

Master Agreement Number MA2025001
for
Cybersecurity and Information Security Services
between
the State of Idaho
and
22nd Century Technologies, Inc.

This Master Agreement is entered into by the State of Idaho ("Lead State") and the following contractor (each a "Party" and collectively the "Parties") as a result of Solicitation Number 928 (the "RFP") for the purpose of providing Cybersecurity and Information Security Services through the NASPO ValuePoint cooperative purchasing program:

22nd Century Technologies, Inc. ("Contractor")
8251 Greensboro Drive
McLean, VA 22102

MASTER AGREEMENT CONTACTS.

Contractor's contact for this Master Agreement is:

Isha Sharma
Contract Manager
866-537-9191 ext 2
cooperative@tscti.com

Lead State's contact for this Master Agreement is:

Mike Gwinn
Contract Administration Supervisor
Mike.gwinn@adm.idaho.gov
(208) 327-7465

Master Agreement MA2025001
CYBERSECURITY AND INFORMATION SECURITY SERVICES



Between **State of Idaho** and **22nd Century Technologies, Inc.**

TERM. This Master Agreement is effective as of the date of the last signature below or November 1, 2025, whichever is later, and will terminate on October 31, 2026, unless terminated sooner or extended or renewed in accordance with the terms set forth herein. Renewals totaling up to five years following the initial term may be exercised upon mutual agreement by the Parties.

ATTACHMENTS. This Master Agreement includes the following attachments:

- Attachment A: Master Agreement Terms and Conditions
- Attachment B: Scope of Work
- Attachment C: Pricing

SIGNATURE. The undersigned for each Party represents and warrants that this Master Agreement is a valid and legal agreement binding on the Party and enforceable in accordance with the Master Agreement's terms and that the undersigned is duly authorized and has legal capacity to execute and deliver this Master Agreement and bind the Party hereto.

IN WITNESS WHEREOF, the Parties have executed this Master Agreement.

CONTRACTOR: 22nd Century Technologies, Inc.

Isha Sharma
Signature

Isha Sharma
Printed Name

Contract Manager
Title

10/27/2025
Date

LEAD STATE: IDAHO

Mike Gwinn
Signature

Mike Gwinn
Printed Name

Contract Administration Supervisor
Title

October 27, 2025
Date



Attachment A MASTER AGREEMENT TERMS AND CONDITIONS

I. Definitions

- 1.1 **Acceptance** means acceptance of goods and services as set forth in Section IX of this Master Agreement.
- 1.2 **Contractor** means a party to this Master Agreement, whether a person or entity, that delivers goods or performs services under the terms set forth in this Master Agreement.
- 1.3 **Embedded Software** means one or more software applications which permanently reside on a computing device.
- 1.4 **Intellectual Property** means any and all patents, copyrights, service marks, trademarks, trade secrets, trade names, patentable inventions, or other similar proprietary rights, in tangible or intangible form, and all rights, title, and interest therein.
- 1.5 **Lead State** means the State centrally administering any resulting Master Agreement(s) who is a party to this Master Agreement.
- 1.6 **Master Agreement** means the underlying agreement executed by and between the Lead State, acting in cooperation with NASPO ValuePoint, and the Contractor, as now or hereafter amended.
- 1.7 **NASPO ValuePoint** is a division of the National Association of State Procurement Officials ("NASPO"), a 501(c)(3) corporation. NASPO ValuePoint facilitates administration of the NASPO cooperative group contracting consortium of state chief procurement officials for the benefit of state departments, institutions, agencies, and political subdivisions and other eligible entities (*i.e.*, colleges, school districts, counties, cities, some nonprofit organizations, etc.) for all states, the District of Columbia, and territories of the United States. NASPO ValuePoint is identified in the Master Agreement as the recipient of reports and may perform contract administration functions relating to collecting and receiving reports, as well as other contract administration functions as assigned by the Lead State.
- 1.8 **Order or Purchase Order** means any purchase order, sales order, contract or other document used by a Purchasing Entity to order the Products.
- 1.9 **Participating Addendum** means a bilateral agreement executed by a Contractor and a Participating Entity incorporating this Master Agreement and any additional Participating Entity-specific language or other requirements (*e.g.*, ordering procedures specific to the Participating Entity, entity-specific terms and conditions, etc.).



- 1.10 Participating Entity** means a state (as well as the District of Columbia and US territories), city, county, district, other political subdivision of a State, or a nonprofit organization under the laws of some states properly authorized to enter into a Participating Addendum, that has executed a Participating Addendum.
- 1.11 Participating State** means a state that has executed a Participating Addendum or has indicated an intent to execute a Participating Addendum.
- 1.12 Product or Products and Services** means any equipment, software (including embedded software), documentation, service, or other deliverable supplied or created by the Contractor pursuant to this Master Agreement. The term Product includes goods and services.
- 1.13 Purchasing Entity** means a state (as well as the District of Columbia and US territories), city, county, district, other political subdivision of a State, or a nonprofit organization under the laws of some states if authorized by a Participating Addendum, that issues a Purchase Order against the Master Agreement and becomes financially committed to the purchase.
- 1.14 Solicitation** means the solicitation resulting in this Master Agreement.

II. Term of Master Agreement

- 2.1 Initial Term.** The initial term of this Master Agreement is for one year. The term of this Master Agreement may be amended beyond the initial term for five additional years at the Lead State's discretion and by mutual agreement and upon review of requirements of Participating Entities, current market conditions, and Contractor performance. The Lead State may, prior to execution, adjust the effective date or duration of the initial term or renewal period of any Master Agreement for the purpose of making the Master Agreement coterminous with others.
- 2.2 Amendment Limitations.** The terms of this Master Agreement will not be waived, altered, modified, supplemented, or amended in any manner whatsoever without prior written agreement of the Lead State and Contractor.
- 2.3 Amendment Term.** The term of the Master Agreement may be amended past the initial term and stated renewal periods for a reasonable period if in the judgment of the Lead State a follow-on competitive procurement will be unavoidably delayed (despite good faith efforts) beyond the planned date of execution of the follow-on master agreement. This subsection will not be deemed to limit the authority of a Lead State under its state law to otherwise negotiate contract extensions.

III. Order of Precedence



3.1 Order. Any Order placed under this Master Agreement will consist of the following documents:

3.1.1 A Participating Entity's Participating Addendum ("PA");

3.1.2 NASPO ValuePoint Master Agreement, including all attachments thereto;

3.1.3 A Purchase Order or Scope of Work/Specifications issued against the Master Agreement;

3.1.4 The Solicitation or, if separately executed after award, the Lead State's bilateral agreement that integrates applicable provisions;

3.1.5 Contractor's response to the Solicitation, as revised (if permitted) and accepted by the Lead State.

3.2 Conflict. These documents will be read to be consistent and complementary. Any conflict among these documents will be resolved by giving priority to these documents in the order listed above. Contractor terms and conditions that apply to this Master Agreement are only those that are expressly accepted by the Lead State and must be in writing and attached to this Master Agreement as an Exhibit or Attachment.

3.3 Participating Addenda. Participating Addenda will not be construed to diminish, modify, or otherwise derogate any provisions in this Master Agreement between the Lead State and Contractor. The term of a Participating Addendum will not exceed the term of this Master Agreement, except when a Participating Entity determines an extension of its Participating Addendum is necessary to avoid a lapse in contract coverage and is permitted by law.

IV. Participants and Scope

4.1 Requirement for a Participating Addendum. Contractor may not deliver Products under this Master Agreement until a Participating Addendum acceptable to the Participating Entity and Contractor is executed.

4.2 Applicability of Master Agreement. NASPO ValuePoint Master Agreement Terms and Conditions are applicable to any Order by a Participating Entity (and other Purchasing Entities covered by their Participating Addendum), except to the extent altered, modified, supplemented or amended by a Participating Addendum, subject to Section III. For the purposes of illustration and not limitation, this authority may apply to unique delivery and invoicing requirements, confidentiality requirements, defaults on Orders, governing law and venue relating to Orders by a Participating Entity, indemnification, and insurance requirements. Statutory or constitutional requirements relating to availability of funds may require specific language in some Participating Addenda in order to comply with applicable law. The expectation is that



these alterations, modifications, supplements, or amendments will be addressed in the Participating Addendum or, with the consent of the Purchasing Entity and Contractor, may be included in the ordering document (e.g., purchase order or contract) used by the Purchasing Entity to place the Order.

- 4.3 Scope of Work Updates.** At the discretion of the Lead State, and subject to agreement by the parties, the scope of this Master Agreement may be amended to include or accommodate new or updated models, versions, or technologies related to the objectives and deliverables set forth in the Solicitation.
- 4.4 Obligated Entities.** Obligations under this Master Agreement are limited to those Participating Entities who have signed a Participating Addendum and Purchasing Entities within the scope of those Participating Addenda. States or other entities permitted to participate may use an informal competitive process to determine which Master Agreements to participate in through execution of a Participating Addendum. Participating Entities incur no financial obligations on behalf of other Purchasing Entities.
- 4.5 Notice of Participating Addendum.** Contractor shall email a fully executed PDF copy of each Participating Addendum to pa@naspo.valuepoint.org to support documentation of participation and posting in appropriate databases.

4.6 Participating Entities.

- 4.6.1** If not proscribed by law or by the Chief Procurement Official of the state in which the entity is located, an entity may be eligible to execute a Participating Addendum directly with Contractor. Such entities may include:
- 4.6.1.1** Political subdivisions, public agencies, and service districts;
 - 4.6.1.2** Public and private educational institutions, including K-12 public, charter, and private schools; institutions of higher education; and trade schools;
 - 4.6.1.3** Federally recognized tribes;
 - 4.6.1.4** Quasi-governmental entities; and
 - 4.6.1.5** Eligible non-profit organizations.
- 4.6.2** Prior to execution of a Participating Addendum with an entity listed above, Contractor shall coordinate with NASPO to confirm the entity's eligibility to execute a Participating Addendum. A determination that an entity is eligible to execute a Participating Addendum is not a determination that procurement authority exists;



each entity must ensure it has the requisite procurement authority to execute a Participating Addendum.

- 4.7 Prohibition on Resale.** Subject to any specific conditions included in the Solicitation or Contractor's proposal as accepted by the Lead State, or as explicitly permitted in a Participating Addendum, Purchasing Entities may not resell Products purchased under this Master Agreement. Absent any such condition or explicit permission, this limitation does not prohibit: payments by employees of a Purchasing Entity for Products; sales of Products to the general public as surplus property; and fees associated with inventory transactions with other governmental or nonprofit entities and consistent with a Purchasing Entity's laws and regulations. Any sale or transfer permitted by this subsection must be consistent with license rights granted for use of intellectual property.
- 4.8 Individual Customers.** Except as may otherwise be agreed to by the Purchasing Entity and Contractor, each Purchasing Entity shall follow the terms and conditions of the Master Agreement and applicable Participating Addendum and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement and as the Participating Entity has in the Participating Addendum, including but not limited to any indemnity or right to recover any costs as such right is defined in the Master Agreement and applicable Participating Addendum for their purchases. Each Purchasing Entity will be responsible for its own charges, fees, and liabilities. The Contractor will apply the charges and invoice each Purchasing Entity individually.
- 4.9 Release of Information.** Throughout the duration of this Master Agreement, Contractor must secure from the Lead State prior approval for the release of information that pertains to the potential work or activities covered by the Master Agreement. This limitation does not preclude publication about the award of the Master Agreement or marketing activities consistent with any proposed and accepted marketing plan.
- 4.10 No Representations.** The Contractor shall not make any representations of NASPO ValuePoint, the Lead State, any Participating Entity, or any Purchasing Entity's opinion or position as to the quality or effectiveness of the services that are the subject of this Master Agreement without prior written consent.

