



MASTER CONTRACT

No. 00220

EMPLOYMENT AND INCOME VERIFICATION & PUBLIC RECORD SEARCH SERVICES

CATEGORY 1: EMPLOYMENT AND INCOME VERIFICATION (EIV)-NATIONWIDE

CATEGORY 2: EMPLOYMENT AND INCOME VERIFICATION (EIV)-REGIONAL EMPLOYERS

For Use by Eligible Purchasers

By and Between

**STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES**

and

SOFTEON INC.

Dated July 1, 2022

MASTER CONTRACT

No. 00220

EMPLOYMENT AND INCOME VERIFICATION & PUBLIC RECORD SEARCH SERVICES

CATEGORY 1: EMPLOYMENT AND INCOME VERIFICATION (EIV)-NATIONWIDE

CATEGORY 2: EMPLOYMENT AND INCOME VERIFICATION (EIV)-REGIONAL EMPLOYERS

This Master Contract (“Master Contract”) is made and entered into by and between the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency (“Enterprise Services”) and Softheon, Inc., a Delaware corporation (“Contractor”) and is dated and effective as of July 1, 2022.

RECITALS

- A. Pursuant to Legislative authorization, Enterprise Services, on behalf of the State of Washington, is authorized to develop, solicit, and establish master contracts for services to support Washington state agencies. See RCW 39.26.050(1). The Washington State Legislature also has authorized Enterprise Services to make these master contracts available, pursuant to an agreement in which Enterprise Services ensures full cost recovery, to other local or federal government agencies or entities, public benefit nonprofit organizations, and any tribes located in the State of Washington. See RCW 39.26.050(1) & (2).
- B. Pursuant to its statutory authority, Enterprise Services is establishing a Master Contract for Employment and Income Verification and Public Record Search Services (“EIV & PRS Services”) to enable eligible purchasers to procure EIV & PRS Services cost-effectively and efficiently pursuant to standard terms and conditions. Eligible purchasers commonly purchase EIV & PRS Services to assist in verifying:
- An individual’s eligibility to receive state benefits (e.g., SNAP, TANF, MEDICAL INSURANCE, CHILD CARE), including both applicants (new requests for benefits) and recipients (currently receiving such benefits);
 - Post Eligibility Treatment of Income (PETI);
 - A job applicant’s employment history prior to hire; and/or
 - An individual’s physical location (Public Records).
- C. On behalf of the State of Washington, Enterprise Services, as part of a competitive governmental procurement, issued Competitive Solicitation No. 00220 dated October 12, 2021. The Competitive Solicitation was structured to meet purchaser needs and designed to result in an award of a Master Contract for each of the following three (3) categories:
- Category 1: Employment and Income Verification (EIV) - Nationwide
 - Category 2: Employment and Income Verification (EIV) - Regional Employers
 - Category 3: Nationwide Public Records Search Services (PRS).
- D. Enterprise Services evaluated all responses to the Competitive Solicitation and identified Contractor as an apparent successful bidder for the above referenced Category.

- E. Enterprise Services has determined that entering into this Master Contract will meet the identified needs and be in the best interest of the State of Washington.
- F. The purpose of this Master Contract is to enable eligible purchasers to purchase the Services as set forth herein.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto hereby agree as follows:

1. **TERM.** The term of this Master Contract is twenty-four (24) months, commencing July 1, 2022 and ending July 1, 2024; *Provided*, however, that if Contractor is not in default and if, by July 1, 2024, in Enterprise Services’ reasonable judgment, Contractor satisfactorily has met the performance-based goals for contract extension, Enterprise Services shall extend the term of this Master Contract, by written amendment, for up to twenty-four (24) additional months. Such extension amendment shall be on the same terms and conditions as set forth in this Master Contract. To earn the performance-based Master Contract term extension, Contractor must achieve the following performance-based metrics:

PERFORMANCE METRIC	PERFORMANCE REQUIREMENT FOR CONTRACT EXTENSION
Annual Master Contract Sales Report:	Timely provide to Enterprise Services at the designated address, annual reports required by this Master contract at no less than 80% on time rate over the contract term. <i>See § 11.3 Annual Master Contract Sales Report.</i>
Contractor Representations and Warranties	Maintain 100% compliance with all representations and warranties as listed in § 4 of this Master Contract.
Transmission Requirements	Maintain 90% compliance with § 8.2 Transmission Requirements.
Insurance Endorsements:	Timely provide to Enterprise Services at the designated address, without exception, annual insurance endorsements for the insurance coverages required by this Master Contract. <i>See Exhibit C – Insurance Requirements at § 4.</i>
Vendor Management Fee:	Timely remit to Enterprise Service, with no less than a 75% on time rate over the contract term, the applicable Vendor Management Fee (VMF). <i>Note: Contractor must pay the VMF within thirty (30) days of invoice from Enterprise Services. If Contractor is delinquent in timely paying the VMF for two (2) or more quarters within the first six (6) quarters of the Master Contract term, Contractor will not be eligible for a performance-based extension, as listed in § 11.2 of this Master Contract.</i>

PERFORMANCE METRIC	PERFORMANCE REQUIREMENT FOR CONTRACT EXTENSION
Master Contract Sales Reports:	<p>Timely provide to Enterprise Services, with no less than a 75% on time rate over the contract term, the required Master Contract quarterly sales reports as listed in § 11.1 of this Master Contract</p> <p><i>Note:</i> Contractor must provide the quarterly sales reports to Enterprise Services within thirty (30) days of the quarter’s end. If Contractor is delinquent in providing the quarterly sales reports for two (2) or more quarters within the first six (6) quarters of the Master Contract term, Contractor will not be eligible for a performance-based extension.</p>

2. ELIGIBLE PURCHASERS. This Master Contract may be utilized by any of the following types of entities (each an eligible “Purchaser”):

- 2.1. WASHINGTON STATE AGENCIES. All Washington state agencies, departments, offices, divisions, boards, and commissions.
- 2.2. WASHINGTON STATE INSTITUTIONS OF HIGHER EDUCATION (COLLEGES). Any the following institutions of higher education in Washington:
 - State universities – i.e., University of Washington & Washington State University;
 - Regional universities – i.e., Central Washington University, Eastern Washington University, & Western Washington University
 - Evergreen State College;
 - Community colleges; and
 - Technical colleges.
- 2.3. MCOA PARTIES. Any of the following types of entities that have executed a Master Contract Usage Agreement with Enterprise Services:
 - Political subdivisions (e.g., counties, cities, school districts, public utility districts) in the State of Washington;
 - Federal governmental agencies or entities;
 - Public-benefit nonprofit corporations (i.e., § 501(c)(3) nonprofit corporations that receive federal, state, or local funding); and
 - Federally-recognized Indian Tribes located in the State of Washington.
- 2.4. OREGON COOPERATIVE PURCHASING PROGRAM (ORCPP). The Master Contract also is available for use by the State of Oregon and its eligible purchasers through the Oregon Cooperative Purchasing Program (ORCPP).

3. SCOPE – INCLUDED SERVICES AND PRICE.

- 3.1. CONTRACT SCOPE. Pursuant to this Master Contract, Contractor is authorized to sell and provide only those Services set forth in *Exhibit A – Included Services* for the prices set forth in *Exhibit B – Prices*. Contractor shall not represent to any Purchaser under this Master Contract that

Contractor has contractual authority to sell or provide any Services beyond those set forth in *Exhibit A – Included Services*.

- (a) **Services.** For purposes of this Master Contract, “Services” means all services of any nature ordered by Purchaser pursuant to this Master Contract and as identified in the Purchase Order.
 - (b) **Specifications.** Where applicable, specifications for Services are detailed in the Purchase Order. Unless otherwise specified in the Purchase Order, all Services provided shall be new and unused of the latest model or design.
- 3.2. **STATE’S ABILITY TO MODIFY SCOPE OF MASTER CONTRACT.** Subject to mutual agreement between the parties, Enterprise Services reserves the right to modify the Services included in this Master Contract; *Provided*, however, that any such modification shall be effective only upon thirty (30) days advance written notice; and *Provided further*, that any such modification must be within the scope of the Competitive Solicitation for this Master Contract.
- 3.3. **PRICE CEILING.** Although Contractor may offer lower prices to Purchasers, during the term of this Master Contract, Contractor guarantees to provide the Services at no greater than the prices set forth in *Exhibit B – Prices for Services*.
- 3.4. **MASTER CONTRACT INFORMATION.** Enterprise Services shall maintain and provide to eligible Purchasers information regarding this Master Contract, including scope, pricing, and lowest responsive, responsible bidder designation. In addition, Enterprise Services identifies awarded contractors who qualify as Washington Small Businesses, Certified Veteran-Owned Businesses, or that, pursuant to the Master Contract provide Services that meet specified state procurement priorities as set forth in the Competitive Solicitation.
- 4. CONTRACTOR REPRESENTATIONS AND WARRANTIES.** Contractor makes each of the following representations and warranties as of the effective date of this Master Contract and at the time any order is placed pursuant to this Master Contract. If, at the time of any such order, Contractor cannot make such representations and warranties, Contractor shall not process any orders and shall, within three (3) business days notify Enterprise Services, in writing, of such breach.
 - 4.1. **QUALIFIED TO DO BUSINESS.** Contractor represents and warrants that Contractor is (a) in good standing; (b) qualified to do business in the State of Washington; and (c) registered with the Washington State Department of Revenue and the Washington Secretary of State.
 - 4.2. **TAXES.** Contractor represents and warrants that Contractor is current, in full compliance, and has paid all applicable taxes owed to the State of Washington.
 - 4.3. **LICENSES; CERTIFICATIONS; AUTHORIZATIONS; & APPROVALS.** Contractor represents and warrants that Contractor possesses and shall keep current during the term of this Master Contract all required licenses, certifications, permits, authorizations, and approvals necessary for Contractor’s proper performance of this Master Contract.
 - 4.4. **SUSPENSION & DEBARMENT.** Contractor represents and warrants as previously certified in Contractor’s Bidder’s Certification, that neither Contractor nor its principals or affiliates presently are nor have ever been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any governmental contract by any governmental department or agency within the United States.
 - 4.5. **WAGE VIOLATIONS.** Contractor represents and warrants as previously certified in Contractor’s Bidder’s Certification, that during the term of this Master Contract and the three (3) year

period immediately preceding the award of the Master Contract, Contractor has not been determined, by a final and binding citation and notice of assessment issued by the Washington Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction, to be in willful violation of any provision of Washington state wage laws set forth in RCW 49.46, 49.48, or 49.52.

