Washington State
DEPARTMENT OF
ENTERPRISE SERVICES

CONTRACT

NO. 04324

FOR

BULK FOOD

GEOGRAPHIC REGION(S): WASHINGTON STATE

For Use by Eligible Purchasers

By and Between

STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

and

US FOODS INC.

Dated December 18th, 2025

CONTRACT

NO. 04324

FOR

BULK FOOD

GEOGRAPHIC REGION(S): WASHINGTON STATE

This Washington Statewide Contract ("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 US Foods Inc., a Delaware Corporation ("Contractor") and is dated and effective as of January 1st, 2026.

R E C I T A L S

A. Pursuant to Legislative authorization, Enterprise Services, on behalf of the State of Washington, is authorized to develop, solicit, and establish enterprise procurement solutions, including contracts, for goods and/or services to support Washington state agencies. *See* RCW 39.26.050(1). The Washington State Legislature also has authorized Enterprise Services to make these 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. The State of Washington, through various state agencies (e.g., Department of Corrections, Department of Social and Health Services, Department of Veterans Affairs, Washington State School for the Blind) is entrusted with the care of individuals, including the provision of meals. These state agencies purchase goods and services to perform their mission. This Contract is designed to provide a competitively solicited and awarded procurement solution for such agencies and other eligible purchasers, including, for example, school districts, to efficiently and cost-effectively purchase certain included bulk food items as described in *Exhibit A – Included Goods/Services* (individually a Bulk Food Item and collectively, "Bulk Food" and/or "Goods/Services").

C. On behalf of the State of Washington, Enterprise Services, as part of a competitive governmental procurement, issued Competitive Solicitation No. 04324 dated August 8th, 2025, for Bulk Food. The Competitive Solicitation was structured to meet purchaser needs and designed to result in multiple Contract awards, by specified geographic regions ("Geographic Region(s)"). The Competitive Solicitation was structured to enable Enterprise Services to make up to two main awards for the Statewide Geographic Region (comprising all of the other Geographic Regions). In addition, the Competitive Solicitation was structured to enable Enterprise Services to make certain reserved awards, by Geographic Region, for each of the specified Geographic Regions other than the Statewide Region (i.e., each of the other seven identified Geographic Regions) for Contracts to otherwise not awarded, responsive, responsible bidders who certified pursuant to a *Bidder's Certification* and qualified as either a Washington Small Business and/or a Certified Veteran-Owned Business.

D. Pursuant to the competitive solicitation for the Contract, Contractor certified that Contractor qualified for the following evaluation and Contract award preferences:

- Executive Order 18-03 – Worker's Rights;
- Certified Veteran-Owned Business; and
- Washington Small Business.

Accordingly, the Contract includes certain contractor representations and warranties to facilitate procurement integrity requirements and to ensure that, in performing the Contract, Contractor enables the State of Washington to achieve the public policy benefits that informed the above-referenced bid and Contract award preferences. *See* Contract at § 4 (Contractor Representations and Warranties).

E. Enterprise Services evaluated all responses to the Competitive Solicitation and identified Contractor as an apparent successful bidder for the above-referenced Geographic Region(s).

F. Enterprise Services has determined that entering into this Contract will meet the identified needs and be in the best interest of the State of Washington.

G. The purpose of this Contract is to enable eligible purchasers, in the above-referenced Geographic Region(s), to purchase included Bulk Food from Contractor, as set forth herein.

A G R E E M E N T

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 Contract is thirty-six (36) months, commencing January 1st, 2026 and ending December 31st, 2028; *Provided*, however, that if Contractor is not in default and if, by October 1st, 2028, in Enterprise Services' reasonable judgment, Contractor satisfactorily has met the performance-based goals for contract extension, Enterprise Services shall extend the term of this 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 Contract. To earn the performance-based Contract term extension, Contractor must achieve the following performance-based metrics:

PERFORMANCE METRIC	PERFORMANCE REQUIREMENT FOR CONTRACT EXTENSION
Fill Rate:	Contractor shall maintain a 97% fill rate per month with a goal of 100% per month. Monthly order fill rates shall be calculated on an on-time, per order basis and tracked for quarterly submission or as requested by Enterprise Services.

PERFORMANCE METRIC	PERFORMANCE REQUIREMENT FOR CONTRACT EXTENSION
Market Tracking & Reporting:	Contractor shall track and timely report to Enterprise Services the following information: ▪ Quarterly Sales Report; and ▪ Annual Contract Sales Report. Contractor also shall track and timely report to Enterprise Services and/or Purchasers, when requested, the following information for Contract sales ▪ Price Verification report; ▪ Quarterly fill rate reports; ▪ Quarterly Substitution reports; and ▪ Quarterly General Rebate report.
Insurance Endorsements:	Contractor timely provides to Enterprise Services at the designated address, without exception, annual insurance endorsements for the insurance coverages required by this Contract. *See Exhibit C – Insurance Requirements* at § 4.
Vendor Management Fee:	Contractor timely remits to Enterprise Service, with no less than a 75% on time rate over the contract term, the applicable Vendor Management Fee (VMF). *Note*: Contractor must pay the VMF within thirty (30) calendar days of invoice from Enterprise Services. If Contractor is delinquent in timely paying the VMF for three (3) or more quarters within the first nine (9) quarters of the Contract term, Contractor shall not be eligible for a performance-based extension.
Contract Sales Reports:	Contractor timely provides to Enterprise Services, with no less than a 75% on time rate over the contract term, the required Contract quarterly sales reports. *Note*: Contractor must provide the quarterly sales reports to Enterprise Services within thirty (30) calendar days of the quarter's end. If Contractor is delinquent in providing the quarterly sales reports for three (3) or more quarters within the first nine (9) quarters of the Contract term, Contractor shall not be eligible for a performance-based extension.

2. ELIGIBLE PURCHASERS. This 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. Any the following institutions of higher education (colleges) 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. CONTRACT USAGE AGREEMENT PARTIES. Any of the following types of entities that have executed a 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., public benefit nonprofit corporations as defined in RCW 24.03A.245) who receive federal, state, or local funding); and
- Federally recognized Indian Tribes located in the State of Washington.

3. SCOPE: INCLUDED GOODS AND/OR SERVICES & PRICES.

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

(a) Goods. For purposes of this Contract, "Goods" means all Bulk Food included in the scope of this Contract purchased by Purchaser pursuant to this Contract and as identified in the Purchase Order.

(b) Services. For purposes of this Contract, "Services" means all services of any nature included in the scope of this Contract provided by Contractor and/or purchased by Purchaser pursuant to this Contract and as identified in the Purchase Order.

(c) Specifications. Where applicable, specifications for Goods/Services are detailed in this Contract and the Purchase Order.

3.2. STATE'S ABILITY TO MODIFY SCOPE OF CONTRACT. Subject to mutual agreement between the parties, Enterprise Services reserves the right to modify the Goods/ Services included in this Contract; *Provided*, however, that any such modification shall be effective only upon thirty (30) calendar days advance written notice; and *Provided further*, that any such modification must be within the scope of the Competitive Solicitation for this Contract.

3.3. ECONOMIC ADJUSTMENT.

(a) Price Adjustments for Bulk Food - With the exception of items included in (b) below, Contractor is permitted to update prices specified in *Exhibit B – Prices for Goods/Services* , by category, as set forth below, no more frequently than specified in the summary table below:

PRICE ADJUSTMENTS FOR BULK FOOD ITEMS	
BULK FOOD CATEGORY	FREQUENCY
Meats, Seafood, Poultry	Weekly
Dairy (no milk or cheese)	Weekly
Dry / Frozen Goods	Monthly
Beverages	Monthly
Bakery (no bread products)	Quarterly

Contractor, however, shall not adjust any prices for included Bulk Food upward unless Contractor also makes equivalent price adjustments to Contractor's other purchasers with similar purchasing volume. Contractor shall ensure that any price adjustments are accurately reflected immediately in real-time in Contractor's web-based ordering system. Enterprise Services reserves the right to request, at any time, an audit for item prices and changes over time by requesting current pricing, sales data, and/or past invoices.

(b) Price Adjustments for Fixed Fee Items. Contract prices for the Fixed Fee set forth in *Exhibit B – Prices for Goods/Services* are fixed and firm for one year from the effective date of this Contract. Such Fixed Fee prices may be adjusted at request of Contractor, as set forth below based upon the percent changes (whether up or down) in the United States Department of Labor, Bureau of Labor and Statistics (BLS) indices described below, for the most recent year. Contractor must make this request one month prior to the starting date of this Contract to adjust the prices for the following year. All calculations for the index shall be based upon the latest version of data published each year. If an index is recoded (i.e., the recoded index is a direct substitute for the prior index according to the BLS), this Contract will use the recoded index, as applicable. If an index becomes unavailable, Enterprise Services shall substitute a proxy index. If there is not a direct substitute, the next higher aggregate index available shall be used. Prices will be adjusted after approval through Enterprise Services updating *Exhibit B – Prices for Goods/Services* through this process without a contract amendment and by posting the new prices on the public facing webpage. The economic adjustment shall be calculated as follows:

BLS Index: "Delivery and Warehouse Industries, not seasonally adjusted" (PCUADLVWRADLVWR).

New Price = Old Price x (Current Period Index/Base Period Index).

