

Texas State Library and Archives Commission Terms & Conditions

ARTICLE 1. GENERAL

1. **Terms and Conditions.** The Texas State Library and Archives Commission Terms & Conditions are incorporated for all purposes and is made part of Respondent's contract with the Texas State Library and Archives Commission (TSLAC) by reference. Under these terms and conditions, a Purchase Order is also considered a contract between TSLAC and the Respondent.

2. **Selected Definitions.** When used in this document, Terms & Conditions, the following words shall include the following meanings, unless the context clearly indicates otherwise:

Agency – Texas State Library and Archives Commission or TSLAC

Respondent – includes bidder, proposer, applicant, contractor, or vendor

Response – includes a bid, proposal, offer, or application

Solicitation – includes Invitation for Bids, Request for Proposals, Request for Offers, Request for Applications, Pricing Request, or Request for Qualifications

3. **Headings.** The headings, captions, and arrangements used in this document are for reference and convenience only and do not alter the interpretation of this contract.

4. **Applicable Law and Venue.** Contracts awarded by TSLAC shall be governed by and construed in accordance with the laws of the State of Texas. Venue shall be in the courts of competent jurisdiction in Austin, Travis County, Texas. Nothing in this contract or its Appendices shall be construed to waive the State's sovereign immunity. The federal or state courts of the United States located in Texas shall have jurisdiction to hear any dispute under this contract, and service may be made upon TSLAC by first class mail to its address as set forth herein.

5. **Conflicting Provisions.** In the events of conflicts or inconsistencies between this contract and its exhibits or attachments, such conflicts or inconsistencies shall be resolved by reference to the following order of priority: Signed TSLAC Contract, TSLAC Terms and Conditions, Attachments to the Contract, the Solicitation, and Respondent's Response to the Solicitation.

6. **Notices.** Unless specifically noted elsewhere in this contract, any written notices required under this contract will be either hand delivered to Respondent's office address specified on the signature page of this contract or to TSLAC's Purchasing Department, 1201 Brazos Street, Room 309, Austin, Texas 78701, or by U.S. Mail, certified, return receipt requested, addressed to the appropriate foregoing address. Notice will be effective on receipt by the affected party. Either party may change the designated notice address by written notification to the other party.

7. **Change in Law.** Any alterations, additions, or deletions to the terms of the contract that are required by changes in federal or state law or regulations are automatically incorporated into the contract without written amendment hereto and shall become effective on the date designated by such law or by regulation.

8. **Applicable Law & Conforming Amendments.** Respondent must comply with all laws, regulations, requirements, and guidelines applicable to a vendor providing services to the State of Texas as these laws, regulations, requirements, and guidelines currently exist and as they are amended throughout the term of this contract. TSLAC reserves the right, in its sole discretion, to unilaterally amend this contract throughout its term to incorporate any modifications necessary for TSLAC or Respondent's compliance with all applicable State and federal laws, and regulations.

This contract may be amended only upon written agreement between TSLAC and Respondent; however, this contract may not be amended so as to make it conflict with the laws of the State. TSLAC may issue Purchase Order Change Notices for ordering and tracking purposes consistent with this contract provided such Purchase Order Change Notices reference the contract.

9. **Agreement Amendments.** No modification or amendment to the agreement shall become valid unless in writing and signed by both parties. All correspondence regarding modifications or amendments to the agreement must be forwarded to the TSLAC Purchasing Department for prior review and approval. Only the contract administrator within the Purchasing Department or his/her designee will be authorized to sign changes or amendments.

10. **Severability.** If one or more provisions of this agreement, or the application of any provision to any party or circumstance is held invalid, unenforceable, or illegal in any respect, the remainder of the agreement and the application of the provision to other parties or circumstances shall remain valid and in full force and effect.

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11. **Signature Authority.** By submitting the Response, Respondent represents and warrants that the individual submitting this document and the documents made part of this Response is authorized to sign such documents on behalf of Respondent and to bind Respondent under any contract that may result from the submission of this Response.
12. **Binding Effect.** The contract shall inure to the benefit of, be binding upon, and be enforceable against, each Party and their respective permitted successors, assigns, transferees, and delegates.
13. **No Implied Waiver.** The failure of a party to insist at any time upon the strict performance of any covenant or agreement or to exercise any option, right, power, or remedy contained in the contract shall not be construed as a waiver or a relinquishment thereof for the future.

