

STATE OF MONTANA TERM CONTRACT

Department of Administration
State Procurement Bureau
165 Mitchell Building
PO Box 200135
Helena, MT 59620-0135
Phone: (406) 444-2575 Fax: (406) 444-2529
TTY Users-Dial 711
<http://gsd.mt.gov/>

T.C. #: WSCA 1862-C
Title: FACILITIES MAINTENANCE, LIGHTING PRODUCTS, INDUSTRIAL SUPPLIES AND TOOLS

This is a non-exclusive contract.

| | | | | |
|----------------|--|-------------------|-----------------|------------|
| CONTRACT TERM | FROM | March 1, 2014 | CONTRACT STATUS | NEW () |
| | TO | February 28, 2017 | | RENEW (xx) |
| VENDOR ADDRESS | W.W. GRAINGER, INC. 100 GRAINGER PARKWAY LAKE FOREST, IL 60045 | | ORDER ADDRESS | |
| ATTN: | DOUG D'ALESSIO | | ATTN: | |
| PHONE: | 916-503-0229 | | PHONE: | |
| FAX: | 916-471-0515 | | FAX: | |
| E-MAIL: | Doug.DAlessio@grainger.com | | E-MAIL: | |

The State of Montana has entered into this agreement with W.W. Grainger, Inc. through the Western States Contracting Alliance. The State of Nevada (lead state) issued a solicitation for the products listed above. Montana has elected to participate in this contract as optional use-convenience only. For a complete detailed listing of the contract, technical proposal, pricing list with percentage off and market basket, please visit the following website:

http://purchasing.state.nv.us/WSCA_Industrial/WSCAMRO.htm

WSCA#1862

RHONDA R. GRANDY, CONTRACTS OFFICER

AUTHORIZED SIGNATURE

**PARTICIPATING ADDENDUM
WESTERN STATES CONTRACTING ALLIANCE
FACILITIES MRO Contracts**

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

MASTER PRICE AGREEMENT

W.W. Grainger, Inc.

Nevada Contract Number: 1862

(Hereinafter "Contractor")

And

State of Montana

(Hereinafter "Participating State")

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1. Scope: This addendum covers the WSCA Facilities MRO Contracts lead by the State of Nevada for use by state agencies and other entities located in the Participating State authorized by that state's statutes to utilize state contracts.

The award to contractor in Master Price Agreement 1862 is for **all categories and for all states (entities)** authorized to use Master Price Agreement 1862.

2. Participation: Use of specific WSCA cooperative contracts by state agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state contracts are subject to the 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.

3. Participating State Modifications or Additions to Master Price Agreement:

ACCESS AND RETENTION OF RECORDS: The contractor agrees to provide the department, Legislative Auditor, or their authorized agents, access to any records necessary to determine contract compliance. (Section 18-1-118, MCA). The contractor agrees to create and retain records supporting the services rendered or supplies delivered for a period of three years after either the completion date of the contract or the conclusion of any claim, litigation, or exception relating to the contract taken by the State of Montana or third party.

ASSIGNMENT, TRANSFER AND SUBCONTRACTING: The contractor shall not assign, transfer or subcontract any portion of the contract without the express written consent of the department. (Section 18-4-141, MCA.)

REDUCTION OF FUNDING: The State must terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance in a subsequent fiscal period. (See section 18-4-313(4), MCA.)

VENUE: The parties agree that any litigation concerning subsequent contract, must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees. (Section 18-1-401, MCA.)

