include targeted knowledge transfer, such as walkthroughs of enhancements, system changes, or new features.

Training materials provided by Contractor will include but are not limited to;

- **Admin Guides** detailing object configuration, permission sets, automation, and integration points.
- **User Guides** with step-by-step instructions for core business processes (e.g., case submission, approval routing, reporting).
- **Quick Reference Sheets** summarizing frequently used tasks with visuals.
- **Release Notes** explaining enhancements and system changes in plain language.
- **Training Materials** (slides, exercises, recordings) for onboarding or refresher use.

15. TRANSITION RESPONSIBILITIES

Contractor will provide hands-on guidance to the State in both transition in & out phases. See Schedule F- Transition In and Out for additional details.

16. DOCUMENTATION

Contractor must provide all user manuals, operating manuals, technical manuals and any other instructions, specifications, documents or materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support, technical or other components, features or requirements of the Software.

Contractor must develop and submit for State approval complete, accurate, and timely Solution documentation to support all users, and will update any discrepancies, or errors through the life of the contract.

The Contractor's user documentation must provide detailed information about all software features and functionality, enabling the State to resolve common questions and issues prior to initiating formal support requests.

The Contractor will collaborate with the State to assess Salesforce upgrades, prioritize maintenance tasks, and manage change control through requirement gathering, impact analysis, and approval workflows. All changes will be documented and tracked using Azure DevOps or State-preferred tools, providing transparency and alignment with business needs.

17. RESERVED / ADDITIONAL PRODUCTS AND SERVICES

18. CONTRACTOR PERSONNEL

Contractor Contract Administrator. Contractor resource who is responsible to(a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

Contractor
Kevin Potter

4737 Reed Rd. Ste. 152 Upper Arlington, Ohio 43220 614-581-2036 kevin@aimpointtechnology.com

19. CONTRACTOR KEY PERSONNEL

Contractor Security Officer. Contractor resource who is responsible to respond to State inquiries regarding the security of the Contractor’s Solution. This person must have sufficient knowledge of the security of the Contractor Solution and the authority to act on behalf of Contractor in matters pertaining thereto. Contractor must inform the State of any change to this resource.

Contractor
Caleb Weaver 4737 Reed Rd. Ste. 152 Upper Arlington, Ohio 43220 330-231-8125 cweaver@aimpointtechnology.com

Contractor Technology Related Developers. Contractor resource who is responsible to respond to State inquiries regarding development and maintenance related to the Software. This person must have sufficient knowledge of the Software and the authority to act on behalf of Contractor in matters pertaining thereto. Contractor must inform the State of any change to this resource.

Contractor
Miguel Arriola 4737 Reed Rd. Ste. 152 Upper Arlington, Ohio 43220 216-712-9500 marriola@aimpointtechnology.com

Contractor Project Manager. Contractor resource who is responsible to serve as the primary contact with regard to services who will have the authority to act on behalf of the Contractor in matters pertaining to the implementation services, matters pertaining to the receipt and processing of Support Requests and the Support Services.

Contractor
Sue Marryott

4737 Reed Rd. Ste. 152

Upper Arlington, Ohio 43220

410-919-7899

smarryott@aimpointtechnology.com

20. CONTRACTOR PERSONNEL REQUIREMENTS

Background Checks. Contractor must present certifications evidencing satisfactory ICHAT and drug test results for all staff identified for assignment to this project to the State of Michigan Program Manager designated for this Contract. In addition, proposed Contractor personnel will be required to complete a Michigan State Police background check and/or submit an RI-8 Fingerprint Card for the National Crime Information Center (NCIC), if required by project.

Annually, Contractor must perform an ICHAT for all staff identified for assignment to this project. Annual background check results will be reported to the State of Michigan Program Manager designated for this Contract.

Contractor will disclose to the State of Michigan Program Manager for this Contract, in writing at or before the beginning of the next scheduled duty shift:

- a. A felony or misdemeanor court conviction, whether by guilty plea, no contest plea, or trial.
- b. A felony arraignment.
- c. Restriction, suspension, or loss of driving privileges for any reason, if the employee's current position requires possession of a valid driver's license.

Contractor will pay for all costs associated with ensuring its staff meet all requirements.

Contractor must notify the State Program Manager(s) prior to removing or replacing any Contractor Personnel with access to State Data under this Contract. Contractor must also provide written certification to the State Program Manager(s) that Contractor Personnel's access to State Data has been terminated. Contractor must notify the State in advance of allocating Contractor Personnel to multiple State Contracts or Projects. Contractor must provide detail of how a given Contractor Personnel meets the resource experience requirements in advance of replacing a Contractor Personnel. Contractor must provide monthly summary of Contractor Personnel allocation for all Contractor Personnel who have access to State Data.

Contractor must seek approval from the State prior to removing or replacing any Contractor Personnel with access to State Data.

Contractor will pay for all equipment needed for Contractor Personnel to meet requirements. Most work will be remote via teleconferencing option offering screen sharing to meet the timeframes as agreed to by both parties. On an as-needed basis contractor may need to be on site for training or assistance to meet the timeframes as agreed to by both parties.

Offshore Resources. Use of Offshore Resources is prohibited per the Schedule E – Data Security Requirements. Contractor must comply with the data security and other requirements in this Contract.



Disclosure of Permitted Subcontractors. If the Contractor intends to utilize Permitted Subcontractors (including but not limited to cloud providers, managed security providers, staff augmentation, etc.) as defined in the Software Terms, the Contractor must disclose the following:

- The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Solution.
- The relationship of the Subcontractor to the Contractor. Of the total bid, the price of the Subcontractor's work. Whether the Contractor has a previous working experience with the Subcontractor. If yes, provide details of that previous relationship.
- A complete description of the Solution that will be performed or provided by the subcontractor.

21. STATE RESOURCES

The State will provide the following resources as part of the implementation and ongoing support of the Solution.

State Contract Administrator. The State Contract Administrator is the individual appointed by the State to (a) administer the terms of this Contract, and (b) approve and execute any Change Notices under this Contract.

State Contract Administrator
Kristine Mills 320 S Walnut St, Lansing MI, 48908 517-242-6402 millsk11@michigan.gov

Program Managers. The DTMB and Agency Program Managers (or designee) will jointly approve all Deliverables and day to day activities.

