



**PARTICIPATING ADDENDUM
NASPO VALUEPOINT**

OFFICE FURNITURE AND RELATED SERVICES

Administered by the State of Utah (hereinafter "Lead State")

MASTER AGREEMENT

Master Agreement No: MA3970

The HON Company LLC
(hereinafter "Contractor")

and

State of Washington
(hereinafter "Participating State")

WASHINGTON CONTRACT No.: 21422

This Participating Addendum for the above referenced Master Agreement ("Participating Addendum") 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 The HON Company LLC, an Iowa LLC ("Contractor") and is dated and effective as of May 5, 2023.

RECITALS

- A. Pursuant to Legislative authorization codified in RCW 39.26.060, Enterprise Services, on behalf of the State of Washington, is authorized to participate in cooperative purchasing agreements to develop master agreements to procure goods and/or services and to make such competitively solicited and awarded contracts available to Washington state agencies and designated eligible purchasers consistent with terms and conditions set forth by Enterprise Services.
- B. Enterprise Services timely provided public notice of the competitive solicitation process conducted by the above-referenced lead state through Washington's Electronic Business Solutions (WEBS) system.
- C. The above-referenced Lead State, as part of its competitive solicitation process, evaluated all responses to its procurement and identified Contractor as a successful bidder and awarded a Master Agreement to Contractor.
- D. Enterprise Services has determined that participating in this Master Agreement is in the best interest of the State of Washington.
- E. The purpose of this Participating Addendum is to enable eligible purchasers, as defined herein, to utilize the Master Agreement as conditioned by this Participating Addendum.

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. **SCOPE:** This Participating Addendum covers the competitive procurement for Office Furniture and related services led by the State of Utah for use by state agencies and other entities located in the Participating State authorized by that state’s statutes to utilize state contracts with the prior approval of the State’s chief procurement official.

2. **PARTICIPATION:** Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions, and other entities (including cooperatives) authorized by an individual state’s statutes to use state contracts are subject to the prior approval of the respective State chief procurement official. Issues of interpretation and eligibility for participation are solely within the authority of the State chief procurement official. Pursuant to this Participating Addendum, the Master Agreement may be utilized by the following (“Purchasing Entities” or “Purchasers”):
 - (a) WASHINGTON STATE AGENCIES. All Washington state agencies, departments, offices, divisions, boards, and commissions.

 - (b) WASHINGTON STATE INSTITUTIONS OF HIGHER EDUCATION (COLLEGES). Any the following specific institutions of higher education in Washington:
 - State universities – i.e., University of Washington & Washington State University;
 - Regional universities – i.e., Central Washington University, Eastern Washington University, & Western Washington University
 - Evergreen State College;
 - Community colleges; and
 - Technical colleges.

 - (c) CONTRACT USAGE AGREEMENT PARTIES. The Master Agreement also may be utilized by any of the following types of entities that have executed a Contract Usage Agreement (CUA) with Enterprise Services:
 - Political subdivisions (e.g., counties, cities, school districts, public utility districts, ports) in the State of Washington;
 - Federal governmental agencies or entities;
 - Public-benefit nonprofit corporations (i.e., § 501(c)(3) nonprofit corporations that receive federal, state, or local funding); and
 - Federally-recognized Indian Tribes located in the State of Washington.

By placing an order under this Participating Addendum, each Purchasing Entity agrees to be bound by the terms and conditions of this Participating Addendum, including the Master Agreement. Each Purchasing Entity shall be responsible for its compliance with such terms and conditions.

