PARTICIPATING ADDENDUM
(hereinafter “Addendum”)
For
NASPO VALUEPOINT COMPUTER EQUIPMENT
MASTER AGREEMENT NO. MNWNC-116
(hereinafter “Master Agreement”)
Between
IBM Corporation
(hereinafter “Contractor”)
and
State of Hawaii
(hereinafter “Participating State”)


This Addendum will add the State of Hawaii as a Participating State to purchase from the NASPO ValuePoint Master Agreement Number MNWNC-116 with IBM Corporation.

1. Scope:

This Addendum covers NASPO ValuePoint (formerly WSCA-NASPO) Computer Equipment, Peripherals & Related Services 2015-2020 led by the State of Minnesota for use by state agencies and other entities located in the Participating State authorized by the state’s statutes to utilize state contracts.

2. Participation:

All jurisdictions located within the State of Hawaii, which have obtained prior written approval of its respective Chief Procurement Officer, will be allowed to purchase from the Master Agreement. Private nonprofit health or human services organizations with current purchase of service contracts governed by Hawaii Revised Statutes (HRS) chapter 103F are eligible to participate in the SPO price/vendor list contracts upon mutual agreement between the Contractor and the nonprofit. (Each such participating jurisdiction and participating nonprofit is hereinafter referred to as a “Participating Entity.”) Issues of interpretation and eligibility for participation are to be determined solely by the Administrator of the SPO.

3. Changes:

A. Usage Reports: Contractor shall submit a quarterly State of Hawaii gross sales report to the Participating State contact person listed in Paragraph 5, below, (or as amended), in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Quarter Ending</th>
<th>Report Due</th>
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<tbody>
<tr>
<td>March 31</td>
<td>April 30</td>
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<tr>
<td>June 30</td>
<td>July 31</td>
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<tr>
<td>September 30</td>
<td>October 31</td>
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<tr>
<td>December 31</td>
<td>January 31</td>
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The quarterly report shall be subtotaled by each Participating Entity. The quarterly report shall also include any adjustments from prior periods.
B. The validity of this Addendum, any of its terms or provisions, as well as the rights and duties of the parties to this Addendum, shall be governed by the laws of the State of Hawaii. Any action at law or in equity to enforce or interpret the provisions of this Addendum shall be brought in a court of competent jurisdiction in Honolulu, Hawaii.

C. Inspection of Facilities. Pursuant to HRS §103D-316, the Participating State, at reasonable times, may inspect the part of the plant or place of business of the Contractor or any subcontractor that is related to the performance of the Master Agreement and this Addendum.

D. Campaign Contributions. The Contractor is notified of the applicability of HRS §11-355, which prohibits campaign contributions from Contractor during the term of the Addendum if the Contractor is paid with funds appropriated by the Hawaii State Legislature.

E. Purchase under this Master Agreement is not mandatory. This Addendum is secondary and non-exclusive.

F. The State of Hawaii's purchasing card (pCard) is required to be used by Participating State's executive departments/agencies, (excluding the Department of Education, the Hawaii Health Systems Corporation, the Office of Hawaiian Affairs, and the University of Hawaii) for orders totaling less than $2,500. For purchases of $2,500 or more, agencies may use the pCard, subject to its credit limit, or issue a purchase order.

Contractor shall forward original invoice(s) directly to the ordering agency. General excise tax shall not be applied to the delivery charge.

Pursuant to HRS §103-10, Participating State and any agency of the Participating State or any county, shall have thirty (30) calendar days after receipt of invoice or satisfactory delivery of goods to make payment. Any interest for delinquent payment shall be as allowed by HRS §103-10.

G. Pursuant to HRS §103D-310(c), if Contractor is doing business in the Participating State, Contractor is required to comply with all laws governing entities doing business in the Participating State, including the following HRS chapters.

1. Chapter 237, General Excise Tax Law;
2. Chapter 383, Hawaii Employment Security Law;
3. Chapter 386, Workers' Compensation;
4. Chapter 392, Temporary Disability Insurance;
5. Chapter 393, Prepaid Health Care Act; and

The Hawaii Compliance Express (HCE) is utilized for verification of compliance. The SPO will conduct periodic checks to confirm Contractor’s compliance on HCE throughout the term of the Addendum.
H. Effective Date and Contract Period. This Addendum is effective upon the date of execution by the Participating State and shall continue for the term set forth in the Master Agreement.

4. Lease Agreements:
Leasing is not authorized by this Addendum.

5. Primary Contact:
The primary contact individuals for this Addendum are as follows (or their named successors):

**Participating State**
Name: Stanton Mato  
Address: State Procurement Office  
1151 Punchbowl Street, Room 416  
Honolulu, HI 96813  
Telephone: (808) 586-0566  
Fax: (808) 586-0570  
E-Mail: stanton.d.mato@hawaii.gov

**Contractor**
Name: Karen A. Schneider  
Address: 4660 La Jolla Village Drive Suite 300, San Diego, CA 92122  
Telephone: (720) 397-5563  
Fax:  
E-Mail: kasch@us.ibm.com

6. Partners
Partners are allowed under this Addendum. Instructions on Partner use can be found on www.ibm.com/naspo.

7. Purchase Order and Payment Instructions:
All purchase orders issued by Participating Entities under this Addendum shall include the Participating State contract number: SPO Price List Contract No. 15-05 and the NASPO ValuePoint Master Agreement Number MNWNC-116.

- Purchase Orders and Payments shall be made to IBM Corporation or to authorized partners, if any.

8. Participating Entity as Individual Customer:
Each Participating Entity shall be treated as an individual customer. Except to the extent modified by this Addendum, each Participating Entity will be responsible to follow the terms and conditions of the Master Agreement; and will have the same rights and responsibilities for their purchases as the Lead State has in the Master Agreement. Each Participating Entity will be responsible for its own charges, fees, and
liabilities. Each Participating Entity will have the same rights to any indemnity or to recover any costs allowed in the Master Agreement for their purchases. The Contractor will apply the charges to each Participating Entity individually.

9. Entire Contract:

This Addendum and the Master Agreement set forth the entire agreement, and all the conditions, understandings, promises, warranties and representations among the parties with respect to this Addendum and the Master Agreement, and supersedes any prior communications, representations or agreements whether, oral or written, with respect to the subject matter hereof.

Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Master Agreement, that are included in any purchase order or otherwise shall be void. The terms and conditions of this Addendum and the Master Agreement shall govern in the case of any such inconsistent, contrary, or additional terms.

IN VIEW OF THE ABOVE, the parties execute this Addendum by their signatures, on the dates below.

<table>
<thead>
<tr>
<th>Participating State: STATE OF HAWAII</th>
<th>Contractor: IBM Corporation</th>
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<tbody>
<tr>
<td>Signature:</td>
<td>Signature:</td>
</tr>
<tr>
<td>Name: SARAH ALLEN</td>
<td>Name: Karen Schneider</td>
</tr>
<tr>
<td>Title: Administrator, SPO</td>
<td>Title: NASPO ValuePoint National Program Manager</td>
</tr>
<tr>
<td>Date: 1/18/15</td>
<td>Date: 22 Oct 2015</td>
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</tbody>
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APPROVED AS TO FORM:

Deputy Attorney General