DTMB Program Manager
Shoba Murali 611 W. Ottawa St. Lansing MI 48909 517-898-2915 muralis@michigan.gov

Agency Program Manager

Andy Hannum
7109 W. Saginaw Hwy
Lansing, MI 48917
517-243-9599
hannuma@michigan.gov

22. MEETINGS

At start of the engagement, the Contractor Project Manager must facilitate a project kick off meeting with the support from the State's Project Manager and the identified State resources to review the approach to accomplishing the project, schedule tasks and identify related timing, and identify any risks or issues related to the planned approach. From project kick-off until final acceptance and go-live, Contractor Project Manager must facilitate weekly meetings (or more if determined necessary by the parties) to provide updates on implementation progress. Following go-live, Contractor must facilitate monthly meetings (or more or less if determined necessary by the parties) to ensure ongoing support success.

23. PROJECT CONTROL & REPORTS

Once the Project Kick-Off meeting has occurred, the Contractor Project Manager will monitor project implementation progress and report on a weekly basis to the State's Project Manager the following:

- Progress to complete milestones, comparing forecasted completion dates to planned and actual completion dates
- Accomplishments during the reporting period, what was worked on and what was completed during the current reporting period
- Indicate the number of hours expended during the past week, and the cumulative total to date for the project. Also, state whether the remaining hours are sufficient to complete the project
- Tasks planned for the next reporting period
- Identify any existing issues which are impacting the project and the steps being taken to address those issues
- Identify any new risks and describe progress in mitigating high impact/high probability risks previously identified
- Indicate the amount of funds expended during the current reporting period, and the cumulative total to date for the project.

All Contractors must submit and enter weekly timesheets into the State of Michigan's Project Portfolio Management tool, Clarity PPM, for approval and reporting. The weekly Clarity PPM timesheet will contain hours worked for assigned project tasks.



24. PROJECT MANAGEMENT

The Contractor Project Manager will be responsible for maintaining a project schedule (or approved alternative) identifying tasks, durations, forecasted dates and resources – both Contractor and State - required to meet the timeframes as agreed to by both parties.

Changes to scope, schedule or cost must be addressed through a formal change request process with the State and the Contractor to ensure understanding, agreement and approval of authorized parties to the change and clearly identify the impact to the overall project.

Contractor will:

1. Use Agile-based tracking tools (e.g., work tickets, test cases, sprint reports, and service logs) to document progress, these are to be maintained in the State of Michigan's Azure DevOps (ADO), SharePoint and Git repository.
2. Provide standard reporting that includes work completed, pending tasks, and any risks or issues requiring attention as outlined in section 23: Project Control & Reports.
3. Adhere to State change management processes for any modifications requiring formal approval.
4. Document and follow industry-standard best practices for Salesforce administration, security, and system maintenance.

25. HUMAN CENTERED DESIGN (HCD) - RESERVED

26. ADDITIONAL INFORMATION

The State reserves the right to purchase any additional services or products from the Contractor during the duration of the Contract.

SCHEDULE A – ATTACHMENT 1 – BUSINESS SPECIFICATION WORKSHEET

Business Specification Number	Business Specification
1.0	Contractor performs detailed Salesforce Release Readiness prior to the scheduled release.
2.0	Contractor develops, tests, and delivers for implementation the identified solution of any identified bugs/defects.
3.0	Contractor develops, tests, and delivers for implementation the identified solution of any identified feature requests/enhancements.
4.0	Contractor must migrate all active Salesforce Workflow Rules and Process Builder automations to Flows to mitigate the impact of feature retirements on the system. All converted Workflows and Processes must retain the same functionality when converted to Flows. The naming convention of each converted item must be the same to easily locate for future reference.
5.0	Contractor must use Azure ADO for Application lifecycle management to track backlogs, defects, test cases, releases, work requests and tasks.
6.0	Contractor must set up/Use Azure repository to create baseline source code and implement version control for any config/code changes going forward.
7.0	Contractor must set up/Use ADO CI/CD pipelines for all deployments including UAT and Prod environments

8.0	Contractor will build test cases for SF Platform Releases regression testing
9.0	Contractor will coordinate with DTMB teams for UAT and Prod deployments to enforce separation of roles
10.0	Contractor must set up CI/CD pipelines to SIT, UAT and Prod environments to deploy Metadata changes
11.0	Contractor will attach move docs that will contain step by step instructions for manually deploying non-metadata changes to UAT and Prod environments. Sample of move doc template is attached.
12.0	Contractor must coordinate with MPSC/DTMB on a regular cadence to plan future releases and complete the Request for Change (RFC) process to implement any changes to the production environment.
13.0	Contractor is responsible to address any security vulnerabilities from the DAST, SAST and SCA scans for yearly ATO (Authorization to Operate)
14.0	Contractor is responsible to coordinate with MPSC for the Disaster Recovery table-top testing.
15.0	Contractor must implement OwnBackup or another backup and recovery process for all the MPSC orgs to backup both metadata and data.

SCHEDULE B - PRICING

Pricing covers all Base (5) and Option Years (5) of the contract.

Projected Annual Cost*	\$90,000
Projected Base Contract Years 1-5*	\$450,000
Projected Option Years 6-10*	\$450,000

*Work will be billed at an hourly rate. These numbers are based on a projected blended rate for 600 hours annually. The State is not obligated to consume the entire 600 hours.

1. Postproduction Warranty. The Contractor must provide a 90 calendar days postproduction warranty at no cost to the State. The postproduction warranty will meet all requirements of the contract including all Support Services identified in Schedule D.

2. Rate Card for Professional Services.

Resource	On/Off Site Hourly Rate
Contractor Project Manager	\$150
Contractor Technology Related Developer	\$150
Contractor System Architect	\$150
Contractor Security Officer	\$150
Solution Architect	\$250
Technical Architect	\$250
Functional Consultant	\$175
Jr. Developer	\$150
Sr. Developer	\$175
Program Manager	\$175
Business Analyst	\$125
Data Migration Specialist	\$175
Integration Specialist	\$185
QA / Test Engineer	\$100
Change Management / Training	\$125
Other Technical	\$225
Other non-Technical	\$225

3. Additional Pricing Terms

Michigan.gov/MiProcurement

If Contractor reduces its prices, or offers a lower price to any other entity, private or public, for any of the Solution during the term of this Contract, the State shall have the immediate benefit of such lower prices for new purchases. Contractor shall send notice to the State's Contract Administrator with the reduced prices within fifteen (15) Business Days of the reduction taking effect.

Invoice Requirements

All invoices submitted to the State must include: (a) date; (b) purchase order or delivery order SIGMA number; (c) resource and hours worked, referencing dates; (d) description of the Solution; (e) unit price; (g) Contractor-generated invoice number and (h) total price.

Travel and Expenses

The State does not pay for overtime or travel expenses.