3. PARTICIPATING STATE MODIFICATIONS OR ADDITIONS TO MASTER AGREEMENT:

- 3.1. **WASHINGTON’S ELECTRONIC BUSINESS SOLUTIONS (WEBS) SYSTEM:** Within seven (7) days of execution of this Participating Addendum, Contractor shall register in the Washington State Department of Enterprise Services’ Electronic Business Solutions (WEBS) System at [WEBS](#). Contractor shall ensure that all of its information therein is current and accurate and that, throughout the term of the Master Agreement, Contractor shall maintain an accurate profile in WEBS.
- 3.2. **WASHINGTON’S STATEWIDE PAYEE DESK:** To be paid for contract sales, Contractors must register with Washington’s Statewide Payee Desk. Washington state agencies cannot make payments to a contractor until it is registered. Registration materials are available here: [Receiving Payment from the State](#).
- 3.3. **CONTRACT SALES REPORTING:** Contractor shall report total contract sales quarterly to Enterprise Services, as set forth below.
 - (a) **REPORTING.** Contractor shall report quarterly Contract sales in Enterprise Services’ [Contract Sales Reporting System](#). Enterprise Services will provide Contractor with a login password and a vendor number.
 - (b) **DATA.** Each sales report must identify every authorized Purchasing Entity 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 Purchasing Entities specified herein during the term of this Participating Addendum. Refer sales reporting questions to the Primary Contact set forth below. 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 sales invoiced during the applicable calendar quarter:

QUARTER	FOR SALES MADE IN CALENDAR QUARTER ENDING	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

- 3.4. **VENDOR MANAGEMENT FEE:** Contractor shall pay to Enterprise Services a vendor management fee (“VMF”) of 1.25 percent on the purchase price for all contract sales (the purchase price is the total invoice price less applicable sales tax) authorized by this Participating Addendum.
 - (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 .01250.

- (b) The VMF must be rolled into Contractor's current pricing. The VMF must not be shown as a separate line item on any invoice unless specifically requested and approved by Enterprise Services.
- (c) Enterprise Services will invoice Contractor quarterly based on contract sales reported by Contractor. Contractor shall not remit payment until it receives an invoice from Enterprise Services. Contractor's VMF payment to Enterprise Services must reference the following:
 - This Washington Contract No.: **21422**
 - The NASPO Master Agreement No.: **MA3970**
 - The year and quarter for which the VMF is being remitted, and
 - Contractor's name as set forth in this Contract, if not already included on the face of the check.
- (d) Contractor's failure accurately and timely to report total net sales, to submit timely usage reports, or to remit timely payment of the VMF to Enterprise Services, may be cause for Enterprise Services to suspend or terminate this Participating Addendum or exercise any other remedies as provided by law.
- (e) Enterprise Services reserves the right, upon thirty (30) days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases.
- (f) For purposes of the VMF, the parties agree that the initial management fee is included in the pricing. In the event Enterprise Services increases, reduces, or eliminates the VMF, Contractor, in Contractor's sole reasonable discretion and with at least forty-five (45) days advance written notice to Enterprise Services, may adjust the discounts set forth in Section 9.2 of this Participating Addendum commensurately to account for the change in VMF.

3.5. **CONTRACTOR REPRESENTATIONS AND WARRANTIES:** Contractor makes each of the following representations and warranties as of the effective date of this Participating Addendum and at the time any order is placed pursuant to the Master Agreement. 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.

- (a) **WAGE VIOLATIONS.** Contractor represents and warrants that, during the term of the Master Agreement and the three (3) year period immediately preceding the award of the Master Agreement, it is not 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.
- (b) **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.

- (c) EXECUTIVE ORDER 18-03 – WORKERS’ RIGHTS (MANDATORY INDIVIDUAL ARBITRATION). Contractor represents and warrants 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 Participating Addendum, 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.

3.6. **COMPLIANCE WITH LAW; TAXES, LICENSES, & REGISTRATION:** Contractor shall comply with applicable law. Prior to making any sales hereunder, if Contractor is not already registered, Contractor shall register to conduct business in the State of Washington and promptly acquire and maintain all necessary licenses and registrations and pay all applicable taxes and fees. In addition, for all sales to Purchasers in the State of Washington, if Contractor does not currently do so, Contractor shall calculate, collect, and remit, as appropriate, the applicable state and local sales tax on all invoices.