- 4.6. EXECUTIVE ORDER 18-03 – WORKERS’ RIGHTS. Contractor represents and warrants, as previously certified in Contractor’s Bidder’s Certification, that Contractor does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers. Contractor further represents and warrants that, during the term of this Contract, Contractor shall not, as a condition of employment, require its employees to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.
- 4.7. PUBLIC CONTRACTS AND PROCUREMENT FRAUD. Contractor represents and warrants that, within the three (3) year period prior to this Master Contract, neither Contractor nor its principals or affiliates: (a) have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or Purchase Order/Statement of Work under a public contract; (b) have been in violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; (c) are presently indicted for or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offense enumerated in subsection (b) of this provision; or (d) had one or more public contracts (federal, state or local) terminated for cause or default.
- 4.8. PROCUREMENT ETHICS & PROHIBITION ON GIFTS. Contractor represents and warrants that Contractor complies fully with all applicable procurement ethics restrictions including, but not limited to, restrictions against Contractor providing gifts or anything of economic value, directly or indirectly, to Enterprise Services and Purchasers’ employees.
- 4.9. WASHINGTON’S ELECTRONIC BUSINESS SOLUTION (WEBS). Contractor represents and warrants that Contractor is registered in Washington’s Electronic Business Solution (WEBS), Washington’s contract registration system and that, all of Contractor’s information therein is current and accurate and that throughout the term of this Master Contract, Contractor shall maintain an accurate profile in WEBS.
- 4.10. WASHINGTON’S STATEWIDE PAYEE DESK. Contractor represents and warrants that Contractor is registered with Washington’s Statewide Payee Desk, which registration is a condition to payment.
- 4.11. MASTER CONTRACT PROMOTION; ADVERTISING AND ENDORSEMENT. Contractor represents and warrants that Contractor shall use commercially reasonable efforts both to promote and market the use of this Master Contract with eligible Purchasers and to ensure that those entities that utilize this Master Contract are eligible Purchasers. Contractor understands and acknowledges that neither Enterprise Services nor Purchasers are endorsing Contractor’s Services or suggesting that such Services are the best or only solution to their needs. Accordingly, Contractor further represents and warrants that Contractor shall make no reference to Enterprise Services, any Purchaser, or the State of Washington in any promotional material without the prior written consent of Enterprise Services.

- 4.12. CIVIL RIGHTS. Contractor represents and warrants that Contractor complies with all applicable requirements regarding civil rights. Such requirements prohibit discrimination against individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin.
- 4.13. CONTINGENT FEES. Contractor represents and warrants that no person or selling agent has been employed or retained to solicit or secure this Master Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established agents as defined in the Federal Acquisition Regulations.
- 4.14. FINANCIALLY SOLVENT. Contractor represents and warrants that Contractor has not commenced bankruptcy proceedings and that there are no judgment, liens, or encumbrances of any kind affecting title to any Services that are the subject of this Master Contract.
- 4.15. MASTER CONTRACT TRANSITION. Contractor represents and warrants that, in the event this Master Contract or a similar contract, is transitioned to another contractor (e.g., Master Contract expiration or termination), Contractor shall use commercially reasonable efforts to assist Enterprise Services (including the Purchasers hereunder) for a period of sixty (60) days to effectuate a smooth transition to another contractor to minimize disruption of service and/or costs to the State of Washington and such Purchasers; *Provided*, however, that, if costs are incurred, Contractor shall be compensated for such costs consistent with the terms and conditions pertaining to this Master Contract for the sixty (60) day period immediately before such transition.
- 4.16. COVID-19 VACCINATION VERIFICATION FOR ON-SITE SERVICES. Contractor represents and warrants, as previously certified in Contractor's Bidder's Certification, that, Contractor has a current COVID-19 Contractor Vaccination Verification Plan to ensure that Contractor's personnel (including subcontractors) who perform this Master Contract on-site at Washington state agency premises or at the premises of any Purchaser who so requests, unless properly excepted or exempted by the Proclamation, are fully vaccinated for COVID-19 as of October 18, 2021 as set forth in the Governor's Proclamation, [Proclamation 21-14 – COVID-19 Vaccination Requirement](#) (dated August 9, 2021) as amended by [Proclamation 21-14.1 – COVID-19 Vaccination Requirement](#) (dated August 20, 2021). Contractor further represents and warrants that Contractor:
- (a) Has reviewed and understands Contractor's obligations as set forth in [Proclamation 21-14 – COVID-19 Vaccination Requirement](#) (dated August 9, 2021), as amended by [Proclamation 21-14.1 – COVID-19 Vaccination Requirement](#) (dated August 20, 2021);
 - (b) Has developed a COVID-19 Vaccination Verification Plan for Contractor's personnel (including subcontractors) that complies with the above-referenced Proclamation;
 - (c) Has obtained a copy or visually observed proof of full vaccination against COVID-19 for Contractor personnel (including subcontractors) who are subject to the vaccination requirement in the above-referenced Proclamation;
 - (d) Complies with the requirements for granting disability and religious accommodations for Contractor personnel (including subcontractors) who

are subject to the vaccination requirement in the above-referenced Proclamation;

- (e) Has operational procedures in place to ensure that any contract activities that occur on-site at Washington state agency premises or at the premises of any Purchaser who so requests (other than only for a short period of time during a given day and where any moments of close proximity to others on-site will be fleeting – e.g., a few minutes for deliveries) that are performed by Contractor personnel (including subcontractors) will be performed by personnel who are fully vaccinated or properly excepted or exempted as required by the above-referenced Proclamation;
- (f) Has operational procedures in place to enable Contractor personnel (including subcontractors) who perform contract activities on-site at Washington state agency premises or at the premises of any Purchaser who so requests to provide compliance documentation that such personnel are in compliance with the above-referenced Proclamation; and
- (g) Will provide to Enterprise Services or Purchaser, upon request, Contractor’s COVID-19 Vaccination Verification Plan and related records, except as prohibited by law, and will cooperate with any investigation or inquiry pertaining to the same.

5. QUALITY; WARRANTY; REMEDIES.

- 5.1. SERVICES WARRANTY. Contractor warrants that: (a) Services will be performed in a timely, efficient, professional, and workmanlike manner; (b) all Contractor personnel assigned to perform Services will have the necessary skill and training; and (c) Services will be performed in a manner consistent with the standard of care in the industry (“Services Warranty”). The Services Warranty will survive for a period of twelve (12) months after the date when Services are completed (“Services Warranty Period”).
- 5.2. SERVICES REMEDY. If Services do not comply with the Services Warranty or are in any manner found to be nonconforming during the Services Warranty Period, Contractor promptly shall remedy the non-conformance, or at Purchaser’s election, Contractor shall re-perform or correct the nonconforming Services at no additional cost to Purchaser or refund the amounts paid for the Services.
- 5.3. IT WARRANTY. Contractor warrants, that all hardware, software, and firmware associated with Services (“IT Services”) will not: (a) contain any viruses, malicious code, Trojan horse, worm, time bomb, self-help code, back door, or other software code or routine designed to: (i) damage, destroy, or alter any software or hardware; (ii) reveal, damage, destroy, or alter any data; (iii) disable any computer program automatically; or (d) permit unauthorized access to any software or hardware; (b) contain any third party software (including software that may be considered free software or open source software) that (i) may require any software to be published, accessed, or otherwise made available without the consent of Purchaser, or (ii) may require distribution, copying, or modification of any software free of charge; and (c) infringe on any patent, copyright, trademark, or other proprietary or intellectual property right of any third party or misappropriate any trade secret of any third party (“IT Warranty”). The IT Warranty will expire twelve (12) months after the date IT Services are complete, as applicable.

- 5.4. IT REMEDY. If IT Services do not comply with the IT Warranty, or if any defect or non-conformance develops during the IT Warranty Period, Contractor, at Purchaser's election, promptly will: (a) re-perform or correct the non-conforming IT Services at no additional cost to Purchaser; or (b) refund the amounts paid for IT Services.
- 5.5. FAILURE TO REMEDY. If Contractor does not remedy a defect or nonconformity within ten (10) calendar days after receipt of written notice from Purchaser, or if an emergency exists rendering it impossible or impractical for Purchaser to have Contractor provide a remedy, Purchaser may, without prejudice to any other rights or remedies available to it, make or cause to be made required modifications, adjustments, or repairs, or may replace Services or IT Services, in which case Contractor shall reimburse Purchaser for its actual costs or, at Purchaser's option, Purchaser will offset the costs incurred from amounts owing to Contractor.
- 5.6. TECHNICAL SUPPORT. During any applicable warranty period, Contractor shall provide all warranty service and telephone support, including after-hour technical support, at its own cost. Contractor shall maintain a technical support hotline to address breakdowns and safety incidents.
6. **SAFETY; SECURITY.** Contractor's failure to comply with any of the requirements in this Section shall be cause for termination.
 - 6.1. REGULATORY REQUIREMENTS/SAFETY. Services supplied by Contractor shall meet all OSHA and other safety-related federal, state, and/or local regulatory agency requirements applicable to the Services.
 - 6.2. IT SECURITY POLICIES. Contractor, its agents or employees shall comply with all Washington State IT security policies and standards which will be made available to Contractor upon request.
 - 6.3. PRIVACY. Contractor must NOT save or store any search criteria provided by Purchaser for employment and income verification, excluding data storage required by the Fair Credit Reporting Act (FCRA).
7. **SUBCONTRACTORS.** Notwithstanding any provision to the contrary, Contractor shall not utilize subcontractors to perform this Master Contract.
8. **USING THE MASTER CONTRACT – PURCHASES.**
 - 8.1. ORDERING REQUIREMENTS. Eligible Purchasers shall order Services from this Master Contract, consistent with the terms hereof and by using any ordering mechanism agreeable both to Contractor and Purchaser but including, at a minimum, a purchase order or Statement of Work. When practicable, Contractor and Purchaser also shall use telephone orders, email orders, web-based orders, and similar procurement methods (collectively "Purchaser Order"). All Purchase Orders and/or Statement of Work must reference the Master Contract number. The terms of this Master Contract shall apply to any Purchase Order/Statement of Work and, in the event of any conflict, the terms of this Master Contract shall prevail. Notwithstanding any provision to the contrary, in no event shall any 'click-agreement,' software or web-based application terms and conditions, or any other agreement modify the terms and conditions of this Master Contract.