ARTICLE 2. TERMINATION, REMEDIES, AND DISPUTES

14. **Termination by Mutual Agreement.** The contract may be terminated by mutual agreement before the expiration date if both parties consent to the termination in writing.
15. **Termination for Cause; Default.** If Respondent terminates or suspends its business, becomes subject to any bankruptcy or insolvency proceeding under any Federal or State statute, or becomes subject to direct control by a trustee, receiver, or similar authority, TSLAC may, in addition to its other legal rights and remedies, terminate this agreement on seven calendar days' notice to Respondent. Upon such termination, Respondent will offer TSLAC a prorated refund or subscription fee.

If Respondent fails to provide the goods or services contracted for according to the provisions of the contract or fails to comply with any of the terms and conditions of the contract, TSLAC may, upon written notice, immediately terminate all or any part of this contract. Termination is not an exclusive remedy but will be in addition to any other rights and remedies provided in equity, by law or under the contract.

If the contract is terminated for any reason, or upon its expiration, the TSLAC shall retain ownership of all associated work products and documentation obtained from the Respondent under the contract.

The TSLAC may exercise any other right, remedy or privilege which may be available to it under applicable law of the state and any other applicable law or may proceed by appropriate court action to enforce the provisions of the contract, or to recover damages for the breach of any agreement being derived from the contract. The exercise of any of the foregoing remedies will not constitute a termination of the contract unless the TSLAC notifies the Respondent in writing prior to the exercise of such remedy. The Respondent shall remain liable for all covenants and indemnities under the contract. The Respondent shall be liable for all costs and expenses, including court costs, incurred by the TSLAC with respect to the enforcement of any of the remedies listed herein.

16. **Termination for Convenience.** TSLAC reserves the right to terminate the contract at any time, in whole or in part, without cost or penalty, by providing 30 calendar days' advance written notice of such termination to Respondent, if TSLAC determines that such termination is in the best interests of the state. In the event of such a termination, Respondent must, unless otherwise mutually agreed upon in writing, cease all work immediately upon the effective date of termination. TSLAC shall be liable for payments limited only to the portion of work TSLAC authorized in writing and which Respondent has completed, delivered to TSLAC, and which has been accepted by TSLAC. All such work shall have been completed, in accordance with contract requirements, prior to the effective date of termination. TSLAC shall have no other liability, including no liability for any costs associated with termination.
17. **Termination Remedies.** Upon an event of default, TSLAC, without limiting any other rights or remedies it may have by law, equity, or under this contract, will have the right to institute an action for actual damages and/or injunctive relief and/or to terminate the contract immediately. TSLAC's termination of this contract shall not limit or waive any remedies TSLAC may have for breach by Respondent of its past, present, or future duties and obligations created by this contract or otherwise required by applicable law.

All remedies available to TSLAC for breach or anticipatory breach of this contract by Respondent are cumulative and may be exercised concurrently or separately, and the exercise of any one remedy shall not be deemed an election of such remedy to the exclusion of other remedies. Liquidated damages, actual damages, cost projections, injunctive relief and/or performance bonds may also be invoked either separately or combined with any other remedy in accordance with applicable law.