V. NASPO ValuePoint Provisions

- 5.1 Applicability.** NASPO ValuePoint is not a party to the Master Agreement. The terms set forth in Section V are for the benefit of NASPO ValuePoint as a third-party beneficiary of this Master Agreement.
- 5.2 Administrative Fees**



5.2.1 NASPO ValuePoint Fee. Contractor shall pay to NASPO ValuePoint, or its assignee, a NASPO ValuePoint Administrative Fee of one-quarter of one percent (0.25% or 0.0025) no later than sixty (60) days following the end of each calendar quarter. The NASPO ValuePoint Administrative Fee must be submitted quarterly and is based on all sales of products and services under the Master Agreement (less any charges for taxes or shipping). The NASPO ValuePoint Administrative Fee is not negotiable. This fee is to be included as part of the pricing submitted with a vendor's response to the Lead State's Solicitation.

5.2.2 State Imposed Fees. Some states may require an additional fee be paid by Contractor directly to the state on purchases made by Purchasing Entities within that state. For all such requests, the fee rate or amount, payment method, and schedule for such reports and payments will be incorporated into the applicable Participating Addendum. Unless agreed to in writing by the state, Contractor may not adjust the Master Agreement pricing to include the state fee for purchases made by Purchasing Entities within the jurisdiction of the state. No such agreement will affect the NASPO ValuePoint Administrative Fee percentage or the prices paid by Purchasing Entities outside the jurisdiction of the state requesting the additional fee.

5.3 NASPO ValuePoint Summary and Detailed Usage Reports

5.3.1 Sales Data Reporting. In accordance with this section, Contractor shall report to NASPO ValuePoint all Orders under this Master Agreement for which Contractor has invoiced the ordering entity or individual, including Orders invoiced to Participating Entity or Purchasing Entity employees for personal use if such use is permitted by this Master Agreement and the applicable Participating Addendum ("Sales Data"). By placing an Order under this Master Agreement, a Purchasing Entity agrees to have their data (i) included in reports submitted by Contractor to NASPO ValuePoint and (ii) used by NASPO ValuePoint as set forth in this Master Agreement without limitation, unless otherwise requested in writing by the Purchasing Entity and agreed to in writing by NASPO. Timely and complete reporting of Sales Data by Contractor is a material requirement of this Master Agreement. Reporting requirements, including those related to the format, contents, frequency, or delivery of reports, may be updated by NASPO ValuePoint with reasonable notice to Contractor and without amendment to this Master Agreement. NASPO ValuePoint shall have exclusive ownership of any media on which reports are submitted and shall have a perpetual, irrevocable, non-exclusive,



royalty free, and transferable right to display, modify, copy, and otherwise use reports, data, and information provided under this section.

- 5.3.2 Summary Sales Data.** "Summary Sales Data" is Sales Data reported as cumulative totals by state. Contractor shall, using the reporting tool or template provided by NASPO ValuePoint, report Summary Sales Data to NASPO ValuePoint for each calendar quarter no later than thirty (30) days following the end of the quarter. If Contractor has no reportable Sales Data for the quarter, Contractor shall submit a zero-sales report.
- 5.3.3 Detailed Sales Data.** "Detailed Sales Data" is Sales Data that includes for each Order all information required by the Solicitation or by NASPO ValuePoint, including customer information, Order information, and line-item details. Contractor shall, using the reporting tool or template provided by NASPO ValuePoint, report Detailed Sales Data to NASPO ValuePoint for each calendar quarter no later than thirty (30) days following the end of the quarter. Detailed Sales Data shall be reported in the format provided in the Solicitation or provided by NASPO ValuePoint. The total sales volume of reported Detailed Sales Data shall be consistent with the total sales volume of reported Summary Sales Data.
- 5.3.4 Sales Data Crosswalks.** Upon request by NASPO ValuePoint, Contractor shall provide to NASPO ValuePoint tables of customer and Product information and specific attributes thereof for the purpose of standardizing and analyzing reported Sales Data ("Crosswalks"). Customer Crosswalks must include a list of existing and potential Purchasing Entities and identify for each the appropriate customer type as defined by NASPO ValuePoint. Product Crosswalks must include Contractor's part number or SKU for each Product in Offeror's catalog and identify for each the appropriate Master Agreement category (and subcategory, if applicable), manufacturer part number, product description, eight-digit UNSPSC Class Level commodity code, and (if applicable) EPEAT value and Energy Star rating. Crosswalk requirements and fields may be updated by NASPO ValuePoint with reasonable notice to Contractor and without amendment to this Master Agreement. Contractor shall work in good faith with NASPO ValuePoint to keep Crosswalks updated as Contractor's customer lists and product catalog change.
- 5.3.5 Executive Summary.** Contractor shall, upon request by NASPO ValuePoint, provide NASPO ValuePoint with an executive summary that includes but is not limited to a list of states with an active



Participating Addendum, states with which Contractor is in negotiations, and any Participating Addendum roll-out or implementation activities and issues. NASPO ValuePoint and Contractor will determine the format and content of the executive summary.

5.3.6 Obligation to Act in Good Faith. The parties acknowledge that this Master Agreement and its terms and pricing have been negotiated for the benefit of the parties, NASPO ValuePoint, Participating Entities, and Purchasing Entities. Apart from a Participating Addendum or Order, Contractor shall not intentionally induce a potential Participating Entity or Purchasing Entity to enter into a separate agreement, the pricing and terms of which are derived from this Master Agreement, for the purpose of avoiding compliance with Contractor's obligations under Section V. Nothing in this Section 5.3.6 shall prohibit Contractor from contracting with an entity with substantially similar pricing and terms if such pricing and terms are independently negotiated with the entity or are consistent with pricing and terms ordinarily offered by Contractor to public sector customers.

5.4 NASPO ValuePoint Cooperative Program Marketing, Training, and Performance Review

5.4.1 Staff Education. Contractor shall work cooperatively with NASPO ValuePoint personnel. Contractor shall present plans to NASPO ValuePoint for the education of Contractor's contract administrator(s) and sales/marketing workforce regarding the Master Agreement contract, including the competitive nature of NASPO ValuePoint procurements, the master agreement and participating addendum process, and the manner in which eligible entities can participate in the Master Agreement.

5.4.2 Onboarding Plan. Upon request by NASPO ValuePoint, Contractor shall, as Participating Addendums are executed, provide plans to launch the program for the Participating Entity. Plans will include time frames to launch the agreement and confirmation that the Contractor's website has been updated to properly reflect the scope and terms of the Master Agreement as available to the Participating Entity and eligible Purchasing Entities.

5.4.3 Annual Contract Performance Review. Contractor shall participate in an annual contract performance review with the Lead State and NASPO ValuePoint, which may at the discretion of the Lead State be held in person and which may include a discussion of marketing action plans, target strategies, marketing materials,



Contractor reporting, and timeliness of payment of administration fees.

5.4.4 Use of NASPO ValuePoint Logo. The NASPO ValuePoint logos may not be used by Contractor in sales and marketing until a separate logo use agreement is executed with NASPO ValuePoint.

5.4.5 Most Favored Customer. Contractor shall, within thirty (30) days of their effective date, notify the Lead State and NASPO ValuePoint of any contractual most-favored-customer provisions in third-party contracts or agreements that may affect the promotion of this Master Agreement or whose terms provide for adjustments to future rates or pricing based on rates, pricing in, or Orders from this Master Agreement. Upon request of the Lead State or NASPO ValuePoint, Contractor shall provide a copy of any such provisions.

5.5 NASPO ValuePoint eMarketPlace

5.5.1 The NASPO ValuePoint cooperative provides an eMarketPlace for public entities to access a central online platform to view and/or purchase the goods, services, and solutions available from NASPO ValuePoint's cooperative Master Agreements. This eMarketPlace is provided by NASPO at no additional cost to the Contractor or public entities. Its purpose is to facilitate the connection of public entities with Contractors who meet the requisite needs for a good, service, or solution by that entity through a NASPO ValuePoint Master Agreement.

5.5.2 Contractor shall cooperate in good faith with NASPO, and any third party acting as an agent on behalf of NASPO, to integrate Contractor's industry presence by either an electronic hosted catalog, punchout site, or providing eQuotes through the NASPO eMarketPlace, per the Implementation Timeline as further described below.

5.5.3 Regardless of how Contractor's presence is reflected in the eMarketPlace (*i.e.*, hosted catalog, punchout site, or eQuote), Contractor's listed offerings must be strictly limited to Contractor's awarded contract offerings through the NASPO award. Products and/or services not authorized through the resulting NASPO cooperative contract should not be viewable by NASPO ValuePoint eMarketPlace users. Furthermore, products and/or services not authorized through a Participating Addendum should not be viewable by NASPO ValuePoint eMarketPlace users utilizing that Participating Addendum. The accuracy of Contractor's offerings through the eMarketPlace must be maintained by Contractor throughout the duration of the Master Agreement.



- 5.5.4** Contractor agrees that NASPO controls which Master Agreements appear in the eMarketPlace and that NASPO may elect at any time to remove any of Contractor's offerings from the eMarketPlace.
- 5.5.5** Contractor is solely responsible for the accuracy, quality, and legality of Contractor's Content on the eMarketPlace. "Content" means all information that is generated, submitted, or maintained by Contractor or otherwise made available by Contractor on the eMarketPlace, including Contractor catalogs. Contractor's Content shall comply with and accurately reflect the terms and pricing of this Master Agreement.
- 5.5.6** Contractor's use of the eMarketPlace shall comply with the eMarketPlace's Terms of Use.
- 5.5.7** Contractor is solely responsible for the security and accuracy of transactions facilitated through the eMarketPlace, including the assessment, collection, and remittance of any sales tax.
- 5.5.8** Lead State reserves the right to approve all pricing, catalogs, and information on the eMarketPlace. This catalog review right is solely for the benefit of the Lead State and Participating Entities, and the review and approval shall not waive the requirement that products and services be offered at prices required by the Master Agreement.
- 5.5.9** NASPO Participating Entities may have their own procurement system, separate from the NASPO eMarketPlace, that enables the use of certain NASPO Master Agreements. In the event one of these entities elects to use this NASPO ValuePoint Master Agreement (available through the eMarketPlace) but publish to their own eMarketPlace, Contractor agrees to work in good faith with the entity and NASPO to implement the catalog.
- 5.5.10** In the event a Participating Entity has entity-specific catalog requirements set forth in its Participating Addendum (e.g., entity-specific pricing, restrictions in the scope of offerings, etc.), Contractor shall ensure its eMarketPlace Content for that Participating Entity accurately reflects and is compliant with these requirements.
- 5.5.11** Implementation Timeline: Following the execution of Contractor's Master Agreement, NASPO will provide a written request to Contractor to begin the onboarding process into the eMarketPlace. Contractor shall have fifteen (15) days from receipt of written request to work with NASPO to set up an enablement schedule, at which time the technical documentation for onboarding shall be



provided to Contractor. The schedule will include future calls and milestone dates related to test and go live dates.

5.5.11.1 Contractor's NASPO eMarketPlace account with eQuoting functionality shall minimally be established within thirty (30) days following the written request.

5.5.11.2 Contractor shall deliver either a (1) hosted catalog or (2) punchout site, pursuant to the mutually agreed upon enablement schedule.

5.5.11.3 NASPO will work with Contractor to decide which structures between hosted catalog, punchout site, and/or eQuoting as further described below will be provided by Contractor.

5.5.11.3.1 Hosted Catalog. By providing a hosted catalog, Contractor is providing a list of its awarded products/services and pricing in an electronic data file in a format acceptable to NASPO, such as a tab delimited text file. Contractor is solely responsible for ensuring the most up-to-date versions of its product/service offerings approved by the Lead State under this Master Agreement are reflected in the eMarketPlace.

5.5.11.3.2 Punchout Site. By providing a punchout site, Contractor is providing its own online catalog, which must be capable of being integrated with the eMarketPlace as a Standard punchout via Commerce eXtensible Markup Language (cXML). Contractor shall validate that its online catalog is up-to-date. The site must also return detailed UNSPSC codes for each line item.

5.5.11.3.3 eQuoting. NASPO will work with Contractor to set up participation and use to provide eQuotes through the NASPO eMarketPlace. This requirement would be in addition to any requirement to provide a hosted catalog or punchout site.