- 8.2. TRANSMISSION REQUIREMENTS. Contractor must ensure that the Services are electronically transmitted or provided as required by this Master Contract, the Purchase Order/Statement of Work used by Purchaser, and as otherwise mutually agreed in writing between Purchaser and Contractor. The following apply to all transmissions:
- (a) Contractor shall make all deliveries in the manner specified in Exhibit A to the applicable delivery location specified in the Purchase Order/Statement of Work. Such deliveries shall occur during Purchaser's normal work hours and within the time period(s) as stated in Exhibit A.
 - (b) Contractor's Database/Online portal must be housed in a location that meets Tier 2 Data Center requirements, or better as noted in Exhibit A. In a Tier 2 Data Center, a power component or equipment can be replaced or removed without interrupting power supply to the core computing components. It guarantees 99.741% availability with approximately twenty-two (22) hours of downtime per year.
 - (c) Contractor must provide client forty-eight (48) hours' advance notification of planned system outages, or better as noted in Exhibit A.
 - (d) SINGLE POINT OF CONTACT. Contractor must provide notification via email of unplanned outages of system within one (1) hour to the list of authorized users as noted in Exhibit A of this Master Contract.
 - (e) CUSTOMER SERVICE HOURS. Customer Service must have hours of operation Monday to Saturday 7:30 AM to 6:30 PM and can be reached at Washington@softheon.com, 1-833-402-8688.
- 8.3. RECEIPT AND INSPECTION OF SERVICES. Services purchased under this Master Contract are subject to Purchaser's reasonable inspection, testing, and approval at Purchaser's destination. Purchaser reserves the right to reject and refuse acceptance of Services that are not in accordance with this Master Contract and Purchaser's Purchase Order/Statement of Work. If there are any apparent defects in the Services at the time of delivery, Purchaser promptly will notify Contractor. At Purchaser's option, and without limiting any other rights, Purchaser may require Contractor to repair or replace, at Contractor's expense, any or all of the damaged Services or, at Purchaser's option, Purchaser may note any such damage on the receiving report, decline acceptance, and deduct the cost of rejected Services from final payment. Payment for any Services under such Purchase Order/Statement of Work shall not be deemed acceptance.
- 8.4. CONFIDENTIALITY; SAFEGUARDING OF INFORMATION. Contractor shall not use or disclose any information concerning Purchasers, Enterprise Services or the State of Washington, or information which may be classified as confidential, for any purpose not directly connected with the administration of this Contract, except with prior written consent of Enterprise Services, or as may be required by law.
- 8.5. NO EFFECT OF CLICK-THROUGH TERMS AND CONDITIONS. Where an Authorized User is required to "click through" or otherwise accept or made subject to any online terms and conditions in using the Services, such terms and conditions are not binding and shall have no force or effect as to the Services or this Master Contract.
- 8.6. PURCHASER'S RIGHT TO TERMINATE FOR DEFICIENCIES. The State reserves the right, at its sole election, to immediately terminate this Statement of Work without limitation and without

liability if the State determines that Contractor fails or has failed to meet its obligations under this Section.

9. INVOICING & PAYMENT.

- 9.1. CONTRACTOR INVOICE. Contractor shall submit properly itemized invoices to Purchaser's designated invoicing contact for Services delivered under this Master Contract. Such invoices shall itemize the following:
- (a) Master Contract No. 00220;
 - (b) Contractor name, address, telephone number, and email address for billing issues (i.e., Contractor Customer Service Representative);
 - (c) Contractor's Federal Tax Identification Number;
 - (d) Date(s) of delivery;
 - (e) Applicable Services;
 - (f) Invoice amount; and
 - (g) Payment terms, including any available prompt payment discounts.

Contractor's invoices for payment shall reflect accurate Master Contract prices. Invoices will not be processed for payment until receipt of a complete invoice as specified herein.

- 9.2. PAYMENT. Payment is the sole responsibility of, and will be made by, the Purchaser. Purchaser's obligation to pay invoices is subject to receipt of a timely and accurate invoice and conforming Services. Unless Contractor has provided a prompt payment discount set forth in *Exhibit B – Prices*, Purchaser's payment is due within thirty (30) calendar days of invoice. Purchaser retains the right of setoff for any amount due or owing to Purchaser. Purchaser may make payments electronically (e.g., ACH payments). Contractor shall provide information necessary to facilitate electronic payments. If Purchaser fails to make timely payment(s), Contractor may invoice Purchaser in the amount of one percent (1%) per month on the amount overdue or a minimum of \$1. Payment will not be considered late if a check or warrant is mailed within the time specified.
- 9.3. OVERPAYMENTS. Contractor promptly shall refund to Purchaser the full amount of any erroneous payment or overpayment. Such refunds shall occur within thirty (30) calendar days of written notice to Contractor; *Provided*, however, that Purchaser shall have the right to elect to have either direct payments or written credit memos issued. If Contractor fails to make timely refunds of overpayment(s) (either directly or by credit memo), Contractor shall pay Purchaser interest at the rate of one percent (1%) per month on the amount overdue thirty (30) calendar days after notice to Contractor.
- 9.4. ADVANCE PAYMENT PROHIBITED. Except as authorized by law, Contractor shall not request or receive advance payment for any Services furnished by Contractor pursuant to this Master Contract.
- 9.5. NO ADDITIONAL CHARGES. Unless otherwise specified herein, Contractor shall not include or impose any additional charges including, but not limited to, charges for shipping, handling, insurance, or payment processing.
- 9.6. TAXES/FEES. Contractor promptly shall pay all applicable taxes on its operations and activities pertaining to this Master Contract. Failure to do so shall constitute breach of this Master Contract. Unless otherwise agreed, Purchaser shall pay applicable sales tax imposed by the

State of Washington on purchased Services. Contractor's invoices shall separately state (a) taxable and non-taxable charges and (b) sales/use tax due by jurisdiction. In regard to federal excise taxes, Contractor shall include federal excise taxes only if, after thirty (30) calendar days written notice to Purchaser, Purchase has not provided Contractor with a valid exemption certificate from such federal excise taxes.

10. CONTRACT MANAGEMENT.

- 10.1. **CONTRACT ADMINISTRATION & NOTICES.** Except for legal notices, the parties hereby designate the following contract administrators as the respective single points of contact for purposes of this Master Contract. Enterprise Services' contract administrator shall provide Master Contract oversight. Contractor's contract administrator shall be Contractor's principal contact for business activities under this Master Contract. The parties may change contract administrators by written notice as set forth below.

Any notices required or desired shall be in writing and sent by U.S. mail, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

Enterprise Services

Attn: Stacia Wasmundt
Washington Dept. of Enterprise Services
PO Box 41411
Olympia, WA 98504-1411
Tel: (360) 407-2218
Email: DESContractsTeamCypress@des.wa.gov

Contractor

Attn: Robert Miller
Softheon Inc.
1500 Stony Brook Road
Stony Brook, NY 11794
Tel: 631) 885-3939
Email: government@softheon.com

Notices shall be deemed effective upon the earlier of receipt, if mailed, or, if emailed, upon transmission to the designated email address of said addressee.

- 10.2. **CONTRACTOR CUSTOMER SERVICE REPRESENTATIVE.** Contractor shall designate a customer service representative (and inform Enterprise Services of the same) who shall be responsible for addressing Purchaser issues pertaining to this Master Contract.
- 10.3. **LEGAL NOTICES.** Any legal notices required or desired shall be in writing and delivered by U.S. certified mail, return receipt requested, postage prepaid, or sent via email, and shall be sent to the respective addressee at the respective address or email address set forth below or to such other address or email address as the parties may specify in writing:

Enterprise Services

Attn: Legal Services Manager
Washington Dept. of Enterprise
Services
PO Box 41411
Olympia, WA 98504-1411
Email: Greg.Tolbert@des.wa.gov

Contractor

Attn: Kyle Broderick
Softheon Inc.
1500 Stony Brook Road
Stony Brook, NY 11794
Email: kbroderick@softheon.com

Notices shall be deemed effective upon the earlier of receipt when delivered, or, if mailed, upon return receipt, or, if emailed, upon transmission to the designated email address of said addressee.

11. CONTRACTOR SALES REPORTING; VENDOR MANAGEMENT FEE; & CONTRACTOR REPORTS.

11.1. MASTER CONTRACT SALES REPORTING. Contractor shall report total Master Contract sales quarterly to Enterprise Services, as set forth below.

- (a) Master Contract Sales Reporting System. Contractor shall report quarterly Master Contract sales in Enterprise Services’ Master Contract Sales Reporting System. Enterprise Services will provide Contractor with a login password and a vendor number. The password and vendor number will be provided to the Sales Reporting Representative(s) listed on Contractor’s Bidder Profile.
- (b) Data. Each sales report must identify every authorized Purchaser by name as it is known to Enterprise Services and its total combined sales amount invoiced during the reporting period (i.e., sales of an entire agency or political subdivision, not its individual subsections). The “Miscellaneous” option may be used only with prior approval by Enterprise Services. Upon request, Contractor shall provide contact information for all authorized Purchasers specified herein during the term of the Master Contract. If there are no Master Contract sales during the reporting period, Contractor must report zero sales.
- (c) Due dates for Master Contract Sales Reporting. Quarterly Master Contract Sales Reports must be submitted electronically by the following deadlines for all Master Contract sales invoiced during the applicable calendar quarter:

QUARTER	FOR SALES MADE IN CALENDAR QUARTER ENDING	MASTER CONTRACT SALES REPORT	
		DUE BY	PAST DUE
1	January 1 – March 31	April 30	May 1
2	April 1 – June 30	July 31	August 1
3	July 1 – September 30	October 31	November 1
4	October 1 – December 31	January 31	February 1

11.2. VENDOR MANAGEMENT FEE. Contractor shall pay to Enterprise Services a vendor management fee (“VMF”) of 1.5 percent on the purchase price for all Master Contract sales (the purchase price is the total invoice price less applicable sales tax).

- (a) The sum owed by Contractor to Enterprise Services as a result of the VMF is calculated as follows:

$$\text{Amount owed to Enterprise Services} = \text{Total Master Contract sales invoiced (not including sales tax)} \times .015.$$
- (b) The VMF must be rolled into Contractor’s current pricing. The VMF must not be shown as a separate line item on any invoice unless specifically requested and approved by Enterprise Services.
- (c) Enterprise Services will invoice Contractor quarterly based on Master Contract sales reported by Contractor. Contractor is not to remit payment until Contractor receives an invoice from Enterprise Services. Contractor’s VMF payment to Enterprise Services must reference this Master Contract number, the year and quarter for which the VMF is being remitted, and Contractor’s name as set forth in this Master Contract, if not already included on the face of the check.