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- 18. No Liability Upon Termination.** If this contract is terminated for any reason, TSLAC and the State of Texas shall not be liable to Respondent for any damages, claims, losses, or any other amounts arising from or related to any such termination. However, Respondent may be entitled to the remedies provided in Texas Government Code, Chapter 2260.
- 19. Survival of Terms.** Termination of this contract for any reason shall not release the Respondent from any liability or obligation set forth in the contract that is expressly stated to survive any such termination or by its nature would be intended to be applicable following any such termination, including the provisions regarding confidentiality, indemnification, transition, records, audit, property rights, dispute resolution, and invoice and fees verification.
- 20. Dispute Resolution.** Unless an applicable state statute or applicable federal law requires another procedure for the resolution of disputes, the dispute resolution process provided for in the Texas Government Code, Chapter 2260, must be used to attempt to resolve any dispute arising under the contract. If the Respondent's claim for breach of contract cannot be resolved informally with the agency, the claim shall be submitted to the negotiation process provided in Chapter 2260. To initiate the process, Respondent shall submit written notice, as required by Chapter 2260, to the Chief Financial Officer or designee. The notice shall specifically state that the provisions of the Texas Government Code, Chapter 2260 are being invoked. Respondent shall provide a copy of the notice to all other representatives of Respondent and TSLAC individual(s) designated in the contract for receipt of notices. Compliance with Chapter 2260 is a condition precedent to the filing of a contested case proceeding under Chapter 2260. The contested case process provided in Chapter 2260 is Respondent's sole and exclusive process for seeking a remedy for any and all alleged breaches of contract by TSLAC if the parties are unable to resolve their disputes as described above. Notwithstanding any other provision of the contract to the contrary, unless otherwise requested or approved in writing by the Agency, the Respondent shall continue performance and shall not be excused from performance during the period any breach of contract claim or while the dispute is pending. However, the Respondent may suspend performance during the pendency of such claim or dispute if the Respondent has complied with all provisions of Texas Government Code, §2251.051, and such suspension of performance is expressly applicable and authorized under that law.
- 21. Sovereign Immunity.** Nothing in this agreement shall be construed as a waiver of TSLAC's or the state's sovereign immunity. This agreement shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to the State of Texas. The failure to enforce, or any delay in the enforcement, of any privileges, rights, defenses, remedies, or immunities available to the State of Texas under this agreement or under applicable law shall not constitute a waiver of such privileges, rights, defenses, remedies, or immunities or be considered as a basis for estoppel. TSLAC does not waive any privileges, rights defenses, or immunities available to TSLAC by entering into this agreement or by its conduct prior to or subsequent to entering into this agreement.
- 22. No Other Benefits.** Respondent shall have no exclusive rights or benefits other than those set forth herein.
- 23. Force Majeure.** Neither Respondent nor TSLAC shall be liable to the other for any delay in, or failure of performance, of any requirement included in the contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.
- 24. Contract Fulfillment.** If federal or state laws or regulations or other federal or state requirements are amended and judicially interpreted so that either party cannot reasonably fulfill this contract, and if the parties cannot agree to an amendment that would enable substantial continuation of the contract, the parties shall be discharged from any further obligations under this contract.
- 25. Transition.** Upon termination of the contract for any reason, Respondent shall, in good faith and with reasonable cooperation, aid in the transition to any new agreement and provider. In accordance with this contract, Respondent shall deliver to TSLAC all completed, or partially completed work and any and all documentation or other products and results of these services.

ARTICLE 3. INDEMNIFICATION

- 26. Indemnification (General).** RESPONDENT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND THE AGENCY, AND/OR ITS OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES

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FROM ANY AND AGAINST ALL LIABILITY, CLAIMS, ACTIONS, SUITS, DEMANDS, OR PROCEEDINGS, AND ALL RELATED COSTS, ATTORNEY'S FEES, AND EXPENSES ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY ACTS OR OMISSION OF RESPONDENT OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF RESPONDENT IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT AND ANY PURCHASE ORDER ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY RESPONDENT WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND RESPONDENT MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL. RESPONDENT AND AGENCY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

THIS PARAGRAPH IS NOT INTENDED TO AND SHALL NOT BE CONSTRUED TO REQUIRE RESPONDENT TO INDEMNIFY OR HOLD HARMLESS THE STATE OR TSLAC FOR ANY CLAIMS OR LIABILITIES RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF TSLAC OR ITS EMPLOYEES.

- 27. Indemnification (Intellectual Property).** RESPONDENT SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS AGENCY AND THE STATE OF TEXAS FROM AND AGAINST ANY AND ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR OTHER INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, AND/OR IN CONNECTION WITH OR ARISING FROM: (1) THE PERFORMANCE OR ACTIONS OF RESPONDENT PURSUANT TO THIS CONTRACT; (2) ANY DELIVERABLE, WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED HEREUNDER; AND/OR (3) AGENCY'S AND/OR RESPONDENT'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO AGENCY BY RESPONDENT OR OTHERWISE TO WHICH AGENCY HAS ACCESS AS A RESULT OF RESPONDENT'S PERFORMANCE UNDER THE CONTRACT. RESPONDENT AND AGENCY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. RESPONDENT SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY RESPONDENT WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL(OAG) WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND RESPONDENT MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM OAG. IN ADDITION, RESPONDENT WILL REIMBURSE AGENCY AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES OR OTHER AMOUNTS, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM. IF AGENCY DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF RESPONDENT OR IF AGENCY IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, AGENCY WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND RESPONDENT WILL PAY ALL REASONABLE COSTS OF AGENCY'S COUNSEL.

