

**PARTICIPATING ADDENDUM**  
**NASPO ValuePoint COOPERATIVE PURCHASING ORGANIZATION**  
**COPIERS, PRINTERS & RELATED DEVICES 14-19**  
**Administered by the State of Nevada (hereinafter "Lead State")**

MASTER AGREEMENT  
Hewlett-Packard Company  
Nevada RFP 3091  
(hereinafter "Contractor")

And

State of South Carolina, Information Technology Management Office (ITMO), a unit  
of the South Carolina Budget and Control Board, Division of Procurement Services  
(hereinafter "Participating Entity")

(State of South Carolina Contract Number: 44000011092)

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1. **Scope:** This addendum covers the Copiers, Printers & Related Devices 2014-2019 under the NASPO ValuePoint cooperative purchase program led by State of Nevada, available for purchase and for use by state agencies and other entities located in the Participating State of South Carolina, authorized by that state's statutes to utilize State of South Carolina contracts with the prior approval of the state's chief procurement official.

Contractor has been awarded devices and services in the following categories:  
Group D – Printers

In the event of a conflict between the terms and conditions of this Participating Addendum ("PA") and any Exhibit subject to this PA, the terms and conditions of the Exhibit prevail.

2. **Participation:** Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use the State of South Carolina contracts, are subject to the prior approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. **Participating State Modifications or Additions to Master Agreement:**

Pursuant to Section 11-35-510 of the South Carolina Code of Laws, ITMO is authorized to act as the statutory procurement agent for every state governmental body (as defined by S.C. Code Ann. § 11-35-310(18), as amended). Consistent with its statutory authority, ITMO is acting solely in a representative capacity and on behalf of such state governmental bodies.

Participation by local public procurement units (as defined by S.C. Code Ann. § 11-35-4610(3), as amended) in the Master Service Agreement is optional. By submitting an order and receiving delivery of an item pursuant to the Master Service Agreement, a local public procurement unit manifests its intent to be and is bound by the Master Service Agreement, including this addendum, unless the local public procurement unit has entered into a separate Participating Addendum.

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Participating State Modifications or Additions to Master Agreement:

**Unless otherwise stated, terms used herein shall have the definitions assigned by Master Agreement. Note: Any and All applicable references of Nevada (NV) law are to be changed to read, South Carolina (SC).**

**A. Definitions:**

**"ITMO"** means Information Technology Management Office established by South Carolina Code Section §11-35-820, as amended.

**"Authorized Agent"** All authority regarding the conduct of this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the *State of SC* government with regard to this *Participating Addendum*. *Authorized Purchasing agents of Using Governmental Units may bind their respective entities.*

**"Board"** means the South Carolina Budget & Control Board.

**"Board as Procurement Agent"** The Procurement Officer is an employee of the Board acting on behalf of the Using Governmental Unit(s) pursuant to the Consolidated Procurement Code. Any contracts awarded as a result of this procurement are between the Contractor and the Using Governmental Units(s). The Board is not a party to such contracts, unless and to the extent that the Board is a using governmental unit, and bears no liability for any party's losses arising out of or relating in any way to the contract.

**"Buyer"** means the Procurement Officer.

**"Change Order"** means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual agreement of the parties to the contract.

**"Contract"** means Master Agreement.

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**"Contract Modification"** means a written order signed by the Procurement Officer, directing the contractor to *make a change to the contract*, which the changes clause of the contract authorizes the Procurement Officer to order without the consent of the contractor **"Ordering Entity"** Using Governmental Unit that has submitted a Purchase Order.

**"Participating Addendum"** as defined in the Master Agreement, forms a part of the Master Service Agreement, and supersedes the Master Agreement to the extent of any inconsistency. The terms and conditions of this Addendum apply only to the relationship between SC Participants and Contractor.

**"Procurement Officer"** means the person, or his successor, identified as such in this Participating Addendum.

**"You and Your"** means contractor.

**"SC Participant(s)"** means all participating South Carolina public procurement units (as defined by S.C. Code Ann. § 11-35-4610(5), as amended) or governmental bodies (as defined by S.C. Code Ann. § 11-35-310(18), as amended).

**South Carolina Prompt Payment Statute:**

The obligations of any SC Participant are governed by Section 11-35-45 of the South Carolina Code of Laws, if the participant is a "governmental body," as that term is defined in Section 11-35-310(18).