- (d) Contractor's failure to report accurate total net Master Contract sales, to submit a timely Master Contract sales report, or to remit timely payment of the VMF to Enterprise Services, may be cause for Enterprise Services to suspend Contractor or terminate this Master Contract or exercise remedies provided by law. Without limiting any other available remedies, the parties agree that Contractor's failure to remit to Enterprise Services timely payment of the VMF shall obligate Contractor to pay to Enterprise Services, to offset the administrative and transaction costs incurred by the State to identify, process, and collect such sums, the sum of \$200.00 or twenty-five percent (25%) of the outstanding amount, whichever is greater, or the maximum allowed by law, if less.
- (e) Enterprise Services reserves the right, upon thirty (30) days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases, and reserves the right to renegotiate Master Contract pricing with Contractor when any subsequent adjustment of the VMF might justify a change in pricing.

11.3. ANNUAL MASTER CONTRACT SALES REPORT. Contractor shall provide to Enterprise Services a detailed annual Master Contract sales report, per awarded category. Such report shall include, at a minimum: the Services sold (including, as applicable, item number or other identifier), per unit quantities sold, items and volumes purchased by Purchaser, shipment/delivery locations by Purchaser, Master Contract price, and the annual number of "no records found" transactions, if applicable. Contractor must report on their compliance with section 8.2 Transmission Requirements of this Master Contract for the previous year. This report must be provided in an electronic format that can be read by Microsoft (MS) Excel. Such report is due within thirty (30) calendar days of the annual anniversary of the effective date of this Master Contract.

12. RECORDS RETENTION & AUDITS.

- 12.1. RECORDS RETENTION. Contractor shall maintain books, records, documents, and other evidence pertaining to this Master Contract and orders placed by Purchasers under it to the extent and in such detail as shall adequately reflect contract performance and administration of purchases, payments, taxes, and fees. Contractor shall retain such records for a period of six (6) years following expiration or termination of this Master Contract or final payment for any order placed by a Purchaser against this Master Contract, whichever is later; *Provided*, however, that if any litigation, claim, or audit is commenced prior to the expiration of this period, such period shall extend until all such litigation, claims, or audits have been resolved.
- 12.2. AUDIT. Enterprise Services reserves the right to audit, or have a designated third party audit, applicable records to ensure that Contractor properly has invoiced Purchasers and that Contractor has paid all applicable vendor management fees to Enterprise Services. Accordingly, Contractor shall permit Enterprise Services, any Purchaser, 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 Contract or Purchase Orders placed by a Purchaser under this Master Contract for the purpose of making audits, examinations, excerpts, and transcriptions. This right shall survive for a period of six (6) years following expiration or termination of this Master Contract or final payment for any order placed by a Purchaser against this Master Contract, whichever is later; *Provided*, however, that if any litigation, claim, or audit is commenced prior to the expiration

of this period, such period shall extend until all such litigation, claims, or audits have been resolved.

- 12.3. OVERPAYMENT OF PURCHASES OR UNDERPAYMENT OF FEES. Without limiting any other remedy available to any Purchaser, Contractor shall (a) reimburse Purchasers for any overpayments inconsistent with the terms of this Master Contract or Purchase Orders placed thereunder, at a rate of 125% of any such overpayments, found as a result of the examination of Contractor's records; and (b) reimburse Enterprise Services for any underpayment of vendor management fees, at a rate of 125% of such fees found as a result of the examination of Contractor's records (e.g., if Contractor underpays the Vendor Management Fee by \$500, Contractor would be required to pay to Enterprise Services $\$500 \times 1.25 = \625); *Provided*, however, that, in the event Contractor timely discovers and corrects any Purchaser overpayment or Contractor underpayment of vendor management fees and does so prior to the initiation of any audit, Contractor shall be entitled to reimburse Purchaser or pay to Enterprise Services the actual amount of such Purchaser overpayment or such underpayment of vendor management fees.

13. INSURANCE.

- 13.1. REQUIRED INSURANCE. Contractor, at its expense, shall maintain in full force and effect the insurance coverages set forth in *Exhibit C – Insurance Requirements*. All costs for insurance, including any payments of deductible amounts, shall be considered incidental to and included in the prices for Services and no additional payment shall be made to Contractor.
- 13.2. WORKERS COMPENSATION. Contractor shall comply with applicable workers compensation statutes and regulations (e.g., RCW Title 51, Industrial Insurance). If Contractor fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees as may be required by law, Enterprise Services may terminate this Master Contract. This provision does not waive any of the Washington State Department of Labor and Industries (L&I) rights to collect from Contractor. If Contractor performs Services on Purchaser's behalf in the State of Washington, and only to the extent of claims against Contractor by Purchaser under the Indemnity obligations in this Master Contract, Contractor expressly waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Contractor's indemnification obligation will not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable to or for any third party under workers' compensation acts, disability benefit acts, or other employee benefit acts. The parties expressly acknowledge and certify that the waiver of immunity under Title 51 RCW was mutually negotiated and agreed upon.

14. CLAIMS.

- 14.1. ASSUMPTION OF RISKS; CLAIMS BETWEEN THE PARTIES. Contractor assumes sole responsibility and all risks of personal injury or property damage to itself and its employees and agents in connection with its operations under this Master Contract. Enterprise Services has made no representations regarding any factor affecting Contractor's risks. Contractor shall pay for all damage to any Purchaser's property resulting directly or indirectly from Contractor's acts or omissions under this Master Contract, even if not attributable to negligence by Contractor or its agents.
- 14.2. THIRD-PARTY CLAIMS; GENERAL INDEMNITY. To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold Enterprise Services and any Purchaser and their employees and

agents harmless from and against all claims, demands, judgments, assessments, damages, penalties, fines, costs, liabilities, or losses including, without limitation, sums paid in settlement of claims, attorneys' fees, consultant fees, and expert fees (collectively "Claims") arising out of Contractor's or its successors', agents', or subcontractors' negligence, other tortious fault, or intentional misconduct under this Master Contract; *Provided*, however, that no right to indemnity will exist as to that portion of a Claim resulting from the sole negligence, tortious fault, or intentional misconduct of Enterprise Services or Purchaser. The parties agree that if there are any limitations of Contractor's liability, including a limitation of liability clause for anyone for whom the Contractor is responsible, such limitations of liability shall not apply to injuries to persons, including death, or to damages to property. Contractor shall take all steps needed to keep Purchaser's property free of liens arising from Contractor's activities, and promptly obtain or bond the release of any such liens that may be filed.

14.3. INTELLECTUAL PROPERTY INDEMNITY. To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold Enterprise Services and any Purchaser and their employees and agents harmless from against any and all Claims resulting from allegations of infringement of any patents, copyrights, trade secret, or similar intellectual property rights covering the Services provided, or the use of the Services under this Master Contract. If Purchaser's use of Services provided by Contractor is enjoined based on an intellectual property infringement Claim, Contractor shall, at its own expense, either procure for Purchaser the right to continue using the Services or, after consulting with Purchaser and obtaining Purchaser's consent, replace or modify the Services with substantially similar and functionally equivalent non-infringing Services.

15. DISPUTE RESOLUTION. The parties shall cooperate to resolve any dispute pertaining to this Master Contract efficiently, as timely as practicable, and at the lowest possible level with authority to resolve such dispute. If, however, a dispute persists and cannot be resolved, it may be escalated within each organization. In such situation, upon notice by either party, each party, within five (5) business days shall reduce its description of the dispute to writing and deliver it to the other party. The receiving party then shall have three (3) business days to review and respond in writing. In the event that the parties cannot then agree on a resolution of the dispute, the parties shall schedule a conference between the respective senior managers of each organization to attempt to resolve the dispute. In the event the parties cannot agree, either party may resort to court to resolve the dispute.

16. TERMINATION; EXPIRATION; SUSPENSION; & REMEDIES.

16.1. TERMINATION. This Master Contract may be terminated: (a) upon the mutual written agreement of the parties; (b) by the non-breaching party where the breach is not cured within thirty (30) calendar days after written notice of breach is delivered to the breaching party, unless a different time for cure is otherwise stated in this Master Contract; and (c) as otherwise expressly provided for in this Master Contract. This Master Contract shall terminate automatically and without further action if a party becomes insolvent or is placed in receivership, reorganization, liquidation, or bankruptcy. In addition to any other available remedies, the non-breaching party may terminate this Master Contract as provided in subsection (b) above without further liability by written notice to the breaching party. A termination for breach will not affect rights or obligations accrued or owed before the effective date of the termination notice.

16.2. TERMINATION FOR NONAPPROPRIATION OR REDUCTION OF FUNDS OR CHANGES IN LAW. Enterprise Services may suspend or terminate this Master Contract and Purchasers may suspend or

terminate applicable Purchase Orders, in whole or in part, at the sole discretion of Enterprise Services or, as applicable, Purchaser, if Enterprise Services or, as applicable, Purchaser reasonably determines that: (a) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Master Contract or applicable Purchase Order; or (b) that a change in available funds affects Purchaser's ability to pay under the applicable Purchase Order. A change of available funds as used in this section includes, but is not limited to a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor. If a written notice is delivered under this provision, Purchaser will reimburse Contractor for Services properly performed until the effective date of said notice. Except as stated in this provision, in the event of termination for nonappropriation or reduction of funds or changes in law, Purchaser will have no obligation or liability to Contractor.