SCHEDULE C - INSURANCE REQUIREMENTS

LARA – MPSC Salesforce Maintenance and Support

1. **General Requirements.** Contractor, at its sole expense, must maintain the insurance coverage as specified herein for the duration of the Term. Minimum limits may be satisfied by any combination of primary liability, umbrella or excess liability, and self-insurance coverage. To the extent damages are covered by any required insurance, Contractor waives all rights against the State for such damages. Failure to maintain required insurance does not limit this waiver.
2. **Qualification of Insurers.** Except for self-insured coverage, all policies must be written by an insurer with an A.M. Best rating of A- VII or higher unless otherwise approved by DTMB Enterprise Risk Management.
3. **Primary and Non-Contributory Coverage.** All policies for which the State of Michigan is required to be named as an additional insured must be on a primary and non-contributory basis.
4. **Claims-Made Coverage.** If any required policies provide claims-made coverage, Contractor must:
 - a. Maintain coverage and provide evidence of coverage for at least 3 years after the later of the expiration or termination of the Contract or the completion of all its duties under the Contract;
 - b. Purchase extended reporting coverage for a minimum of 3 years after completion of work if coverage is cancelled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the Effective Date of this Contract.
5. **Proof of Insurance.**
 - a. Insurance certificates showing evidence of coverage as required herein must be submitted to DTMB-RiskManagement@michigan.gov within 10 days of the contract execution date.
 - b. Renewal insurance certificates must be provided on annual basis or as otherwise commensurate with the effective dates of coverage for any insurance required herein.
 - c. Insurance certificates must be in the form of a standard ACORD Insurance Certificate unless otherwise approved by DTMB Enterprise Risk Management.
 - d. All insurance certificates must clearly identify the Contract Number (e.g., notated under the Description of Operations on an ACORD form).
 - e. The State may require additional proofs of insurance or solvency, including but not limited to policy declarations, policy endorsements, policy schedules, self-insured certification or authorization, and audited financial statements.

- f. In the event any required coverage is cancelled or not renewed, Contractor must provide written notice to DTMB Enterprise Risk Management no later than 5 business days following such cancellation or nonrenewal.
6. **Subcontractors.** Contractor is responsible for ensuring its subcontractors, if any, carry and maintain insurance coverage as applicable to the subcontracted service(s).
7. **Limits of Coverage & Specific Endorsements.**

Required Limits	Additional Requirements
Commercial General Liability Insurance	
Minimum Limits: \$1,000,000 Each Occurrence \$1,000,000 Personal & Advertising Injury \$2,000,000 Products/Completed Operations \$2,000,000 General Aggregate	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 20 10 12 19 and CG 20 37 12 19.
Automobile Liability Insurance	
Minimum Limits: \$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	
Minimum Limits: Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
Minimum Limits: \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease	
Privacy and Security Liability (Cyber Liability) Insurance	
Minimum Limits: \$5,000,000 Each Occurrence	Contractor must have their policy cover information security and privacy liability, privacy notification

Required Limits	Additional Requirements
\$5,000,000 Annual Aggregate	costs, regulatory defense and penalties, and website media content liability.
Professional Liability (Errors and Omissions) Insurance	
Minimum Limits: \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate	

a. **Non-Waiver.** This Section 6 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.

8. Notice of Non-Compliance. Contractor consents to receiving electronic communications from a third-party service provider, Origami Risk, for the exclusive purpose of notifying Contractor of non-compliance with the requirements set forth in this Schedule C.

9. Non-Waiver. This Schedule C 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.

SCHEDULE D – SERVICE LEVEL AGREEMENT (STATE HOSTED)

IF THE SOFTWARE IS STATE HOSTED, then the following applies:

The parties agree as follows:

1. Definitions. For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this Schedule shall have the respective meanings given to them in the Contract Terms and Conditions.

“Contact List” means a current list of Contractor contacts and telephone numbers set forth in the attached **Schedule D – Attachment 1** to this Schedule to enable the State to escalate its Support Requests, including: (a) the first person to contact; and (b) the persons in successively more qualified or experienced positions to provide the support sought.

“Critical Service Error” has the meaning set forth in the Service Level Table.

“First Line Support” means the identification, diagnosis and correction of Errors by the State.

“High Service Error” has the meaning set forth in the Service Level Table.

“Low Service Error” has the meaning set forth in the Service Level Table.

“Medium Service Error” has the meaning set forth in the Service Level Table.

“Resolve”, “Resolved”, “Resolution” and the correlative capitalized terms mean, with respect to any particular Support Request, that Contractor has corrected the Service Error that prompted that Support Request and that the State has confirmed such correction and its acceptance of it in writing.

“Service Credit” has the meaning set forth in **Section 3**

“Service Error” means, generally, any failure or error referred to in the Service Level Table.

“Second Line Support” means services Contractor provides in response to a Support Request, including the identification, diagnosis and Resolution of Service Errors by the provision of (a) telephone and email assistance by a qualified individual on the Contact List and remote application support, or (b) on-site technical support at the State's premises by a qualified individual on the Contact List.

“Service Level Credit” means a credit on Fees payable to the State because of a Service Level Failure.

“Service Level Failure” means Contractor's failure to perform the Second Line Support in compliance with this Service Level Agreement within the applicable Service Level Metric.

“Service Levels Metrics” means the required Support Request Response and Resolution times referred to in the Service Level Table.

“State Cause” means any of the following causes of a Service Error: (a) a State server hardware problem; (b) a desktop/laptop hardware problem; or (c) a State network communication problem.



“State Systems” means the State's information technology infrastructure, including the State's computers, software, databases, electronic systems (including database management systems) and networks.

“Support Hours” means 24 hours, 7 days a week.

“Support Period” means the period beginning immediately at the conclusion of the Warranty Period and ending on the date the Contract expires or is terminated.

“Support Request” means the State's request for Contractor to Respond to and Resolve a Service Error.

“Support Request Classification” means the type and/or severity designation of a Support Request according to and corresponding to the Service Error Classification of a Service Error that is the subject of a Support Request.

“Support Request Response Time” means the period of time, beginning when Contractor receives a Support Request, within which Contractor must acknowledge, in writing, its receipt of the Support Request, as set forth in the Service Level Table.

2. Second Line Support. The State will provide First Line Support prior to making a Service Request for Second Line Support. Contractor shall perform all Second Line Support during the Support Hours throughout the Support Period in accordance with the terms and conditions of this Schedule and the Contract, including the Service Level Metrics and other Contractor obligations set forth in this **Section 2**.

2.1 Second Line Support Responsibilities. Contractor shall:

- (a) provide unlimited telephone support during all Support Hours;
- (b) respond to and Resolve all Support Requests in accordance with the Service Level Metrics;
- (c) provide unlimited remote Second Line Support to the State during all Support Hours;
- (d) provide on-premise Second Line Support to the State if remote Second Line Support will not Resolve the Error; and
- (e) provide to the State all such other services as may be necessary or useful to correct a Service Error or otherwise fulfill the Service Level requirements, including defect repair, programming corrections and remedial programming.