**"State"** means the Using Governmental Unit(s) identified on the Cover Page.

**"Subcontractor"** means any person having a contract to perform work or render service to Contractor as a part of the contract.

**"Using Governmental Unit"** means all South Carolina Public Procurement Units [11-35-4610(5)] eligible to purchase under this contract.

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"Work" means all labor, materials, and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under the Contract. [2A003-modified] S.C. Code Ann. § 11-35-4610(5), as amended) or governmental bodies (as defined by S.C. Code Ann. § 11-35-310(18), as amended).

**B. SC Registered Distributor:**

Vendor agrees to distribute its products to South Carolina governmental bodies through vendors registered with the South Carolina Secretary of State as an authorized South Carolina vendor <http://www.scsos.com>.

**C. IRAN DIVESTMENT ACT - CERTIFICATION (JAN 2015):** (a) The Iran Divestment Act List is a list published by the Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: <http://procurement.sc.gov/PS/PS-iran-divestment.phtm>(.) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to enter into this Participating Addendum with you. (b) By signing this Addendum, you certify that, as of the date you sign, you are not on the then-current version of the Iran Divestment Act List. (c) You must notify the Procurement Officer immediately if, at any time before posting of the fully executed Addendum, you are added to the Iran Divestment Act List. [02-2A077-1 modified]

**D. IRAN DIVESTMENT ACT – ONGOING OBLIGATIONS – (JAN 2015):** (a) You must notify the procurement officer immediately if, at any time during the contract term, you are added to the Iran Divestment Act List, (b) Consistent with Section 11-57-330(B), you shall not contract with any person to perform a part of the Work, if, at the time you enter into the subcontract, that person is on the then-current version of the Iran Divestment Act List. [07-7A072-1]

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**E. Choice of Law:**

This PA is established as a term contract (as defined in Section 11-35-310(35)) available for use by all South Carolina public procurement units (as defined in Section 11-35-4610(5)). Use by state governmental bodies (as defined in Section 11-35-310(18)), which includes most state agencies, is mandatory except under limited circumstances, as provided in Section 11-35-310(35). See clause entitled "Acceptance of Offers 10% Below Price." Use by local public procurement units is optional. Section 11-35-4610 defines local public procurement units to include any political subdivision, or unit thereof, which expends public funds. Section 11-35-310(23) defines the term political subdivision as all counties, municipalities, school districts, public service or special purpose districts. [7B225-modified]

The contract, any dispute, claim, or controversy relating to the contract, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules and conflict of law. [7A010-modified]

- (1) **Choice-of-Forum.** All disputes, claims, or controversies relating to the contract shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina.
- (2) **Service of Process.** The Parties consent that any papers, notices, or process necessary or proper for the initiation or continuation of any disputes, claims, or controversies relating to the contract; for any court action in connection therewith; or for the entry of judgment on any award made, may be served by certified mail (return receipt requested) addressed to the applicable party at the address(s) provided below in the contract or by personal service or by any other manner that is permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail. [7A025-modified]

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**F. Suspension of Work:**

Should circumstances arise which would cause the State to suspend the work, but not terminate the contract, this will be done by formal notice. The work may be reinstated upon advance formal notice from the State. State will reimburse Contractor for products delivered or services performed through the date of suspension of work. The terms of Exhibit A (HP Lease Agreements) and Exhibit B (Basic Print Services Statement of Work), shall govern suspension of work thereunder, which applies to leases by local public procurement units only, as set forth in section 4. (Leases).

**G. Non-Indemnification (Jan 2006):**

To the extent SC law prohibits the State to indemnify, any term or condition is void to the extent it requires the State to indemnify anyone. [07-7A045-1]

**H. INFORMATION SECURITY - DEFINITIONS (FEB 2015)**

The following definitions are used in those clauses that cross reference this clause.

**Compromise** means disclosure of information to unauthorized persons, or a violation of the security policy of a system in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object may have occurred. Without limitation, the term "compromise" includes copying the data through covert network channels, or copying the data to unauthorized media, or disclosure of information in violation of any obligation imposed by this contract.