5.5.12 Hosted catalogs and punchout sites will provide all of the eMarketPlace standard data elements/information including, but not limited to, the following:

5.5.12.1 The most current pricing, including all applicable administrative fees and/or discounts, as well as the most up-to-date product/service offering the Contractor is



authorized to provide in accordance with this Master Agreement;

- 5.5.12.2** A Lead State contract identification number for this Master Agreement;
- 5.5.12.3** Detailed product line item descriptions;
- 5.5.12.4** Pictures illustrating products, services, or solutions where practicable; and
- 5.5.12.5** Any additional NASPO, Lead State, or Participating Addendum requirements.

5.6 Cancellation. In consultation with NASPO ValuePoint, the Lead State may, in its discretion, cancel the Master Agreement or not exercise an option to renew, when utilization of Contractor's Master Agreement does not warrant further administration of the Master Agreement. The Lead State may also exercise its right to not renew the Master Agreement if the Contractor fails to record or report revenue for three consecutive quarters, upon 60-calendar day written notice to the Contractor. Cancellation based on nonuse or under-utilization will not occur sooner than two years after execution of the Master Agreement. This subsection does not limit the discretionary right of either the Lead State or Contractor to cancel the Master Agreement or terminate for default subject to the terms herein. This subsection also does not limit any right of the Lead State to cancel the Master Agreement under applicable laws.

5.7 Canadian Participation. Subject to the approval of Contractor, any Canadian provincial government or provincially funded entity in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec, or Saskatchewan, and territorial government or territorial government funded entity in the Northwest Territories, Nunavut, or Yukon, including municipalities, universities, community colleges, school boards, health authorities, housing authorities, agencies, boards, commissions, and crown corporations, may be eligible to use Contractor's Master Agreement.

5.8 Additional Agreement with NASPO. Upon request by NASPO ValuePoint, awarded Contractor shall enter into a direct contractual relationship with NASPO ValuePoint related to Contractor's obligations to NASPO ValuePoint under the terms of the Master Agreement, the terms of which shall be the same or similar (and not less favorable) than the terms set forth in the Master Agreement.

VI. Pricing, Payment & Leasing



6.1 Pricing. The prices contained in this Master Agreement or offered under this Master Agreement represent the not-to-exceed price to any Purchasing Entity.

6.1.1 All prices and rates must be guaranteed for the initial term of the Master Agreement.

6.1.2 Following the initial term of the Master Agreement, any request for a price or rate adjustment must be for an equal guarantee period and must be made at least 90 days prior to the effective date.

6.1.3 Requests for a price or rate adjustment must include sufficient documentation supporting the request. Any adjustment or amendment to the Master Agreement will not be effective unless approved in writing by the Lead State.

6.1.4 No retroactive adjustments to prices or rates will be allowed.

6.2 Payment. Unless otherwise agreed upon in a Participating Addendum or Order, Payment after Acceptance will be made within thirty (30) days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance, unless a different late payment amount is specified in a Participating Addendum or Order, or otherwise prescribed by applicable law. Payments will be remitted in the manner specified in the Participating Addendum or Order. Payments may be made via a purchasing card with no additional charge.

6.3 Leasing or Alternative Financing Methods. The procurement and other applicable laws of some Purchasing Entities may permit the use of leasing or alternative financing methods for the acquisition of Products under this Master Agreement. Where the terms and conditions are not otherwise prescribed in an applicable Participating Addendum, the terms and conditions for leasing or alternative financing methods are subject to negotiation between the Contractor and Purchasing Entity.

VII. Ordering

7.1 Order Numbers. Master Agreement order and purchase order numbers must be clearly shown on all acknowledgments, packing slips, invoices, and on all correspondence.

7.2 Quotes. Purchasing Entities may define entity-specific or project-specific requirements and informally compete the requirement among companies having a Master Agreement on an "as needed" basis. This procedure may also be used when requirements are aggregated or other firm commitments may be made to achieve reductions in pricing. This procedure may be modified in Participating Addenda and adapted to the



Purchasing Entity's rules and policies. The Purchasing Entity may in its sole discretion determine which Master Agreement Contractors should be solicited for a quote. The Purchasing Entity may select the quote that it considers most advantageous, cost, and other factors considered.

- 7.3 Applicable Rules.** Each Purchasing Entity will identify and utilize its own appropriate purchasing procedure and documentation. Contractor is expected to become familiar with the Purchasing Entities' rules, policies, and procedures regarding the ordering of supplies and/or services contemplated by this Master Agreement.
- 7.4 Required Documentation.** Contractor shall not begin work without a valid Purchase Order or other appropriate commitment document under the law of the Purchasing Entity.
- 7.5 Term of Purchase.** Orders may be placed consistent with the terms of this Master Agreement and applicable Participating Addendum during the term of the Master Agreement and Participating Addendum.
 - 7.5.1** Orders must be placed pursuant to this Master Agreement prior to the termination date thereof, but may have a delivery date or performance period up to 120 days past the then-current termination date of this Master Agreement.
 - 7.5.2** Notwithstanding the previous, Orders must also comply with the terms of the applicable Participating Addendum, which may further restrict the period during which Orders may be placed or delivered.
 - 7.5.3** Financial obligations of Purchasing Entities payable after the current applicable fiscal year are contingent upon agency funds for that purpose being appropriated, budgeted, and otherwise made available.
 - 7.5.4** Notwithstanding the expiration, cancellation or termination of this Master Agreement, Contractor shall perform in accordance with the terms of any Orders then outstanding at the time of such expiration or termination. Contractor shall not honor any Orders placed after the expiration, cancellation, or termination of this Master Agreement, or in any manner inconsistent with this Master Agreement's terms.
 - 7.5.5** Orders for any separate indefinite quantity, task order, or other form of indefinite delivery order arrangement priced against this Master Agreement may not be placed after the expiration or termination of this Master Agreement, notwithstanding the term of any such indefinite delivery order agreement.
- 7.6 Order Form Requirements.** All Orders pursuant to this Master Agreement, at a minimum, must include:



- 7.6.1 The services or supplies being delivered;
- 7.6.2 A shipping address and other delivery requirements, if any;
- 7.6.3 A billing address;
- 7.6.4 Purchasing Entity contact information;
- 7.6.5 Pricing consistent with this Master Agreement and applicable Participating Addendum and as may be adjusted by agreement of the Purchasing Entity and Contractor;
- 7.6.6 A not-to-exceed total for the products or services being ordered; and
- 7.6.7 The Master Agreement number or the applicable Participating Addendum number, provided the Participating Addendum references the Master Agreement number.

7.7 Communication. All communications concerning administration of Orders placed must be furnished solely to the authorized purchasing agent within the Purchasing Entity's purchasing office, or to such other individual identified in writing in the Order.

7.8 Contract Provisions for Orders Utilizing Federal Funds. Pursuant to Appendix II to 2 Code of Federal Regulations (CFR) Part 200, Contract Provisions for Non-Federal Entity Contracts Under Federal Awards, Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. These federal requirements may be proposed by Participating Entities in Participating Addenda and Purchasing Entities for incorporation in Orders placed under this Master Agreement.

VIII. Shipping and Delivery

8.1 Shipping Terms. All deliveries will be F.O.B. destination, freight pre-paid, with all transportation and handling charges paid by the Contractor.

8.1.1 Notwithstanding the above, responsibility and liability for loss or damage will remain the Contractor's until final inspection and acceptance when responsibility will pass to the Purchasing Entity except as to latent defects, fraud, and Contractor's warranty obligations.

8.2 Minimum Shipping. The minimum shipment amount, if any, must be contained in the Master Agreement. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an Order to be shipped without transportation charges that is back ordered will be shipped without charge.

8.3 Inside Deliveries. To the extent applicable, all deliveries will be "Inside Deliveries" as designated by a representative of the Purchasing Entity



placing the Order. Inside Delivery refers to a delivery to a location other than a loading dock, front lobby, or reception area. Specific delivery instructions will be noted on the order form or Purchase Order. Costs to repair any damage to the building interior (e.g., scratched walls, damage to the freight elevator, etc.) caused by Contractor or Contractor's carrier will be the responsibility of the Contractor. Immediately upon becoming aware of such damage, Contractor shall notify the Purchasing Entity placing the Order.

- 8.4 Packaging.** All products must be delivered in the manufacturer's standard package. Costs must include all packing and/or crating charges. Cases must be of durable construction, in good condition, properly labeled and suitable in every respect for storage and handling of contents. Each shipping carton must be marked with the commodity, brand, quantity, item code number and the Purchasing Entity's Purchase Order number.

IX. Inspection and Acceptance

- 9.1 Laws and Regulations.** Any and all Products offered and furnished must comply fully with all applicable Federal, State, and local laws and regulations.
- 9.2 Applicability.** Unless otherwise specified in the Master Agreement, Participating Addendum, or ordering document, the terms of this Section IX will apply. This section is not intended to limit rights and remedies under the applicable commercial code.
- 9.3 Inspection.** All Products are subject to inspection at reasonable times and places before Acceptance. Contractor shall provide right of access to the Lead State, to any other authorized agent or official of the Lead State or other Participating or Purchasing Entity, and NASPO ValuePoint, at reasonable times, to monitor and evaluate performance, compliance, and/or quality assurance requirements under this Master Agreement.
- 9.3.1** Products that do not meet specifications may be rejected. Failure to reject upon receipt, however, does not relieve the contractor of liability for material (nonconformity that substantial impairs value) latent or hidden defects subsequently revealed when goods are put to use.
- 9.3.2** Acceptance of such goods may be revoked in accordance with the provisions of the applicable commercial code, and the Contractor is liable for any resulting expense incurred by the Purchasing Entity related to the preparation and shipping of Product rejected and returned, or for which Acceptance is revoked.
- 9.4 Failure to Conform.** If any services do not conform to contract requirements, the Purchasing Entity may require the Contractor to perform the services again in conformity with contract requirements, at no increase



in Order amount. When defects cannot be corrected by re-performance, the Purchasing Entity may require the Contractor to take necessary action to ensure that future performance conforms to contract requirements and reduce the contract price to reflect the reduced value of services performed.

9.5 Acceptance Testing. Purchasing Entity may establish a process, in keeping with industry standards, to ascertain whether the Product meets the standard of performance or specifications prior to Acceptance by the Purchasing Entity.

9.5.1 The Acceptance Testing period will be thirty (30) calendar days, unless otherwise specified, starting from the day after the Product is delivered or, if installed by Contractor, the day after the Product is installed and Contractor certifies that the Product is ready for Acceptance Testing.

9.5.2 If the Product does not meet the standard of performance or specifications during the initial period of Acceptance Testing, Purchasing Entity may, at its discretion, continue Acceptance Testing on a day-to-day basis until the standard of performance is met.

9.5.3 Upon rejection, the Contractor will have fifteen (15) calendar days to cure. If after the cure period, the Product still has not met the standard of performance or specifications, the Purchasing Entity may, at its option: (a) declare Contractor to be in breach and terminate the Order; (b) demand replacement Product from Contractor at no additional cost to Purchasing Entity; or, (c) continue the cure period for an additional time period agreed upon by the Purchasing Entity and the Contractor.

9.5.4 Contractor shall pay all costs related to the preparation and shipping of Product returned pursuant to the section.

9.5.5 No Product will be deemed Accepted and no charges will be paid until the standard of performance or specification is met.

X. Warranty

10.1 Applicability. Unless otherwise specified in the Master Agreement, Participating Addendum, or ordering document, the terms of this Section X will apply.

10.2 Warranty. The Contractor warrants for a period of one year from the date of Acceptance that: (a) the Product performs according to all specific claims that the Contractor made in its response to the Solicitation, (b) the Product is suitable for the ordinary purposes for which such Product is used, (c) the Product is suitable for any special purposes identified in the



Solicitation or for which the Purchasing Entity has relied on the Contractor's skill or judgment, (d) the Product is designed and manufactured in a commercially reasonable manner, and (e) the Product is free of defects.

10.3 Breach of Warranty. Upon breach of the warranty set forth above, the Contractor will repair or replace (at no charge to the Purchasing Entity) the Product whose nonconformance is discovered and made known to the Contractor. If the repaired and/or replaced Product proves to be inadequate, or fails of its essential purpose, the Contractor will refund the full amount of any payments that have been made.