3.4. PRICE CEILING. Although Contractor may offer lower prices to Purchasers during the term of this Contract, Contractor guarantees to provide the Goods/Services at no greater than the prices set forth in *Exhibit B – Prices for Goods/Services* (subject to the economic adjustments set forth above).

3.5. REBATES, DISCOUNTS, AND CREDITS. Notwithstanding any provision to the contrary, Contractor shall ensure that all Purchasers are provided applicable rebates, discounts, and credits as set forth herein.

(a) Rebates and discounts shall be returned or credited to future purchases to the Purchaser when they are directly attributable to sales resulting from orders submitted by such Purchasers. Additionally, any rebates and discounts offered to any commercial purchaser or other governmental organization shall be given to ~~state~~ Purchasers and returned to such Purchasers in the form of an up-front price reduction (resulting in a lower delivered invoice price to Purchaser/reduced catalog price).

(b) Contractor shall be as aggressive as possible in pursuing all applicable rebates (including mail-in coupons and discounts) for Purchasers using this Contract. Notwithstanding any provision to the contrary, Contractor warrants, at a minimum, that Purchasers using this Contract will receive rebates and discounts equal to or better than Contractor's other most favored purchaser. Upon request by Purchaser, Contractor shall provide a description of those rebates and/or discounts.

(c) Contractor shall state on each invoice any applicable rebates, discounts, and/or credits that Purchaser has received separate from the product prices for ordered Bulk Food items.

3.6. CONTRACT INFORMATION. Enterprise Services shall maintain and provide to eligible Purchasers information regarding this 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 Contract provide Goods/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 Contract and at the time any order is placed pursuant to this 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 Contract all required licenses, certifications, permits, authorizations, and approvals necessary for Contractor's proper performance of this 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. 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.

4.6. WASHINGTON STATE WAGE THEFT PREVENTION. Contractor represents and warrants as previously certified in Contractor's Bidder's Certification, that during the term of this Contract and the three (3) year period immediately preceding the award of the 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.

4.7. WASHINGTON STATE PAY EQUALITY FOR 'SIMILARLY EMPLOYED' INDIVIDUALS. Contractor represents and warrants, as previously certified in Contractor's Bidder's Certification, that, among Contractor's employees, 'similarly employed' individuals are compensated as equals. For purposes of this provision, employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed. Contractor may allow differentials in compensation for Contractor's workers based in good faith on any of the following: a seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels. A bona fide job-related factor or factors may include, but is not limited to, education, training, or experience that is: consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential. A bona fide regional difference in compensation level must be consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential. Notwithstanding any provision to the contrary, upon breach of warranty and Contractor's failure to provide satisfactory evidence of compliance within thirty (30) days, Enterprise Services may suspend or terminate this Contract and any Purchaser hereunder similarly may suspend or terminate its use of the Contract and/or any agreement entered into pursuant to this Contract.

4.8. PUBLIC CONTRACTS AND PROCUREMENT FRAUD. Contractor represents and warrants that, within the three (3) year period prior to this 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, local, or tribal) contract or purchase order 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) have been indicted for or otherwise criminally or civilly charged by a government entity (federal, state, local, or tribal) with commission of any of the offense enumerated in subsection (b) of this provision; or (d) had one or more public contracts (federal, state, local, or tribal) terminated for cause or default.

4.9. 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.

4.10. 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 Contract, Contractor shall maintain an accurate profile in WEBS.

4.11. 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.

4.12. 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 Contract with eligible Purchasers and to ensure that those entities that utilize this Contract are eligible Purchasers. Contractor understands and acknowledges that neither Enterprise Services nor Purchasers are endorsing Contractor's Goods and/or Services or suggesting that such Goods and/or 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.

4.13. CONTINGENT FEES. Contractor represents and warrants that no person or selling agent has been employed or retained to solicit or secure this 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 Goods and/or Services that are the subject of this Contract.

4.15. OPERATIONAL CAPABILITY. Contractor represents and warrants, as previously certified in Contractor's Bidder's Certification, that Contractor has the operational and financial capability to perform the Contract.

4.16. WASHINGTON STATE WORKERS' RIGHTS (EXECUTIVE ORDER 18-03). 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.

4.17. TRANSACTIONAL LIMITS TO SATISFY CONTRACTOR'S CONTRACT AWARD STATUS. Contractor represents and warrants that, during the term of this Contract, notwithstanding any provision to the contrary, Contractor shall comply with the following transactional limits:

(a) Contract Assignment. Contractor shall not assign its rights under this Contract, in whole or in part, unless:

(i) Contractor demonstrates to Enterprise Services that the proposed assignee qualifies for each and all of the contract award preferences set forth in Recital D, each of which benefitted Contractor in obtaining the Contract;

(ii) Contractor demonstrates to Enterprise Services that the proposed assignee qualifies as a 'responsible bidder' as described in RCW 39.26.160(2); and

(iii) Enterprise Services consents to such proposed assignment and the parties timely execute Enterprise Services' Assignment, Assumption, and Consent Agreement.

For each of the contract award preferences stated in Recital D, Contractor's proposed assignee must satisfy the relevant criteria as set forth in the Bidder's Certification that Contractor submitted pertaining to this Contract.

(b) Subcontracting. Contractor, in exercising any rights set forth in the Contract to utilize subcontractors to perform this Contract, also shall comply with the following:

(i) Qualifying Subcontractors. Contractor may utilize any subcontractor who Contractor can demonstrate qualifies for each and all of the contract award preferences stated in Recital D, each of which benefitted Contractor in obtaining the Contract. Contractor, prior to utilizing such subcontractor(s), shall document such subcontractor qualification in writing and, upon request by Enterprise Services, provide such documentation to Enterprise Services.

(ii) Non-Qualifying Subcontractors. Contractor may utilize one or more non-qualifying subcontractors (i.e., subcontractors who do not qualify for each and all of the contract award preferences stated in Recital D) ("Non-Qualifying Subcontractors") subject to the following limitation: Contractor shall ensure that Non-Qualifying Subcontractors, collectively, shall not perform more than 49% of the Contract value as measured by Purchase Orders performed by Contractor pursuant to the Contract.

4.18. CONTRACT TRANSITION. Contractor represents and warrants that, in the event this Contract or a similar contract, is transitioned to another contractor (e.g., Contract expiration or termination), Contractor shall use commercially reasonable efforts to assist Enterprise Services (including the Purchasers hereunder) for a period of sixty (60) calendar 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 Contract for the sixty (60) day period immediately before such transition.

4.19. FEDERAL LOBBYING – BYRD ANTI-LOBBYING AMENDMENT. Contractor represents and warrants, as previously certified in Contractor's bidder certification, that Contractor complies with the federal Byrd Anti-Lobbying Amendment, 31 U.S.C. § 1352, as amended by the Lobbying Disclosure Act of 1995, P.L. 104-65 [to be codified at 2 U.S.C. § 1601, et seq.].

4.20. WASHINGTON GROWN FOOD. Contractor represents and warrants, as previously certified in Contractor's bidder certification, that Contractor shall use commercially reasonable efforts to: (a) identify in Contractor's Bulk Food Catalog for this Contract, Bulk Food that qualify as Washington Grown; and (b) seek to include Washington Grown Bulk Food at competitive prices (with the exception of the 'landed cost,' such Washington Grown Bulk Food shall be priced as set forth in this Contract). Contractor further represents and warrants that Contractor shall use commercially reasonable efforts to provide a 'landed cost' for such Washington Grown Bulk Food consistent with this Contract.

4.21. HEALTHY OPTION FOODS. Contractor represents and warrants, as previously certified in Contractor's bidder certification, that Contractor shall use commercially reasonable efforts to: (a) identify in Contractor's Bulk Food Catalog for this Contract, Bulk Food that qualify as Healthy Option; and (b) seek to include Healthy Option Bulk Food at competitive prices (Healthy Option Bulk Food may be priced separately from other Bulk Food items).

4.22. SPECIALTY FOOD (DIET & CULTURAL). Contractor represents and warrants, as previously certified in Contractor's bidder certification, that Contractor shall use commercially reasonable efforts to: (a) identify in Contractor's Bulk Food Catalog for this Contract, Bulk Food that qualify as Specialty Food (i.e., Kosher, Halal, Vegan, & Gluten-Free); and (b) seek to include Specialty Food Bulk Food at competitive prices (Specialty Food Bulk Food may be priced separately from other Bulk Food items).

4.23. BUY AMERICAN. Contractor represents and warrants, as previously certified in Contractor's bidder certification, that Contractor shall use commercially reasonable efforts to: (a) identify in Contractor's Bulk Food Catalog for this Contract, Bulk Food Items that qualify as Buy American; and (b) seek to include Buy American Bulk Food at competitive prices (with the exception of the 'landed cost,' such Buy American Bulk Food shall be priced as set forth in this Contract). Contractor further represents and warrants that Contractor shall use commercially reasonable efforts to provide a 'landed cost' for such Buy American Bulk Food consistent with this Contract.

4.24. DELIVERY PERSONNEL – DELIVERIES TO SCHOOLS. Contractor represents and warrants, as previously certified in Contractor's bidder certification, that, for any Bulk Food deliveries to schools or any other Purchaser who requests similar delivery personnel limitations, no such deliveries shall be performed by any Contractor personnel who Contractor, upon reasonable inquiry and investigation, has reason to know has pled guilty to or been convicted of any felony crime specified under RCW 28A.400.322 (crimes against children).