**Data** means a subset of information in an electronic format that allows it to be retrieved or transmitted.

**Government information** means information (i) provided to Contractor by, or generated by Contractor for, the using governmental unit, or (ii) acquired or accessed by Contractor as a result of performing the Work. Without limiting the foregoing, government information includes any information that Contractor acquires or accesses by software or web-based services, which includes, without limitation, any metadata or location data. Government information excludes unrestricted information.

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**Information** means any communication or representation of knowledge such as facts, statistics, or opinions, in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual.

**Information system** means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

**Public information** means any specific information, regardless of form or format, that the State has actively and intentionally disclosed, disseminated, or made available to the public. Information is not public information solely because it may be subject to inspection pursuant to an unfulfilled public records request.

**Software** means any computer program accessed or used by the Using Governmental Unit or a third party pursuant to or as a result of this contract.

**Third party** means any person or entity other than the Using Governmental Unit, the Contractor, or any subcontractors at any tier.

**Unrestricted information** means (1) public information acquired other than through performance of the work, (2) information acquired by Contractor prior to contract formation, (3) information incidental to your contract administration, such as financial, administrative, cost or pricing, or management information, and (4) any ideas, concepts, know-how, methodologies, processes, technologies, techniques which Contractor develops or learns in connection with Contractor's performance of the work.

**Web-based service** means a service accessed over the Internet and acquired, accessed, or used by the using governmental unit or a third party pursuant to or as a result of this contract, including without limitation, cloud services, software-as-a-service, and hosted computer services. [07-7B104-1]

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**I. Payment & Interest:**

(a) The State shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless otherwise provided herein, including the purchase order, payment will be made by check. (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, the State shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to the State shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding. [7A055-modified] *Notwithstanding the foregoing, as outlined in the Master contract, contractor may impose a penalty of 1% per month, for invoices that are not paid within 45 days after receipt of a valid invoice.*

**J. Publicity (JAN 2006):**

Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer. [07-7A060-1]

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**K. Purchase Orders (JAN 2006):**

Contractor shall not perform any work prior to the receipt of a purchase order from the using governmental unit. The using governmental unit shall order any supplies or services to be furnished under this contract by issuing a purchase order in accordance with the Purchase Order Instructions set forth below. Purchase orders may be used to elect any options available under this contract, e.g., quantity, item, delivery date, payment method, but are subject to all terms and conditions of this contract. Purchase orders may be electronic. An order placed pursuant to the purchasing card provision qualifies as a purchase order. [07-7A065-1]

**L. CISG (JAN 2006):**

The parties expressly agree that the UN Convention on the International Sale of Goods shall not apply to this agreement. [07-7B030-1]

**M. Statewide Term Contract – Contract Limitations:**

No sales may be made pursuant to this contract for any item or service that is not expressly included in the Scope. No sales may be made pursuant to this contract after expiration of this contract. Violation of this provision may result in termination of this contract, and may subject contractor to suspension or debarment. [7B045-modified]

**N. Statewide Term Contract - Acceptance Of Offers 10% Below Price:**

Pursuant to Section 11-35-310(35), the state may purchase items available on this contract from a third party (an "alternate vendor") if the alternate vendor offers a price, for identical product, that is at least ten percent less than the price established by this contract and, after being offered an opportunity, you decline to meet the alternate vendor's price. With regard to the items acquired, the alternate vendor must agree to be bound by all the terms and conditions of this contract. All acquisition pursuant to this clause must be documented by the procurement officer using the required form. [7B227-modified]

**O. Limitation on Liability**

Neither party nor its suppliers or licensors shall be liable with respect to any product or other subject matter of this agreement under any contract, negligence, strict liability or other legal or equitable theory for:

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1. Any direct damages in excess of the greater of one million U.S. Dollars per relevant Purchase Order or the amount payable by Customer to Contractor for the relevant Purchase Order; or
2. Any incidental or consequential damages, including without limitation, lost profits, even if they have been advised of the possibility of such damages.

Nothing herein shall be construed to waive any clause regarding the availability or appropriation of funds, sovereign immunity, or any other immunity, restriction, or limitation on recovery provided by law.