10.4 Rights Reserved. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

10.5 Warranty Period Start Date. The warranty period will begin upon Acceptance, as set forth in Section IX.

XI. Product Title

11.1 Conveyance of Title. Upon Acceptance by the Purchasing Entity, Contractor shall convey to Purchasing Entity title to the Product free and clear of all liens, encumbrances, or other security interests.

11.2 Embedded Software. Transfer of title to the Product must include an irrevocable and perpetual license to use any Embedded Software in the Product. If Purchasing Entity subsequently transfers title of the Product to another entity, Purchasing Entity shall have the right to transfer the license to use the Embedded Software with the transfer of Product title. A subsequent transfer of this software license will be at no additional cost or charge to either Purchasing Entity or Purchasing Entity's transferee.

11.3 License of Pre-Existing Intellectual Property. Contractor grants to the Purchasing Entity a nonexclusive, perpetual, royalty-free, irrevocable, license to use, publish, translate, reproduce, transfer with any sale of tangible media or Product, perform, display, and dispose of the Intellectual Property, and its derivatives, used or delivered under this Master Agreement, but not created under it ("Pre-existing Intellectual Property"). The Contractor shall be responsible for ensuring that this license is consistent with any third-party rights in the Pre-existing Intellectual Property.

XII. Indemnification

12.1 General Indemnification. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO ValuePoint, the Lead State, Participating



Entities, and Purchasing Entities, along with their officers and employees, from and against third-party claims, damages or causes of action including reasonable attorneys' fees and related costs for any death, injury, or damage to tangible property arising from any act, error, or omission of the Contractor, its employees or subcontractors or volunteers, at any tier, relating to performance under this Master Agreement.

12.2 Intellectual Property Indemnification. The Contractor shall defend, indemnify and hold harmless NASPO, NASPO ValuePoint, the Lead State, Participating Entities, Purchasing Entities, along with their officers and employees ("Indemnified Party"), from and against claims, damages or causes of action including reasonable attorneys' fees and related costs arising out of the claim that the Product or its use infringes Intellectual Property rights of another person or entity ("Intellectual Property Claim").

12.2.1 The Contractor's obligations under this section will not extend to any combination of the Product with any other product, system or method, unless the Product, system or method is:

12.2.1.1 provided by the Contractor or the Contractor's subsidiaries or affiliates;

12.2.1.2 specified by the Contractor to work with the Product;

12.2.1.3 reasonably required to use the Product in its intended manner, and the infringement could not have been avoided by substituting another reasonably available product, system or method capable of performing the same function; or

12.2.1.4 reasonably expected to be used in combination with the Product.

12.2.2 The Indemnified Party shall notify the Contractor within a reasonable time after receiving notice of an Intellectual Property Claim. Even if the Indemnified Party fails to provide reasonable notice, the Contractor shall not be relieved from its obligations unless the Contractor can demonstrate that it was prejudiced in defending the Intellectual Property Claim resulting in increased expenses or loss to the Contractor. If the Contractor promptly and reasonably investigates and defends any Intellectual Property Claim, it shall have control over the defense and settlement of the Intellectual Property Claim. However, the Indemnified Party must consent in writing for any money damages or obligations for which it may be responsible.

12.2.3 The Indemnified Party shall furnish, at the Contractor's reasonable request and expense, information and assistance necessary for such defense. If the Contractor fails to vigorously



pursue the defense or settlement of the Intellectual Property Claim, the Indemnified Party may assume the defense or settlement of the Intellectual Property Claim and the Contractor shall be liable for all costs and expenses, including reasonable attorneys' fees and related costs, incurred by the Indemnified Party in the pursuit of the Intellectual Property Claim.

- 12.2.4** Unless otherwise set forth herein, Section 12.2 is not subject to any limitations of liability in this Master Agreement or in any other document executed in conjunction with this Master Agreement.

XIII. Insurance

- 13.1 Term.** Contractor shall, during the term of this Master Agreement, maintain in full force and effect, the insurance described in this section. A Participating Entity may negotiate alternative Insurance requirements in their Participating Addendum.
- 13.2 Class.** Contractor shall acquire such insurance from an insurance carrier or carriers licensed to conduct business in each Participating Entity's state and having a rating of A-, Class VII or better, in the most recently published edition of A.M. Best's Insurance Reports. Failure to buy and maintain the required insurance may result in this Master Agreement's termination or, at a Participating Entity's option, result in termination of its Participating Addendum.
- 13.3 Coverage.** Coverage must be written on an occurrence basis. The minimum acceptable limits will be as indicated below:
- 13.3.1** Contractor shall maintain Commercial General Liability insurance covering premises operations, independent contractors, products and completed operations, blanket contractual liability, personal injury (including death), advertising liability, and property damage, with a limit of not less than \$1 million per occurrence and \$2 million general aggregate;
- 13.3.2** Contractor must comply with any applicable State Workers Compensation or Employers Liability Insurance requirements.
- 13.3.3** Professional Liability (Errors & Omissions) Insurance: The Contractor must maintain Professional Liability insurance in the amount of not less than \$2,000,000 combined single limit per occurrence, \$4,000,000 general annual aggregate for malpractice or errors and omissions coverage against liability for damages because of personal injury, bodily injury, death, or damage to property, including the loss of use thereof, and damages because of negligent acts, errors, and omissions in



any way related to the Master Agreement and Participating Addenda.

13.3.4 Crime Insurance/Employee Dishonesty: The Contractor must maintain Employee Dishonesty and (when applicable) Inside/Outside Money and Securities coverage for the Lead State and for each Participating State and/or purchaser owned property in the care, custody, and control of Contractor, including computer fraud. Coverage limits shall not be less than \$2,000,000.

13.3.5 Information Security/Cyber Liability Insurance: The Contractor must maintain Cyber Liability and Security Insurance covering personally identifiable information transmitted to, accessed, created, or stored within the Contractor's computer system or within any associated third-party's computer system with minimum liability limits of \$5,000,000 per occurrence and provide coverage for the following risks (collectively, "cyber-security liabilities"):

13.3.5.1 Liability arising from theft, dissemination, and/ or use of personally identifiable information transmitted to, accessed, created, or stored on the Contractor's computer system or within any associated third-party's computer system;

13.3.5.2 Information or identity theft, misuse of, or unauthorized disclosure of personally identifiable information;

13.3.5.3 Spread of viruses, loss of, denial of access to, attacks on, damage to, alteration of or destruction of personally identifiable information;

13.3.5.4 Infringement of intellectual property, including but not limited to, copyright, trademark, multimedia/media, or trade dress infringement or violations;

13.3.5.5 Invasion of privacy or the unauthorized release of private information; and

13.3.5.6 Extortion or threats of extortion.

Coverage shall include a waiver of subrogation in favor of the Lead State, Participating States and their divisions, officers and employees for losses caused by and to the extent of Contractor's negligence. If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, the Lead State requires, and Participating States require and



shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Lead State and Participating States. For claims made policies the Retroactive Date must be shown and must be before the first day of the initial term of the Master Agreement; insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of all work under the Master Agreement and all Participating Addenda; if coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the first day of the initial term of the Master Agreement, the Contractor must purchase "extended reporting" coverage for a minimum of five (5) years after completion of all work under the Master Agreement and all Participating Addenda.

- 13.4 Notice of Cancellation.** Contractor shall pay premiums on all insurance policies. Contractor shall provide notice to a Participating Entity who is a state within five (5) business days after Contractor is first aware of expiration, cancellation or nonrenewal of such policy or is first aware that cancellation is threatened or expiration, nonrenewal or expiration otherwise may occur.
- 13.5 Notice of Endorsement.** Prior to commencement of performance, Contractor shall provide to the Lead State a written endorsement to the Contractor's general liability insurance policy or other documentary evidence acceptable to the Lead State that (1) provides that written notice of cancellation will be delivered in accordance with the policy provisions, and (2) provides that the Contractor's liability insurance policy will be primary, with any liability insurance of any Participating State as secondary and noncontributory.
- 13.6 Participating Entities.** Contractor shall provide to Participating States and Participating Entities the same insurance obligations and documentation as those specified in Section XIII, except the endorsement is provided to the applicable Participating State or Participating Entity.
- 13.7 Furnishing of Certificates.** Contractor shall furnish to the Lead State copies of certificates of all required insurance in a form sufficient to show required coverage within thirty (30) calendar days of the execution of this Master Agreement and prior to performing any work. Copies of renewal certificates of all required insurance will be furnished within thirty (30) days after any renewal date to the applicable state Participating Entity. Failure to provide evidence of coverage may, at the sole option of the Lead State, or any Participating Entity, result in this Master Agreement's termination or the termination of any Participating Addendum.



- 13.8 Disclaimer.** Insurance coverage and limits will not limit Contractor's liability and obligations under this Master Agreement, any Participating Addendum, or any Purchase Order.

XIV. General Provisions

14.1 Records Administration and Audit

- 14.1.1** The Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Agreement and Orders placed by Purchasing Entities under it to the extent and in such detail as will adequately reflect performance and administration of payments and fees. Contractor shall permit the Lead State, a Participating Entity, a Purchasing Entity, the federal government (including its grant awarding entities and the U.S. Comptroller General), NASPO ValuePoint, and any other duly authorized agent of a governmental agency, to audit, inspect, examine, copy and/or transcribe Contractor's books, documents, papers and records directly pertinent to this Master Agreement or orders placed by a Purchasing Entity under it for the purpose of making audits, examinations, excerpts, and transcriptions. This right will survive for a period of six (6) years following termination of this Agreement or final payment for any order placed by a Purchasing Entity against this Master Agreement, whichever is later, or such longer period as is required by the Purchasing Entity's state statutes, to assure compliance with the terms hereof or to evaluate performance hereunder.
- 14.1.2** Without limiting any other remedy available to any governmental entity, the Contractor shall reimburse the applicable Lead State, Participating Entity, or Purchasing Entity for any overpayments inconsistent with the terms of the Master Agreement or Orders or underpayment of fees found as a result of the examination of the Contractor's records.
- 14.1.3** The rights and obligations herein exist in addition to any quality assurance obligation in the Master Agreement that requires the Contractor to self-audit contract obligations and that permits the Lead State and NASPO ValuePoint to review compliance with those obligations.

14.2 Confidentiality, Non-Disclosure, and Injunctive Relief

- 14.2.1 Confidentiality.** Contractor acknowledges that it and its employees or agents may, in the course of providing a Product under this Master Agreement, be exposed to or acquire information that is confidential to Purchasing Entity or Purchasing Entity's clients.



- 14.2.1.1** Any and all information of any form that is marked as confidential or would by its nature be deemed confidential obtained by Contractor or its employees or agents in the performance of this Master Agreement, including but not necessarily limited to (1) any Purchasing Entity's records, (2) personnel records, and (3) information concerning individuals, is confidential information of Purchasing Entity ("Confidential Information").
- 14.2.1.2** Any reports or other documents or items (including software) that result from the use of the Confidential Information by Contractor shall be treated in the same manner as the Confidential Information.
- 14.2.1.3** Confidential Information does not include information that (1) is or becomes (other than by disclosure by Contractor) publicly known; (2) is furnished by Purchasing Entity to others without restrictions similar to those imposed by this Master Agreement; (3) is rightfully in Contractor's possession without the obligation of nondisclosure prior to the time of its disclosure under this Master Agreement; (4) is obtained from a source other than Purchasing Entity without the obligation of confidentiality, (5) is disclosed with the written consent of Purchasing Entity; or (6) is independently developed by employees, agents or subcontractors of Contractor who can be shown to have had no access to the Confidential Information.
- 14.2.2 Non-Disclosure.** Contractor shall hold Confidential Information in confidence, using at least the industry standard of confidentiality, and shall not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purposes whatsoever other than what is necessary to the performance of Orders placed under this Master Agreement.
- 14.2.2.1** Contractor shall advise each of its employees and agents of their obligations to keep Confidential Information confidential. Contractor shall use commercially reasonable efforts to assist Purchasing Entity in identifying and preventing any unauthorized use or disclosure of any Confidential Information.