- 16.3. TERMINATION FOR PUBLIC CONVENIENCE. Enterprise Services, for public convenience, may terminate this Master Contract; *Provided*, however, that such termination for public convenience must, in Enterprise Services' judgment, be in the best interest of the State of Washington; and *Provided further*, that such termination for public convenience shall only be effective upon sixty (60) days prior written notice; and *Provided further*, that such termination for public convenience shall not relieve any Purchaser from payment for Services already ordered as of the effective date of such notice. Except as stated in this provision, in the event of such termination for public convenience, neither Enterprise Services nor any Purchaser shall have any obligation or liability to Contractor.
- 16.4. EXPIRATION – OBLIGATIONS. Upon expiration of this Master Contract, Purchaser shall accept and take delivery of all outstanding and not yet fulfilled orders and pay Contractor the price as set out in the Master Contract.
- 16.5. CONTRACTOR OBLIGATIONS – EXPIRATION OR TERMINATION. Upon expiration or termination of this Master Contract, Contractor shall: (a) continue to fulfill its warranty obligations with respect to any Services sold hereunder and all provisions of the Master Contract that, by their nature, would continue beyond the expiration, termination, or cancellation of the Master Contract shall so continue and survive; and (b) promptly return to Purchaser all keys, badges, and other materials supplied by Purchaser for the performance of any Purchase Order/Statement of Work entered into pursuant to this Master Contract.
- 16.6. DEFAULT. Any of the following events shall constitute cause for Enterprise Services to declare Contractor in default of this Master Contract:
- (a) Contractor fails to perform or comply with any of the terms or conditions of this Master Contract
 - (b) Contractor fails to timely report contract sales;
 - (c) Contractor fails to timely pay the vendor management fees when due; or
 - (d) Contractor breaches any representation or warranty provided herein.
- 16.7. SUSPENSION & TERMINATION FOR DEFAULT. Enterprise Services may suspend Contractor's operations under this Master Contract immediately by written cure notice of any default. Suspension shall continue until the default is remedied to Enterprise Services' reasonable satisfaction; *Provided*, however, that, if after thirty (30) days from such a suspension notice, Contractor remains in default, Enterprise Services may terminate Contractor's rights under this Master Contract. All of Contractor's obligations to Enterprise Services and Purchasers

survive termination of Contractor's rights under this Master Contract, until such obligations have been fulfilled.

16.8. REMEDIES FOR DEFAULT.

- (a) Enterprise Services' rights to suspend and terminate Contractor's rights under this Master Contract are in addition to all other available remedies.
- (b) In the event of termination for default, Enterprise Services may exercise any remedy provided by law including, without limitation, the right to procure for all Purchasers replacement Services. In such event, Contractor shall be liable to Enterprise Services for damages as authorized by law including, but not limited to, any price difference between the Master Contract price and the replacement or cover price as well as any administrative and/or transaction costs directly related to such replacement procurement – e.g., the cost of the competitive procurement.

16.9. LIMITATION ON DAMAGES. Notwithstanding any provision to the contrary, the parties agree that in no event shall any party or Purchaser be liable to the other for exemplary or punitive damages; *Provided*, however, that nothing contained in this Section will in any way exclude or limit: (a) a party's liability for all damages arising out of that party's intentional acts or omissions; (b) the operation of any Services warranty provided in this Master Contract; or (c) damages subject to the Intellectual Property Indemnity section of this Master Contract. Any limitation of either party's obligations under this Master Contract, by delivery slips or other documentation is void.

16.10. SUSPENSION/TERMINATION PROCEDURE. Regardless of basis, in the event of suspension or termination (in full or in part), the parties shall cooperate to ensure an orderly and efficient suspension or termination. Accordingly, Contractor shall deliver to Purchasers all Services that are complete (or with approval from Enterprise Services, substantially complete) and Purchasers shall inspect, accept, and pay for the same in accordance with this Master Contract and the applicable Purchase Order. Unless directed by Enterprise Services to the contrary, Contractor shall not process any orders after notice of suspension or termination inconsistent therewith.

17. PUBLIC INFORMATION & PUBLIC RECORDS DISCLOSURE REQUESTS.

17.1. WASHINGTON'S PUBLIC RECORDS ACT. Unless statutorily exempt from public disclosure, this Master Contract and all related records are subject to public disclosure as required by Washington's Public Records Act, RCW 42.56.

17.2. CONTRACTOR OBLIGATION. Contractor shall identify and mark the precise portion(s) of the relevant page(s) of any records provided to Enterprise Services that Contractor believes are statutorily exempt from disclosure and identify the precise statutory basis for exemption from disclosure. In addition, if, in Contractor's judgment, certain portions of such records are not statutorily exempt from disclosure but are sensitive because particular portions of Contractor's records (NOT including pricing) include highly confidential, proprietary, or trade secret information (or the equivalent) that Contractor protects through the regular use of confidentiality or similar agreements and routine enforcements through court enforcement actions, Contractor shall identify and mark the precise portion(s) of the relevant page(s) of any records that include such sensitive information.

17.3. ENTERPRISE SERVICES' OBLIGATION. In the event that Enterprise Services receives a public records disclosure request pertaining to records that Contractor has submitted and marked either as

(a) statutorily exempt from disclosure; or (b) sensitive, Enterprise Services, prior to disclosure, will do the following: Enterprise Services' Public Records Officer will review any records marked by Contractor as statutorily exempt from disclosure. In those situations, where the designation comports with the stated statutory exemption from disclosure, Enterprise Services will redact or withhold the record(s) as appropriate. For records marked 'sensitive' or for records where Enterprise Services determines that no statutory exemption to disclosure applies or is unable to determine whether the stated statutory exemption to disclosure properly applies, Enterprise Services will notify Contractor, at the address provided in the Master Contract, of the public records disclosure request and identify the date that Enterprise Services intends to release the record(s) (including records marked 'sensitive' or exempt from disclosure) to the requester unless Contractor, at Contractor's sole expense, timely obtains a court order enjoining Enterprise Services from such disclosure. In the event Contractor fails to timely file a motion for a court order enjoining such disclosure, Enterprise Services will release the requested record(s) on the date specified. Contractor's failure properly to identify exempted or sensitive information or timely respond after notice of request for public disclosure has been given shall be deemed a waiver by Contractor of any claim that such records are exempt or protected from public disclosure.

18. GENERAL PROVISIONS.

- 18.1. TIME IS OF THE ESSENCE. Time is of the essence for each and every provision of this Master Contract.
- 18.2. COMPLIANCE WITH LAW. Contractor shall comply with all applicable law. Contractor shall obtain all necessary permits and approvals and give all stipulations, certifications, and representations that may be required for it to perform this Master Contract.
- 18.3. ENTIRE AGREEMENT. This Master Contract constitutes the entire agreement and understanding of the parties with respect to the subject matter and supersedes all prior negotiations, representations, and understandings between them. There are no representations or understandings of any kind not set forth herein.
- 18.4. AMENDMENT OR MODIFICATION. Except as set forth herein, this Master Contract may not be amended or modified except in writing and signed by a duly authorized representative of each party.
- 18.5. AUTHORITY. Each party to this Master Contract, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Master Contract and that its execution, delivery, and performance of this Master Contract has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- 18.6. NO AGENCY. The parties agree that no agency, partnership, or joint venture of any kind shall be or is intended to be created by or under this Master Contract. Neither party is an agent of the other party nor authorized to obligate it.
- 18.7. INDEPENDENT CONTRACTOR. The parties intend that an independent contractor relationship is created by this Master Contract. Contractor and its employees or agents performing under this Master Contract are not employees or agents of Enterprise Services. Contractor shall not have authorization, express or implied, to bind Enterprise Services to any agreement, liability, or understanding, except as expressly set forth herein. Contractor and its employees and agents are not entitled to unemployment insurance or worker's compensation benefits

through Enterprise Services or the State of Washington and Enterprise Services and the State of Washington will not pay for or otherwise provide such coverage for Contractor and its employees and agents.

- 18.8. ASSIGNMENT. Contractor may not assign its rights under this Master Contract without Enterprise Services' prior written consent and Enterprise Services may consider any attempted assignment without such consent to be void; *Provided*, however, that, if Contractor (a) provides written notice to Enterprise Services within thirty (30) days of such event and (b) timely executes Enterprise Services' Assignment, Assumption, and Consent Agreement, Contractor may assign its rights under this Master Contract in full to any parent, subsidiary, or affiliate of Contractor that controls or is controlled by or under common control with Contractor, is merged or consolidated with Contractor, or purchases a majority or controlling interest in the ownership or assets of Contractor. Unless otherwise agreed, Contractor guarantees prompt performance of all obligations under this Master Contract notwithstanding any prior assignment of its rights.
- 18.9. BINDING EFFECT; SUCCESSORS & ASSIGNS. This Master Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.
- 18.10. ASSIGNMENT OF ANTITRUST RIGHTS REGARDING PURCHASED SERVICES. Contractor irrevocably assigns to Enterprise Services, on behalf of the State of Washington, any claim for relief or cause of action which Contractor now has or which may accrue to Contractor in the future by reason of any violation of state or federal antitrust laws in connection with any Services provided in Washington for the purpose of carrying out Contractor's obligations under this Master Contract, including, at Enterprise Services' option, the right to control any such litigation on such claim for relief or cause of action.
- 18.11. FEDERAL FUNDS. To the extent that any Purchaser uses federal funds to purchase Services pursuant to this Master Contract, such Purchaser shall specify, with its Purchase Order, any applicable requirement or certification that must be satisfied by Contractor at the time the Purchase Order/Statement of Work is placed or upon delivery of such Services to Purchaser.
- 18.12. SEVERABILITY. If any provision of this Master Contract is held to be invalid or unenforceable, such provision shall not affect or invalidate the remainder of this Master Contract, and to this end the provisions of this Master Contract are declared to be severable. If such invalidity becomes known or apparent to the parties, the parties agree to negotiate promptly in good faith in an attempt to amend such provision as nearly as possible to be consistent with the intent of this Master Contract.
- 18.13. WAIVER. Failure of either party to insist upon the strict performance of any of the terms and conditions hereof, or failure to exercise any rights or remedies provided herein or by law, or to notify the other party in the event of breach, shall not release the other party of any of its obligations under this Master Contract, nor shall any purported oral modification or rescission of this Master Contract by either party operate as a waiver of any of the terms hereof. No waiver by either party of any breach, default, or violation of any term, warranty, representation, contract, covenant, right, condition, or provision hereof shall constitute waiver of any subsequent breach, default, or violation of the same or other term, warranty, representation, contract, covenant, right, condition, or provision.
- 18.14. SURVIVAL. All representations, warranties, covenants, agreements, and indemnities set forth in or otherwise made pursuant to this Master Contract shall survive and remain in effect following the expiration or termination of this Master Contract, *Provided*, however, that


nothing herein is intended to extend the survival beyond any applicable statute of limitations periods.