**P. Ownership of Information**

All government information, except unrestricted information, furnished by the State pursuant to this contract shall belong exclusively to the State. No transfer of ownership of any intellectual property will occur under this Participating Addendum. The Purchasing Entity grants Contractor a non-exclusive, worldwide, royalty-free right and license to any intellectual property that is necessary for Contractor and its designees to perform the ordered services. If deliverables are created by Contractor specifically for Purchasing Entity and identified as such in Supporting Material, Contractor hereby grants Purchasing Entity a worldwide, non-exclusive, fully paid, royalty-free license to reproduce and use copies of the deliverables internally.

**Q. Relationship Of Using Governmental Units (JAN 2006):**

Each Using Governmental Unit's obligations and liabilities are independent of every other Using Governmental Unit's obligations and liabilities. No Using Governmental Unit shall be responsible for any other Using Governmental Unit's act or failure to act. [07-7B210-1]

**R. Item Substitution:**

No Substitutes will be allowed on Purchase Orders received from South Carolina procurement units without written permission from the issuing procurement unit.

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**S. Authorized Resellers/Distributors**

As found is SC Consolidated Procurement Code Section 11-35-4810 paragraph 2, Contracts may be only awarded to manufacturers who will be distributing the products to South Carolina governmental bodies through South Carolina vendors *as well as Hewlett-Packard Direct offices.*

**T. Contract History**

The State of South Carolina has an auditing requirement for the retention of contract history. The retention for the contract history is three (3) years after the expiration date of the contract. Upon prior written request, the Contractor will make available to the State those records directly associated with Contractor's performance under the Addendum, subject to subsection (c), Audit Rights of Section 3.V. (Administrative Fee).

**U. Quarterly Sales Reporting**

Contract Administrator or designee. The initiation and submission of the quarterly reports are the responsibility of the Contract Provider. You are responsible to collect and report all sales data including your resellers and partners sales associated with your Master Agreement. There will be no prompting or notification provided by the NASPO ValuePoint Contract Administrator. The quarterly usage reports are due as follows:

Quarter #1: July 1 through September 30, due annually by October 31.  
Quarter #2: October 1 through December 31, due annually by January 31.  
Quarter #3: January 1 through March 31, due annually by April 30.  
Quarter #4: April 1 through June 30, due annually by July 31.

Timely Reports and Fees: If the Administrative Fee is not paid by the Due Date or Quarterly Reports are not received by the Due Date, then the Contractor will be in breach of the Contract, and the Contract may be canceled for cause.

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**V. Administrative Fee**

Procurement Services (PS) issues and maintains State term contracts for the benefit of all South Carolina state and local public entities. State term contracts allow all public entities to maximize their purchasing power by aggregating their requirements and to benefit from increased efficiencies in the acquisition process. In order to maintain and enhance the quality and quantity of its State term contracts, each participating public procurement unit will be assessed an administrative fee. Accordingly, a public procurement unit (as defined in S.C. Code Ann. § 11-35-4610(5)), by participating in this contract, owes (PS) an administrative services fee ("fee"). Participating public procurement units shall pay the fee to contractor as a part of the contract price. Contractor is responsible both for collecting the fee at the time of billing and for remitting the fee to PS. The fee to be collected by the contractor constitutes a debt by the contractor to PS. Contractor shall factor the fee into its contract pricing and shall not separately itemize or invoice for the fee.

For each reporting period, Contractor shall pay to PS a fee equal to one (1.0%) percent of the total dollar amount (excluding sales taxes and adjusted for credits or refunds) of purchases made by any public procurement unit from Contractor pursuant to this contract.

(a) As used in this clause, the term "reporting period" means each full calendar quarter (Jan. -- Mar., Apr. -- Jun., Jul. -- Sep., and Oct. -- Dec.) and any remaining periods less than a full calendar quarter during the term of this contract. For each reporting period, contractor shall report to PS its total sales pursuant to this contract for the period and shall remit the fee to the PS Reports Manager. Payment for each reporting period is due no later than the last day of the month immediately following the end of the reporting period (Example: payment for the reporting period ending March 31 is due April 30). If the amount due for a reporting period is less than \$10.00, no payment is required. The procurement officer will provide contractor an information packet, including a detailed explanation of reporting and payment requirements, within fifteen (15) calendar days following contract execution. You may contact the Reports Manager at:

Procurement Services Division  
Attn: Reports Manager  
1201 Main Street, Suite 600  
Columbia, SC 29201  
Phone: (803) 737-0600 (ask to speak to the Reports Manager)