- 14.2.2.2** Without limiting the generality of the foregoing, Contractor shall advise Purchasing Entity, applicable Participating Entity, and the Lead State immediately if Contractor 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 Master Agreement, and Contractor shall at its expense cooperate with Purchasing Entity in seeking injunctive or other equitable relief in the name of Purchasing Entity or Contractor against any such person.
- 14.2.2.3** Except as directed by Purchasing Entity, Contractor will not at any time during or after the term of this Master Agreement disclose, directly or indirectly, any Confidential Information to any person, except in accordance with this Master Agreement, and that upon termination of this Master Agreement or at Purchasing Entity's request, Contractor shall turn over to Purchasing Entity all documents, papers, and other matter in Contractor's possession that embody Confidential Information.
- 14.2.2.4** Notwithstanding the foregoing, Contractor may keep one copy of such Confidential Information necessary for quality assurance, audits, and evidence of the performance of this Master Agreement.
- 14.2.3 Injunctive Relief.** Contractor acknowledges that Contractor's breach of Section 14.2 would cause irreparable injury to the Purchasing Entity that cannot be adequately compensated in monetary damages. Accordingly, Purchasing Entity may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies that may be available. Contractor acknowledges and agrees that the covenants contained herein are necessary for the protection of the legitimate business interests of Purchasing Entity and are reasonable in scope and content.
- 14.2.4 Purchasing Entity Law.** These provisions will be applicable only to extent they are not in conflict with the applicable public disclosure laws of any Purchasing Entity.
- 14.2.5 NASPO ValuePoint.** The rights granted to Purchasing Entities and Contractor's obligations under this section will also extend to NASPO ValuePoint's Confidential Information, including but not limited to Participating Addenda, Orders or transaction data relating to Orders under this Master Agreement that identify the



entity/customer, Order dates, line-item descriptions and volumes, and prices/rates. This provision does not apply to disclosure to the Lead State, a Participating State, or any governmental entity exercising an audit, inspection, or examination pursuant to this Master Agreement. To the extent permitted by law, Contractor shall notify the Lead State of the identity of any entity seeking access to the Confidential Information described in this subsection.

- 14.2.6 Public Information.** This Master Agreement and all related documents are subject to disclosure pursuant to the Lead State's public information laws.

14.3 Assignment/Subcontracts

- 14.3.1** Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this Master Agreement, in whole or in part, without the prior written approval of the Lead State.

- 14.3.2** The Lead State reserves the right to assign any rights or duties, including written assignment of contract administration duties, to NASPO ValuePoint and other third parties.

- 14.4 Changes in Contractor Representation.** The Contractor must, within ten (10) calendar days, notify the Lead State in writing of any changes in the Contractor's key administrative personnel managing the Master Agreement. The Lead State reserves the right to approve or reject changes in key personnel, as identified in the Contractor's proposal. The Contractor shall propose replacement key personnel having substantially equal or better education, training, and experience as was possessed by the key person proposed and evaluated in the Contractor's proposal.

- 14.5 Independent Contractor.** Contractor is an independent contractor. Contractor has no authorization, express or implied, to bind the Lead State, Participating States, other Participating Entities, or Purchasing Entities to any agreements, settlements, liability or understanding whatsoever, and shall not hold itself out as agent except as expressly set forth herein or as expressly set forth in an applicable Participating Addendum or Order.

- 14.6 Cancellation.** Unless otherwise set forth herein, this Master Agreement may be canceled by either party upon sixty (60) days' written notice prior to the effective date of the cancellation. Further, any Participating Entity may cancel its participation upon thirty (30) days' written notice, unless otherwise limited or stated in the Participating Addendum. Cancellation may be in whole or in part. Any cancellation under this provision will not affect the rights and obligations attending Orders outstanding at the time



of cancellation, including any right of a Purchasing Entity to indemnification by the Contractor, rights of payment for Products delivered and accepted, rights attending any warranty or default in performance in association with any Order, and requirements for records administration and audit. Cancellation of the Master Agreement due to Contractor default may be immediate.

- 14.7 Force Majeure.** Neither party to this Master Agreement shall be held responsible for delay or default caused by fire, riot, unusually severe weather, other acts of God, or acts of war which are beyond that party's reasonable control. The Lead State may terminate this Master Agreement upon determining such delay or default will reasonably prevent successful performance of the Master Agreement.

14.8 Defaults and Remedies

- 14.8.1** The occurrence of any of the following events will be an event of default under this Master Agreement:

- 14.8.1.1** Nonperformance of contractual requirements;
- 14.8.1.2** A material breach of any term or condition of this Master Agreement;
- 14.8.1.3** Any certification, representation or warranty by Contractor in response to the Solicitation or in this Master Agreement that proves to be untrue or materially misleading;
- 14.8.1.4** Institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within thirty (30) calendar days after the institution or occurrence thereof; or
- 14.8.1.5** Any default specified in another section of this Master Agreement.

- 14.8.2** Upon the occurrence of an event of default, the Lead State shall issue a written notice of default, identifying the nature of the default, and providing a period of fifteen (15) calendar days in which Contractor shall have an opportunity to cure the default. The Lead State shall not be required to provide advance written notice or a cure period and may immediately terminate this Master Agreement in whole or in part if the Lead State, in its sole discretion, determines that it is reasonably necessary to preserve public safety or prevent immediate public crisis. Time allowed for cure will not diminish or eliminate Contractor's



liability for damages, including liquidated damages to the extent provided for under this Master Agreement.

- 14.8.3** If Contractor is afforded an opportunity to cure and fails to cure the default within the period specified in the written notice of default, Contractor shall be in breach of its obligations under this Master Agreement and the Lead State shall have the right to exercise any or all of the following remedies:

- 14.8.3.1** Any remedy provided by law;
- 14.8.3.2** Termination of this Master Agreement and any related Contracts or portions thereof;
- 14.8.3.3** Assessment of liquidated damages as provided in this Master Agreement;
- 14.8.3.4** Suspension of Contractor from being able to respond to future bid solicitations;
- 14.8.3.5** Suspension of Contractor's performance; and
- 14.8.3.6** Withholding of payment until the default is remedied.

- 14.8.4** Unless otherwise specified in the Participating Addendum, in the event of a default under a Participating Addendum, a Participating Entity shall provide a written notice of default as described in this section and shall have all of the rights and remedies under this paragraph regarding its participation in the Master Agreement, in addition to those set forth in its Participating Addendum. Unless otherwise specified in an Order, a Purchasing Entity shall provide written notice of default as described in this section and have all of the rights and remedies under this paragraph and any applicable Participating Addendum with respect to an Order placed by the Purchasing Entity. Nothing in these Master Agreement Terms and Conditions will be construed to limit the rights and remedies available to a Purchasing Entity under the applicable commercial code.

- 14.9 Waiver of Breach.** Failure of the Lead State, Participating Entity, or Purchasing Entity to declare a default or enforce any rights and remedies will not operate as a waiver under this Master Agreement, any Participating Addendum, or any Purchase Order. Any waiver by the Lead State, Participating Entity, or Purchasing Entity must be in writing. Waiver by the Lead State or Participating Entity of any default, right or remedy under this Master Agreement or Participating Addendum, or by Purchasing Entity with respect to any Purchase Order, or breach of any terms or requirements of this Master Agreement, a Participating



Addendum, or Purchase Order will not be construed or operate as a waiver of any subsequent default or breach of such term or requirement, or of any other term or requirement under this Master Agreement, any Participating Addendum, or any Purchase Order.

14.10 Debarment. The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in public procurement or contracting by any governmental department or agency. This certification represents a recurring certification made at the time any Order is placed under this Master Agreement. If the Contractor cannot certify this statement, attach a written explanation for review by the Lead State.

14.11 No Waiver of Sovereign Immunity

14.11.1 In no event will this Master Agreement, any Participating Addendum or any contract or any Purchase Order issued thereunder, or any act of the Lead State, a Participating Entity, or a Purchasing Entity be a waiver of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court.

14.11.2 This section applies to a claim brought against the Participating Entities who are states only to the extent Congress has appropriately abrogated the state's sovereign immunity and is not consent by the state to be sued in federal court. This section is also not a waiver by the state of any form of immunity, including but not limited to sovereign immunity and immunity based on the Eleventh Amendment to the Constitution of the United States.

14.12 Governing Law and Venue

14.12.1 The procurement, evaluation, and award of the Master Agreement will be governed by and construed in accordance with the laws of the Lead State sponsoring and administering the procurement. The construction and effect of the Master Agreement after award will be governed by the law of the state serving as Lead State. The construction and effect of any Participating Addendum or Order against the Master Agreement will be governed by and construed in accordance with the laws of the Participating Entity's or Purchasing Entity's state.

14.12.2 Unless otherwise specified in the RFP, the venue for any protest, claim, dispute or action relating to the procurement, evaluation, and award is in the state serving as Lead State.



Venue for any claim, dispute or action concerning the terms of the Master Agreement will be in the state serving as Lead State. Venue for any claim, dispute, or action concerning any Order placed against the Master Agreement or the effect of a Participating Addendum will be in the Purchasing Entity's state.

14.12.3 If a claim is brought in a federal forum, then it must be brought and adjudicated solely and exclusively within the United States District Court for (in decreasing order of priority): the Lead State for claims relating to the procurement, evaluation, award, or contract performance or administration if the Lead State is a party; a Participating State if a named party; the state where the Participating Entity or Purchasing Entity is located if either is a named party.

14.13 Assignment of Antitrust Rights. Contractor irrevocably assigns to a Participating Entity who is a state any claim for relief or cause of action which the Contractor now has or which may accrue to the Contractor in the future by reason of any violation of state or federal antitrust laws (15 U.S.C. § 1-15 or a Participating Entity's state antitrust provisions), as now in effect and as may be amended from time to time, in connection with any goods or services provided in that state for the purpose of carrying out the Contractor's obligations under this Master Agreement or Participating Addendum, including, at the Participating Entity's option, the right to control any such litigation on such claim for relief or cause of action.

14.14 Survivability. Unless otherwise explicitly set forth in a Participating Addendum or Order, the terms of this Master Agreement as they apply to the Contractor, Participating Entities, and Purchasing Entities, including but not limited to pricing and the reporting of sales and payment of administrative fees to NASPO ValuePoint, shall survive expiration of this Master Agreement and shall continue to apply to all Participating Addenda and Orders until the expiration thereof.



ATTACHMENT B

SCOPE OF WORK

Overview and Definitions - The following definitions apply to this RFP and the Master Agreement(s) resulting from this RFP:

- A. **Active Participant:** An Eligible Person that voluntarily elects to activate their participation by agreeing to use the Notification and Credit Monitoring Services.
- B. **Breach or Data Breach:** A security incident in which sensitive, protected or confidential Data is copied, transmitted, viewed, stolen or used by an individual unauthorized to do so. (This definition is to be considered to be a baseline definition. Participating Entities may further define this term within their individual Participating Addenda).
- C. **Breach Response Specialist:** A specialized role, performed by an attorney, in responding to a Data Breach or other cyber incident.
- D. **Data:** All information developed, documented, derived, stored, installed, or furnished by the Purchasing Entity under a Participating Addendum, including all information related to records owned by or in the possession of the Purchasing Entity. (Data may include PII, PHI, etc.)
- E. **Eligible Person:** Every individual or business that meets the criteria established by a Participating Entity to qualify for the Notification and Credit Monitoring Services. The Participating Entity will have sole discretion to determine who qualifies as an Eligible Person.
- F. **Event:** Any observable occurrence in a network or system.
- G. **Incident, Cyber Security Incident, or Security Incident:** A violation or imminent threat of violation of computer security policies, acceptable use policies, or standard security practices in order to affect a system, application, or network's integrity or availability and/or the unauthorized access or attempted access to a system or systems.
- H. **Incident Manager:** The individual who manages the process to restore normal service operation as quickly as possible to minimize the impact to business operations. Responsible for planning and coordinating all the activities required to perform, monitor, and report on the process.
- I. **Personally Identifiable Information or PII:** Information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual.
- J. **Threat:** The potential source of an adverse event; the possibility of a malicious attempt to damage or disrupt a computer network or system.
- K. **Triggering Event:** A Breach or suspected Breach of PII, or any other circumstance which results in a Participating Entity activating Notification and Credit Monitoring Services under the Master Agreement (through a Participating Addendum).
- L. **Vulnerability:** A weakness in a system, application, or network that is subject to exploitation or misuse.