2.2 Support Requests. If a Service Error is not resolved by First Line Support and if the State has determined that a Service Error is not the result of a **State Cause**, the State may submit a Support Request. The State will include in its Support Request the applicable Support Request Classification (as set forth below in the Service Level Table) and a description of the Service Error and the time the State first observed the Service Error. The State will submit each Support Request by e-mail or telephone.

2.3 State Obligations. The State shall provide the Contractor with each of the following to the extent reasonably necessary to assist Contractor to reproduce operating conditions similar to those present when the State detected the relevant Service Error and to respond to and Resolve the relevant Support Request:

(a) if not prohibited by the State's security policies, remote access to the State Systems, and if prohibited, direct access at the State's premises;

(b) output and other data, documents and information, each of which is deemed the State's Confidential Information as defined in the Contract; and

(c) such other reasonable cooperation and assistance as Contractor may request.

2.4 Service Level Table. As set out in the **"Service Level Table"** below, applicable Service Level Metrics will be measured from the time Contractor receives a Support Request until the respective times Contractor has (a) responded to that Support Request, in the case of Support Request Response time and (b) Resolved that Support Request, in the case of Support Request Resolution time. Contractor shall respond to and Resolve all Support Requests within the following times based on the State's Support Request Classification, subject to the State's written agreement to revise such designation after Contractor's investigation of the reported Service Error:

SERVICE LEVEL TABLE

Support Request Classification	Definition	Service Level Metric for Required Support Request Response Time	Service Level Metric for Required Support Request Resolution Time)
Critical Service Error	Any Service Error comprising or causing any of the following events or effects issue affecting the entire system or a single critical production function: (a) Software down or operating in materially degraded state; (b) Data integrity at risk; (c) Material financial impact; (d) Widespread access interruptions: or	Contractor shall acknowledge receipt of a Support Request within 30 minutes.	For Software: Contractor shall Resolve the Support Request as soon as practicable and no later than 4 hours after Contractor's receipt of the Support Request. For Hardware: Contractor shall Resolve the Support Request as soon as practicable and no later than XXX hours after Contractor's receipt of the Support Request. If the Contractor Resolves the Support Request by way of a work-around accepted in writing by the State, the support classification assessment will be reduced to a High Service Error.

Support Request Classification	Definition	Service Level Metric for Required Support Request Response Time	Service Level Metric for Required Support Request Resolution Time)
	(e) Classified by the state as a Critical Service Error (f) Any Items or Issues arising from a push into Production Deployment		
High Service Error	(a) A Critical Service Error for which the State has received, within the Resolution time for Critical Service Errors, a work-around that the State has accepted in writing; or (b) Primary component failure that materially impairs Software's performance; (c) Data entry or access is materially impaired on a limited basis; or (d) performance issues of severe nature impacting critical processes	Contractor shall acknowledge receipt of a Support Request or, where applicable, the State's written acceptance of a Critical Service Error work-around, within 4 hours.	Contractor shall Resolve the Support Request as soon as practicable and no later than 2 Business Days after Contractor's receipt of the Support Request or, where applicable, the State's written acceptance of a Critical Service Error work-around.

Support Request Classification	Definition	Service Level Metric for Required Support Request Response Time	Service Level Metric for Required Support Request Resolution Time)
Medium Service Error	An isolated or minor Error in the Software that meets any of the following requirements: (a) does not significantly affect Software functionality; (b) can or does impair or disable only certain non-essential Software functions; or (c) does not materially affect the State's use of the Software	Contractor shall acknowledge receipt of the Support Request within 4 hours.	Contractor shall Resolve the Support Request as soon as practicable and no later than 10 Business Days after Contractor's receipt of the Support Request. If Medium Service Error has not been resolved in 10 Business Days, the State may resubmit as a High Service Error.
Low Service Error	Request for assistance, information, or services that are routine in nature.	Contractor shall acknowledge receipt of the Support Request within 1 Business Days.	Contractor shall Resolve the Support Request as soon as practicable and no later than 20 Business Days after Contractor's receipt of the Support Request. If Low Service Error has not been resolved in 20 Business Days, the State may resubmit as a Medium Service Error.

2.5 Escalation. If Contractor does not respond to a Support Request within the applicable Support Request Time, the State may escalate the Support Request to the Contractor Project Manager and State Program Managers, or their designees, and then to the parties' respective Contract Administrators.

2.6 Time Extensions. The State may, on a case-by-case basis, agree in writing to a reasonable extension of the Support Request Response or Resolution times.

2.7 Contractor Updates. Contractor shall give the State monthly electronic or other written reports and updates of:

- (a) the nature and status of its efforts to correct any Service Error(s), including a description of the Service Error and the time of Contractor's response and Resolution with respect to each Support Request;
- (b) its Service Level performance, including Service Level response and Resolution times; and
- (c) the Service Credits to which the State has become entitled.

3. Service Level Credits.

3.1 Service Level Credit Amounts. If the Contractor fails to meet the Service Level Metrics, the State will be entitled to the corresponding Service Level Credits specified in the table below provided that the relevant Service Error did not result from a State Cause. If the Support Fee is paid other than monthly, the Support Fee will be converted to its monthly equivalent for purposes of determining the Service Credit based on the percentages in the table below. The credits will accrue on a monthly basis and be applied or paid to the State at the next occurring time of payment.

SERVICE LEVEL CREDIT TABLE

Support Request Classification	Service Level Credits (For Failure to meet the Service Level Metric for Support Request Response Time)	Service Level Credits (For Failure to meet the Service Level Metric for Support Request Resolution Time)
Critical Service Error	An amount equal to one billable hour for each hour by which Contractor's response exceeds the required Response time.	An amount equal to one billable hour for each hour by which Contractor's Resolution of the Support Request exceeds the required Resolution time.
High Service Error	An amount equal to one billable hour for each hour by which Contractor's response exceeds the required Response time.	An amount equal to one billable hour for each hour by which Contractor's Resolution of the Support Request exceeds the required Resolution time.

3.2 Compensatory Purpose. The parties intend that the Service Level Credits constitute a liquidated damage to the State and are not a penalty. The parties acknowledge and agree that the State's harm caused by Contractor's Service Level Failure would be impossible or very difficult to accurately estimate as of the Effective Date, and that the Service Level Credits are a reasonable estimate of the anticipated or actual harm that might arise from Contractor's Service Level Failure.