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(b) Contractor shall submit a usage report for each reporting period, even if no payment is due for the reporting period. The usage report shall include any information requested by PS to verify the amount due. At a minimum, each usage report shall reflect the following information for the applicable reporting period: contractor's name, contract number, contract description, reporting period/quarter, total price (excluding sales taxes and showing any adjustments for credits or refunds), and quantity (if practicable), and amount of the administrative fee (including total fees for the quarter). Unless otherwise specified by the reports manager, the usage report shall be submitted electronically according to instructions in the information packet. If the reports manager requires the contractor to provide a more detailed usage report, the reports manager will work directly with the contractor to determine the appropriate content and format of the report, as mutually agreed.

(c) Audit Rights. Upon the prior written request of the State and no more frequently than once a year during the term of this Agreement, Contractor will provide copies of the documentation that is reasonably necessary for the State to confirm its payment obligations under any invoice. Contractor will assist the State in connection with its efforts to verify the completeness and accuracy of the invoices. In no event, however, will Contractor be obligated to disclose any confidential information not directly pertaining to the invoice in question.

(d) Payments of the fee which are due and unpaid by the contractor (including amounts disclosed by audit) shall bear simple interest from the date due until paid unless paid within 30 calendar days of becoming due. The interest rate shall be the highest prime rate (as published in The Wall Street Journal) plus 2% per annum (unless a higher rate is provided by law, but in no event be greater than the maximum interest rate permitted by law), shall be variable, and shall be adjusted effective at the close of business on the day of any change in the prime rate. In addition to the fee and interest, contractor agrees to pay to PS its reasonable expenses of collection, including costs and attorneys' fees (and fees for inside counsel), whether or not PS commences legal action.

(e) If the contractor fails to (i) timely submit accurate usage reports; (ii) remit to PS the fee when due; or (iii) promptly and fully cooperate with an audit request, and fails to cure the foregoing conditions within 30 days of receipt of notice thereof, the State may, without

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prejudice to any other remedy available to the State, take any one or more of the following actions:

- (1) order the contractor to not accept any further orders under the contract until the cause for such order has been eliminated;
- (2) terminate this contract;
- (3) order the contractor to not accept any further orders under any other statewide term contract;
- (4) terminate the contractor's award of any other statewide term contract.

Notwithstanding the foregoing, termination of this statewide term contract, will not terminate or impact any underlying purchase, lease or service obligations associated with units placed pursuant to this state term contract.

- (f) For purposes of this clause, PS is intended as a third-party beneficiary of this contract.
- (g) Reports MUST reference the SC Participating number 44000011092 to assure accurate accounting of purchases under this contract and reported administrative fees. Each remittance will include the period covered and the contract number.

**W. Change in Contractor Representatives**

The Contractor will email the South Carolina point of contact within seven (7) business days of any change of contract contacts and contact information.

**X. Protection of Human Health & the Environment**

The State of South Carolina requires all contractual activities to be in compliance with local, state, and federal mandates concerning "protection of human health and the environment". Any contractor doing business with the State will be required to document compliance and to specify prudent practices used by the contractor to address applicable mandates including, but not restricted to "the hazard communication standard" OSHA CFR 1910.1200 (SCRR Article 1,71-1910.1200). Contractor agrees to take all necessary steps to ensure compliance with the requirements applicable to Contractor and the Services it provides.

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MASTER AGREEMENT  
Hewlett-Packard Company  
Nevada RFP 3091  
(hereinafter "Contractor")

And

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**Y. Non-appropriation of Funds**

The Contractor acknowledges that the State cannot contract for the payment of funds not yet appropriated by the South Carolina State Legislature. If funding to the State is reduced due to an order by the Legislature or the Governor, or is required by State law, or if federal funding (when applicable) is not provided, the State may terminate this contract or proportionately reduce the services and purchase obligations and the amount due from the State upon 30 days written notice. In the case that funds are not appropriated or are reduced, the State will reimburse Contractor for products delivered or services performed through the date of cancellation or reduction, and the State will not be liable for any future commitments, penalties, or liquidated damages. Subject to Section 4 (Leases), the terms of Exhibit A (HP Lease Agreements) and Exhibit B (Basic Print Services Statement of Work), shall govern non-appropriation of funds thereunder.