SECTION 1: CONTRACT GENERAL REQUIREMENTS (APPLIES TO ALL CATEGORIES)

- 1.1 **Security of Information.** Protection of Data must be an integral part of the business activities of the Contractor to ensure that there is no inappropriate or unauthorized use of Data at any time. To this end, the Contractor must safeguard the confidentiality, integrity, and availability of Data and comply with the following conditions:

All Purchasing Entity Data obtained by the Contractor under a Participating Addendum must become and remain property of the Purchasing Entity.

At no time shall any Data or processes which either belong to or are intended for the use of the Purchasing Entity or its officers, agents, or employees, be copied, disclosed, or retained by the Contractor or any party related to the Contractor for subsequent use in any transaction that does not include the Purchasing Entity.

The Contractor must meet or exceed the requirements of the Purchasing Entity's security policies, standards, and regulatory and contractual obligations as defined in the Participating Entity's Participating Addendum and Purchase/Work Order. The Contractor must have security measures in place to ensure that a Purchasing Entity's sensitive or protected information and/or Data at rest, in use, or in transit is not compromised through a Breach of the Contractor's system and/or applications.
- 1.2 The Contractor must notify the Purchasing Entity of any suspected or actual Breach of the Purchasing Entity's or Active Participants' Data immediately upon discovery.
- 1.3 The Contractor must ensure all services are performed by trained experts in the field relevant to the services ordered, who possess the experience and qualifications identified this Scope of Work.
- 1.4 The Contractor must be AICPA SOC 2 compliant covering all 5 functional areas (Security, Availability, Processing Integrity, Confidentiality, and Privacy), or a third-party assessment based on current revision of NIST 800-53 Moderate controls conducted within the last two years, or FedRAMP authorization, or GovRAMP authorization, or equivalent. The Contractor must keep all information regarding the Purchasing Entity, Eligible Persons and Active Participants, whether obtained from the Purchasing Entity, from Eligible Persons, or through performance of the services under the Master Agreement, confidential and secure and additionally must dispose of all information in a manner that meets or exceeds the AICPA SOC 2 standards.



1.4.1 Upon request, the Contractor must provide the Lead State with the results of a SOC 2 Type II covering all 5 functional areas (Security, Availability, Processing Integrity, Confidentiality, and Privacy), or a third-party assessment based on current revision of NIST 800-53 Moderate controls conducted within the last two years, or FedRAMP authorization, or GovRAMP authorization. The Lead State may terminate the Master Agreement for the Contractor's failure to provide the audit results requirements in this section within the timeframe specified in this section.

1.4.2 The Contractor must continue to maintain compliance and provide audits/assessments at least one (1) time every two (2) years throughout the term of the Master Agreement and must provide the results to the Lead State within six (6) months of completion of the audit/assessment.

- 1.5 The Contractor must contact the Purchasing Entity immediately upon receipt of any electronic discovery, litigation holds, discovery searches, expert testimony, or other similar requests which in any way might reasonably require access to the Purchasing Entity's Data.
- 1.6 The Contractor must not respond to subpoenas, service of process, and other legal requests related to the Purchasing Entity without first notifying the Purchasing Entity unless prohibited by law from providing such notice.
- 1.7 The Purchasing Entity owns all rights, title and interest in its Data that is related to the services provided under any Order. The Contractor must not access the Purchasing Entity's user accounts or Data, except (i) in the response to service or technical issues, (ii) as required by the express terms of the Order, or (iii) at the Purchasing Entity's written request.
- 1.8 Orders: A Purchasing Entity may customize services ordered. The Contractor must maintain the ability to provide all services available under this Category throughout the entire Master Agreement term, including all renewals. The Purchasing Entity will work with the Contractor to develop a Statement of Work for each Order. A Purchasing Entity may elect to use a limited selection of services rather than all services available under this Category. For example, a Purchasing Entity may elect to evaluate threats and vulnerabilities in their current environment but not utilize training services. The Purchasing Entity reserves the right to amend any Order.
 - 1.8.1 The Purchasing Entity will provide a Statement of Work which will include a detailed task list, deliverables, timeframes, estimated level of effort and staffing levels for the specific services.
 - 1.8.2 If the service is to be performed on-site, travel costs will be reimbursed in accordance with the Purchasing Entity's travel policy, which will be



included with the Order

- 1.9 The Contractor must work collaboratively with the Purchasing Entity and produce relevant, accurate documents that use terminology that is easily understood by a layperson.
- 1.10 All call centers provided under the Master Agreement(s) awarded from this RFP, including the call center personnel themselves when providing services under the Master Agreement(s), must remain within the contiguous United States. While remaining compliant with that, call center personnel may work off-site. Contractor staff must be able to communicate plainly and clearly in English in a manner that can be easily understood by customers.

SECTION 2: CATEGORY 1 – RISK ASSESSMENT AND MITIGATION SERVICES

Risk assessment and mitigation services: professional services that help organizations identify potential risks, evaluate their likelihood and impact, and then develop strategies to minimize or eliminate those risks, essentially protecting the organization's assets and ensuring business continuity by proactively addressing potential threats; it involves both analyzing potential dangers and taking proactive steps to manage them effectively.

- **Risk identification:** Identifying potential hazards and threats that could affect the organization, including internal and external factors.
- **Risk analysis:** Evaluating the likelihood and severity of each identified risk, often using qualitative or quantitative methods.
- **Risk prioritization:** Ranking risks based on their potential impact and likelihood of guiding mitigation efforts.
- **Mitigation strategy development:** Creating actionable plans to address each identified risk, including preventive measures, contingency plans, and risk transfer options.
- **Implementation and monitoring:** Putting mitigation strategies into practice and regularly reviewing their effectiveness to adapt to changing circumstances.

2.1 General Requirements

2.1.1 Data Encryption and Data Location Requirements

Non-Public Data: All Non-Public Data (includes PII and any other Data that the Purchasing Entity requires to be protected) provided by a Purchasing Entity to the Contractor must be encrypted at rest and in transit with controlled access. Unless otherwise provided in the Participating Addendum or the Purchasing Entity's Purchase Order, the Contractor is responsible for encryption of the Non-Public Data. All encryption shall be consistent with validated cryptography standards such



as the current standards in FIPS 140-2, Security Requirements for Cryptographic Modules, or the then-current NIST recommendation.

All Data shall be considered Non-Public Data by the Contractor unless the Purchasing Entity has identified Data it deems as Public Data to the Contractor. The level of protection and encryption for all Non-Public Data shall be identified in the Purchasing Entity's Purchase Order.

Data Location: Any data centers used by the Contractor for activities related to the services required in this RFP must be located within the Continental United States and storage of Data at rest shall be located solely in data centers located within the Continental United States. The Contractor shall not allow its personnel or subcontractors to store Data on portable devices, except for devices that are used and kept only at its data centers located within the Continental United States. Each data center used by the Contractor to support Participating Addenda must be within a physical security perimeter to prevent unauthorized access, and physical entry controls must be in place so that only authorized personnel have access to Data.

2.2 Services

2.2.1 The Contractor must perform vulnerability assessments, privacy impact and policy assessments, and evaluation and analysis of internal controls critical to the detection and elimination of vulnerabilities to the protection of Data, as defined by a Purchasing Entity. Services include, but are not limited to:

- Implementation of risk assessments and mitigation strategies in alignment with published, mainstream information security frameworks and standards.
- Compliance assessment of the Purchasing Entity's disclosure responsibilities for Data. This includes compliance with applicable federal, state, and local regulations, and standards governing the protection of information.
- Evaluation of threats and vulnerabilities to Data in the Purchasing Entity's current environment, including any proprietary systems.
- Prioritization of threats and weaknesses identified by an assessment and cost evaluation.



- Review of, and recommendations for the improvement and/or creation of information security policies.

2.2.2 The Contractor must design and develop business processes, procedures, and business applications in response to risk assessments.

2.2.3 The Contractor must provide a comprehensive final written report within one (1) week of conclusion of the engagement (or as otherwise determined by the Purchasing Entity) that at a minimum includes detailed risk statements, explanations, and recommendations for mitigating identified risks.

2.2.4 Upon request by the Purchasing Entity, the Contractor may be asked to provide consultation services for development of terms for third-party contracts, including those with cloud-based providers.

2.3 Personnel Qualifications. The roles below define the minimum qualifications that the role must have for the work performed under this category.

2.3.1 Security/Technology Senior Analyst: 5+ years of professional experience. Strong technical and/or security skills. Experienced in specific areas, relative to the project. Able to plan and coordinate the technical tasks and work necessary for delivery of services. Able to design and oversee completion of deliverables. Can manage and coach staff and provide QA over the process and work product, as it relates to risk, security and/or technical matters. Strong communications, analysis skills, troubleshooting, and issue resolution skills. Security or technology certification.

2.3.2 Business Process/ Risk Management Senior Consultant: 5+ years of professional experience. Deep knowledge of business processes, industry issues, and/or risk management. Understands big picture and able to prioritize issues, based on data discovery and experience. Can provide recommendations related to security and technology matters. Able to supervise large and diverse teams and provide QA over the process and work product. Often serves as a technical subject matter specialist. Strong communication and facilitation skills.

2.3.3 Project Manager: 5+ years of professional experience. Project Management and Business process subject matter experts. Skills and experience in managing engagement work efforts, scoping and assigning work, and managing engagement budgets. Tracks and communicates project status and demonstrates project value. Project management certification.



SECTION 3: CATEGORY 2 - INCIDENT RESPONSE SERVICES

All incident response services must be carried out by trained experts and meet all legal standards. Incident response services assist organizations in detecting, containing, and mitigating damage from cybersecurity breaches or attacks, essentially providing a rapid response to security incidents to minimize harm and restore system functionality when a threat occurs; they aim to identify, analyze, and address security issues quickly, while also learning from past incidents to improve future preventative measures.

Key points about incident response services:

- **Function:** When a security breach happens, the incident response team is activated to manage the situation, including isolating the threat, investigating its origin, and taking steps to prevent further damage.
- **Benefits:**
 - **Expertise:** Access to specialized cybersecurity professionals who can handle complex threats.
 - **Rapid response:** Quick identification and containment of incidents, minimizing potential damage.
 - **Improved security posture:** Analysis of incidents to identify vulnerabilities and implement preventative measures.
- **Typical services:**
 - Threat detection and analysis
 - Incident containment and eradication
 - Data recovery and restoration
 - Forensics investigation
 - Post-incident reporting and improvement planning

3.1 Service Initiation/Customer Service/ Consultants

3.1.1 Orders. A Purchasing Entity may customize services ordered. The Contractor must maintain the ability to provide all services available under this Category throughout the entire Master Agreement term, including all renewals. The Purchasing Entity will work with the Contractor to develop a Statement of Work for each Order. A Purchasing Entity may elect to use a limited selection of services rather than all services available under this Category. The Purchasing Entity reserves the right to amend any Order to add or remove services as the actual scope of the Event or Incident is determined.

3.1.1.1 The Statement of Work must include a detailed task list, deliverables, timeframes, estimated level of effort and staffing levels for the specific services.

3.1.1.2 If the service is to be performed on-site, travel costs will be



reimbursed in accordance with the Purchasing Entity's travel policy, which will be included with the Order.

3.1.2 The Contractor must provide timely response to a Purchasing Entity's request for services. The Contractor must maintain an active, monitored email account for priority or urgent communications.

3.1.3 After initial request is transmitted by the Purchasing Entity to the Contractor's representative, an Incident Manager must respond by telephone or email within four (4) hours.

3.1.4 If the Incident requires an on-site Contractor presence, the Contractor must be on-site within one (1) business day of request, or as mutually agreed on the Order.

3.1.5 The Contractor must ensure all Consultant services are performed by trained experts in the field relevant to the services ordered.

3.2 **Event and Incident Management**

3.2.1 The Contractor must work with the Purchasing Entity to determine the actual scope of an Event and determine if the Event is an Incident. This may include, but is not limited to, gathering information from various sources such as log files, error messages, and other resources such as intrusion detection systems and firewalls that may produce evidence to determine if an Event is an Incident.

3.2.2 The Contractor must collect evidence, follow Chain of Custody protocol, and document all actions taken during the Event or Incident Response.

