State of Washington Contracts & Procurement Division Department of Enterprise Services P.O. Box 41411 Olympia, WA 98504-1411	CONTRACT AMENDMENT	
	Contract No.:	06019
360 Office Solutions, Inc. dba: The Creative Office	Amendment No.:	1
3676 Pierce Parkway Billings, MT 59106	Effective Date:	April 1, 2023

FIRST AMENDMENT TO CONTRACT NO. 06019 OFFICE SUPPLIES

This First Amendment ("Amendment") to Contract No. 06019 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 ("State") and 360 Office Solutions, Inc., a Montana corporation ("Contractor") and is dated as of April 1, 2023.

RECITALS

- A. State and Contractor (collectively the "Parties") entered into that certain Contract No. 06019 for Office Supplies dated effective as of October 1, 2020 ("Contract").
- B. The Parties now desire to amend the Contract to revise the terms and conditions for economic adjustment and ordering requirements.
- C. The amendment set forth herein is within the scope of the Contract.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Parties hereby agree to amend the Contract, as previously amended, as follows:

- 1. ECONOMIC ADJUSTMENT. Subsection 3.4 of the Contract (Economic Adjustment) is hereby amended by deleting the existing Subsection 3.4 in its entirety and inserting the following in lieu thereof:
 - "3.4 ECONOMIC ADJUSTMENT.
 - (a) Effective December 1, 2022, prices set forth in Exhibit B Prices for Goods may be adjusted quarterly upon Contractor's written request sent to Enterprise Services' Contract Manager via e-mail by the dates indicated in the table entitled 'Economic Adjustment Request Requirements.' The first opportunity for an economic adjustment, pending Contractor request, may be processed and effective as of January 1, 2023. Pricing may be adjusted, either up or down, based on the data analysis for each

category in the 'Bureau of Labor Statistics – Producer Price Indices' ("PPI Index").

(b) Economic adjustment calculations will compare the current PPI Index quarterly data to the previous quarter by identifying the percentage of change between quarters. Economic adjustments will not exceed the adjustment caps for each category below.

Bureau of Labor Statistics – Producer Price Indices		
Category	Producer Price Index (PPI)	Economic Adjustment Cap
Ink & Toner	WPU06790919 - Chemicals and allied products-Printing ink, not seasonally adjusted	10%
Batteries	WPU117902 - Machinery and equipment-Primary batteries, not seasonally adjusted	10%
Writing Implements	WPU1595 - Miscellaneous products-Pens, pencils, and marking devices, not seasonally adjusted	10%
Paper, Common & Specialty	WPU091506 - Pulp, paper, and allied products-Office supplies and accessories, not seasonally adjusted	20%
Filing, Reports & Storage	WPU12210114 - Furniture and household durables-Wood office files, storage units, and tables, not seasonally adjusted	5%
Mailing, Packing & Shipping	WPU09150636 - Pulp, paper, and allied products-Envelopes, not seasonally adjusted	10%

Bureau of Labor Statistics – Producer Price Indices		
Category	Producer Price Index (PPI)	Economic Adjustment Cap
 The remaining categories below will use the same PPI. Common Supplies Note Taking Supplies Board-Wall Items Equipment Desk Accessories, Non- IT Technology Accessories School Supplies Cleaning, Breakroom & Safety Labels & Label Makers Calendar & Forms 	WPU091506 - Pulp, paper, and allied products-Office supplies and accessories, not seasonally adjusted	20%

Economic Adjustment Request Requirements		
Quarter	Request Received By	Effective Date of Change
January 1- March 31	November 15	January 1
April 1 – June 30	February 15	April 1
July 1 – September 30	May 15	July 1
October 1 – December 31	August 15	October 1

- (c) Any economic adjustment shall be enacted by mutual agreement as an administrative update.
- (d) Enterprise Services, at its sole discretion, may determine if additional documentation is required to supplement the BLS data.
- (e) In the event Contractor would like additional consideration in addition to the PPI, Contractor may request that Enterprise Services review and consider a Manufacturer's Letter "Letter." In such event, Contractor shall provide to Enterprise Services supporting documentation as provided from the manufacturer. Such Letter provided must detail the price increase or decrease from the manufacturer and the price increase or decrease to Contractor. In the event multiple Letters are received, Enterprise Services will average the amounts provided in the Letters.
- (f) Economic adjustments, if any, shall be the lessor of the change between the Letter and change in PPI. No retroactive adjustments are allowed. The average of all Letters received will not exceed the cap in "Bureau of Labor Statistics – Producer Price Indices" identified above. Enterprise

Services reserves the right to contact Manufacturers to verify data in any of the Letters received.