3.3 Issuance of Service Level Credits. Contractor shall, for each invoice period, issue to the State, together with Contractor's invoice for such period, a written acknowledgment setting forth all Service Level Credits to which the State has become entitled during that invoice period. Contractor shall pay the amount of the Service Credit as a debt to the State within 15 Business Days of issue of the Service Level Credit acknowledgment, provided that, at the State's option, the State may, at any time prior to Contractor's payment of such debt,



deduct (set off) the Service Credit Level from the amount payable by the State to Contractor pursuant to such invoice.

3.4 Additional Remedies for Service Level Failures. Contractor's repeated failure to meet the Service Level Metric(s) for Resolution of any Critical Service Errors or High Service Errors, or any combination of such Errors, within the applicable Resolution time set out in the Service Level Table will constitute a material breach under the Contract. Without limiting the State's right to receive Service Credits under this **Section**, the State may terminate this Schedule for cause in accordance with terms of the Contract.

4. Reserve

5. Communications. In addition to the mechanisms for giving notice specified in the Contract, unless expressly specified otherwise in this Schedule or the Contract, the parties may use e-mail for communications on any matter referred to herein.

SCHEDULE D – ATTACHMENT 1 – CONTACT LIST

Escalation Step	Role / Title	Name	Email
Step 1	Dir. PMO	Sue Marryott	smarryott@aimpointtechnology.com
Step2	Chief Customer Officer	Dan Osborne	dosborne@aimpointtechnology.com
Step 3	CEO	Kevin Potter	kevin@aimpointtechnology.com

SCHEDULE E – DATA SECURITY REQUIREMENTS

1. Definitions. For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Schedule** shall have the respective meanings given to them in the Contract.

“**Contractor Security Officer**” has the meaning set forth in **Section 2** of this Schedule.

“**FedRAMP**” means the Federal Risk and Authorization Management Program, which is a federally approved risk management program that provides a standardized approach for assessing and monitoring the security of cloud products and services.

“**FISMA**” means The Federal Information Security Modernization Act of 2014 (Pub.L. No. 113-283 (Dec. 18, 2014.)).

“**Hosting Provider**” means any Permitted Subcontractor that is providing any or all of the Hosted Services and/or Operating Environment under this Contract.

“**NIST**” means the National Institute of Standards and Technology.

“**PCI**” means the Payment Card Industry.

“**PSP**” or “**PSPs**” means the State’s IT Policies, Standards and Procedures.

“**SSAE**” means Statement on Standards for Attestation Engagements.

“**Security Accreditation Process**” has the meaning set forth in **Section 6** of this Schedule

2. Security Officer. Contractor will appoint a Contractor employee to respond to the State’s inquiries regarding the security of the Solution who has sufficient knowledge of the security of the Solution and the authority to act on behalf of Contractor in matters pertaining thereto (“**Contractor Security Officer**”).

3. Contractor Responsibilities. Contractor is responsible for establishing and maintaining a data privacy and information security program, including physical, technical, administrative, and organizational safeguards, that is designed to:

- (a) ensure the security and confidentiality of the State Data;
- (b) protect against any anticipated threats or hazards to the security or integrity of the State Data;
- (c) protect against unauthorized disclosure, access to, or use of the State Data;
- (d) ensure the proper disposal of any State Data in Contractor’s or its subcontractor’s possession; and
- (e) ensure that all Contractor Personnel comply with the foregoing.

The State has established Information Technology (IT) PSPs to protect IT resources under the authority outlined in the overarching State 1305.00 Enterprise IT Policy. In no case will the safeguards of Contractor’s data privacy and information security program be less stringent than the safeguards used by the State, and Contractor must at all times comply with all applicable public and non-public State IT policies and standards, of which the publicly available ones are at <https://www.michigan.gov/dtmb/policies/it-policies>.

This responsibility also extends to all service providers and subcontractors with access to State Data or an ability to impact the Solution. Contractor responsibilities are determined from the PSPs based on the services being provided to the State, the type of IT solution, and the applicable laws and regulations.

4. Acceptable Use Standard. To the extent that Contractor has access to the State's IT environment, Contractor must comply with the State's Acceptable Use Standard, see <https://www.michigan.gov/dtmb/-/media/Project/Websites/dtmb/Law-and-Policies/IT-Policy/13400013002-Acceptable-Use-of-Information-Technology-Standard.pdf>. All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Standard before accessing State systems or Data. The State reserves the right to terminate Contractor's and/or subcontractor(s) or any Contractor Personnel's access to State Systems if the State determines a violation has occurred.

5. Protection of State's Information. Throughout the Term and at all times in connection with its actual or required performance of the Services, Contractor will:

5.1 If Hosted Services are provided by a Hosting Provider, ensure each Hosting Provider maintains FedRAMP authorization for all Hosted Services environments throughout the Term, and in the event a Hosting Provider is unable to maintain FedRAMP authorization, the State, at its sole discretion, may either a) require the Contractor to move the Software and State Data to an alternative Hosting Provider selected and approved by the State at Contractor's sole cost and expense without any increase in Fees, or b) immediately terminate this Contract for cause;

5.2 for Hosted Services provided by the Contractor, maintain either a FedRAMP authorization or an annual SSAE 18 SOC 2 Type II audit based on State required NIST Special Publication 800-53 MOD Controls using identified controls and minimum values as established in applicable State PSPs;

5.3 ensure that the Software and State Data is securely stored, hosted, supported, administered, Accessed, and backed up in the United States or its territories. The use of Offshore Resources is not permitted;

5.4 ensure that any Customization development work is performed in the United States;

5.5 ensure the data center(s) in which Software and State Data resides minimally meets Uptime Institute Tier 3 standards (<https://www.uptimeinstitute.com/>), or its equivalent;

5.6 maintain and enforce an information security program including safety and physical and technical security policies and procedures with respect to its Processing of the State Data that complies with the requirements of the State's data security policies as set forth in this Contract, and must, at a minimum, remain compliant with FISMA and NIST Special Publication 800-53 MOD Controls using identified controls and minimum values as established in applicable State PSPs;

5.7 Throughout the Term, Contractor must not provide any part of the Solution from the list of excluded parties in the [System for Award Management \(SAM\)](#) for entities excluded from receiving federal government awards for "covered telecommunications equipment or services.