ARTICLE 4. CONTRACT PERFORMANCE

- 28. Observance of TSLAC Rules and Policies.** Respondent agrees that at all times its employees will observe and comply with all TSLAC rules and policies when accessing the TSLAC facilities, including, but not limited to, parking and security regulations.
- 29. Specifications.** The State will not be bound by any oral statement or representation contrary to the written specifications.
- Unless otherwise specified, items shall be new and unused and of current production.
 - All electrical items must meet all applicable OSHA standards and regulations, and bear the appropriate listing from UL, FMRC or NEMA.
 - Manufacturer's standard warranty shall apply unless otherwise stated.
 - Catalogs, brand names or manufacturer's references are descriptive only, and indicate type and quality desired. Bids on brands of like nature and quality will be considered unless advertised under Texas Government Code, §2155.067. If bidding on other than references, bid should provide manufacturer, brand, or trade name, and other description of product offered. If other than brand(s) specified is offered, illustrations and complete description of product offered are requested to be made part of the bid. Failure to take exception to specifications or reference data will require contractor to furnish specified brand names, numbers, etc.
 - Samples, when requested, must be furnished free of expense to the State. If not destroyed in examination, they will be returned to the contractor, on request, at contractor's expense. Each sample should be marked with contractor's name and address, and requisition number. Do not enclose in or attach bid to a sample.
- 30. Inspection and Tests.** All goods will be subject to inspection and test by the State. Authorized TSLAC personnel shall have access to supplier's place of business for the purpose of inspecting merchandise. Tests shall be performed on samples submitted with the Response or on samples taken from regular shipments. All costs shall be borne by the Respondent in the event products

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tested fail to meet or exceed all conditions and requirements of the specification. Goods delivered and rejected in whole or in part may, at the State's option, be returned to the Respondent or held for disposition at Respondent's expense. Latent defects may result in revocation of award.

31. Delivery.

- a) Delivery shall be made during normal business hours (7:30am-4:30pm, CT), unless prior approval or specific instructions have been provided from the TSLAC Purchasing Department.
- b) No substitutions are permitted without written approval of the TSLAC's Purchasing Department.
- c) If delay is foreseen, Respondent shall give written notice to the TSLAC. Respondent must keep the TSLAC advised at all times of status of order or completion of services. Default in promised delivery (without accepted reasons) or failure to meet specifications authorizes the TSLAC to purchase supplies or services elsewhere and charge full increase, if any, in cost and handling to defaulting Respondent.

32. Acceptance of Products and Services. All products furnished and all services performed under this agreement shall be to the satisfaction of TSLAC and in accordance with the specifications, terms, and conditions of this contract. TSLAC reserves the right to inspect the products furnished or the services performed, and to determine the quality, acceptability, and fitness of such products or services.

33. Disaster Recovery Plan. In accordance with 13 Texas Administrative Code, §6.94(a)(9), Respondent will provide to Agency the descriptions of its business continuity and disaster recovery plans.

34. Permits, Licenses. Respondent represents and warrants that it has obtained all necessary permits, licenses, easements, waivers, and permissions of whatsoever kind required for its performance and the performance of its subcontractors under this contract.

35. Time Limits. Time is of the essence in the performance of this contract. Respondent shall strictly comply with all of the deadlines, requirements, and standards of performance for this contract.

36. Independent Contractor. Respondent acknowledges and agrees that it is furnishing products or services in the capacity of an independent contractor and that Respondent and its personnel are not employees of the TSLAC or the State of Texas. Respondent has the sole obligation to supervise, manage, and direct the performance of its obligations under the contract resulting from this Solicitation. Neither Respondent nor TSLAC is an agent of the other and neither may make any commitments on the other party's behalf.