**Z. Taxes**

Any tax the contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to contractor by the taxing authority. In the event that the contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to contractor, contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on Contractor's net income or assets shall be the sole responsibility of the Contractor.

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**AA. Income Tax Credit for State Contractors Having Subcontracts with MINORITY Firms:**

**TAX CREDIT FOR SUBCONTRACTING WITH DISADVANTAGED SMALL BUSINESSES**

Pursuant to Section 12-6-3350, a taxpayer having a contract with this State who subcontracts with a socially and economically disadvantaged small business is eligible for an income tax credit equal to four percent of the payments to that subcontractor for work pursuant to the contract. The subcontractor must be certified as a socially and economically disadvantaged small business as defined in Section 11-35-5010 and regulations pursuant to it. The credit is limited to a maximum of fifty thousand dollars annually. A taxpayer is eligible to claim the credit for ten consecutive taxable years beginning with the taxable year in which the first payment is made to the subcontractor that qualifies for the credit. After the above ten consecutive taxable years, the taxpayer is no longer eligible for the credit. A taxpayer claiming the credit shall maintain evidence of work performed for the contract by the subcontractor. The credit may be claimed on Form TC-2, "Minority Business Credit." A copy of the subcontractor's certificate from the Governor's Office of Small and Minority Business (OSMBA) is to be attached to the contractor's income tax return. Questions regarding the tax credit and how to file are to be referred to: SC Department of Revenue, Research and Review, Phone: (803) 898-5786, Fax: (803) 898-5888. Questions regarding subcontractor certification are to be referred to: Governor's Office of Small and Minority Business Assistance, Phone: (803) 734-0657, Fax: (803) 734-2498.

**BB. Term:** The term of this Participating Addendum shall begin on the *later of* April 1, 2015, or the date of last signature below. The term shall continue for a period ending on the Termination Date of the Master Agreement or when this Participating Addendum is terminated in accordance with the Master Agreement, whichever shall occur first.

**'SC Participant(s) means all participating South Carolina public procurement units (as defined by S.C. Code Ann § 11-35-4610(5), as amended) or governmental bodies (as defined by S.C. Code Ann. §11-35-310 (18), as amended).**

**'Lan': If installation is included with LAN equipment it applies from copier to wall only.**

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**CC. Insurance:** Service Provider will maintain the following insurance limits while performing any services under this Participating Addendum: (a) Workers' Compensation Insurance for Service Provider employees, including coverage required under the State's and Federal Laws; (b) Employer's Liability Insurance with limits of a minimum of: (i) \$1,000,000 for each accident for bodily injury by accident, (ii) \$1,000,000 for bodily injury by disease, and (iii) \$1,000,000 for each employee for bodily injury by disease; (c) General Liability Insurance that includes the State as an additional insured with limits of: (i) \$1,000,000 per occurrence for bodily injury and property damage and (ii) \$2,000,000 annual aggregate.

**DD. Indemnification:** The parties agree that Section 14.b of the Master Agreement is modified with the following:

a.) At the beginning of the paragraph insert "For HP manufactured Products" before "The Contractor shall defend, indemnify..."

b.) The parties agree that Section 14.b.2 of the Master Agreement is changed with the following:

1. Sentence three (3), is replaced with the following: "Otherwise, the Contractor shall have control over the defense and settlement of it."
2. In sentence four (4) after "However," the following is inserted: "regarding the settlement of such claim."
3. Sentences six (6) and seven (7) are replaced with the following: "If such a claim is made or appears likely to be made, the Indemnified Party agrees to permit Contractor to enable Indemnified Party to continue to use the Product, or to modify it, or replace it with one that is at least functionally equivalent. If Contractor determines that none of these alternatives is reasonably available, Indemnified Party agrees to return the Product to Contractor on its written request. Contractor will then give Indemnified Party a credit equal to Indemnified Party's net book value provided Indemnified Party has followed generally-accepted accounting principles;

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This is Contractor's entire obligation to Indemnified Party regarding any claim of  
infringement."