5.8 provide technical and organizational safeguards against accidental, unlawful or unauthorized access to or use, destruction, loss, alteration, disclosure, encryption, transfer, commingling or processing of such information that ensure a level of security appropriate to the risks presented by the Processing of State Data and the nature of such State Data, consistent with best industry practice and applicable standards (including, but not limited to, compliance with FISMA, NIST, CMS, IRS, FBI, SSA, HIPAA, FERPA and PCI requirements as applicable);

5.9 take all reasonable measures to:

- (a) secure and defend all locations, equipment, systems and other materials and facilities employed in connection with the Solution against “malicious actors” and others who may seek, without authorization, to destroy, disrupt, damage, encrypt, modify, copy, access or otherwise use Hosted Services or the information found therein; and
- (b) prevent (i) the State and its Authorized Users from having access to the data of other customers or such other customer’s users of the Solution; (ii) State Data from being commingled with or contaminated by the data of other customers or their users of the Solution; and (iii) unauthorized access to any of the State Data;

5.10 ensure that State Data is encrypted in transit and at rest using FIPS validated AES encryption modules and a key size of 128 bits or higher;

5.11 ensure the Hosted Services support Identity Federation/Single Sign-on (SSO) capabilities using Security Assertion Markup Language (SAML), Open Authentication (OAuth) or comparable State approved mechanisms;

5.12 ensure the Hosted Services implements NIST compliant multi-factor authentication for privileged/administrative and other identified access.

5.13 Contractor must permanently sanitize or destroy the State’s information, including State Data, from all media both digital and nondigital including backups using National Security Agency (“NSA”) and/or National Institute of Standards and Technology (“NIST”) (NIST Guide for Media Sanitization 800-88) data sanitization methods or as otherwise instructed by the State. Contractor must sanitize information system media, both digital and non-digital, prior to disposal, release out of its control, or release for reuse as specified above.

6. Security Accreditation Process. Throughout the Term, Contractor will assist the State, at no additional cost, with its **Security Accreditation Process**, which includes the development, completion and on-going maintenance of a system security plan (SSP) using the State’s automated governance, risk and compliance (GRC) platform, which requires Contractor to submit evidence, upon request from the State, in order to validate Contractor’s security controls within two weeks of the State’s request. On an annual basis, or as otherwise required by the State such as for significant changes, re-assessment of the system’s controls will be required to receive and maintain authority to operate (ATO). All identified risks from the SSP will be remediated through a Plan of Action and Milestones (POAM) process with remediation time frames and required evidence based on the risk level of the identified risk. For all findings associated with the Contractor’s solution, at no additional cost, Contractor will be required to create or assist with the creation of State approved POAMs, perform related remediation activities, and provide evidence of



compliance. The State will make any decisions on acceptable risk, Contractor may request risk acceptance, supported by compensating controls, however only the State may formally accept risk. Failure to comply with this section will be deemed a material breach of the Contract.

7. Unauthorized Access. Contractor may not access, and must not permit any access to, State Systems, in whole or in part, whether through the Hosted Services or otherwise, without the State's express prior written authorization. Such authorization may be revoked by the State in writing at any time in its sole discretion. Any access to State Systems must be solely in accordance with the Contract and this Schedule, and in no case exceed the scope of the State's authorization pursuant to this Section. All State-authorized connectivity or attempted connectivity to State Systems shall be only through the State's security gateways and firewalls and in compliance with the State's security policies set forth in the Contract as the same may be supplemented or amended by the State and provided to Contractor from time to time.

8. Security Audits.

8.1 During the Term, Contractor will maintain complete and accurate records of its data protection practices, IT security controls, and the security logs relating to State Data, including but not limited to any backup, disaster recovery or other policies, practices or procedures relating to the State Data and any other information relevant to its compliance with this Contract.

8.2 Without limiting any other audit rights of the State, the State has the right to review Contractor's data privacy and information security program prior to the commencement of Services and from time to time during the term of this Contract. The State, at its own expense, is entitled to perform, or to have performed, an on-site audit of Contractor's data privacy and information security program. If the State chooses to perform an on-site audit, Contractor will, make all such records, appropriate personnel and relevant materials available during normal business hours for inspection and audit by the State or an independent data security expert that is reasonably acceptable to Contractor, provided that the State: (i) gives Contractor at least 5 Business Days prior notice of any such audit; (ii) undertakes such audit no more than once per calendar year, except for good cause shown; and (iii) conducts or causes to be conducted such audit in a manner designed to minimize disruption of Contractor's normal business operations and that complies with the terms and conditions of all data confidentiality, ownership, privacy, security and restricted use provisions of the Contract. The State may, but is not obligated to, perform such security audits, which shall, at the State's option and request, include penetration and security tests, of any and all Hosted Services and their housing facilities and operating environments.

8.3 During the Term, Contractor will, when requested by the State, provide a copy of Contractor's and Hosting Provider's (if applicable) FedRAMP System Security Plan(s) or SOC 2 Type 2 report(s) to the State within two weeks of the State's request. The System Security Plan and SSAE audit reports will be recognized as Contractor's Confidential Information.

8.4 With respect to State Data, Contractor must implement any required safeguards as identified by the State or by any audit of Contractor's data privacy and information security program.

8.5 The State reserves the right, at its sole election, to immediately terminate this Contract or a Statement of Work without limitation and without liability if the State determines that Contractor fails or has failed to meet its obligations under this **Section 8**.

9. Application Scanning. During the Term, Contractor must, at its sole cost and expense, scan all Contractor provided applications, and must analyze, remediate and validate all vulnerabilities identified by the scans as required by the State Web Application Security Standard and other applicable PSPs.

Contractor's application scanning and remediation must include each of the following types of scans and activities:

9.1 Dynamic Application Security Testing (DAST) – Authenticated interactive scanning of application for vulnerabilities, analysis, remediation, and validation (may include Interactive Application Security Testing (IAST)).

- (a) Contractor must either a) grant the State the right to dynamically scan a deployed version of the Software; or
- (b) in lieu of the State performing the scan, Contractor must dynamically scan a deployed version of the Software using a State approved application scanning tool, and provide the State with a vulnerabilities assessment after Contractor has completed such scan. These scans and assessments
 - (i) must be completed and provided to the State quarterly (dates to be provided by the State) and for each major release; and
 - (ii) scans must be completed in a non-production environment with verifiable matching source code and supporting infrastructure configurations or the actual production environment.

9.2 Static Application Security Testing (SAST) - Scanning source code for vulnerabilities, analysis, remediation, and validation.

- (a) For Contractor provided applications, Contractor, at its sole expense, must provide resources to complete static application source code scanning, including the analysis, remediation and validation of vulnerabilities identified by application source code scans. These scans must be completed for all source code initially, for all updated source code, and for all source code for each major release quarterly or more frequently if regulatory frameworks require and Contractor must provide the State with a vulnerability assessment after Contractor has completed the required scans.

9.3 Software Composition Analysis (SCA) – Third-Party and/or Open Source Scanning for vulnerabilities, analysis, remediation, and validation.

- (a) For Software that includes third-party and open source software, all included third-party and open source software must be documented and the source supplier must be monitored by the Contractor for notification of identified vulnerabilities and remediation. SCA scans may be included as part of SAST and DAST scanning or employ the use of an SCA tool to meet the scanning requirements. These scans must be completed for all third-party and open source software initially, for all



updated third-party and open source software, and for all third party and open source software in each major release and Contractor must provide the State with a vulnerability assessment after Contractor has completed the required scans if not provided as part of SAST and/or DAST reporting.