4. Lease Agreements:

Lease Agreements Are NOT Authorized By This Contract

5. Primary Contacts: The primary government contact individuals for this participating addendum are as follows (or their named successors):

Lead State

Name: Gail Burchett
Address: Nevada Department of Administration, Purchasing Division,
515 E. Musser Street, 3rd Floor, Carson City, NV 89701

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Telephone: (775) 684-0172
Fax: (775) 684-0188
E-mail: gburchet@purchasing.state.nv.us

Contractor

Name: Doug D'Alessio, Senior Government Sales Manager
Address: W. W. Grainger, Inc., 100 Grainger Parkway
Lake Forest, IL 60045
Telephone: (916) 503-0229
Fax: (916) 471-0515
E-mail: Doug.M.D'Alessio@grainger.com

Participating State of Montana

Name: Rhonda Grandy
Address: 125 N Roberts, Mitchell Building Room 165, Helena, MT 59620
Telephone: 406-444-3320
Fax: 406-444-2529
E-mail: rhgrandy@mt.gov

6. **Subcontractors:**

NO servicing subcontractors are permitted under this contract.

7. **Price Agreement Number:** All purchase orders issued by purchasing entities within the jurisdiction of this participating addendum shall include the Participating State contract number: [insert appropriate number] and the Lead State price agreement number: 1862.

This Participating Addendum and the Master Price Agreement number 1862 (administered by the State of Nevada) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous 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 Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Price Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Price Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms within the Participating State.

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8. Compliance with reporting requirements of the "American Recovery and Reinvestment Act of 2009" ("ARRA"): If or when contractor is notified by ordering entity that a specific purchase or purchases are being made with ARRA funds, contractor agrees to comply with the data element and reporting requirements as currently defined in Federal Register Vol 74 #61, Pages 14824-14829 (or subsequent changes or modifications to these requirements as published by the Federal OMB). Ordering entity is responsible for informing contractor as soon as the ordering entity is aware that ARRA funds are being used for a purchase or purchases. Contractor will provide the required report to the ordering entity with the invoice presented to the ordering entity for payment. The contractor, as it relates to purchases under this contract, is not a subcontractor or sub grantee, but simply a provider of goods and related services.

9. Administrative Fee/Rebate: Acceptance? Yes

Grainger will provide a 1% Base Administrative Fee to any Participating State that indicates its acceptance of the Fee by checking yes in the above box. The 1% Fee shall be paid quarterly, 45 days after the close of the quarter, on all purchases under the Price Agreement, less any freight, taxes, returns, credits or adjustments.

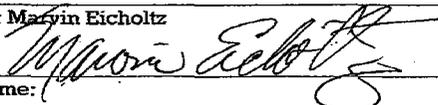
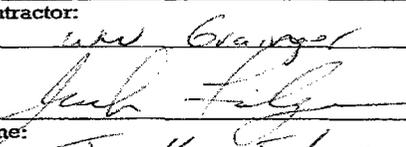
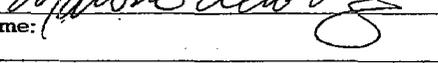
10. Single Award Administrative Fee/Rebate: Acceptance? No

To the extent that Participating State issues Grainger a single, exclusive, sole award to provide maintenance, repair and operating ("MRO") products as set forth in the Price Agreement, Grainger will provide the Participating State with an additional 2% Single Award Administrative Fee, such Fee to be paid quarterly, 45 days after the close of the quarter, on all purchases under the Price Agreement in Montana, less any freight, taxes, returns, credits or other adjustments. As part of the Single Award offer Grainger will also provide the State with a Market Basket of 100 critical items for the State that will be aggressively priced ("Customized Market Basket"). Participating State will be eligible for such Single Award Administrative Fee and the Customized Market Basket for so long as Grainger is the sole provider of MRO products to the State. To the extent that the Participating State issues other contracts covering MRO products, Grainger has the right to terminate providing the Single Award Administrative Fee of 2% and Customized Market Basket. Please indicate your acceptance of the Single Award terms and conditions and the Fee by checking the box above.

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IN WITNESS WHEREOF, the parties have executed this Addendum as of the date of execution by both parties below.

| | |
|--|--|
| Participating State/Entity: State of Montana | Contractor: |
| By: Marvin Eicholtz  | By:  |
| Name:  | Name: Jack Falger |
| Title: Administrator, General Services Division | Title: Govt Sales Manager |
| Date: 3/21/2011 | Date: 4-6-11 |