4.25. DELIVERY PERSONNEL – INSTITUTION SECURITY. Contractor represents and warrants, as previously certified in Contractor's bidder certification, that for any Bulk Food deliveries to the Washington Department of Corrections ("Corrections"), Washington Department of Social and Health Services ("DSHS"), Washington Department of Children, Youth, & Family ("DCYF"), or any other Purchaser who requests similar delivery personnel limitations, Contractor shall use commercially reasonable efforts to ensure that Contractor's delivery personnel understand and comply with applicable contraband prohibitions.

5. QUALITY; WARRANTY; REMEDIES.

5.1. GOODS WARRANTY. Contractor warrants that the Bulk Food: (a) is free from spoilage; (b) is fit and safe for human consumption; (c) is consistent with recognized industry quality standards; (d) complies with the requirements, specifications, standards, and descriptions included in this Contract; and (e) is provided and delivered in full compliance with applicable law ("Goods Warranty"). Contractor further warrants that it has good and marketable title to the Goods and shall keep Purchaser's property free of liens. If Purchaser receives notice of a lien caused by Contractor, Purchaser may withhold any payment otherwise due Contractor until Contractor submits proof, in a form satisfactory to Purchaser, that all lienable claims have been fully paid or waived.

5.2. GOODS REMEDY. If Goods do not comply with the Goods Warranty, at Purchaser's election, Contractor promptly shall remedy the defect by removing and replacing any such item. Contractor's Goods Warranty support shall include, at Contractor's sole expense, all technical support and labor, including freight and "in/out" costs required to address the defect. If, in Purchaser's judgment, replacement is inadequate, or fails of its essential purpose, Contractor shall refund the full amount of any applicable payments that have been made. The rights and remedies of the parties under this warranty are in addition to any other rights and remedies of the parties provided by law or equity, including, without limitation, actual damages, and, as applicable and awarded under the law, to a prevailing party, reasonable attorneys' fees and costs.

5.3. SERVICES WARRANTY. Contractor warrants that: (a) Services shall be performed in a timely, efficient, and professional manner; (b) all Contractor personnel assigned to perform Services shall have the necessary skill and training; and (c) Services shall be performed in a manner consistent with the standard of care in the industry ("Services Warranty"). The Services Warranty shall survive for a period of twelve (12) months after the date when Services are completed ("Services Warranty Period").

5.4. 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.

~~5.5.~~ 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 Goods, Services in which case Contractor shall reimburse Purchaser for its actual costs or, at Purchaser's option, Purchaser shall offset the costs incurred from amounts owing to Contractor.

6. SAFETY; SECURITY; CONTRACTOR REQUIREMENTS WHILE ON PURCHASER'S PREMISES. Contractor's failure to comply with any of the requirements in this Section shall be cause for termination.

6.1. REGULATORY REQUIREMENTS/SAFETY. Goods and/or Services supplied by Contractor shall meet all applicable health, safety, and other federal, state, local, and/or tribal regulatory requirements applicable to the Goods and/or Services.

6.2. MATERIAL SAFETY DATA SHEETS. As applicable, Contractor shall provide Purchaser with all appropriate current Material Safety Data Sheets ("MSDS") at the time of delivery of each shipment of Goods which requires such compliance and/or and for materials used by Contractor while performing Services pursuant to this Contract.

6.3. CLEAN-UP. If Contractor, its agents, employees, or subcontractors perform on-site Services, Contractor, at its cost, shall remove all excess materials, equipment, packaging, and garbage within the scope of its performance of Services and leave that portion of the premises in which the work was performed in a clean condition. Should Contractor fail to clean up a Site after completion of work, Purchaser shall have the right to remove the materials and set off the cost of clean up against amounts owed to Contractor.

6.4. ACCIDENT AND INJURY REPORTING. If Contractor, its agents, employees, or subcontractors are present at Purchaser's premises, Contractor promptly shall report in writing all injuries, accidents, property damage, near-miss incidents, or any claims regarding damages or injury involving Contractor, its agents, employees, or subcontractors occurring at such premises. Contractor agrees to cooperate and assist Purchaser in any investigation of incidents.

6.5. ON-SITE REQUIREMENTS. As applicable, while on Purchaser's premises or while interacting with Purchaser and/or Enterprise Services' personnel, Contractor, its agents, employees, or subcontractors shall comply, in all respects, with Purchaser's physical, fire, access, safety, health, and security requirements and not interfere with Purchaser's operations. Contractor represents and warrants that Contractor, its agents, employees, or subcontractors who access Purchaser's premises shall be adequately trained and at all times comply with Purchaser's requirements.

6.6. IT SECURITY POLICIES. Contractor, its agents, employees, or subcontractors shall comply with all Washington State IT security policies and standards which shall be made available to Contractor upon request.

7. SUBCONTRACTORS.

7.1. CONTRACTOR RESPONSIBILITY. Notwithstanding any provision to the contrary, in the event Contractor elects to utilize subcontractors to perform this Contract, Contractor shall: (a) incorporate Contractor's responsibilities under this Contract into its subcontracts; (b) be fully responsible for the performance of any such subcontractors (regardless of tier) and ensure that subcontractors comply with each and every Contractor obligation set forth in this Contract; (c) be the sole point of contact for Enterprise Services and any Purchasers regarding all contractual matters; (d) ensure that such subcontractors are registered in WEBS; and (e) defend, indemnify, and hold Enterprise Services and Purchasers harmless in case of negligence, other tortious fault, or intentional misconduct by any such subcontractors (regardless of tier). Prior to utilizing any subcontractor to perform this Contract, Contractor shall provide written notice to Enterprise Services' contract administrator. Such notice shall confirm that the subcontractor is registered in WEBS and provide the necessary information for Enterprise Services' contract administrator to include such subcontractor(s) in Washington's Purchasing Contract Management System (PCMS).

7.2. REPORTING. If Contractor is required to report to Purchaser and/or Enterprise Services, such report(s) shall include subcontractor data, by subcontractor, for any data that Contractor is required to report as well as a consolidated 'rollup' report combining Contractor and subcontractor data.

7.3. SUBCONTRACTOR REPRESENTATIONS AND CERTIFICATIONS. Any Contractor representations or certifications set forth in this Contract shall apply to subcontractors (at any tier) and Contractor shall not utilize any subcontractors (at any tier) who cannot provide such representations or certifications, excepting the certification to be registered with Washington's Statewide Payee Desk, unless Purchaser shall pay such subcontractor directly; *Provided*, however, that Non-Qualifying Subcontractors are not required to comply with any of the following representations or certifications set forth in this Contract pertaining to the contract award preferences stated in Recital D [e.g., § 4.16 (Executive Order 18-03), § 4.17 (Washington Small Business), and § 4.18 (Certified Veteran-Owned Business)].

8. USING THE CONTRACT – PURCHASES.

8.1. ORDERING REQUIREMENTS. Eligible Purchasers shall order included Bulk Food items from this 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. 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 must reference the Contract number. The terms of this Contract shall apply to any Purchase Order and, in the event of any conflict, the terms of this 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 Contract.

8.2. CONTRACTOR'S ORDERING PORTALS. Contractor shall make available to Purchasers the following for ordering mechanisms:

(a) WEB-BASED PURCHASER ORDERING SYSTEM: Contractor shall include and provide a web-based Purchaser ordering system that enables Purchasers to place orders directly to Contractor. Contractor shall include and provide Purchasers with instructions, training, purchaser service, maintenance, and repairs as applicable and necessary. If Contractor-owned software and/or hardware are furnished, Contractor shall be responsible for its installation and maintenance. All such software and/or hardware, and any required installation and maintenance, shall be provided free of charge to Purchasers.

(i) The web-based Purchaser ordering system shall include a Bulk Food Catalog describing product specifications for included Bulk Food; the ability to place and track orders by each Purchaser; log of order history, credits, etc.; and other functionality to support Purchaser ordering needs.

(ii) The Bulk Food Catalog, at a minimum, shall include the following:

- item's pack size, description;
- specifications;
- Contractor's item number;
- manufacturer's sku number;
- manufacturer's price;
- Contract price;
- Contract discount;

- unit of measure;
- Whether the Bulk Food item qualifies as Washington Grown and/or meets healthy options guidelines, specialty food criteria, national school lunch standards pursuant to Section 26-29 in Exhibit A – Bidder's Certification; and
- availability by season if seasonal.

Contractor shall ensure that Purchasers may search, sort, and filter Bulk Food based on these factors.

(iii) When the web-based Purchaser ordering system requires the matching of Contractor's part number to a previously established item number or Alternate Item Number (AIN), the item must meet or exceed the established item description, which includes the Unit of Issue. If the item does not meet the established description or if there are any new items the Purchaser requests, a new AIN may be requested.

(iv) Enterprise Services–may require Contractor to block certain products from Contractor's Bulk Foods catalog. Upon request, Contractor shall work with Enterprise Services to implement requested updates as quickly as possible.

(v) The web-based Purchaser ordering system shall ensure that Purchasers receive confirmation of placed orders. At a minimum, such confirmation shall include the order time, bulk food items ordered, quantity to be delivered, unit of issue, product pricing, and delivery order number.

(vi) If the web-based Purchaser ordering system is not working due to instances such as website being temporarily unavailable, email and/or phone orders shall replace the web-based Purchaser order system until the web-based Purchaser order system is operational. Contractor shall make commercially reasonable efforts to reinstate the web-based Purchaser ordering system in a timely manner.