- (g) If Contractor requests to have Letters reviewed and considered by Enterprise Services, the Effective Date of Change may be impacted and extended as needed to allow Enterprise Services to process such request."
- 2. ORDERING REQUIREMENTS. Subsection 5.1 of the Contract (Ordering Requirements) is hereby amended by deleting the existing Subsection 5.1 in its entirety and inserting the following in lieu thereof:

"5.1 ORDERING REQUIREMENTS. Eligible Purchasers shall order goods and/or services from this Contract, consistent with the terms hereof and by using any ordering mechanism agreeable both to Contractor and Purchaser but, at a minimum, including the use of a purchase order. When practicable, Contractor and Purchaser also shall use telephone orders, email orders, web-based ordering, and similar ordering methods (collectively "Purchase Order"). All order documents 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 other agreement modify the terms and conditions of this Contract."

3. MINIMUM ORDER REQUIREMENTS. The following provision is added as a new subsection at the end of Section 5 of the Contract (Using the Master Contract – Purchases) Contractor Sales Reporting; Vendor Management Fee; & Contractor Reports):

"5.9 MINIMUM ORDER REQUIREMENTS. Contractor will clearly detail any applicable minimum order requirements prior to any order being placed. Contractor may charge an additional delivery fee for orders that do not meet the minimum requirement of \$25.00 per order; *Provided*, however, that such additional delivery fee shall not exceed \$5.99 per order."

- 4. CONTRACT REFERENCES. The Parties understand and agree that any references to "Master Contract" shall be deemed to be a reference to "Statewide Contract" or "Contract" and the parties shall endeavor to reference the Contract accordingly. The parties understand and agree that the terminology change for the Contract does not alter the parties' respective rights or obligations.
- 5. NO CHANGE OTHER THAN AMENDMENT. Except as amended herein, the Contract is unaffected and remains in full force and effect.
- 6. ENTIRE AGREEMENT; MODIFICATION. This Amendment constitutes the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations and representations. In the event of any conflict between this Amendment and the Contract or any earlier amendment, this Amendment shall control and govern. This Amendment may not be modified except in writing signed by the Parties.
- 7. AUTHORITY. Each party to this Amendment, 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

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

- 8. ELECTRONIC SIGNATURES. An electronic signature or electronic record of this Amendment or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Amendment or such other ancillary agreement for all purposes.
- 9. COUNTERPARTS. This Amendment may be executed in one or more 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 Amendment 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 Amendment.

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EXECUTED AND EFFECTIVE as of the day and date first above written.

360 Office Solutions, Inc. dba: The Creative Office, a Montana corporation		DEPARTMENT OF ENTERPRISE SERVICES	
By:	Craig D. Bartholomew Graig D. Bartholomew (Mar 14, 2023 07:48 MDT)	By:	Nick Soanna
Name:	Craig Bartholomew	Name:	Nicholas Ioanna
	General Manager 03/14/2023		Procurement Supervisor 3/14/23

06019 360 Office Solutions-AMD1

Final Audit Report

2023-03-14

Created:	2023-03-13
By:	Neva Peckham (neva.peckham@des.wa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAmuknCFH5_KpKWlyhVNsbbVdZX-hVza3L

"06019 360 Office Solutions-AMD1" History

- Document created by Neva Peckham (neva.peckham@des.wa.gov) 2023-03-13 3:35:24 PM GMT- IP address: 198.238.242.30
- Document emailed to craigb@360-os.com for signature 2023-03-13 - 3:35:58 PM GMT
- Email viewed by craigb@360-os.com 2023-03-14 - 1:47:59 PM GMT- IP address: 69.145.80.114
- Signer craigb@360-os.com entered name at signing as Craig D. Bartholomew 2023-03-14 - 1:48:32 PM GMT- IP address: 69.145.80.114
- Document e-signed by Craig D. Bartholomew (craigb@360-os.com) Signature Date: 2023-03-14 - 1:48:34 PM GMT - Time Source: server- IP address: 69.145.80.114
- Document emailed to Nicholas Ioanna (nicholas.Ioanna@des.wa.gov) for signature 2023-03-14 - 1:48:35 PM GMT
- Email viewed by Nicholas Ioanna (nicholas.Ioanna@des.wa.gov) 2023-03-14 - 3:04:16 PM GMT- IP address: 104.47.64.254
- Document e-signed by Nicholas Ioanna (nicholas.Ioanna@des.wa.gov) Signature Date: 2023-03-14 - 3:04:49 PM GMT - Time Source: server- IP address: 67.170.92.54
- Agreement completed.
 2023-03-14 3:04:49 PM GMT