3.2.2.1 All Event and Incident documentation must be made available to the Purchasing Entity and law enforcement upon request.

3.2.3 The Contractor must identify when the Purchasing Entity should contact law enforcement, and the Contractor must work with law enforcement under the direction of the Purchasing Entity.

3.2.4 Because of the sensitive and confidential nature of information and communication surrounding an Incident, the Contractor must ensure all communication is through secure channels and disclosure of Incident information is limited to identified Purchasing Entity personnel and limited to a need-to-know basis (as defined by the Purchasing Entity) for all others.

3.3 **Containment Services.** The Contractor shall provide containment services that



include but are not limited to:

3.3.1 Short-term containment of an Event or Incident to limit the damage incurred while preventing the destruction of any evidence that may be needed for later prosecution.

3.3.2 System back-up utilizing forensic software that preserves evidence and captures affected system(s) as they were during the Incident.

3.3.3 Long-term containment of affected system(s) to allow systems to be used in production during eradication.

3.4 **Eradication Services.** The Contractor shall provide eradication services that include but are not limited to: Removal of malicious or illicit code and restoration of affected system(s).

3.5 **Recovery Services.** The Contractor shall provide recovery services that include but are not limited to: Reinstatement of affected system(s) into the production environment. May include, but is not limited to testing, monitoring, and validation that ensure reinstated system(s) do not re-infect the environment and are not otherwise compromised.

3.6 **Forensic Analysis.** The Contractor shall conduct forensic analysis that includes but is not limited to:

3.6.1 In-depth analysis or investigation and report that objectively identifies and documents the culprits, reasons, course, and consequences of a security incident, utilizing a legally admissible methodology. Services include, but are not limited to the following:

3.6.1.1 Protect the system during forensic examination from any possible alteration, damage, corruption of Data, or virus introduction.

3.6.1.2 Discover and recover all files on the system, including but not limited to existing normal, deleted, hidden, password-protected, and encrypted files; reveal the contents of hidden, temporary, and swap files; access the contents of protected or encrypted files, if possible and legally appropriate; and analyze all possibly relevant Data, including Data found in unallocated space on a disk and slack space in a file.

3.6.1.3 Create report that includes overall analysis of the subject system, all possibly relevant files, and discovered file Data. Report may include, but is not limited to system layout, file structures, any Data and authorship information discovered, any attempts to hide, delete, protect,



and encrypt information, and any other discovered information or Data that appears to be relevant to the examination. The report must be provided within the timeframe specified by the Purchasing Entity.

4.6.1.4 Provide expert consultation and/or testimony, when required by the Purchasing Entity.

3.7 Reporting

3.7.1 The Contractor must provide comprehensive reviews and analyses of a Purchasing Entity's Event or Incident. Reports may include, but are not limited to:

3.7.1.1 Review and report that includes identification of potentially compromised information, trends, and unusual patterns.

3.7.1.2 Investigation and report of the circumstances surrounding the Event or Incident, including determination of whether or not the Event or Incident appears to be incidental, accidental, or targeted.

3.7.1.3 Analysis of the compromised Data to determine if there is evidence of Data mismanagement or compromise.

3.7.1.4 Report that includes aggregate and complete information to date, allowing the Purchasing Entity to quickly address inquiries from Federal, state, and local stakeholders and the media.

3.7.1.5 Post-incident analysis that identifies necessary improvements to existing security controls and practices and includes recommendations for correcting systemic weaknesses and deficiencies in policies and procedures.

3.7.2 During the engagement, reports must be incrementally delivered on a schedule defined by the Purchasing Entity. This includes, but is not limited to:

3.7.2.1 Written status reports of activities completed, findings, and planned activities no less frequently than weekly or as otherwise determined by the Purchasing Entity.

3.7.2.2 Comprehensive final written report within one (1) week of conclusion of the engagement, or as otherwise determined by the Purchasing Entity.

3.7.2.3 Written inventory of all copies made of files or configurations from workstations, servers, or network devices.



3.7.2.4 Executive briefings and written summaries, as appropriate to the Incident or Event.

3.8 24x7 Customer Support

3.8.1 The Contractor must provide customer support that may be reached via toll free number 24x7, every day of the year.

3.8.2 The Contractor must clearly identify to callers the method to access services for each distinct Triggering Event.

3.8.3 Staff must answer questions regarding services, eligibility, and enrollment in a courteous and professional manner, using the FAQ script, if one is provided by the Purchasing Entity. Additionally, all calls must be answered by a member within five (5) minutes of the call being placed.

3.9 Personnel Qualifications. The roles below define the minimum qualifications that the role must have for the work performed under this category.

3.9.1 Forensics Incident Investigator: 5+ years of professional experience. Subject matter expertise in identifying, collecting, examining, and preserving digital evidence using controlled and documented analytical and investigative techniques. Forensics certification.

3.9.2 Business Process/ Risk Management Senior Consultant: 5+ years of professional experience. Deep knowledge of business processes, industry issues, and/or risk management. Understands big picture and able to prioritize issues, based on data discovery and experience. Can provide recommendations related to security and technology matters. Able to supervise large and diverse teams and provide QA over the process and work product. Often serves as a technical subject matter specialist. Strong communication and facilitation skills.

3.9.3 Project Manager: 5+ years of professional experience. Project Management and Business process subject matter experts. Demonstrated experience in Information Security Incident Response Services. Skills and experience in managing engagement work efforts, scoping and assigning work, and managing engagement budgets. Tracks and communicates project status and demonstrates project value. Project management certification.

SECTION 4: CATEGORY 3 – BREACH COACH SERVICES

Data breach coaching services involve specialized guidance and support for businesses



experiencing or at risk of a cybersecurity incident, offered to help navigate the incident response process and mitigate potential damages. Please note: Any and all legal services on behalf of the Purchasing Entity must be approved by Purchasing Entity at the time the Work Order is executed, some Purchasing Entities may require additional internal approval of any outside legal services.

4.1 Service Initiation/Customer Service/Breach Response Specialists

4.1.1 Orders. A Purchasing Entity may customize services ordered. The Contractor must maintain the ability to provide all services available under this Category throughout the entire Master Agreement term, including all renewals. The Purchasing Entity will work with the Contractor to develop a Statement of Work for each Order. A Purchasing Entity may elect to use a limited selection of services rather than all services available under this Category. The Purchasing Entity reserves the right to amend any Order to add or remove services as the actual scope is determined.

4.1.1.1 The Statement of Work must include a detailed task list, deliverables, timeframes, estimated level of effort and staffing levels for the specific services.

4.1.1.2 If the service is to be performed on-site, travel costs will be reimbursed in accordance with the Purchasing Entity's travel policy, which will be included with the Order.

4.1.2 The Contractor must provide timely response to a Purchasing Entity's request for services. The Contractor must maintain an active, monitored email account for priority or urgent communications.

4.1.3 After initial request is transmitted by the Purchasing Entity to the Contractor, the Contractor must respond by telephone or email within two (2) business days.

4.1.4 The Contractor must provide the required services within one (1) business day of request, or as mutually agreed on the Order.

4.1.5 The Contractor must ensure all Breach Response Specialists that provide services are trained experts in the field relevant to the services ordered.

4.2 The Contractor must provide guidance, advice and consultation to coordinate and support the Purchasing Entity's Breach response, including the investigation and mitigation of a Breach impacting individuals or organizations that may be located within the state, region, or dispersed nationwide. Services may include, but are not limited to:



4.2.1 Work collaboratively with the Purchasing Entity's incident response team and Incident response Contractor, if applicable. The Contractor must also cooperatively and collaboratively engage with internal stakeholders such as, but not limited to, the Purchasing Entity's legal counsel, state's attorneys general, federal regulators, internal IT and Human Resources staff, Risk Management, and public relations/media representative(s) as appropriate to the Breach.

4.2.2 Facilitate Crisis Management that arises from the Breach by engaging and collaborating with external partners such as Public Relations firms, IT consultants, Forensic Accountants, and Credit Monitoring and Notification services providers, and law enforcement.

4.2.3 Determine whether the Data compromised by a Breach requires notification, as defined by state and Federal security breach laws.

4.2.4 Advise on communication strategy and notification requirements, including, but not limited to, preparing and supporting communications regarding the Breach to regulators, affected individuals, the media, and others identified by the Purchasing Entity.

4.2.5 Provide counsel on ethical implications, reputation management, and the subsequent risks following any Data Breach.

4.2.6 Advise on legal consequences and rules applicable to the Purchasing Entity's compliance with relevant data protection laws.

4.2.7 Assist the Purchasing Entity during regulatory investigation, litigation or both.

4.3 Personnel Qualifications. The role below defines the minimum qualifications that the role must have for the work performed under this category.

4.3.1 Breach Coach: 5+ years of professional experience. Subject matter expertise in assisting organizations navigate their cyber response and recovery to include isolating affected data, incident breach reporting requirements, notifying customers, retaining necessary forensics professionals and managing crisis communications. Demonstrated knowledge in building an incident response plan, developing cyber security awareness programs and facilitating other efforts to help minimize risk.



SECTION 5: CATEGORY 4 - NOTIFICATION AND CREDIT MONITORING SERVICES

5.1 Service Activation

5.1.1 A Purchasing Entity may decide, in its sole discretion, to begin using the services described in the Master Agreement for Category 4 at any time during the term of the Master Agreement and Participating Addendum.

5.1.2 Orders. A Purchasing Entity may customize services ordered. The Contractor must maintain the ability to provide all services available under this Category throughout the term of the Master Agreement. A Purchasing Entity may elect to use a limited selection of services rather than all services provided under this Category. For example, a Purchasing Entity may activate Call Center and Credit Monitoring and Identity Theft Monitoring services but not Notification services.

5.1.3 Each Purchasing Entity has sole discretion to determine if and when it will activate services and to define the eligibility requirements for Eligible Persons to register for the services provided under the Master Agreement and Participating Addendum.

5.1.4 Activation of services shall commence upon written notification to the Contractor by a Purchasing Entity.

5.1.4.1 The Purchasing Entity will provide the Contractor with a list of apparent Eligible Persons as detailed in section 5.2.3.

5.1.4.2 The Purchasing Entity may provide a Frequently Asked Question (FAQ) script to ensure the Contractor's staff provide consistent responses to inquiries about a Triggering Event. When an FAQ is provided by the Purchasing Entity, the Contractor shall direct its staff in its use.

5.2 Notifications

5.2.1 The Contractor must meet each state's unique rules governing the need to notify affected persons of Triggering Events, including content and timing requirements.

5.2.2 Upon issuance of an Order, the Contractor must work with each Purchasing Entity to develop a sample Scope of Work Notification Plan (Notification Plan) and template based on each Purchasing Entity's requirements in order to facilitate timely notification in the event of a Triggering Event.



5.2.2.1 The Notification Plan may include information including but not limited to:

5.2.2.1.1 An overview of the Purchasing Entity's requirements;

5.2.2.1.2 A general timeline for the Purchasing Entity notifying the Contractor of the Triggering Event, the Purchasing Entity providing information to the Contractor, and the Purchasing Entity determining whether or not the Contractor will send notifications to affected persons;

5.2.2.1.3 A notification template that the Contractor may use to develop notices to send to affected persons, or to customize for a specific Triggering Event, at the option of the Purchasing Entity;

5.2.2.1.4 A general timeline for the Purchasing Entity approving the draft notification and the Contractor sending the notifications; and

5.2.2.1.5 The Purchasing Entity's selected method of sending notifications.

5.2.2.2 The Notification Plan and template must be approved by the Purchasing Entity. If a Triggering Event occurs prior to the development and approval of a Notification Plan and template, the Contractor must immediately work with the Purchasing Entity to develop the Notification Plan within 72 hours. If a Triggering event has not yet occurred, a Notification Plan must be developed within 30 days of a signed Order.

5.2.3 Upon notification by a Purchasing Entity that a Triggering Event has occurred which requires notifications, and at the option of the Purchasing Entity, the Contractor must intake, review, and data cleanse the Purchasing Entity-furnished data set of identified apparent Eligible Individuals which includes but is not limited to review of National Change of Address (NCOA).