(b) EMAIL: Contractor shall accept Purchase Orders by email at the following email address:

(i) Fife & Everett - SeattleCustomerContact.shared@usfoods.com

(ii) Spokane & Portland – CascadeCustomerContact.shared@usfoods.com

Contractor shall acknowledge Purchase Orders received by email at such address within twenty-four (24) hours of receipt.

(c) TELEPHONE: Contractor shall accept Purchase Orders at the following toll-free phone number between the hours of 8:00AM to 5:00PM Pacific Time Monday through Friday:

(i) Fife & Everett – (800) 325-6505

(ii) Spokane & Portland – (800) 372-4747

If a Purchaser leaves a message, Contractor shall respond within twenty-four (24) hours.

8.3. DELIVERY REQUIREMENTS. Contractor must ensure that the Goods/Services are delivered or provided as required by this Contract, the Purchase Order used by Purchaser, and as otherwise mutually agreed in writing between Purchaser and Contractor. The following apply to all deliveries:

(a) Contractor shall make all deliveries to the applicable delivery location specified in the Purchase Order. Such deliveries shall occur during Purchaser's normal work hours and within the time period mutually agreed in writing between Purchaser and Contractor.

(b) Except for orders specified as expedited orders and/or orders with low volume order fees, Contractor shall ship all Goods purchased pursuant to this Contract, freight charges prepaid by Contractor, FOB Purchaser's specified destination, with all transportation and handling charges included. Orders specified as expedited orders and/or orders with low volume order fees are subject to the delivery charges set forth in Exhibit B – *Prices for Goods/Services.* Contractor shall bear all risk of loss, damage, or destruction of the Goods ordered hereunder that occurs prior to delivery, except loss or damage attributable to Purchaser's fault or negligence.

(c) All packing lists, packages, instruction manuals, correspondence, shipping notices, shipping containers, and other written materials associated with this Contract shall be identified by the Contract number set forth on the cover of this Contract and the applicable Purchaser's Purchase Order number. Packing lists shall be enclosed with each shipment and clearly identify all contents and any backorders.

(d) All deliveries must be palletized, labeled with name of receiving location, and wrapped in clear wrap. Frozen, refrigerated, and non-refrigerated foods are to be palletized separately. Pallets shall not exceed 5 feet in height. Contractor's delivery personnel shall be responsible for product unloading. Any items that are missing, delivered, short, damaged, or in error from the order shall be the responsibility of Contractor and shall be replaced within twenty-four (24) hours. Such errors shall be noted by Purchaser on the delivery ticket and/or invoices accompanying the shipment. Contractor shall remove all excess pallets used for delivery from the delivery point. The invoice shall list all items delivered.

(e) Delivery trucks shall maintain foods at the appropriate temperature during transportation and delivery, as required by industry standards.

(f) Delivery frequencies will vary by Purchaser and may include weekend deliveries. Contractor shall work with Purchasers to establish mutually agreeable delivery schedules.

(g) Holidays. All orders are to be delivered on the specified delivery date, except for state holiday (unless otherwise requested by Purchaser) as outlined below:

When a scheduled delivery day falls on a State of Washington Holiday or a holiday designated by Contractor, delivery shall occur on the next business day, unless otherwise agreed to by Purchaser in advance. Deliveries for emergency responses, however, shall be made as directed notwithstanding holidays or weekends.

State of Washington Holidays: New Year's Day, Dr. Martin Luther King Jr's Birthday, Presidents Day, Memorial Day, Juneteenth, Independence Day, Labor Day, Veterans Day, Thanksgiving Day and the day after, and Christmas Day. Note: Saturday holidays are celebrated on the proceeding Friday; Sunday holidays are celebrated on the following Monday.

(h) Delivery lead time commitment: Not to exceed delivery lead time commitment for all orders, within five (5) days of the Purchase Order receipt. Normal stocked items will have a lead time of twenty-four (24) hours before scheduled delivery. Non-stocked (Special Order) items will have a lead time of 3-4 weeks and are clearly marked in the online system for transparency.

(i) Expedited delivery lead time commitment: If offered, not to exceed delivery lead time commitment for expedited orders within two (2) days of the order receipt. Expedited orders will be handled directly with your Account Executive. US Foods has processes in place to keep these instances minimal. (real-time inventory viewable by customer, reporting on status and availability, communication with customer for needs in advance).

(j) Contractor shall allow Purchasers the option to cancel orders with a full refund and no penalties if the ordered Bulk Food are delayed beyond the time frame of the delivery lead time of five (5) days. At a minimum, Contractor shall contact impacted Purchasers (by telephone and email) at the earliest possible instance, and no later than twenty-four (24) hours, after determining that a delivery is expected to be delayed and discussing possible solutions available to such Purchasers.

(k) All deliveries are subject to inspection at the delivery destination. Non-conforming Bulk Food items may be rejected at Contractor's expense, including all direct-shipped items (items shipped directly from the manufacturer at the behest of Contractor). Late deliveries or deliveries that cannot be made within the above requirements may be canceled at no cost to Purchaser.

(l) Purchaser's receiving personnel at each delivery point are responsible for inspecting and accepting Bulk Food as they are delivered. The invoice/delivery ticket shall not be signed prior to the inspection of each Bulk Food Item, unless agreed to in writing by Purchaser. Purchaser's receiving personnel shall document and sign the delivery ticket/invoice prior to the delivery truck's departure. All overages/shortages/returns are to be noted on the delivery ticket by Purchasers receiving personnel and the delivery truck driver.

(m) Contractor shall attach two (2) copies of the delivery ticket/invoice to the shipment. Purchaser's receiving personnel shall use the ticket/invoice as the receipt document. The amount of the Fixed Fee must be clearly labeled,

separate from the unit price of each item on the invoice. No invoice may be submitted for payment until acceptance is verified.

(n) The Contractor is required to be informed and arrange for personnel to deliver to purchasers who have special security and clearance requirements. Contractor is also responsible for to staff with sufficient personnel to rotate drivers for deliveries at secured institutions. Contractor representatives and drivers must produce satisfactory personal identification upon request at the institution. The identification presented must match the pre-approved identification that will be provided by the Contractor to the Purchaser.

8.4. RECEIPT AND INSPECTION OF GOODS /SERVICES. Goods/Services purchased under this 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 Goods/Services that are not in accordance with this Contract and Purchaser's Purchase Order. If there are any apparent defects in the Goods/Services at the time of delivery, Purchaser promptly shall 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 Goods/Services or, at Purchaser's option, Purchaser may note any such damage on the receiving report, decline acceptance, and deduct the cost of rejected Goods/Services from final payment. Payment for any Goods/Services under such Purchase Order shall not be deemed acceptance. Reasons for rejection include, but are not limited to:

(a) Items do not meet the warranty requirements set forth in this Contract;

(b) Items shipped due to Contractor error;

(c) Items damaged in shipment;

(d) Concealed or latent damage;

(e) Item does not meet shelf-life requirements;

(f) Item does not meet minimum quality requirements;

(g) Item fails to meet the minimum / maximum specified temperature

(h) Item delivered in unsanitary delivery vehicle;

(i) Item not transported in temperature-controlled delivery vehicles; or

(j) Item is recalled.

8.5. CUSTOMER SERVICE.

(a) Customer Service hours for telephone and email support: 8:00AM - 5:00PM PT Monday to Friday, Weekend response time within twenty-four (24) hours.

(b) General availability for delivery/order acceptance via telephone or email: 8:00AM – 5:00PM, Monday - Friday. Additionally, Contractor's Web-based online Purchaser ordering system allows for order placement twenty-four hours a day and seven days a week (24/7).

(c) Response Time Commitment: Contractor shall respond to Purchaser inquiries within twenty-four (24) hours of receipt.

(d) Purchaser Issues Escalation Process:

(i) Tier 1 is resolved by the local servicing market in 7–14 days.

(ii) Tier 2 is resolved within a maximum of 30 days by the US Foods Premier Region Director, resolution is also monitored closely for the next 90 days, with communication to the Premier Food team.

(iii) Tier 3 is implemented by US Foods Region President, the Executive Vice President, National Sales and the Premier Foodservice Vice President working with the State of Washington.

8.6. QUALITY CONTROL PROGRAM. Contractor shall develop and maintain a quality control program for acquisition, warehousing, and distribution of Bulk Foods to assure the following:

(a) Standardized product quality;

(b) The usage of First-In, First-Out (FIFO) principles;

(c) Product shelf life monitoring;

(d) Items are free of damage;

(e) Correct items and quantities are selected and delivered;

(f) Purchaser satisfaction;

(g) Product discrepancies and complaints are resolved, and corrective action is initiated;

(h) Supplier, FDA, and/or state initiated food recalls are reported promptly to Purchasers and Enterprise Services;

(i) Compliance with applicable EPA and OSHA requirements;

(j) Salvaged items or products shall not be used (unless specifically requested and are available at no charge or deeply discounted prices); and

8.7. REJECTION PROCEDURES. If any item is determined not to be in compliance with the requirements of this Contract, those items or shipments may be rejected by Purchaser.

(a) When any item is found to be nonconforming or damaged, Purchaser shall determine the course of action to be taken with the item in question. The final decision rests with Purchaser. For unauthorized substitutions, Purchaser shall determine whether to reject or accept such items. If accepted, Purchaser reserves the right to pay Contractor only that amount allotted for the original item ordered. Items transported in vehicles which are not sanitary, or which are not equipped to maintain industry standard temperatures, may be rejected without further inspection.