Should Respondent subcontract any of the services required, Respondent expressly understands and acknowledges that in entering into such subcontract(s), the TSLAC is in no manner liable to any subcontractor(s) of Respondent. In no event shall this provision relieve the Respondent of the responsibility for ensuring that the services rendered under all subcontracts are rendered in compliance with the specifications. Respondent shall have no claim against TSLAC for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits or employee benefits of any kind. Respondent and Respondent's employees, representatives, agents, subcontractors, suppliers, third-party service providers, and similar entities shall not be employees of TSLAC. The contract shall not create any joint venture, partnership, agency, or employment relationship between Respondent and TSLAC.

37. Subcontracting. It is contemplated by the parties hereto that the Respondent shall conduct the performances provided by this contract substantially with its own resources and through the services of its own staff. In the event the Respondent should determine that it is necessary or expedient to subcontract for any of the performances specified herein, the Respondent shall subcontract for such performances only after the Respondent has transmitted to TSLAC a true copy of the subcontract the Respondent proposes to execute with a subcontractor and has obtained TSLAC's written approval for subcontracting the subject performance in advance of executing a subcontract. The Respondent, in subcontracting for any products or performances specified herein, expressly understands and acknowledges that in entering into such subcontracting(s), TSLAC is in no manner liable to any subcontractor(s) of the Respondent. In no event shall this provision relieve the Respondent of the responsibility for ensuring that the finished products and/or services rendered under all subcontracts are rendered so as to comply with all terms of this contract.

38. Assignment. The Respondent will not assign its rights under this contract or delegate the performance of its duties under this contract without prior written approval from TSLAC. Any attempted assignment in violation of this provision is void and without effect.

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39. Accessibility. Respondent represents and warrants that any electronic and information resources products developed, procured, maintained, or used by TSLAC directly or used by the Respondent under any contract resulting from this Solicitation which requires the use of such product, or requires the use, to a significant extent, of such product in the performance of a service or the furnishing of a product complies with the applicable State of Texas Accessibility requirements for Electronic and Information Resources specified in the Department of Information Resources' rules at Texas Administrative Code, Title 1, Part 10, Chapter 213. In addition, TSLAC is required to follow Texas Administrative Code, Title 1, Part 10, Chapter 206, related to accessibility of State Web Sites, and the accessibility standards in Section 508 of the Federal Rehabilitation Act of 1973.

Respondent shall provide TSLAC with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act), or indicate that the product/service accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<http://www.buyaccessible.gov>). Respondents not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide TSLAC with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.

40. Respondent Responsibility for Damage to Government Property. The Respondent shall be liable for all damages to government-owned, leased, or occupied property and equipment caused by the Respondent and its employees, agents, subcontractors, and suppliers, including any delivery or cartage company, in connection with any performance pursuant to the contract. The Respondent shall notify the TSLAC Project Manager in writing of any such damage within one calendar day.

41. Performance Monitoring. The TSLAC will monitor the performance of the contract issued under this Solicitation. All services and goods under the contract shall be performed at an acceptable service levels and in a manner consistent with acceptable industry standards, custom, and practice. The Respondent will receive a hard copy of this report, as well as an e-mailed copy. The TSLAC will provide a sample of the Vendor Performance Report upon request. More information can be found at http://comptroller.texas.gov/procurement/prog/vendor_performance/vendor-performance-faq/.

42. Change Management. Respondent shall assign only qualified personnel to this contract. Respondent, in its reasonable discretion, reserves the right to substitute appropriate key personnel to accomplish its duties so long as the substituted personnel are equally qualified and skilled in the tasks necessary to accomplish the tasks and services required. Respondent shall provide to TSLAC prior written notice of any proposed change in key personnel involved in providing services under this contract. Subcontractors providing services under the contract shall meet the same requirements and level of experience as required of the Respondent. No subcontract under the contract shall relieve the Respondent of responsibility for ensuring the requested services are provided. If Respondent uses a subcontractor for any or all of the work required, the following conditions shall apply:

- a) Respondents planning to subcontract all or a portion of the work to be performed shall identify the proposed subcontractors.
- b) Subcontracting shall be solely at Respondent's expense.
- c) TSLAC retains the right to check subcontractor's background and approve or reject the use of submitted subcontractors.
- d) Respondent shall be the sole contact for TSLAC. Respondent shall list a designated point of contact for all TSLAC inquiries.