5.2.3.1 The Contractor shall remove repetitive information for the same individual (de-duplicate the Data) and provide a final notification list and a duplicate list (names removed during the de-duplication process) to the Purchasing Entity for approval within seven (7) calendar days of receipt of the data set and prior to sending notifications.

5.2.4 Upon notification by a Purchasing Entity that a Triggering Event has occurred which requires notifications, and at the option of the Purchasing Entity, the Contractor must prepare, print (if notification by mail is ordered), and send all



notifications via the delivery method specified by the Purchasing Entity.

5.2.4.1 The Purchasing Entity shall provide written approval of any notice prior to it being sent.

5.2.4.2 The Purchasing Entity shall approve the final notification list (if data cleansing is ordered by the Purchasing Entity) or otherwise provide a list of names and address, in Microsoft Excel or another mutually agreeable file format, of persons to whom the notification must be sent.

5.2.4.3 The Contractor must send notifications within the timeframe required by the Purchasing Entity's laws and regulations.

5.2.5 The Contractor shall only use the contact information provided by the Purchasing Entity to send the required notifications, unless the Purchasing Entity agrees in writing to allow the Contractor to send additional materials or make additional contact.

5.3 **"Codes Only" Reduced Scope Service**

The Contractor must also provide, as an alternative to full enrollment in the services described in sections 5.1 through 5.2.5 above, a "codes only" reduced scope service (triple bureau) in which the Contractor issues a list of PINs (unique activation codes) upon request by a Participating Entity, which can be used by Eligible Persons on a per-occurrence basis. The PINs must be valid for redemption for a minimum of ninety (90) calendar days from the date of issuance. Eligible Persons must have the option to enroll online via the Contractor's website, or offline via toll free telephone number.

5.4 **Call Center**

5.4.1 The Contractor must provide a call center that may be reached via toll free number 24x7, every day of the year.

5.4.2 The Contractor must clearly identify to callers the method to access services for each distinct Triggering Event.

5.4.3 Staff at the call center must answer questions regarding services, eligibility, and enrollment in a courteous and professional manner, using the FAQ script, if one is provided by the Purchasing Entity. Additionally, all calls to the call center must be answered by a call center staff member within one five (5) minutes of the call being placed.



5.5 Customer Service

5.5.1 The Contractor must provide the highest quality of customer service to each Eligible Person and Active Participant. All customer service representatives must treat all Eligible Persons and Active Participants with respect and offer assistance in resolving any issues, concerns, or complaints.

5.5.2 If the customer service representative cannot adequately address the concerns of an Eligible Person or Active Participant, the concern must be elevated according to the agreed-upon Service Level Agreement (SLA).

5.5.3 The Contractor must, at a minimum, provide the following:

5.5.3.1 Resources to assist Eligible Persons and Active Participants in a manner consistent with the agreed-upon SLA; and

5.5.3.2 Call centers and customer support personnel located within the United States.

5.6 Reporting

5.6.1 Monthly Usage Reports.

The Contractor must provide monthly usage reports to each Purchasing Entity that has activated services, in a format acceptable to the Purchasing Entity. Information that must be contained within usage reports includes but is not limited to the following:

5.6.1.1 Number of Active Participants (including type of service);

5.6.1.2 Aggregate count of Active Participants;

5.6.1.3 Number of credit monitoring alerts issued by type;

5.6.1.4 Number of identity theft alerts issued by type;

5.6.1.5 Number and types of corrective action(s) taken for identify theft protection and identity theft resolution (if applicable);

5.6.1.6 Number of telephone calls from either Eligible Persons or Active Participants (separately identified) answered by the Contractor's call centers;

5.6.1.7 Average "wait time" experienced by callers before speaking to the Contractor's representatives; and



5.6.1.8 Number of identity theft insurance claims filed by Active Participants (if applicable).

5.6.2 Ad Hoc Reporting

Upon request by the Purchasing Entity, the Contractor must provide ad hoc reporting. Unless prohibited by law, requested data may include, but is not limited to names, addresses, and email addresses of Active Participants.

5.7 Credit Monitoring. Upon request by the purchasing entity, the Contractor may be asked to provide the following services to all Active Participants:

5.7.1 Enrolling Eligible Persons

5.7.1.1 When a Purchasing Entity notifies the Contractor to activate services, the Purchasing Entity will provide a list including names and addresses of all Eligible Persons.

5.7.1.2 The Contractor must begin enrolling Eligible Persons who choose to become Active Participants as soon as it receives the list described in section 5.7.1.1.

5.7.1.3 At a minimum, the Contractor must provide Eligible Persons the option to enroll by phone, mail, and online.

5.7.1.4 The Contractor shall not require Active Participants to provide any information beyond the information typically required and reasonably necessary to provide the contracted services.

5.7.1.5 The Contractor shall not automatically subscribe or enroll Active Participants in follow-on services, require Active Participants to enroll in follow-on services, or imply that follow-on services are otherwise required by Active Participants. Follow-on services are any additional services offered by the Contractor that are not included in the Master Agreement or Participating Addendum.

5.7.1.6 The Contractor must terminate services to each Active Participant at the end of each Enrollment Term as defined in section 5.7.2. There must not be an automatic renewal of the service to the Active Participant. The Contractor must notify each Active Participant in writing of the upcoming service termination no later than one (1) month before the expiration of the Enrollment Term.

5.7.2 **Enrollment Term.** Eligible Persons that elect to become Active Participants



shall receive Credit Monitoring, Identity Theft Monitoring and alerts/notifications for a period of one (1) year. The Purchasing Entity may elect to provide Active Participants services for additional period(s) of not less than one (1) year each.

Upon the expiration of the Enrollment Term between the Contractor and an Active Participant, the Contractor must dispose of all the Active Participant's information by a secure method.

5.7.3 Credit Monitoring. The Contractor must provide daily monitoring of one (1) or three (3) of the three (3) major credit bureaus, depending on the level of services elected by the Purchasing Entity. The Contractor must monitor for activity including, but not limited to, new lines of credit and credit inquiries.

5.7.4 Identity Theft Monitoring. The Contractor must provide monitoring designed to detect theft of an Active Participant's identity. Examples of such monitoring include but are not limited to: monitoring of new accounts, public records, address changes, non-credit/payday loans, and scanning of underground/black market websites for use of protected information.

5.7.5 Alerts/Notifications. The Contractor must provide alerts/notifications to Active Participants related to anomalous or suspicious activities identified by the Contractor through the Contractor's Credit Monitoring and Identity Theft Monitoring. The Contractor must notify Active Participants via the notification method identified by the Active Participant within twelve (12) hours of identifying the activity.

5.7.6 Identity Theft Restoration Assistance. The Contractor must provide identity theft restoration assistance to any Active Participant who becomes a victim of identity theft while enrolled in Credit Monitoring and Identity Theft Monitoring services, even if the identity theft is not discovered until after the Credit Monitoring and Identity Theft Monitoring services have expired. At a minimum, the Contractor must:

5.7.6.1 Provide access to a contact center available 24x7, every day of the year, that can provide identity theft resolution customer care services. Individuals staffing this contact center must be trained and experienced in assisting customers with understanding their credit reports and restoring their credit; automated responses will not satisfy this requirement.

5.7.6.2 Review occurrences of identity theft and provide an initial course of action within forty-eight (48) hours of the report of the occurrence.



5.7.6.3 Provide one-on-one counseling to assist Active Participants with resolving any identity theft problems, such as contacting the Active Participant's creditors and others in order to resolve the identity theft problem on the Active Participant's behalf.

5.7.6.4 Continue providing restoration assistance until the Contractor and Active Participant agree that the identity theft issues have been resolved or the Contractor has exhausted the insurance policy (if applicable) (see section 5.8).

5.8 Category 4: Value Added Services: Identity Theft Insurance. Optional Services to be used at the direction of the Participating Entity, the Contractor must provide insurance to all Active Participants for loss due to identity theft, which meets the following minimum requirements:

5.8.1 Not less than one million dollars (\$1,000,000) in coverage for each Active Participant.

5.8.2 Coverage for at least the following losses which result solely from the theft of the individual's identity:

5.8.2.1 Costs associated with re-filing applications including but not limited to loan applications and grants applications that were denied because of the identity theft.

5.8.2.2 Costs for notarizing affidavits, long-distance calls, and postage required to restore the individual's identity.

5.8.2.3 Costs for six (6) credit reports within the twelve (12) months following the theft.

5.8.2.4 Lost wages resulting from the need to take time off from work in order to engage in identity restoration activities. Lost wages include reimbursement of paid time off (e.g. vacation, annual leave, etc.) taken for the purpose of engaging in identity restoration activities.

5.8.2.5 Legal fees incurred in the defense of a civil suit against the Active Participant for non-payment, which suit resulted from the identity theft, or for removal of a judgment against the Active Participant that resulted from the identity theft.

5.8.3 In the event the Contractor's underlying policy for identity theft insurance is terminated, the Contractor must notify all Active Participants and must have another policy of equal value in place immediately upon



termination to ensure that no coverage gaps exist.

5.8.4 Identity theft insurance requirements extend to any identity theft that occurs while the Active Participant is enrolled, even if the identity theft is not discovered until after the Credit Monitoring and Identity Theft Monitoring services have expired.

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CYBERSECURITY AND INFORMATION SECURITY SERVICES

Between **State of Idaho** and **22nd Century Technologies, Inc.**



ATTACHMENT C
PRICING

Category 1 – Risk Assessment and Mitigation Services

<u>Category 1. Risk Assessment & Mitigation Roles</u>	<u>Hourly Rate</u>
1. Security/Technology Senior Analyst Role	\$147.65
2. Business Process/ Risk Management Senior Consultant Role	\$159.87
3. Project Manager	\$172.40

<u>Category 1. Value Add Roles/Services</u>	<u>Rate</u>
1. SME	\$195.00
2. Consultant	\$220.00

Category 2 – Incident Response Services

<u>Category 2. Incident Response Services Roles</u>	<u>Hourly Rate</u>
1. Forensics Incident Investigator	\$152.40
2. Business Process/ Risk Management Senior Consultant	\$167.32
3. Project Manager	\$184.50

<u>Category 2. Value Add Roles/Services</u>	<u>Rate</u>
1. SME	\$215.00
2. Consultant	\$240.00

Category 3 – Breach Coach Services

<u>Category 3. Breach Coach Services Role</u>	<u>Hourly Rate</u>
1. Breach Coach Role	\$158.70

<u>Category 3. Value Add Roles/Services</u>	<u>Rate</u>
1. SME	\$195.00

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Category 4 – Notification and Credit Monitoring Services

Size of Breach Event (Number of Eligible Persons)	Cost Per Notification*
0 – 10,000	\$2.21

10,001 – 100,000	\$1.92
100,001 – 500,000	\$1.47
500,001 – 1,000,000	\$1.32
1,000,001 – 5,000,000	\$1.17
5,000,001+	\$1.11

*Cost must include single page (duplex) notification, #10 envelope, and first-class postage.

Size of Breach Event (Number of Eligible Persons)	General Call Center Cost Per Affected Individual
0 – 10,000	\$2.96
10,001 – 100,000	\$2.21
100,001 – 500,000	\$1.47
500,001 – 1,000,000	\$1.17
1,000,001 – 5,000,000	\$0.88
5,000,001+	\$0.58

Number of Active Participants	One Year Single-Bureau Credit Monitoring/Identity Theft Protection Cost Per Affected Individual
0 – 1,500	\$4.44
1,501 – 15,000	\$3.55
15,001 – 75,000	\$3.40
75,001 – 150,000	\$3.10
150,001 – 750,000	\$2.90
750,000+	\$2.36

Number of Active Participants	One Year Triple-Bureau Credit Monitoring Cost Per Affected Individual
0 – 1,500	\$7.41
1,501 – 15,000	\$5.93
15,001 – 75,000	\$5.63
75,001 – 150,000	\$5.03
150,001 – 750,000	\$4.74
750,000+	\$3.85

"Codes Only" Reduced Scope Service	Fee Per PIN Issued
Codes Only	\$7.41

Category 4. Value Add Role/Services	Rate
1. Identity Theft Insurance	Included in Credit Monitoring