(b) In the event an item is rejected, the delivery ticket/invoice shall be annotated as to the item(s) rejected. These items shall then be deducted from the delivery ticket/invoice. The invoice total must be adjusted to reflect the correct dollar value of the shipment. Replacements shall be authorized based on Purchaser needs. To the greatest extent possible, on an as-needed emergency basis, same day re-delivery of items that were previously rejected shall be made, so that food service requirements do not

go unfulfilled for that day. The re-delivered items shall be re-delivered under a separate invoice, utilizing the same Purchase Order number for the discrepant line. These re-deliveries shall not constitute an emergency or supplemental requirement, and therefore, shall have no additional charges.

(c) In the event that an item is rejected after initial delivery has been made, Contractor shall pick up the rejected item. Pick up shall be within forty-eight (48) hours or less for perishable and within five (5) business days or less for non-perishable items. Pick up may be extended if both parties agree in writing. If Contractor fails to pick up the rejected items within time frames specified, Purchaser reserves the right to consider any such items the abandoned and dispose of them as Purchaser desires, with no payment to Contractor. Credit due to Purchaser as a result of the rejected item being returned, shall be handled through a receipt adjustment process in the ordering system. If Contractor has already been paid for the item, a credit or refund shall be issued to Purchaser within 72 hours.

(d) If a Purchaser requires a one-to-one replacement, no additional paperwork is necessary. Contractor's delivery ticket/invoice will show that such item is a replacement for a rejected item. The invoice shall reference the Purchase Order number of the originally ordered item. In addition, a copy of the credit memo from any returned item is to be attached to the invoice.

8.8. SANITARY APPROVED SOURCE REQUIREMENTS. Contractor shall ensure that all Bulk Food Items sold and delivered pursuant to this Contract, originate either from an establishment which has been inspected under the guidance of the United States Department of Commerce or the United States Department of Agriculture.

8.9. WAREHOUSING AND SANITATION PROGRAM. Contractor shall ensure that Contractor has developed and maintains a sanitation program to comply with the Code of Federal Regulation, Title 21 Part 110 and other applicable federal, state, or local standards. Records of inspections performed by Contractor, subcontractor, or recognized industry association shall be maintained and made available to Enterprise Services upon request. Any findings by Contractor or its agent documenting a critical sanitation deficiency shall be reported immediately to Enterprise Services with an attached report of corrective action.

8.10. STORED PRODUCTS PEST MANAGEMENT PROGRAM. Contractor shall have and maintain a stored products pest management program for all Bulk Food Items sold and delivered pursuant to this Contract. Accepted industry standards for pest management shall include, but are not limited to, the Code of Federal Regulations, Title 21, part 110, Food Manufacturing Practices, the Federal Insecticide, Fungicide and Rodenticide Act (as amended), the Food, Drug, and Cosmetic Act of 1938, and pertinent federal, state, and local laws and regulations.

8.11. HAZARD ANALYSIS CRITICAL CONTROL POINT (HACCP) PROGRAM. HACCP is a management system in which food safety is addressed through the analysis and control of biological, chemical, and physical hazards from raw material production, procurement and handling, to manufacturing, distribution and consumption of the finished product. Contractor shall meet the HACCP requirements as applicable for this Contract. Requirements include but are not limited to the HACCP system of preventative controls and scientific testing designed to improve the safety of products from "farm to table"" Food and Drug (FDA) and Food Safety and Inspection Service (FSIS) HACCP regulations require the industry to verify the effectiveness of its operations by

continuous monitoring of the controls established, end item product testing, and careful record keeping of the complete HACCP system. The regulation also requires all seafood companies in the U.S. and importers of seafood products into the U.S. to be operating under the regulatory HACCP-based regulation. The HACCP-based system requires a commitment by establishments to consistently control operations in the interest of public health.

8.12. CONTRACTOR QUALITY SYSTEM AND MANAGEMENT VISITS. Enterprise Services and/or its designated representative may conduct Contractor quality and management visits to review Contractor's methods to verify compliance with this Contract. Such visits also will ensure that the quality level of Contractor's goods meet or exceed Contract requirements. Such visits may include on-site visits to Contractor's subcontractors and suppliers. Contractor shall make all arrangements for visits by Enterprise Services' designated personnel to Contractor, subcontractors, and suppliers. Enterprise Services shall provide a visit agenda and schedule at least two (2) business days prior to any visit. Enterprise Services will provide a written report to Contractor detailing any issues requiring corrective action or other adjustments.

(a) Contractor shall ensure that the Bulk Food Items sold through this Contract are processed and packed from the latest pack available or the latest seasonal pack. All products delivered shall be as fresh as possible and noted with the manufacturer's established shelf life (i.e. Best if Used by Date, Expiration Date, or other markings). Based upon Purchasers' historical ordering patterns, Contractor shall ensure that Bulk Food Items delivered will be consumed within the manufacturer's established shelf life. For annual pack items, Bulk Food items shall be from the latest seasonal pack available, unless otherwise authorized in writing by Purchaser.

(b) Contractor shall utilize a supplier selection or certification program to ensure standardized product quality for each item supplied and/or listed in the stock catalogs, regardless of supplier. The product quality shall equal that described in the pertinent item specification. Product characteristics shall be standardized to the extent that variations in flavor, odor, and texture will be minimized.

8.13. FILL RATE CALCULATIONS AND PENALTIES. Contractor shall maintain a 97% fill rate or greater per month with a goal of 100% per month. Monthly order fill rates shall be calculated on an on-time, per order basis and tracked for quarterly submission or as requested to the Enterprise Services. The fill rate shall be calculated as follows; for example:

Cases Accepted as on Time/Total Cases Ordered = fill rate %

In order to correctly calculate fill rates, all items ordered shall be shown on the shipping invoice/packing slip. Backordered or discontinued items shall be clearly annotated. Price and specification must match Purchase Order details. The fill rate shall be calculated with and without substitutions (missed pickups shall not be excluded from the overall fill rate calculation). Calculations shall be made by the Purchaser recipient and sent to the Contractor for notification. Results can be sent to the Contract Manager at Enterprise Services who manages this contract if enforcement is needed. Should the monthly fill rate for Purchasers that were not accepted during the month that fall within the fulfillment percentages listed below, a credit shall be given to the Purchaser against future orders.

FILL RATE %	PENALTY % OF FIXED FEE
97% - 95%	5%
94% - 90%	10%
89% or less	25%

Substitutions must be approved by Purchaser, in writing, prior to shipment. Sufficient advance notification (as mutually agreed but no less than forty-eight (48) hours prior to shipping) must be provided of substitutions to allow Purchaser adequate opportunity to change menus if required.

There shall be no credit holds against Purchaser for items that are not delivered by Contractor, or in the case that Purchaser rejects any items at the time of delivery. Contractor must issue credit to Purchaser for all missing items or rejected items within seventy-two (72) hours. Credit holds may not be allowed to hinder future purchasing orders while waiting to be reissued back to Purchaser.

8.14. PRODUCT SUBSTITUTION/MATCH. Substitutions must be of a like item of equal or greater value, meeting or exceeding outlined specifications and charged to Purchaser at the contracted price. If an item is provided as a substitution, it must be a like item of comparable size, quantity, quality, case count or content, and nutritive value. Otherwise, it shall be considered a substitution against the weekly fill rate. All items not provided as ordered, or without a substitution, shall go against the weekly fill rate and must be reported in writing on a weekly basis to the affected Purchaser.

8.15. ITEM AVAILABILITY. Contractor's distribution centers must be sufficiently stocked to meet anticipated Purchaser requirements insofar as such items are available. Note: If movement of 20 cases or more of an item per month is anticipated (combination of all Purchaser facilities), Contractor must stock that item within their own warehouse thirty (30) days of notification.

8.16. PACKAGING AND PACKING. All packaging and packing shall be in accordance with good commercial practice. Labeling shall be in accordance with national UPC bar coding complying with the Federal Food, Drug and Cosmetic Act and regulation promulgated there under. USDA nutritional labels shall be included on products delivered to institutions requesting this labeling (such labeling is mandatory for purchasers receiving National School Lunch Program reimbursement). Shipping containers shall be in compliance with the National Motor Freight Classification and Uniform Freight Classification Code.

(a) Semi-perishable items shall be snugly packed in shipping containers that fully comply with the National Motor Freight Classification and Uniform Freight Classification Code, as applicable.

(b) All meats, poultry, and seafood products shall be vacuum packed when practicable. In all instances the packaging shall protect the product from freezer burn and contamination.

(c) All fresh poultry items shall be packed in ice packed cartons or gas flush cartons.

(d) All fresh seafood items shall be in ice packed cartons.

(e) Frozen product must be processed and packed to allow removal of the individual units from the container without damage to that or other units Such that Purchaser is to remove only that amount of product required for current needs, without the necessity of defrosting.

(f) Products for individual Purchasers/dining facilities must be segregated To facilitate expeditious off loading and delivery to Purchaser.

8.17. MARKING AND LABELING. All food and beverage products shall be identified with readable dates (open code dates), or coded dates, as determined by the type of product delivered. For semi-perishable, shelf stable items, open dating is preferred, but code dating is acceptable. If Contractor does not use open dating, Contractor shall provide a product code number key to each Purchaser facility. Items other than semi-perishable and shelf stable products must have readable, open code dates clearly showing the use by date, date of production, date of processing/pasteurization, sell by date, “Best if Used by Date”, and/or similar markings.