- 18.15. **GOVERNING LAW.** The validity, construction, performance, and enforcement of this Master Contract shall be governed by and construed in accordance with the laws of the State of Washington, without regard to any choice of law principles that would provide for the application of the laws of another jurisdiction.
- 18.16. **JURISDICTION & VENUE.** In the event that any action is brought to enforce any provision of this Master Contract, the parties agree to exclusive jurisdiction in Thurston County Superior Court for the State of Washington and agree that in any such action venue shall lie exclusively at Olympia, Washington.
- 18.17. **ATTORNEYS' FEES.** In the event of litigation or other action brought to enforce this Master Contract, each party shall bear its own attorneys' fees and costs.
- 18.18. **FAIR CONSTRUCTION & INTERPRETATION.** The provisions of this Master Contract shall be construed as a whole according to their common meaning and not strictly for or against any party and consistent with the provisions contained herein in order to achieve the objectives and purposes of this Master Contract. Each party hereto and its counsel has reviewed and revised this Master Contract and agrees that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be construed in the interpretation of this Master Contract. Each term and provision of this Master Contract to be performed by either party shall be construed to be both a covenant and a condition.
- 18.19. **FURTHER ASSURANCES.** In addition to the actions specifically mentioned in this Master Contract, the parties shall each do whatever may reasonably be necessary to accomplish the transactions contemplated in this Master Contract including, without limitation, executing any additional documents reasonably necessary to effectuate the provisions and purposes of this Master Contract.
- 18.20. **EXHIBITS.** All exhibits referred to herein are deemed to be incorporated in this Master Contract in their entirety.
- 18.21. **CAPTIONS & HEADINGS.** The captions and headings in this Master Contract are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Master Contract nor the meaning of any provisions hereof.
- 18.22. **ELECTRONIC SIGNATURES.** An electronic signature or electronic record of this Master Contract or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Master Contract or such other ancillary agreement for all purposes.

18.23. COUNTERPARTS. This Master Contract may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Master Contract at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Master Contract.

EXECUTED as of the date and year first above written.

STATE OF WASHINGTON
Department of Enterprise Services

By: 

Kim Kirkland

Its: Procurement Supervisor

SOFTEON INC.
a Delaware corporation

By: 

Rob Miller

Its: Government Solutions Executive

INCLUDED SERVICES

BIDDER:	Softheon Inc.
<u>Performance Requirements</u>	
<p>Category One - Employment and Income Verification – Nationwide: Employment and Income Verification- Nationwide: Bidder operates and maintains an income and employment verification database that houses information provided by employer contributors who operate nationwide and/or employ 501 or more employees</p> <p>Category Two - Employment and Income Verification - Regional Employers: Employment and Income Verification- Regional Employers: Bidder operates and maintains an income and employment verification database housing information provided by employer contributors who operate within the states of Washington, Oregon and Idaho and employ 500 or less employees. In this category, DES intends to seek out employer contributors who operate franchises, and/or regional businesses.</p>	
Income and Employment Instructions:	
<p>1. Review Requirements.</p> <p>a. Bidders that elect to only bid on Category 1 - Employment and Income Verification - Nationwide must provide a response to each of the Performance Requirements within Section 1 - Company Qualifications, EXCEPT FOR requirements that are marked with an asterisk (*).</p> <p style="padding-left: 20px;">In addition, bidders must provide a response to all the Performance Requirements within Sections 2, 3, 4, 5 and 6.</p> <p>b. Bidders that elect to only bid on Category 2 - Employment and Income Verification - Regional Employers, must provide a response to each of the Performance Requirements marked by an asterisk (*) under Section 1 - Company Qualifications, and all requirements in Section 2, 3, 4, 5 and 6.</p> <p style="padding-left: 20px;">NOTE: Section 1 - Company Qualifications that are not marked by an asterisk do not require a response by bidders responding to Category 2 alone.</p> <p>c. Bidders that elect to bid on both Category 1 AND Category 2 must provide a response for ALL Performance Requirements.</p> <p>2. Review Priority and the provided definitions:</p> <ul style="list-style-type: none"> • “MANDATORY”: Bidder response must comply with the requirement and the Bidder’s response will be evaluated on a "Pass/Fail" basis. Selecting "Meets" for mandatory requirements will be considered "Pass". All other responses will be considered "Fail". • "MANDATORY SCORED": Bidder response will be evaluated and assigned a score based on how well Bidder’s response meets the requirement. Maximum points possible is 15 points for each requirement. Not meeting any of the requirements will be evaluated as a “Fail”. • “DESIRABLE Scored”: Bidder response will be evaluated and assigned a score based on how well Bidder’s response meets the requirement. Maximum points possible is 5 points for each requirement. Desirable Requirements enhance operational functionality or quality and make it more desirable. 	

3. Select and indicate using the pulldown button if bidder Fully Meets or Does Not Meet a requirement in How Bidder Meets Requirement column.

4. Bidder must respond in the Written Response column for every requirement that indicates a "Written Response Required" "in accordance with the Review Requirements under Section 1 of this page.

5. Bidder must respond to every question required for the category they intend to submit a bid to be considered responsive. If a question is blank it may be evaluated as non-responsive.

6. Limited responses may receive lower scoring than those that demonstrate understanding and mastery of the subject matter.

#	Category	Cat 2 *	General Capability Requirements (Requirements are as of date of solicitation and must be maintained throughout the life of the Master Contract if awarded)	Priority	How Bidder Meets Requirement	Written Response Written Responses must not reference any material present elsewhere. The written response should be considered complete and stand on its own merit.
2.0	Bus. Svc. Req.		Business Service Requirements			
2.1	Bus. Svc. Req.		Bidder must provide a minimum of two (2) of the following method(s) Purchaser(s) can submit requests. (database/online portal, facsimile, phone) Database/online portal MUST be included as one of the two methods listed to meet the requirement. (List methods)	Mandatory Scored	Fully Meets	Softheon's Verify solution includes our Verify Portal which users can leverage to submit requests electronically, review findings sent back through the portal, and modify member verification information at any time. We can also support requests received via phone, fax, and email as well.
2.2	Bus. Svc. Req.		Bidder must provide method(s) results are delivered back to Purchaser(s). (List methods)	Mandatory Scored	Fully Meets	Results are delivered back through the online Verify Portal which displays information in real-time as received. Our online portal is accessible via any modern web browser 24 hours a day, seven days a week. In addition, we can also integrate with a specific State system to push the data results back in real-time and/or batch format as required. We can also support the delivery of results via daily reporting, batch data upload to a separate system, and/or over the phone, fax, or email as needed to meet specific Purchaser requirements.
2.3	Bus. Svc. Req.		Bidder must provide the frequency data is refreshed within system.	Mandatory Scored	Fully Meets	Data is refreshed daily, at a minimum, and is displayed in real-time as information is received.
2.4	Bus. Svc. Req.		Bidder must provide the frequency data is reported within their system (new data obtained).	Mandatory Scored	Fully Meets	Daily reporting is conducted on data received to meet our clients' individual needs. We can also support the pull of data extracts in real-time. Softheon's Verify solution for states automatically comes with our modular, advanced reporting platform, known as Foundry. Our reporting platform includes a highly configurable, self-service Reporting Portal. This bundled package of our Verify and Foundry solutions is a standard part of our overall solution offering at no additional cost. The State Purchaser's management staff and other key stakeholders will appreciate the near real-time data, reports, and dashboard capabilities of our Foundry reporting platform. Foundry can report on any data element and can provide details grouped by data points, such as individual county or caseworker submissions, enabling the Purchaser to manage operations in real-time. In addition, Foundry can seamlessly support the automated production of daily, monthly, quarterly, and annual reports, while providing real-time insight into trends and key performance indicators via the Reporting Portal's configurable user dashboards.

2.5	Bus. Svc. Req.		Bidder must provide the ability for Purchaser(s) to adjust look back period of results:			
2.5.1	Bus. Svc. Req.		12 Months (1 year) (Web database access)	Mandatory	Fully Meets	Confirmed. There is no set limit on the look back period through which results can be provided. We can support online access and search results for data over the past 12 months and longer in our system.
2.5.2	Bus. Svc. Req.		12+ Months (over 1 year)	Desirable Scored	Fully Meets	Yes, access to data over 12 months old is available in our system. For example, in our work for the State of New Mexico, we electronically return financial data found for the past five years' worth of account balances.
2.6	Bus. Svc. Req.		Bidder must provide results within turn-around time listed below for <u>Employment Inquiry</u>: (All days listed are calendar days).			
2.6.1	Bus. Svc. Req.		Instantaneously - Information is provided through method that allows zero wait time/user does not need to log back into a database or system to retrieve information.- Web Database	Mandatory Scored	Fully Meets	Results can be returned in real-time or near real-time within seconds of the inquiry being received.
2.6.2	Bus. Svc. Req.		More than 30 minutes but less than 24 hours (1 day)	Mandatory Scored	Fully Meets	Yes, results can be returned within the same day.
2.6.3	Bus. Svc. Req.		More than 24 hours (one (1) day) but less than three (3)days	Mandatory Scored	Fully Meets	Confirmed. Softheon Verify can return results within three days as required.
2.6.4	Bus. Svc. Req.		More than 3 days but less than 1 week (seven (7) days)	Desirable Scored	Fully Meets	Softheon's Verify solution can support batch results processed and provided weekly.
2.6.5	Bus. Svc. Req.		More than 1 week (seven (7) days)) but less than 30 days	Desirable Scored	Fully Meets	Results across all inquiries can be provided on a monthly basis as required.
2.7	Bus. Svc. Req.		Bidder must provide results within turn-around time listed below for <u>Income (Benefits) Inquiry</u>: (All days listed are calendar days).			
2.7.1	Bus. Svc. Req.		<u>Instantaneously</u> * Information is provided through method that allows zero wait time/user does not need to log back into a database or system to retrieve information.	Mandatory Scored	Fully Meets	Results can be returned in real-time or near real-time within seconds of the inquiry being received.
2.7.2	Bus. Svc. Req.		More than 30 minutes but less than 24 hours (1 day)	Mandatory Scored	Fully Meets	Yes, results can be returned within the same day.
2.7.3	Bus. Svc. Req.		More than 24 hours (one (1) day) but less than three (3)days	Mandatory Scored	Fully Meets	Confirmed. Softheon Verify can return results within three days as required.
2.7.4	Bus. Svc. Req.		More than 3 days but less than 1 week (seven (7) days))	Desirable Scored	Fully Meets	Softheon's Verify solution can support batch results processed and provided weekly.
2.7.5	Bus. Svc. Req.		More than 1 week (seven (7) days)) but less than 30 days	Desirable Scored	Fully Meets	Results across all inquiries can be provided on a monthly basis as required.