9.4 In addition, application scanning and remediation may include the following types of scans and activities if required by regulatory or industry requirements, data classification or otherwise identified by the State.

(a) If provided as part of the solution, all native mobile application software must meet these scanning requirements including any interaction with an application programming interface (API).

(b) Penetration Testing – Simulated attack on the application and infrastructure to identify security weaknesses.

10. Infrastructure Scanning.

10.1 Contractor must ensure their infrastructure and applications are scanned using an approved scanning tool (Qualys, Tenable, or other PCI Approved Vulnerability Scanning Tool) at least monthly and provide the scan's assessments to the State in a format that is specified by the State and used to track the remediation. Contractor will ensure the remediation of issues identified in the scan according to the remediation time requirements documented in the State's PSPs.

11. Nonexclusive Remedy for Security Breach.

11.1 Any failure of the Solution to meet the applicable requirements of this Schedule with respect to the security of any State Data or other Confidential Information of the State, including any related backup, disaster recovery or other policies, practices or procedures, is a material breach of the Contract for which the State, at its option, may terminate the Contract immediately upon written notice to Contractor without any notice or cure period, and Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination.

SCHEDULE F – TRANSITION IN AND OUT

The transition planning ensures a smooth handoff between MPSC and their partners. Aimpoint will work closely with MPSC, other third parties and the State’s release management team to assess the current state of MPSC’s Salesforce orgs, document critical processes, and establish a stable support framework.

Transition-In Phase

The transition-in phase ensures a smooth onboarding of Aimpoint to support MPSC’s Salesforce environments. Aimpoint will work closely with MPSC and their partners to assess their current state, document critical processes, and establish a stable support framework.

Transition-In Objectives

- Define clear roles and responsibilities between Aimpoint, MPSC, third parties, and release management teams.
- Complete Initial review of existing Salesforce configurations, integrations, and automation.
- Establish communication channels, work tracking, and reporting mechanisms.
- Align with release management processes, change control, and deployment protocols.



Image 1: a graphic representation of the Transition-In Steps & Timeline table

Transition-In Steps & Timeline

Phase	Key Activity	Responsible Party	Timeline
Planning	Conduct kickoff meeting, define roles, establish expectations	Aimpoint, MPSC, Release Management	Week 0-3
Knowledge Transfer	Review current documentation, processes, and known issues	MPSC, Current Vendor	Week 1-2
System Assessment	Review Salesforce orgs, integrations, security settings	Aimpoint	Week 1-6

Operational Setup	Establish Azure DevOps tracking, access controls, and reporting structure	Aimpoint, MPSC	Week 3-7
Ongoing Support	Begin full support, with periodic check-ins	Aimpoint	Week 1+

MPSC Responsibilities During Transition-In

- Provide access to Salesforce environments, documentation, and historical data.
- Assign key personnel to assist in knowledge transfer.
- Facilitate meetings to align release processes and ongoing support needs.

Transition-Out Plan

The transition-out phase ensures a structured handover of responsibilities to MPSC or a third-party provider, minimizing service disruption. Aimpoint will document all critical knowledge, transfer information securely, and provide training to ensure a smooth transition.

Transition-Out Objectives

- Facilitate seamless knowledge transfer to the incoming team.
- Deliver detailed documentation (e.g. configurations, workflows, integrations).
- Transfer access to Azure DevOps tracking, repositories, and deployment tools.
- Support MPSC in post-transition monitoring and address any outstanding issues.

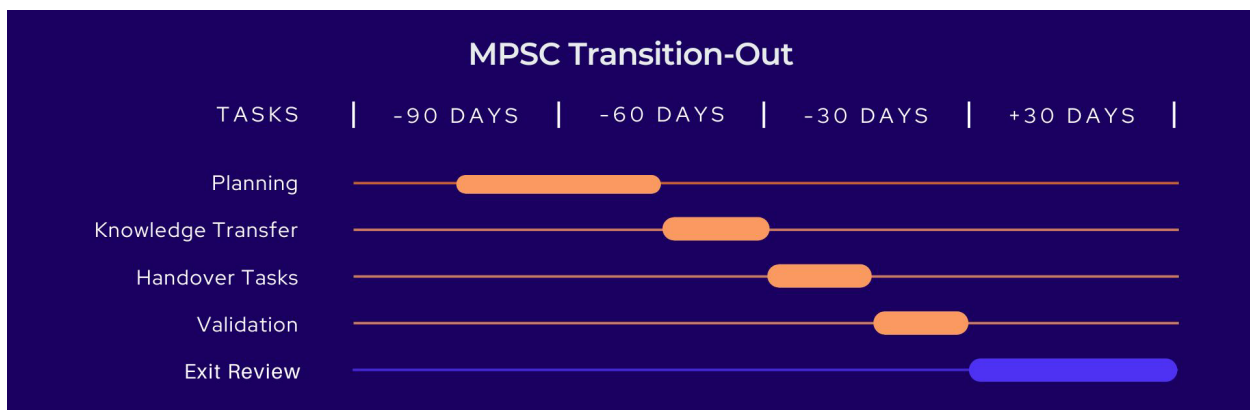


Image 2: a graphic representation of the Transition-Out Steps & Timeline table

Transition-Out Steps & Timeline

Phase	Key Activity	Responsible Party	Timeline
Planning	Define exit timeline, key contacts, and expectations	Aimpoint, MPSC, New Vendor	Week -7
Knowledge Transfer	Conduct training sessions, hand over documentation	Aimpoint	Week -6-2



Handover Tasks	Transfer accounts, repository ownership, CI/CD pipeline access	Aimpoint, MPSC	Week -4-2
Validation	Assist in testing and post-transition monitoring	Aimpoint	Week -2-0
Exit Review	Ensure smooth transition and finalize documentation, provide post hand-off support	Aimpoint, MPSC	Handoff

MPSC Responsibilities During Transition-Out

- Assign key personnel to participate in training and system handover.
- Review documentation and verify accuracy.
- Coordinate with the new vendor to align expectations.

Risk Mitigation for Transition Phases

Risk: Incomplete Knowledge Transfer

- Mitigation: Maintain detailed documentation and periodic reviews during both transitions.

Risk: Loss of Access to Critical Systems

- Mitigation: Ensure access transfers are planned early, with phased deprovisioning.