(a) To ensure that the carrier and the receiving activity properly handle and store items, standard commercial precautionary markings such as "KEEP FROZEN", or "KEEP REFRIGERATED"” etc. shall be used on all cases when appropriate.

(b) To the maximum extent possible or when requested by Purchaser, nutritional and ingredient labels shall be placed on the product packaging.

8.18. FOOD SHOWS (MAIN AWARDS ONLY). If Contractor sponsors or participates in a food show based on government procurement in Washington, Contractor shall provide the following:

(a) Advise Enterprise Services and/ or Purchaser Food Service Managers of all Food and/or Restaurant and Equipment Shows that are conducted during the term of the Contract. This includes Annual Shows, as well as Regional, National, Local and/or Mini Food Shows. The State of Washington reserves the right to participate in such shows.

(b) Approximately one (1) month prior to the show, Contractor shall furnish Enterprise Services and Purchaser Food Service Managers with the following information:

(i) List of brokers/manufacturers attending the Show with a map showing booth locations.

(ii) Effective period of the allowances.

(iii) Statement as to whether the allowances are applicable to all orders placed within the effective period, or for only the amount of product booked.

(iv) Usage report for all Purchasers covered by this Contract. This data shall represent the same number of weeks as the effective period of the allowances. The data shall be a consolidation of all purchasers, and be sorted in booth order sequence. At a minimum the following elements are required:

(a) Contractor Part or SKU Number;
(b) Product Description & Manufacturer/Brand; and
(c) Usage quantity.

(c) At the end of the Food Show allowance period, Contractor shall prepare a Food Show savings report for Purchasers. This shall be completed and provided to Enterprise Services with other quarterly usage information requirements (or as requested).

(d) Food Show allowances, discounts and/or rebates must be passed on to Purchasers directly as a deviated price. Accordingly, when the applicable items are ordered, the price must reflect the applicable allowances, discount and/or rebates if ordered during the specified time frame. The deviated price is the unit price that is to be submitted as a Contractor catalog transaction during this time frame.

8.19. EQUIPMENT REPAIRS (MAIN AWARDS ONLY). Any emergency service or repair calls for Contractor equipment and/or software shall be made on an unlimited basis at no additional cost to the State. Upon receipt of notice that any part of such Contractor-owned equipment is not functioning properly, Contractor shall, within twenty-four (24) hours after notification by Purchaser, furnish a qualified representative to inspect the equipment and return to normal and efficient operating condition. If repair is not feasible, Contractor shall provide a replacement at no cost.

8.20. FOOD SERVICE EQUIPMENT (MAIN AWARDS ONLY). Upon request, Contractor, at no charge to Purchaser, shall furnish Purchaser with beverage-dispensing machines for appliable Bulk Food items ordered by Purchaser. Such machines may be mechanically refrigerated and non-refrigerated dispensing machines and related equipment.

(a) Contractor shall work with Purchaser to provide an appropriate quantity of dispensing equipment.

(b) All management, labor, transportation, and supplies required to repair and maintain Contractor's equipment shall be the sole responsibility of Contractor.

(c) Contractor shall provide a qualified service representative who shall perform routine maintenance and quality control inspections on each dispensing system at no charge. If more frequent maintenance is deemed necessary, Contractor must provide such additional service at no additional cost.

(d) Any emergency service or repair calls shall be made on an unlimited basis at no additional cost to Purchaser. Upon receipt of notice that any part of such Contractor-provided equipment is not functioning properly, Contractor shall, within twenty-four (24) hours after notification by Purchaser, furnish a qualified representative to inspect the equipment and return it to normal and efficient operating condition. If repair is not feasible, Contractor shall provide a replacement at no additional cost to Purchaser.

(e) Any equipment or material furnished by Contractor shall remain Contractor's property and must be returned to Contractor upon expiration or termination of this Contract.

9. INVOICING & PAYMENT.

9.1. CONTRACTOR INVOICE. Contractor shall submit properly itemized invoices to Purchaser's designated invoicing contact for Goods/Services delivered under this Contract. Such invoices shall itemize the following:

(a) Contract No. 04324;

(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 Goods/Services;

(f) Invoice amount; and

(g) Payment terms, including any available prompt payment discounts.

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

9.2. PAYMENT. Payment is the sole responsibility of, and shall be made by, Purchaser. Purchaser's obligation to pay invoices is subject to receipt of a timely and accurate invoice and conforming Goods/Services. Unless Contractor has provided a prompt payment discount set forth in *Exhibit B – Prices for Goods/Services*, 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 shall 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 Goods/Services furnished by Contractor pursuant to this 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 Contract. Failure to do so shall constitute breach of this Contract. Unless otherwise agreed, Purchaser shall pay applicable sales tax imposed by the State of Washington on purchased Goods and/or 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 Contract. Enterprise Services' contract administrator shall provide Contract oversight. Contractor's contract administrator shall be Contractor's principal contact for business activities under this 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	**Contractor**
Attn: Phillip Song	Attn: Christy Humes
Washington Dept. of Enterprise Services	US Foods Inc.
PO Box 41411	9399 W. Higgins Road Suite 800
Olympia, WA 98504-1411	Rosemont, IL 60018
Tel: (360) 819-0723	Tel: (505) 715-7635
Email: descontractsteamfir@des.wa.gov	Email: Christina.Humes@usfoods.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 Contract.

10.3. LEGAL NOTICES. Any legal 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	**Contractor**
Attn: Legal Services Manager	Attn: Dana O'Banion
Washington Dept. of Enterprise Services	US Foods Inc.
PO Box 41411	9399 W. Higgins Road Suite 800
Olympia, WA 98504-1411	Rosemont, IL 60018
Email: greg.tolbert@des.wa.gov	Email: LegalNotices@usfoods.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.

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

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

(a) Contract Sales Reporting System. Contractor shall report quarterly Contract sales in Enterprise Services' Contract Sales Reporting System. Enterprise Services shall provide Contractor with a login password and a vendor number. The password and vendor number shall 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 Contract. If there are no Contract sales during the reporting period, Contractor must report zero sales.

(c) Due dates for Contract Sales Reporting. Quarterly Contract Sales Reports must be submitted electronically by the following deadlines for all Contract sales invoiced during the applicable calendar quarter:

QUARTER	FOR SALES MADE IN CALENDAR QUARTER	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 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:

Amount owed to Enterprise Services = Total Contract sales invoiced (not including sales tax) x .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 shall invoice Contractor quarterly based on Contract sales reported by Contractor. Contractor is not to remit payment until Contractor receives an invoice from Enterprise Services. Payments must be received within thirty (30) calendar days of the invoice issue date from Enterprise Services. Contractor's VMF payment to Enterprise Services must reference the invoice number.

(d) Contractor's failure to report accurate total net Contract sales, to submit a timely Contract sales report, or to remit timely payment of the VMF to Enterprise Services, shall be cause for Enterprise Services, at its discretion, to suspend Contractor or terminate this 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) calendar days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases, and reserves the right to renegotiate Contract pricing with Contractor when any subsequent adjustment of the VMF might justify a change in pricing.

11.3. ANNUAL CONTRACT SALES REPORT. Contractor shall provide to Enterprise Services a detailed Annual Contract Sales Report. Such Report shall include, at a minimum, the following:

(a) The Goods/Services sold (including, as applicable, item number or other identifier);

(b) Per unit quantities sold;

(c) Items and volumes purchased by Purchaser;

(d) Shipment/delivery locations by Purchaser; and

(e) Contract price.

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 Contract.

11.4. FILL RATE REPORT. Upon request, a quarterly report indicating monthly fill rate information shall be provided to the Purchaser or to Enterprise Services. The report shall include the following:

(a) Number of orders received by the Contractor;

(b) Numbers of orders delivered by the Contractor;

(c) Items ordered but not delivered, including item name, description, order number, and quantity;

(d) Items substituted without prior approval by the Purchaser, including item name, description, order number, and quantity.

11.5. SUBSTITUTION REPORT. Upon request, a quarterly report indicating product outages and substitutions and the fill rate percentage (number of substitutions and outages compared to number of items ordered) specific to each institution shall be provided to Purchaser and/or to Enterprise Services. Such report must also detail which items were out, which items were substituted, and a full description of both the substituted item and the substitute, as well as prices, quantities, pack size descriptions for both the items substituted and each substituted item.

11.6. PRICE VERIFICATION REPORT. Upon request, a price verification report shall be provided to Purchaser and/or Enterprise Services providing evidence that pricing is consistent with pricing in effect at time of order placement.

12. RECORDS RETENTION & AUDITS.

12.1. RECORDS RETENTION. Contractor shall maintain books, records, documents, and other evidence pertaining to this 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 Contract or final payment for any order placed by a Purchaser against this 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 Contract or Purchase Orders placed by a Purchaser under this 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 Contract or final payment for any order placed by a Purchaser against this 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 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 x 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 Goods and/or 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 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 Contract, Contractor expressly waives any immunity it may be granted under the Washington State Industrial Insurance Act, Title 51 RCW. Contractor's indemnification obligation shall 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 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 Contract.