3.7. **CONTRACTOR’S SALES AUTHORITY; PURCHASE ORDERS; & INVOICES:**

- (a) CONTRACTOR’S SALES AUTHORITY. Pursuant to this Participating Addendum, Contractor is authorized to provide only those goods/services set forth in the Master Agreement as conditioned by this Participating Addendum. Contractor shall not represent to any Purchaser hereunder that it has any authority to sell any other materials, supplies, services and/or equipment.
- (b) INVOICES. Contractor or Contractor’s Designated Subcontractors (as defined in Section 6 below) must provide a properly completed invoice to Purchaser. All invoices are to be delivered to the address indicated in the purchase order. Each invoice must include the:
- Washington Contract Number 21422
 - Lead State Master Agreement Number MA3970.
 - Contractor’s statewide vendor registration number assigned by the Washington State Office of Financial Management (OFM); and
 - Applicable Purchaser’s order number.

Invoices must be prominently annotated by the Contractor or Contractor’s Designated Subcontractor with all applicable volume discount(s).

- (c) Orders can be made out to (a) Contractor or (b) Contractor’s Designated Subcontractors as approved by Contractor and the Participating State.
- (d) Invoices may be generated by either Contractor or Contractor’s Designated Subcontractor that receives the order from the Purchasing Entity.
- (e) In order to ensure compliance with agreement terms, Contractor’s Designated Subcontractor shall include a copy of Purchaser’s purchase order with subcontractor’s order to Contractor.

3.8. **ENVIRONMENTAL POLICY.** The Washington State environmental policies include the following considerations and requirements. State Agencies must purchase items in

compliance with these criteria. Contractor shall supply products that meet the following requirements. All furniture products shall:

- (a) to the extent required by the laws of the State of Washington, be free of vinyl (polyvinyl chloride or PVC), PFAS fluorinated stain-resistance chemicals, formaldehyde, antimicrobial coatings, and flame retardants as well as furniture with Prop 65 chemicals, which are “known to the state of California to cause cancer, birth defects or reproductive harm.” Products should be labeled that they meet California’s flame retardancy standards without the use of chemical flame retardants.
- (b) have at least one of the following environmental or health attributes:
 - a. Made of reclaimed materials (e.g., wood).
 - b. Products contain at least 30% post-consumer recycled material and/or 50% total recycled content (Total recycled is the amount of post-consumer recycled content and post-industrial recycled content that the product contains).
 - c. Products that have a Declare Label, preferably those that are designated as “Red List Free”.
 - d. BIFMA LEVEL 2 or higher certified (specify or look for highest level available including meeting credit 7.4.4 in the e-3 2019 standard).
 - e. Cradle to Cradle Certified or Material Health Certificate: v3.1 at the Gold level or higher OR v4.0 at the Silver level or higher.
 - f. Forest Stewardship Council (FSC) (for wood and bamboo).
 - g. SCS Indoor Advantage Gold (low emitting).
 - h. UL GREENGUARD Gold (low emitting).

3.9. **PRICING.** Contractor is authorized to provide products and services as set forth in Exhibit A: Contract Service Rates and Discount Matrix

- 4. **LEASE AGREEMENTS:** Leasing or renting equipment is not allowed throughout the term of the Master Agreement.
- 5. **PRIMARY CONTACTS:** The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Participating State

Attn: Brad Stringfellow
State of Washington
Washington Dept. of Enterprise Services
PO Box 41411
Olympia, WA 98504-1411
Tel: (360) 407-2213
Email: DESContractsTeamFir@des.wa.gov

Contractor

Attn: Dena Bates
The HON Company LLC
600 East 2nd Street
Muscatine, IA 52761
Tel: (563) 299-2949
Email:
ContractManager@honcompany.com

- 6. **SUBCONTRACTORS:** Except for subcontracts with Contractor’s designated resellers/distributors/fulfillment partners (“Designated Subcontractors”), Contractor shall not subcontract, assign, or otherwise transfer its obligations under the Master Agreement and this

Participating Addendum without Enterprise Services' prior written consent. Violation of this condition shall constitute a material breach establishing grounds for termination of this Participating Addendum.