Risk: Disruptions During Transition

- Mitigation: Overlap Aimpoint's services with the new provider for knowledge continuity.
-

This transition plan allows both the onboarding (Transition-In) and offboarding (Transition-Out) processes to be handled efficiently and with minimal risk. Aimpoint will work closely with MPSC, release management teams, and any incoming or outgoing vendors to ensure a seamless migration of services while maintaining system integrity, security, and compliance.

SCHEDULE G – 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. Contractor agrees to comply with all obligations under federal rules or regulations for such funding, including but not limited to the provisions contained in this addendum. If any provision below conflicts with the State's terms and conditions, including any attachments, schedules, or exhibits to this 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. Further, Contractor agrees to, through a Contract Change Notice, append or modify specific federal provisions to this Contract, if reasonably necessary to keep the State and Contractor in compliance with federal funding requirements, and comply with the terms set forth therein. Hyperlinks are provided for convenience only; broken hyperlinks will not relieve Contractor from compliance with the law.

A. Equal Employment Opportunity

This Contract is not a **“federally assisted construction contract”** as defined in [41 CFR Part 60-1.3](#).

B. Davis-Bacon Act (Prevailing Wage)

This Contract is not a **“federally assisted construction contract”** as defined in [41 CFR Part 60-1.3](#), nor is it a prime construction contract in excess of \$2,000.

C. Copeland “Anti-Kickback” Act

This Contract is not a **“federally assisted construction contract”** as defined in [41 CFR Part 60-1.3](#), nor is it a prime construction contract in excess of \$2,000 where the Davis-Bacon Act applies.

D. Contract Work Hours and Safety Standards Act

The Contract does not involve the employment of mechanics or laborers.

E. Rights to Inventions Made Under a Contract or Agreement

If this Contract is funded by a federal “funding agreement” as defined under [37 CFR §401.2 \(a\)](#) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with [37 CFR Part 401](#), “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

F. Clean Air Act 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 7401-7671q](#)) and the

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

(1) Clean Air Act

- (i) 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.
- (ii) 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.
- (iii) 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.

(2) Federal Water Pollution Control Act

- (i) 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.
- (ii) 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.
- (iii) 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.

G. Debarment and Suspension

A “contract award” (see [2 CFR 180.220](#)) must not be made to parties listed on the government-wide exclusions in the [System for Award Management](#) (SAM), in accordance with the OMB guidelines at [2 CFR 180](#) that implement [Executive Orders 12549](#) ([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. Part 180 and 2 C.F.R. Part 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. Part 180, subpart C and 2 C.F.R. Part 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. Part. 180, subpart C and 2 C.F.R. Part. 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. Part 180, subpart C and 2 C.F.R. Part 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.

H. Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352 (as amended)

Contractor has applied or bid for an award of **more than \$100,000** and shall file the required certification in *Exhibit 1 – Byrd Anti-Lobbying Certification* attached to the end of this Addendum. Each tier certifies to the tier above that it will not and has not used federally 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 federal awarding agency.

I. Procurement of Recovered Materials

If this Contract is a procurement to purchase products or items designated by the EPA under [40 C.F.R. part 247](#) during the course of a fiscal year, then under [2 CFR 200.323](#), 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:
 - (i) Competitively within a timeframe providing for compliance with the contract performance schedule;
 - (ii) Meeting contract performance requirements; or
 - (iii) 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.

J. Prohibition on Contracting for Covered Telecommunications Equipment or Services

Contractor acknowledges and agrees that [Section 889\(b\) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 \(the “McCain Act”\)](#), and 2

[C.F.R. §200.216](#), prohibit the obligation or expending of federal award funds on certain telecommunication products or with certain entities for national security reasons on or after August 13, 2020.

During performance of this Contract, the Contractor agrees as follows:

(a) *Definitions.* As used in this Section J. Prohibition on Contracting for Covered Telecommunications Equipment or Services (“Section J”):

- (1) the terms “backhaul,” “critical technology,” “interconnection arrangements,” “reasonable inquiry,” “roaming,” and “substantial or essential component” have the meanings defined in 48 CFR § 4.2101;
- (2) the term “covered foreign country” has the meanings defined in § 889(f)(2) of the McCain Act; and
- (3) the term “covered telecommunications equipment or services” has the meaning defined in § 889(f)(3) of the McCain Act.

(b) Prohibitions.

- (1) Unless an exception in paragraph (c) of this Section J applies, neither the Contractor nor any of its subcontractors may use funds received under this Contract to:
 - (i) Procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
 - (ii) Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system;
 - (iii) Enter into, extend, or renew a contract with an entity that uses any covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system; or
 - (iv) Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

(c) Exceptions.

- (1) This Section J does not prohibit Contractor from providing—
 - (i) A service that connects to the facilities of a third-party, such as backhaul, roaming, or interconnection arrangements; or
 - (ii) Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

(d) Reporting requirement.

- (1) In the event the Contractor identifies covered telecommunications equipment or services used as a substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the contractor is notified of such by a subcontractor at any tier or by any other source, the Contractor shall report the information in paragraph (d)(2) of this Section J to the recipient or subrecipient, unless elsewhere in this contract are established procedures for reporting the information.
- (2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this Section J:
 - (i) Within one business day from the date of such identification or notification: The contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier Commercial and Government Entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.
 - (ii) Within 10 business days of submitting the information in paragraph (d)(2)(i) of this Section J: Any further available information about mitigation actions undertaken or recommended. In addition, the contractor shall describe the efforts it undertook to prevent use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future use or submission of covered telecommunications equipment or services.

- (e) *Subcontracts*. The Contractor shall insert the substance of this Section J, including this paragraph (e), in all subcontracts and other contractual instruments.

K. Domestic Preferences for Procurements

As appropriate, and to the extent consistent with law, the Contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products.

For purposes of this Section K – Domestic Preferences for Procurements:

“Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

1. ***“Manufactured products”* mean items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.**

L. Affirmative Socioeconomic Steps

For all contracts utilizing federal funding sources subject to Title 2 of the Code of Federal Regulations (C.F.R.) Part 200 issued on or after November 12, 2020, if subcontracts are to be let, the prime contractor is required to take all necessary steps identified in 2 C.F.R. § 200.321(b)(1)-(5) to ensure that small and minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

M. Copyright and Data Rights

Pursuant to 2 CFR § 200.315(b), the State may copyright any work which is subject to copyright and was developed, or for which ownership was acquired, under a Federal award. The Federal awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so.

N. Additional FEMA Contract Provisions

This Contract does not involve purchases that will be paid for in whole or in part with funds obtained from the Federal Emergency Management Agency (FEMA).

O. Other Federal Contract Provisions

No additional federal provisions currently apply to this Contract.

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

Signature of Contractor's Authorized Official

Kevin Potter, CEO

Name and Title of Contractor's Authorized Official

9/8/2025

Date