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") to the extent arising out of Contractor's or its successors', agents', or subcontractors' negligence, other tortious fault, or intentional misconduct under this Contract. 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), damages to property, data breach, and/or intellectual property infringement. 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 Goods and/or Services provided, or the use of the Goods and/or Services under this Contract. If Purchaser's use of Goods and/or 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 Goods and/or Services or, after consulting with Purchaser and obtaining Purchaser's consent, replace or modify the Goods and/or Services with substantially similar and functionally equivalent non-infringing Goods and/or Services.

15. DISPUTE RESOLUTION. The parties shall cooperate to resolve any dispute pertaining to this 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 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 Contract; and (c) as otherwise expressly provided for in this Contract. This 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 Contract as provided in subsection (b) above without further liability by written notice to the breaching party. A termination for breach shall 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 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 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 shall reimburse Contractor for Goods properly ordered and/or 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 shall have no obligation or liability to Contractor.

16.3. TERMINATION FOR PUBLIC CONVENIENCE. Enterprise Services, for public convenience, may terminate this 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) calendar days prior written notice; and *Provided further*, that such termination for public convenience shall not relieve any Purchaser from payment for Goods/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. PURCHASER OBLIGATIONS – EXPIRATION. Upon expiration of this Contract, Purchaser shall accept and take delivery of all outstanding and not yet fulfilled Purchase Orders and pay Contractor the price as set out in the Contract. Notwithstanding any provision to the contrary, in no event shall a Purchaser's Purchase Order pursuant to this Contract that is executed prior to expiration of this Contract allow for Contractor to provide Goods/Services more than twelve (12) months beyond the expiration date of the Contract.

16.5. CONTRACTOR OBLIGATIONS – EXPIRATION OR TERMINATION. Upon expiration or termination of this Contract, Contractor shall: (a) continue to fulfill its warranty obligations with respect to any

Goods/Services sold hereunder and all provisions of the Contract that, by their nature, would continue beyond the expiration, termination, or cancellation of the 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 entered into pursuant to this Contract.

16.6. DEFAULT. Any of the following events shall constitute cause for Enterprise Services to declare Contractor in default of this Contract:

(a) Contractor fails to perform or comply with any of the terms or conditions of this Contract;
(b) Contractor fails to timely report quarterly contract sales;
(c) Contractor fails to timely pay the vendor management fees when due;
(d) Contractor fails to maintain the insurance coverages specified herein or timely provide to Enterprise Services the Certificate of Insurance and updates thereto specified herein; or
(e) Contractor breaches any representation or warranty provided herein.

16.7. SUSPENSION & TERMINATION FOR DEFAULT. Enterprise Services may suspend Contractor's operations under this 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) calendar days from such a suspension notice, Contractor remains in default, Enterprise Services may terminate Contractor's rights under this Contract. All of Contractor's obligations to Enterprise Services and Purchasers survive termination of Contractor's rights under this 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 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 Goods and/or 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 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 shall 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 Goods or Services warranty provided in this Contract; or (c) damages subject to the Intellectual Property Indemnity section of this Contract. Any limitation of either party's obligations under this 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 Goods

and/or 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 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. PURCHASE ORDER TERMINATION. Purchaser Orders between Eligible Purchasers and Contractor may be terminated as follows:

(a) Upon the mutual written agreement of the parties to the Purchase Order;

(b) By the non-breaching party where the breach of the Purchase Order 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 the applicable Purchase Order; or

(c) As otherwise expressly provided for in the applicable Purchase Order.

Purchase Orders 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 the Purchase Order as provided in subsection (b) above without further liability by written notice to the breaching party. A termination for breach shall not affect rights or obligations accrued or owed before the effective date of the termination notice.

18. PUBLIC INFORMATION & PUBLIC RECORDS DISCLOSURE REQUESTS.

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

18.2. 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.

18.3. 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, shall do the following: Enterprise Services' Public Records Officer shall 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 shall 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 shall notify Contractor, at the address provided in the 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 shall 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.

19. GENERAL PROVISIONS.

19.1. TIME IS OF THE ESSENCE. Time is of the essence for each and every provision of this Contract.

19.2. 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 Contract.

19.3. NONDISCRIMINATION.

(a) Nondiscrimination Requirement. During the term of this Contract, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.

(b) Obligation to Cooperate. Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Contract pursuant to RCW 49.60.530(3).

(c) Default. Notwithstanding any provision to the contrary, Enterprise Services may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by this Contract, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until Enterprise Services receives notification that Contractor, including any subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), Enterprise Services may terminate this Contract in whole or in part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Contractor or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.

(d) Remedies for Breach. Notwithstanding any provision to the contrary, in the event of Contract termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be liable for contract damages as authorized by law including, but not limited to, any cost difference between this Contract and the replacement or cover contract and all administrative

costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. Enterprise Services and/or Purchasers shall have the right to deduct from any monies due to Contractor or subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe Enterprise Services and/or Purchasers for default under this provision.

19.4. ENTIRE AGREEMENT. This 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.

19.5. AMENDMENT OR MODIFICATION. Except as set forth herein, this Contract may not be amended or modified except in writing and signed by a duly authorized representative of each party.

19.6. AUTHORITY. Each party to this 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 Contract and that its execution, delivery, and performance of this Contract has been fully authorized and approved, and that no further approvals or consents are required to bind such party.

19.7. 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 Contract. Neither party is an agent of the other party nor authorized to obligate it.

19.8. INDEPENDENT CONTRACTOR. The parties intend that an independent contractor relationship is created by this Contract. Contractor and its employees or agents performing under this 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 shall not pay for or otherwise provide such coverage for Contractor and its employees and agents.

19.9. ASSIGNMENT. Contractor is subject to the limitation on assignment set forth in Section 4 of this Contract (i.e., Transactional Limits to Satisfy Contractor's Contract Award Status). In addition, Contractor may not assign its rights under this 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) calendar days of such event and (b) timely executes Enterprise Services' Assignment, Assumption, and Consent Agreement, Contractor may assign its rights under this 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 Contract notwithstanding any prior assignment of its rights.

19.10. BINDING EFFECT; SUCCESSORS & ASSIGNS. This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

19.11. ASSIGNMENT OF ANTITRUST RIGHTS REGARDING PURCHASED GOODS AND/OR 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 Goods and/or Services provided in Washington for the purpose of carrying out Contractor's obligations under this Contract, including, at Enterprise Services' option, the right to control any such litigation on such claim for relief or cause of action.

19.12. FEDERAL FUNDS. To the extent that any Purchaser uses federal funds to purchase Goods and/or Services pursuant to this 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 is placed or upon delivery of such Goods and/or Services to Purchaser.

19.13. SEVERABILITY. If any provision of this Contract is held to be invalid or unenforceable, such provision shall not affect or invalidate the remainder of this Contract, and to this end the provisions of this 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 Contract.

19.14. 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 Contract, nor shall any purported oral modification or rescission of this 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.

19.15. SURVIVAL. All representations, warranties, covenants, agreements, and indemnities set forth in or otherwise made pursuant to this Contract shall survive and remain in effect following the expiration or termination of this Contract, *Provided*, however, that nothing herein is intended to extend the survival beyond any applicable statute of limitations periods.

19.16. GOVERNING LAW. The validity, construction, performance, and enforcement of this 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.

19.17. JURISDICTION & VENUE. In the event that any action is brought to enforce any provision of this 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.

19.18. ATTORNEYS' FEES. In the event of litigation or other action brought to enforce this Contract, each party shall bear its own attorneys' fees and costs.

19.19. FAIR CONSTRUCTION & INTERPRETATION. The provisions of this 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 Contract. Each party hereto and its counsel has reviewed and revised this 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 Contract. Each term and provision of this Contract to be performed by either party shall be construed to be both a covenant and a condition.

19.20. FURTHER ASSURANCES. In addition to the actions specifically mentioned in this Contract, the parties shall each do whatever may reasonably be necessary to accomplish the transactions contemplated in this Contract including, without limitation, executing any additional documents reasonably necessary to effectuate the provisions and purposes of this Contract.

19.21. EXHIBITS. All exhibits referred to herein are deemed to be incorporated in this Contract in their entirety.

19.22. CAPTIONS & HEADINGS. The captions and headings in this 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 Contract nor the meaning of any provisions hereof.

19.23. ELECTRONIC SIGNATURES. An electronic signature or electronic record of this Contract or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Contract or such other ancillary agreement for all purposes.

19.24. COUNTERPARTS. This 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 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 Contract.

EXECUTED as of the date and year first above written.