4. Leases: Leasing under this PA is only permitted by local public procurement units, as defined by S.C. Code Ann. § 11-35-4610(3), as amended. Equipment finance leases are subject to the terms and conditions of the HP Lease Agreements, as set forth as **Exhibit A** (HP Lease Agreements), unless otherwise agreed. Notwithstanding anything to the contrary in this PA, in the event of a conflict between an executed HP Lease Agreement and the Master Agreement and this Participating Addendum, the terms of the HP Lease Agreement will supersede and control. Any HP Lease Agreement issued before the termination of this PA shall survive the termination of this PA and the Master Agreement.

5. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name	Debra Lee, Contract Program Manager
Address	Hewlett-Packard Company 442 Swan Boulevard, Deerfield, IL 60015
Telephone	847-537-0344
Fax	281-927-5213
E-mail	debra.lee@hp.com

Participating Entity

Name	Michael S. Thomas, CPPO, C.P.M., Procurement Officer
Address	1201 Main Street, Suite #600, Columbia, SC. 29201
Telephone	(803)896-5232
Fax	(803)737-0102
E-mail	MThomas@MMO.SC.GOV

6. Service Level Agreement: The Service Level Agreement (SLA) is set forth in Part A of Exhibit B, Basic Print Services (BPS) Statement of Work (SOW), and provides additional service level goals.

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7. HP / WSCA Master Maintenance and Sale Agreement: Notwithstanding anything to the contrary in the Master Agreement, Purchasing Entities are subject to "HP WSCA Maintenance and Sale Terms" attached and incorporated herein as **Exhibit C**. Unless otherwise agreed, software is provided subject to the terms and conditions of the license applicable to such software.

8. **Reserved.**

9. **Reserved.**

10. Participating Addendum Term: Unless otherwise specified, this Participating Addendum shall renew consecutively with the Master Agreement.

11. Price Agreement Number: All purchase orders issued by Purchasing Entities within the jurisdiction of this Participating Addendum shall include the Participating State contract number listed above and the Lead State price agreement number: 3091.

12. Individual Customer: Each State agency and political subdivision, as a Participating Entity, that purchases products/services will be treated as if they were Individual Customers (a.k.a. "Purchasing Entity"). Except to the extent modified by a Participating Addendum, each agency and political subdivision will be responsible to follow the terms and conditions of the Master Agreement; and they will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement. Each agency and political subdivision will be responsible for their own charges, fees, and liabilities. Each agency and political subdivision will have the same rights to any indemnity or to recover any costs allowed in the contract for their purchases. The Contractor will apply the charges to each Participating Entity individually.

13. Separation: Contractor will not have the power to, assign or novate this Participating Addendum without the consent of the State, provided that Participating State/Entity shall not withhold its consent to any assignment or novation by Contract Vendor in connection with the HP Separation. HP Separation means any transaction or restructure associated with the proposed separation of Hewlett-Packard Company into two publicly traded companies, as announced by Hewlett-Packard Company on October 6, 2014.

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14. Entire Agreement: This Participating Addendum and the Master Agreement number 3091 (administered by the State of Nevada) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Master Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Master Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Master Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms within the Participating Entity.

**[SIGNATURE PAGE FOLLOWS.]**

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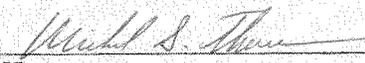
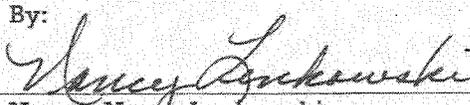
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IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

Participating State/Entity: State of South Carolina, Information Technology Management Office (ITMO), a unit of the South Carolina State Fiscal Accountability Authority, Division of Procurement Services	Contractor: Hewlett-Packard Company
By: 	By: 
Name: Michael S. Thomas, C.P.P., C.P.M.	Name: Nancy Lenkowski
Title: Procurement Officer	Title: Contract Administrator
Date: 7/30/15	Date: 7/29/2015

[Additional signatures as required by Participating State]

If you have questions about this Participating Addendum or the participation process, please contact:

**WCSA-NASPO COOPERATIVE PURCHASING ORGANIZATION**

Name	Paul Stembler, Cooperative Development Coordinator
Telephone	651-206-3858
E-mail	PStembler@NASPOValuePoint.org

**[Fully executed PDF copy of this document should be emailed to [PA@wsca-naspo.org](mailto:PA@wsca-naspo.org) to support documentation of participation and posting in appropriate data bases.]**