- (a) SUBCONTRACTOR AUTHORIZATION. Contractor is authorized, without additional Participating State consent, to utilize its Designated Subcontractors to provide sales and service support to Purchasers hereunder; *provided*, however, that such participation shall be in accordance with the terms and conditions set forth in the Master Agreement and this Participating Addendum. Contractor shall maintain a list of such Designated Subcontractors utilized for this Participating Addendum, and, upon request, promptly provide Enterprise Services with such list and any updates.
 - (b) CONTRACTOR RESPONSIBILITY FOR SUBCONTRACTORS. Contractor shall be responsible to ensure that all requirements of the Master Agreement (including, but not limited to, insurance requirements, indemnification, Washington state business registration, etc.) flow down to any and all Designated Subcontractors. In no event shall the existence of a subcontract between Contractor and its subcontractor operate to release or reduce Contractor's liability to the Participating State or any Purchaser for any breach of the Master Agreement or this Participating Addendum. As to Participating State and Purchasers hereunder, Contractor shall have full and complete responsibility and liability for any act or omission by Contractor's Designated Subcontractors.
 - (c) PURCHASER PAYMENT REGARDING CONTRACTOR'S DESIGNATED SUBCONTRACTORS. Notwithstanding any provision to the contrary, the parties understand and agree that for any contract sales or service provided pursuant to the Master Agreement and this Participating Addendum, Purchaser payment shall be made directly to Contractor as the awarded vendor pursuant to the competitive procurement; *provided*, however, that, in the event any such sales or services are performed by a Designated Subcontractor for Contractor, Contractor may instruct such Purchaser to make payment for such sales or services to Contractor's identified Designated Subcontractor. Regardless of whether Contractor instructs a Purchaser to make such payment to Contractor's Designated Subcontractor, Contractor shall remain responsible for performance.
 - (d) CONTRACT SALES REPORTING. Notwithstanding any provision to the contrary, Contractor shall report to Enterprise Services total contract sales, delineated by purchaser, made by each individual Designated Subcontractor, and also report total contract sales, delineated by purchaser, on a consolidated Contractor 'roll-up' basis. Contractor shall maintain records supporting such reports in accordance with the Master Agreement's records retention requirements.
7. **ORDERS:** Unless the parties to the applicable purchase order agree in writing that another contract or agreement applies to such order, any order placed by a Purchaser for goods/services available from the Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions of) the Master Agreement as conditioned by this Participating Addendum.

8. GENERAL:

- 8.1. INTEGRATED AGREEMENT; MODIFICATION. This Participating Addendum and Master Agreement, together with its exhibits, set forth the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations and representations. This Participating Addendum may not be modified except in writing signed by the Parties.
- 8.2. AUTHORITY. Each party to this Participating Addendum, 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 Participating Addendum and that its execution, delivery, and performance of this Participating Addendum has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- 8.3. ELECTRONIC SIGNATURES. An electronic signature or electronic record of this Participating Addendum or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Participating Addendum or such other ancillary agreement for all purposes.
- 8.4. COUNTERPARTS. This Participating Addendum 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 Participating Addendum 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 Participating Addendum.

EXECUTED as of the date and year first above written.

**STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES**

By: *Elena McGrew*

Type Name: Elena McGrew

Its: Statewide Enterprise Procurement Manager

Date: 5/4/2023

**THE HON COMPANY LLC,
AN IOWA LLC**

By: *Eric Schroeder*
[Eric Schroeder \(May 4, 2023 12:10 CDT\)](#)

Type Name: Eric Schroeder

Its: Vice President, Finance

Date: 0

SERVICE SCHEDULE RATES AND DISCOUNT MATRIX

1 DESIGN, INSTALLATION, LAYOUT, AND RECONFIGURATION SERVICES. Contractor shall offer, through its Designated Subcontractors, design, installation, layout, and reconfiguration services to Purchasing Entities. Charges for these services will be negotiated by the Purchasing Entity on a project-by-project basis with the Designated Subcontractor and included as a line item in the quote provided by the Designated Subcontractor. Contractor may offer, through its Designated Subcontractors or approved freight carrier(s), liftgate services and other non-standard delivery services which are outside of Contractor’s standard freight costs, such as palletization, storage, special permits, etc.;

should Contractor be able to offer such non-standard delivery services, these services will be negotiated on a project-by-project basis and approved by the Purchasing Entity. Charges for non-standard delivery services will be included as a line item in the quote provided by the Designated Subcontractor.

2 DISCOUNT MATRIX.



NASPO ValuePoint – State of Washington 21422 Discount Matrix

Tier	Total Order at List	Systems & Pedestals	Vertical & Lateral Files, Storage	Tables, Desking, Casegoods	HON Branded Seating
1	\$0 – \$50,000	67.60%	59.50%	55.40%	55.40%
2	\$50,001 – \$150,000	68.60%	61.50%	56.50%	56.50%
3	\$150,001 & Above	68.60%	61.50%	56.50%	56.50%
		Product Series	Product Series	Product Series	Product Series
		Abode Systems Abound Systems Accelerate Systems Brigade Pedestals Empower Flagship Pedestals Systems Accessories Healthy Workplace Screens & Stackers PET Desktop Screens	210 Vertical Files 310 Vertical Files 510 Vertical Files Brigade Laterals Brigade Shelf File & Overfiles Brigade Steel Bookcase Brigade Storage Cabinets Contain Flagship File Centers Flagship Laterals Flagship Storage & Bookcases FlameSafe Fire-Resistant Files Fuse Storage Accessories Storage Islands 1870 Series RTA Bookcases	10500 Series Laminate Desking 10700 Series Laminate Desking 34000 Series Desking 38000 Series Desking 94000 Series Laminate Desking Arrange Between Birk Tables Build Makerspace Build Tables Concinnity Desking & Table Accessories Flock Gravitation Height Adjustable Hospitality HPWRMOB1 Huddle Laminate Occasional Tables Mentor Desking Metro Desking Motivate Preside Scramble Occasional Tables Utility Tables Valido Laminate Desking Voi Laminate & Veneer Desking Workwall	Accommodate Adjustable Task/Lab Stools Astrir Collaborative Work Build Seating Cambia (2150/2160) Ceres Cliq Cofi ComforTask (5300) Convergence - HCT1MM Endorse Flock Gateway Grove GuestStacker (4030) High Density Olson Stacker (4040) Ignition Ignition 2.0 Invitation (2210) Lota (2260) Mav Single Lounge Merit Seating Motivate Nucleus Nucleus Recharged Park Avenue Perpetual Nesting Chairs Pillow-Soft (2090/2190) Purpose Riley Ruck Seating Accessories Skip Solutions Seating (4000) Solve Soothe Versant Volt (5700/5710) West Hill

NASPO ValuePoint - State of Washington 21422 HON NOW Discount Matrix

Program	Systems	Other Product
HON NOW	63.50%	50.40%
HON NOW +Speed	57.50%	44.30%










21422 Office Furniture PA HON

Final Audit Report

2023-05-04

Created:	2023-05-04
By:	Kathy Paterson (Kathy.Paterson@des.wa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA16fZZHLVZDSNK6F8Fx3CGdOxZLhs6cjf

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-  Document created by Kathy Paterson (Kathy.Paterson@des.wa.gov)
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-  Document emailed to Jennie Schuler (contractmanager@honcompany.com) for signature
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-  Signer Jennie Schuler (contractmanager@honcompany.com) entered name at signing as Eric Schroeder
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