STATE OF WASHINGTON Department of Enterprise Services	US FOODS INC., a Delaware Corporation
By: Shantel Wight Shantel Wight Its: Procurement Supervisor	By: Steve Guberman (Dec 18, 2025 21:40:44 CST) Steve Guberman Its: EVP, CTO & Nationally Managed Business

EXHIBIT A

INCLUDED GOODS/SERVICES

This Contract is for Bulk Food. Bulk Food includes items in the following categories:

- **Dry / Frozen Goods:**
  - Processed Foods, Canned Goods, condiments, energy bars, pickles, crackers, chips, croutons, crumbs, eggrolls, pot stickers, flavorings, sauces, glazes, sauces, mixes, candy, cereals, grains, rice, jelly, jam, preserves.
  - Staples: flour, sugar, pasta, beans
  - Packaged meals, noodles, pasta, seeds, syrups, fillings, premade food (e.g., pizza, mac & cheese, ravioli, popcorn, snack foods, pudding, vegetable salads, potato salads, and macaroni salads), seasoning, spices, toppings, burritos, food wraps, gravies, gelatin, and similar items.
- **Beverage/Juice Bases and Brewing:** Beverages including, but not limited to, bag-n-box liquid concentrate beverage base, (instant) soluble granulated coffee, brewing coffee, smoothie, drink mixes, beverage bases, tea, water, including required brewing and dispensing equipment and maintenance services to support these beverage products at no additional cost.
- **Meats, Seafood, Poultry:**
  - Raw, processed, fresh, or frozen seafood products including, but not limited to, cod, tuna, tilapia, salmon, mahi mahi, halibut, rockfish, scallops, and similar items.
  - Raw, processed, fresh, or frozen beef, pork, poultry, buffalo, and lamb, including, but not limited to, bacon, ham, corn dogs, game hen, corned beef, franks, veal, jerky, ground meat, cooked, processed meats (e.g., salami, pepperoni, sausage, puree, meatballs, meat crumbles, and topping products), and similar items.
- **Dairy:** Fresh or frozen dairy products including, but not limited to, butter, eggs, cream. *Note*: fresh milk and some fresh cheese products are not included.
- **Bakery:** Fresh or frozen bakery products including, but not limited to, dough, biscuits, pie, shells and tortillas, and similar items. *Note*: fresh bread products are not included.

Contractor shall use commercially reasonable efforts to identify and include in Contractor's Bulk Food Catalog, Bulk Food Items that qualify as:

- Washington Grown Food (i.e., Bulk Food Items that are "grown and packed or processed in Washington." *See* RCW 15.64.060.);
- Healthy Option Foods (i.e., Bulk Food Items that are the same or similar to the examples and nutrient requirements set forth below as Healthy Option Foods);
- Specialty Food (Diet & Cultural) (i.e., Bulk Food Items that are the same or similar to the examples and requirements set forth below as Specialty Food); and
- Buy American (i.e., Bulk Food Items that are processed in the United States and contain over 51% of its agricultural food component, by weight or volume, from the

United States in accordance with § 12(n) of the National School Lunch Act and the implementing regulations. *See* 42 USC § 1760(n); and 7 CFR § 210.21(d)).

HEALTHY OPTION FOODS

Healthy Option Foods Nutrient Requirements are identified below. The Nutrient Requirements are subject to change, contact the Washington State Department of Health for the most up-to-date Nutrient Requirements.

Bulk Food Category	Examples (not all-inclusive)	Nutrient Requirements
Canned fruits (bulk)	Peaches, pears, applesauce, pineapple, fruit cocktail	No added sweeteners, artificial or non-nutritive
		May only be packed in water or unsweetened 100% juice
Canned vegetables (bulk)	Green beans, corn, peas, carrots, mixed vegetables	≤ 140 mg of sodium per serving; or labeled "low sodium"
		Packed in water or 100% juice with no added fats
Canned beans (bulk)	Black beans, kidney beans, pinto beans, garbanzo beans	≤ 140 mg of sodium per serving; or labeled "low sodium"
		Packed in water or 100% juice with no added fat
Canned tomatoes (bulk)	Diced, whole, crushed, sauce	≤ 140 mg of sodium per serving; or labeled "low sodium" or "no added salt"
		Packed in water or 100% juice with no added fats
Chicken (unprocessed)	Raw or frozen chicken breasts, thighs, wings; canned chicken meat	≤ 140 mg of sodium per serving; or labeled "low sodium"
Processed meat	Bacon, sausage, hot dogs, breaded chicken products, deli meats	≤ 480 mg of sodium per serving
Chicken broth or base	Chicken stock, broth, soup base, bullion	≤ 140 mg of sodium per serving (or prepared serving); or labeled "low sodium"
Beef, vegetable or seafood broth or base	Any stock, broth, soup base or bullion other than chicken	≤ 140 mg of sodium per serving (or prepared serving); or labeled "low sodium"
Ready-to-eat cereals	Corn, oat or rice-based cereals; oatmeal, granola	≥ 3 grams of fiber per serving

Bulk Food Category	Examples (not all-inclusive)	Nutrient Requirements
		≤ 6 grams of sugar per serving
Tortillas	Tortillas, wraps	≤ 140 mg of sodium per serving; or labeled "low sodium"
		First ingredient is either whole wheat, whole-grain corn or sprouted grain; or product has either the 50% or 100% Whole Grains stamp

SPECIALTY FOOD (DIET & CULTURAL)

- **Kosher:** Food items are produced in a manner that observes the Kosher guidelines pertaining to animal slaughter, food preparation, and meal planning. Kosher certification items must be on file and items identified with an approved kosher symbol. Kosher foods are divided into three categories: meats, dairy, and neutral. All meats should be slaughtered in a humane way based on Jewish dietary law. All fruits and vegetables are inspected for insects and any food containing grapes must be supervised from start to finish. Cheese must be hardened with kosher forms of rennet in order to be kosher certified.
- **Halal:** Food items prepared in a manner that observes Halal guidelines and is identified by the approved Halal symbol. Food items are produced in manner in which all pork and pork by products are exempt, all meats are slaughtered according to the Islamic practices and is cooked medium well to well done. Animal meats prohibited are birds of prey, carnivorous animals, and land animal without ears. Alcohol products are prohibited from being used in the cooking process.
- **Vegan:** Vegan meals consist of fruits, vegetables, legumes, and grains. Vegan items are identified with the approved vegan symbol. Food items prepared in a manner in which no animal products are used to prepared, cook, or serve the item.
- **Gluten Free:** Gluten free items are identified by the approved gluten free symbol. Food items not containing gluten in the form of wheat, rye, barley, oats.

PRICES FOR GOODS/SERVICES

Low Volume Purchasing Fee ($)	
The minimum amount of dollars needed in a purchase order to avoid being assessed a Low Volume Fee.	$350 measured over the quarterly average of all orders for that facility.

Low Volume Order Fee ($)	
Low Volume Fee assessed for purchase orders that do not meet the minimum amount of dollars requirement listed above.	There is no Low Volume Fee; US Foods will work with the facility to meet minimum threshold.

Fixed Fee	
The Fixed Fee per case for all of Bidder's catalog items.	$3.22 CASE

EXHIBIT C

INSURANCE REQUIREMENTS

1. **INSURANCE OBLIGATION**. During the term of this 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 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 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. 'Symbol 1' commercial automobile liability coverage (and, if necessary, commercial umbrella liability insurance) including coverage for all owned, hired, and non-owned vehicles. The combined single limit per accident shall not be less than $1,000,000.

    The insurance coverage limits set forth above may be satisfied by any combination of primary, umbrella, or excess policy. The insurance coverage limits 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**. When specified as a required insurance coverage (*see* § 1 – Insurance Obligation, above) Commercial General Liability, Commercial Automobile Liability, and Pollution Liability Insurance 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 Contract, Contractor shall furnish to Enterprise Services, as evidence of the insurance coverage required by this 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) calendar 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, shall result in Contractor suspension and/or contract termination. **All policies and certificates of insurance shall include the Contract number stated on the cover of this Contract**. All certificates of Insurance and any related insurance documents shall be sent via email to Enterprise Services at the email address as set forth below:

   Email: Descontractsteamfir@des.wa.gov
   Note: The Email Subject line must state:
   Contract Insurance Certificate – Statewide Contract No. 04324 – Bulk Food

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**. Contractor shall include all subcontractors as insureds under all required insurance policies. Alternatively, prior to utilizing any subcontractor, Contractor shall cause any such subcontractor to provide insurance that complies with all applicable requirements of the insurance set forth herein and shall furnish separate Certificates of Insurance and endorsements for each subcontractor to Enterprise Services. Each subcontractor must comply fully with all insurance requirements stated herein. Failure of any subcontractor to comply with insurance requirements does not limit Contractor's liability or responsibility.

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) calendar 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 Contract number stated on the cover of this 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 Contract.

* * * END OF INSURANCE REQUIREMENTS * * *

Master Contract Template

Final Audit Report 2025-12-29

Created:	2025-12-18
By:	Phillip Song (Phillip.Song@des.wa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAASyDc28eV5wgFrtS0qRH8UsnzBrXRV3BS

"Master Contract Template" History

Document created by Phillip Song (Phillip.Song@des.wa.gov)
2025-12-18 - 11:09:39 PM GMT

Document emailed to Steve Guberman (steve.guberman@usfoods.com) for signature
2025-12-18 - 11:09:47 PM GMT

Email viewed by Steve Guberman (steve.guberman@usfoods.com)
2025-12-19 - 3:38:23 AM GMT

Document e-signed by Steve Guberman (steve.guberman@usfoods.com)
Signature Date: 2025-12-19 - 3:40:44 AM GMT - Time Source: server

Document emailed to Shantel Wight (shantel.wight@des.wa.gov) for signature
2025-12-19 - 3:40:46 AM GMT

Email viewed by Shantel Wight (shantel.wight@des.wa.gov)
2025-12-19 - 6:41:24 PM GMT

New document URL requested by Shantel Wight (shantel.wight@des.wa.gov)
2025-12-29 - 7:01:52 PM GMT

Email viewed by Shantel Wight (shantel.wight@des.wa.gov)
2025-12-29 - 7:02:17 PM GMT

Document e-signed by Shantel Wight (shantel.wight@des.wa.gov)
Signature Date: 2025-12-29 - 7:02:44 PM GMT - Time Source: server

Agreement completed.
2025-12-29 - 7:02:44 PM GMT