2.7.6	Bus. Svc. Req.		From the list provided below, the verification report must include at a minimum -the individual's: Name of employee, Address of employee, Name of employer, Address of employer, Pay rate (hourly or salaried), Position Title, Medical Insurance (HCA-Other Medical Insurance), Hours per week, Pay period end dates, Pay Date, Overtime (If available) Dollar Amount, Job Start Date, Job End Date	Mandatory Scored	Fully Meets	Confirmed. All of these data elements can be supported in our verification report returned.
2.7.7	Bus. Svc. Req.		Garnishment	Desirable Scored	Fully Meets	Yes, garnishment of wages information can also be provided.
2.7.8	Bus. Svc. Req.		Physical Location of Employment	Desirable Scored	Fully Meets	Yes, the individual's physical address of employment can also be provided on the verification report.
2.8	Bus. Svc. Req.		Bidder must provide Database/Online Portal services so that select actions can be initiated through an application program interface (API) as an alternative to using the traditional web-based Database/Online Portal.	Desirable Scored	Fully Meets	Confirmed. Both employment and income information, along with other types of data, can be provided via an API to deliver information in real-time as an alternative to using our Verify Portal. Softheon supports industry standard authentication and authorization techniques and is connected over SSL/TLS. Softheon prefers REST protocols but is equally able to execute via SOAP.
2.9	Bus. Svc. Req.		Database/Online Portal Search Functionality Requirements			
2.9.1	Bus. Svc. Req.		Bidder must provide search functionality of database/online portal by social security number.	Mandatory	Fully Meets	
2.9.2	Bus. Svc. Req.		Bidder must provide search functionality of database/online portal by first name.	Desirable Scored	Fully Meets	Confirmed. Softheon Verify enables users to execute searches by social security number, first name, first name and middle initial, last name, and by date of birth among other parameters.
2.9.3	Bus. Svc. Req.		Bidder must provide search functionality of database/online portal by middle initial.	Desirable Scored	Fully Meets	Confirmed. Softheon Verify enables users to execute searches by social security number, first name, first name and middle initial, last name, and by date of birth among other parameters.
2.9.4	Bus. Svc. Req.		Bidder must provide search functionality of database/online portal by last name.	Desirable Scored	Fully Meets	Confirmed. Softheon Verify enables users to execute searches by social security number, first name, first name and middle initial, last name, and by date of birth among other parameters.
2.9.5	Bus. Svc. Req.		Bidder must provide search functionality of database/online portal by date of birth.	Desirable Scored	Fully Meets	Confirmed. Softheon Verify enables users to execute searches by social security number, first name, first name and middle initial, last name, and by date of birth among other parameters.
3.0	Sec.		Security			

			Bidders can access OCIO Standard 141.10 here to view all referenced OCIO requirements in sections below.	-	-	-
3.1	Sec.		Access to Database/Online Portal must require security credentials (i.e., a username and password for login purposes).	Mandatory	Fully Meets	
3.2	Sec.		Database/Online Portal must comply with OCIO Standard 141.10.6.1.2.3: Identify users with a <u>unique</u> identifier, for their individual use only, before allowing them access to components, systems, network or data.	Mandatory	Fully Meets	
3.3	Sec.		Database/Online Portal must comply with OCIO Standard 141.10.6.1.2.4: Ensure that accounts are assigned access only to the services that they have been specifically authorized to use.	Mandatory	Fully Meets	
3.4	Sec.		Bidder must allow account administrator to set up account lock out intervals.	Mandatory	Fully Meets	
3.5	Sec.		Database/Online Portal must comply with OCIO Standard 141.10.6.1.2.13: Account locking after a maximum of five (5) incorrect login attempts for a minimum of fifteen (15) minutes or when reset by an approved system administrator.	Mandatory	Fully Meets	
3.6	Sec.		Database/Online Portal must comply with OCIO Standard 141.10.6.1.3.1: Administrator and User sessions must automatically time-out after fifteen (15) minutes of inactivity.	Mandatory	Fully Meets	
3.7	Sec.		Database/Online Portal must comply with OCIO Standard 141.10.6.2. for password requirements. Describe how your Solution meets or exceeds the standards 141.10.6.2.1, 141.10.6.2.3 though 141.10.6.2.5	Mandatory	Fully Meets	
3.8	Sec.		Database/Online Portal must comply with OCIO Standard 141.10.4.: Data Security. Bidder must understand and comply with all requirements in this section, including but not limited to the handling and security of Category 3: Confidential Information and Category 4 data: Confidential Data requiring special handling.	Mandatory	Fully Meets	

4.0	Support		Support			
4.1	Support		<p>Bidder's Database/Online portal must be housed in a location that meets Tier 2 Data Center requirements, or better. In a Tier 2 Data Center, a power component or equipment can be replaced or removed without interrupting power supply to the core computing components. It guarantees 99.741% availability with approximately 22 hours of downtime per year.</p> <p><i>Written response required. Bidder must describe how they will meet this requirement.</i></p>	Mandatory Scored	Fully Meets	<p>Requirement 3.7 Additional Response: Softheon Verify is a role-based solution which enables access to only those authorized in alignment with their role and assigned permissions. Our solution can be configured as needed to meet the specific OCIO standards and requirements for security and privacy, including for password strength, lockout protocols, and other measures.</p> <p>Requirement 4.1 Response: Softheon's Verify solution is hosted within Softheon's hosting platform, Softheon Cloud, meeting Tier 3 data center requirements, exceeding the Tier 2 requirement herein. Further, our cloud platform is designed to meet and exceed NIST 800-53, FIPS-140, MARS-E 2.0, PCI, and HIPAA standards and it continues to adhere to these requirements through rigorous annual audits.</p>
4.2	Support		<p>Outage Notification: Bidder must provide-Purchaser(s) 48 hours' advance notification of planned system outages.</p> <p><i>Written response required. Bidder must describe how they will meet this requirement.</i></p>	Mandatory Scored	Fully Meets	<p>Confirmed. Proper notice will be provided at least 48 hours in advance, at a minimum, for any planned outages. In addition, a notice will be displayed through the online Verify Portal to alert end users before and during an outage.</p>
4.3	Support		<p>Single Point of Contact: Bidder must provide notification via email of unplanned outages of system within one (1) hr. minimum to all authorized users. Notification(s) must include: -Summary of Issue(s) -Time of estimated resolution</p> <p>-Bidder must also provide notification to all authorized users once system outages are resolved</p> <p><i>Written response required. Bidder must describe how they will meet this requirement.</i></p>	Mandatory Scored	Fully Meets	<p>Confirmed. System outage alerts will be distributed within the timeframe required to all users via email as well as displayed through the online portal. This includes notification before, during, and once the issue has been resolved. As a standard, summary information as well the expected length of time is also displayed.</p>
4.4	Support		<p>Customer Service must be available Monday to Saturday 7:30 AM to 6:30 PM.</p> <p><i>Written response required. Bidder must</i></p>	Desirable Scored	Fully Meets	<p>Confirmed. Softheon will provide tiered technical help during these hours as required.</p>

			<i>describe how they will meet this requirement. Bidder must include a contact email and phone number for customer service.</i>			
5.0	Training		Training			
5.1	Training		<p>Training Aids: Bidder must list all training methods available to Purchaser. Minimum Requirement: Webinar Training on site (i.e. Desk Aids, Online Training, Manuals other than Desk Aids, Other)</p> <p><i>Written response required. Bidder must describe how they will meet this requirement.</i></p>	Mandatory Scored	Fully Meets	<p>Softheon provides robust training, including access to our online Training Portal and reference materials (users manuals and reference guides), well in advance of completing our implementation. By training and working with your staff early in the process, we can be assured of your success from the first day our solution is launched into production. For example, when West Virginia selected Softheon for Employer and Income Verification Services, displacing Equifax's The Work Number solution, training became paramount to ensuring a smooth and seamless transition to our robust, modern portal. Therefore, during our implementation, we will ensure proper training to both day-to-day portal system users and data requestors, as well as management staff.</p>
6.0	Privacy		Privacy			
6.2	Privacy		Bidder must NOT require type of benefits or assistance requested prior to Purchaser receiving income and employment records	Mandatory	Fully Meets	

PRICES FOR SERVICES

BIDDER:	Softheon Inc.
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Bid Price

Category One - Employment and Income Verification – Nationwide: Employment and Income Verification- Nationwide: Bidder operates and maintains an income and employment verification database that houses information provided by employer contributors who operate nationwide and/or employ 501 or more employees

Category Two - Employment and Income Verification - Regional Employers: Employment and Income Verification- Regional Employers: Bidder operates and maintains an income and employment verification database housing information provided by employer contributors who operate within the states of Washington, Oregon and Idaho and employ 500 or less employees. In this category, DES intends to seek out employer contributors who operate franchises, and/or regional businesses.

Part 1- Bidder Information: Fill in Bidder Name Here.

Part 2- Transaction (flat rate/search): is defined as positive result returned for twelve (12) months worth of data including the following data:

-Name of employee, Address of employee, Name of employer, Address of employer, Pay rate (hourly or salaried), Position Title, Medical Insurance (HCA-Other Medical Insurance), Hours per week, Pay period end dates, Pay Date, Overtime (If available) Dollar Amount, Job Start Date, Job End Date, Garnishment, Physical Location of Employment.

-Pricing for first two years of a resulting Master Contract will be at a fixed flat rate per transaction as defined on the Cost Table Employ-Income worksheet.

-Insert the flat rate amount for each of the four(4) tiers for each defined turnaround time for the first two(2) years, and subsequent years three (3) and four(4) of resulting Master Contract 00220.:

- Instantaneously (mandatory);
- More than 30 mins but less than 24 hours (1 day) (mandatory);
- More than 24 hrs (one (1) day) but less than three (3) days (mandatory)
- More than 3 days but less than 1 week (seven (7) days)) (desirable)
- More than 1 week (seven (7) days)) but less than 30 days (desirable)

Recurring Fee: Fees outside of transaction fees - These fees are reoccurring fees that account for customer service and/or system access. Enter reoccurring fees for system access and customer service as it will pertain to the contract.

One Time Fees: (i.e. set up fees, etc.). If the fee is a one time fee, insert the description and \$ amount here.

Part 1: Bidder Information

Bidder Company Name	<i>Softheon Inc.</i>
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Part 2: Price/Transaction (flat rate/search)

Tier	Tier Amounts/ year	Priority	Turnaround Time	Price Per Transaction (defined above)								
				First Two (2) Years			3 rd Year			4 th Year		
				Rate	Recurring Fees	One-Time Fees	Rate	Recurring Fees	One-Time Fees	Rate	Recurring Fees	One-Time Fees
Tier 1	1-49,999	Mandatory	Instantaneously*	\$14.50	N/A	N/A	\$14.81	N/A	N/A	\$15.1	N/A	N/A
			More than 30 min but less than 24 hours (1 day)	\$14.50	N/A	N/A	\$14.81	N/A	N/A	\$15.1	N/A	N/A
			More than 24 hrs (one (1) day) but less than three (3)days	\$14.50	N/A	N/A	\$14.81	N/A	N/A	\$15.1	N/A	N/A

		Desirable	More than 3 days but less than 1 week (seven (7) days))	\$14.50	N/A	N/A	\$14.81	N/A	N/A	\$15.1	N/A	N/A
			More than 1 week (seven (7) days)) but less than 30 days	\$14.50	N/A	N/A	\$14.81	N/A	N/A	\$15.1	N/A	N/A
Tier 2	50,000-199,999	Mandatory	Instantaneously *	\$13.75	N/A	N/A	\$14.04	N/A	N/A	\$14.3	N/A	N/A
			More than 30 min but less than 24 hours (1 day)	\$13.75	N/A	N/A	\$14.04	N/A	N/A	\$14.3	N/A	N/A
			More than 24 hrs (one (1) day) but less than three (3)days	\$13.75	N/A	N/A	\$14.04	N/A	N/A	\$14.3	N/A	N/A
		Desirable	More than 3 days but less than 1 week (seven (7) days))	\$13.75	N/A	N/A	\$14.04	N/A	N/A	\$14.3	N/A	N/A
			More than 1 week (seven (7) days)) but less than 30 days	\$13.75	N/A	N/A	\$14.04	N/A	N/A	\$14.3	N/A	N/A
Tier 3	200,000-599,999	Mandatory	Instantaneously*	\$13.00	N/A	N/A	\$13.28	N/A	N/A	\$13.5	N/A	N/A
			More than 30 min but less than 24 hours (1 day)	\$13.00	N/A	N/A	\$13.28	N/A	N/A	\$13.5	N/A	N/A
			More than 24 hrs (one (1) day) but less than three (3)days	\$13.00	N/A	N/A	\$13.28	N/A	N/A	\$13.5	N/A	N/A
		Desirable	More than 3 days but less than 1 week (seven (7) days))	\$13.00	N/A	N/A	\$13.28	N/A	N/A	\$13.5	N/A	N/A
			More than 1 week (seven (7) days)) but less than 30 days	\$13.00	N/A	N/A	\$13.28	N/A	N/A	\$13.5	N/A	N/A
Tier 4	600,000+	Mandatory	Instantaneously*	\$11.75	N/A	N/A	\$11.99	N/A	N/A	\$12.2	N/A	N/A
			More than 30 min but less than 24 hours (1 day)	\$11.75	N/A	N/A	\$11.99	N/A	N/A	\$12.2	N/A	N/A
			More than 24 hrs (one (1) day) but less than three (3)days	\$11.75	N/A	N/A	\$11.99	N/A	N/A	\$12.2	N/A	N/A
		Desirable	More than 3 days but less than 1 week (seven (7) days))	\$11.75	N/A	N/A	\$11.99	N/A	N/A	\$12.2	N/A	N/A
			More than 1 week (seven (7) days)) but less than 30 days	\$11.75	N/A	N/A	\$11.99	N/A	N/A	\$12.2	N/A	N/A

INSURANCE REQUIREMENTS

1. **INSURANCE OBLIGATION.** During the Term of this Master Contract, Contractor shall possess and maintain in full force and effect, at Contractor's sole expense, the following insurance coverages:
 - a. **COMMERCIAL GENERAL LIABILITY INSURANCE.** Commercial general liability insurance (and, if necessary, commercial umbrella liability insurance) covering bodily injury, property damage, products/completed operations, personal injury, and advertising injury liability on an 'occurrence form' that shall be no less comprehensive and no more restrictive than the coverage provided by Insurance Services Office (ISO) under the most recent version of form CG 00 01 in the amount of not less than \$2,000,000 per occurrence and \$4,000,000 general aggregate. This coverage shall include blanket contractual liability coverage. This coverage shall include a cross-liability clause or separation of insured condition.
 - b. **WORKERS' COMPENSATION INSURANCE.** Contractor shall comply with applicable Workers' Compensation or Industrial Accident insurance providing benefits as required by law.
 - c. **EMPLOYERS' LIABILITY (STOP GAP) INSURANCE.** Employers' liability insurance (and, if necessary, commercial umbrella liability insurance) with limits not less than \$1,000,000 each accident for bodily injury by accident, \$1,000,000 each employee for bodily injury by disease, and \$1,000,000 bodily injury by disease policy limit.
 - d. **COMMERCIAL AUTOMOBILE LIABILITY INSURANCE.** Commercial automobile liability insurance covering the ownership, maintenance, and/or use of all owned/leased, non-owned, and hired vehicles used in the performance of the Master Contract, with limits of not less than \$1,000,000 per accident, combined single limit for bodily injury and property damage liability. Coverage shall be provided on Insurance Services Office (ISO) form number CA 0001 or an equivalent. The required limits can be satisfied by any combination of primary, umbrella, or excess policy.
 - e. **PROFESSIONAL LIABILITY (ERRORS & OMISSIONS) INSURANCE.** Professional liability insurance in the amount of not less than \$1,000,000 combined single limit per occurrence or claim, \$2,000,000 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 this Master Contract. The policy shall have an extended reporting period of not less than five (5) years after completion.
 - f. **CYBER RISK LIABILITY INSURANCE.** Cyber risk insurance, on a claim form. This coverage shall include Contractual Liability insurance for the indemnity provided under this Master Contract. Limits are \$1,000,000 per occurrence and \$2,000,000 aggregate.

The insurance coverage limits set forth herein are the minimum. Contractor’s insurance coverage shall be no less than the minimum amounts specified. Coverage in the amounts of these minimum limits, however, shall not be construed to relieve Contractor from liability in excess of such limits. Contractor waives all rights against the State of Washington for the recovery of damages to the extent such damages are covered by any insurance required herein.

2. **INSURANCE CARRIER RATING.** Coverages provided by Contractor must be underwritten by an insurance company deemed acceptable to the State of Washington’s Office of Risk Management. Insurance coverage shall be provided by companies authorized to do business within the State of Washington and rated A- Class VII or better in the most recently published edition of Best’s Insurance Rating. Enterprise Services reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.
3. **ADDITIONAL INSURED.** Commercial General Liability and Commercial Automobile Liability, shall include the State of Washington and all authorized Purchasers (and their agents, officers, and employees) as Additional Insureds evidenced by copy of the Additional Insured Endorsement attached to the Certificate of Insurance on such insurance policies.
4. **CERTIFICATE OF INSURANCE.** Prior to execution of the Master Contract, Contractor shall furnish to Enterprise Services, as evidence of the insurance coverage required by this Master Contract, a certificate of insurance satisfactory to Enterprise Services that insurance, in the above-stated kinds and minimum amounts, has been secured. In addition, no less than ten (10) days prior to coverage expiration, Contractor shall furnish to Enterprise Services an updated or renewed certificate of insurance, satisfactory to Enterprise Services, that insurance, in the above-stated kinds and minimum amounts, has been secured. Failure to maintain or provide proof of insurance, as required, will result in contract cancellation. **All policies and certificates of insurance shall include the Master Contract number stated on the cover of this Master Contract.** All certificates of Insurance and any related insurance documents shall be delivered to Enterprise Services by U.S. mail, postage prepaid, or sent via email, and shall be sent to the address or email address set forth below or to such other address or email address as Enterprise Services may specify in writing:

US Mail: Contracts & Procurement – Master Contract Ins. Certificate
 **Master Contract No. 00220 – Employment and Income
 Verification and Public Record Search Services**
 Attn: Stacia Wasmundt
 Washington Dept. of Enterprise Services
 PO Box 41411
 Olympia, WA 98504-1411

Email: DESContractsTeamCypress@des.wa.gov

Note: For Email notice, the Email Subject line must state:
**Master Contract Insurance Certificate – Master Contract
No. 00220 – Employment and Income Verification and
Public Record Search Services**

5. **PRIMARY COVERAGE.** Contractor’s insurance shall apply as primary and shall not seek contribution from any insurance or self-insurance maintained by, or provided to, the additional insureds listed

above including, at a minimum, the State of Washington and/or any Purchaser. All insurance or self-insurance of the State of Washington and/or Purchasers shall be excess of any insurance provided by Contractor or subcontractors.

6. **SUBCONTRACTORS.** Notwithstanding any provision to the contrary, Contractor shall not utilize subcontractors to perform this Master Contract.
7. **WAIVER OF SUBROGATION.** Contractor waives all rights of subrogation against the State of Washington and any Purchaser for the recovery of damages to the extent such damages are or would be covered by the insurance specified herein.
8. **NOTICE OF CHANGE OR CANCELLATION.** There shall be no cancellation, material change, exhaustion of aggregate limits, or intent not to renew insurance coverage, either in whole or in part, without at least sixty (60) days prior written Legal Notice by Contractor to Enterprise Services. Failure to provide such notice, as required, shall constitute default by Contractor. Any such written notice shall include the Master Contract number stated on the cover of this Master Contract.
9. **EXTENDED REPORTING PERIOD.** If any required insurance coverage is on a claims-made basis (rather than occurrence), Contractor shall maintain such coverage for a period of no less than three (3) years following expiration or termination of the Master Contract.






00220.SoftheonExhibitD.MasterContract - signed

Final Audit Report

2022-07-07

Created:	2022-07-07
By:	Stacia Wasmundt (stacia.wasmundt@des.wa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAASU-XPk-pj4Y14a-VNVs_vdVHqBknDnqc

"00220.SoftheonExhibitD.MasterContract - signed" History

-  Document created by Stacia Wasmundt (stacia.wasmundt@des.wa.gov)
2022-07-07 - 7:55:00 PM GMT
-  Document emailed to Kim Kirkland (kim.kirkland@des.wa.gov) for signature
2022-07-07 - 7:55:54 PM GMT
-  Email viewed by Kim Kirkland (kim.kirkland@des.wa.gov)
2022-07-07 - 7:55:59 PM GMT
-  Document e-signed by Kim Kirkland (kim.kirkland@des.wa.gov)
Signature Date: 2022-07-07 - 9:12:11 PM GMT - Time Source: server
-  Agreement completed.
2022-07-07 - 9:12:11 PM GMT