43. Prompt Payment. Payment shall be made in compliance with Texas Prompt Payment Act, Texas Government Code, Chapter 2251. Chapter 2251 of the Texas Government Code shall govern the remittance and remedies for late payment and non-payment. TSLAC shall not pay any amounts for any purpose to Respondent or any entity, except as expressly provided in the contract. TSLAC reserves the right to make payments only upon receipt of a correct invoice, including all of the required supporting documentation. TSLAC also reserves the right to refuse payments for invoices that exceed the rates specified in the contract.

44. Liability for Taxes. Respondent represents and warrants that it shall pay all taxes or similar amounts resulting from this contract, including, but not limited to, any federal, state, or local income, sales or excise taxes of Respondent or its employees. TSLAC shall not be liable for any such taxes resulting from this contract.

45. Provision for Direct Deposit. The electronic funds transfer ("EFT") provisions of Texas law were codified in the Texas Government Code, §403.016. Depending on eligibility under the law, certain payments from the State may be directly deposited into Respondent's bank account or may be made by warrant. If Respondent is eligible for direct deposit and wishes to be paid

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by direct deposit, Respondent must complete the form titled "Vendor Direct Deposit Authorization" and return it as soon as possible to: Texas State Library & Archives Commission, Attention: Accounting, PO Box 12516 Austin, Texas 78711.

ARTICLE 5. CERTIFICATIONS AND REPRESENTATIONS

- 46. Lobbying Prohibition.** Respondent represents and warrants that TSLAC's payment to Respondent and Respondent's receipt of appropriated or other funds under this or any resulting contract are not prohibited by Texas Government Code, §§556.005 or 556.0055.
- 47. Antitrust Affirmation.** Respondent represents and warrants that, in accordance with Texas Government Code, §2155.005, neither the Respondent nor the firm, company, corporation, partnership, or institution represented by the Respondent, or anyone acting for such firm, company, corporation, partnership, or institution has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15 of the Texas Business and Commerce Code, or the federal antitrust laws, or (2) communicated directly or indirectly the contents of this proposal to any competitor or any other person engaged in the same line of business as Respondent.
- 48. No Conflicts of Interest.** Respondent represents and warrants that the provision of goods and services or other performance under this contract will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety. If circumstances change during the course of the contract, Respondent will promptly notify Agency. Without limitation on the foregoing, other disclosures required under this contract, and other prohibited work provisions of this contract, Respondent shall, throughout the term of this contract, comply with and provide all of the following to TSLAC, upon request: a copy of Respondent's most recent audit, if any, together with a full disclosure of any and all internal control weaknesses, if any; disclosure and detailed description of Respondent's most recent peer review, if any, stating the date of the review and irregularities, if any, and concluding comments; disclosure and detailed description of any emerging irregularities, if any, that could materially affect TSLAC's interests; and disclosure and detailed description of how Respondent determines whether Respondent's outside auditors provide consulting or other services to Respondent or Respondent's clients or to TSLAC.
- 49. HUBs.** Respondent represents and warrants that it shall comply with the Historically Underutilized Business requirements of this contract.
- 50. Debt.** Respondent agrees that any payments due under this contract will be applied towards any debt or delinquency, including but not limited to delinquent taxes and child support, that is owed to the State of Texas.
- 51. Executive Head of a State Agency Affirmation.** In accordance with Texas Government Code, §669.003, relating to contracting with the executive head of a state agency, Respondent certifies that it is not (1) the executive head of the Agency, (2) a person who at any time during the four years before the date of the contract was the executive head of the Agency, or (3) a person who employs a current or former executive head of the Agency.
- 52. Suspension and Debarment.** Respondent represents and warrants that it and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local government entity. Entities ineligible for federal procurement are listed at <https://www.sam.gov>.
- 53. Excluded Parties.** Respondent certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, *Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*, published by the United States Department of the Treasury, Office of Foreign Assets Control.
- 54. Foreign Terrorist Organizations.** Respondent represents and warrants that it is not engaged in business with Iran, Sudan or a foreign terrorist organization as prohibited by Texas Government Code, §2252.152.
- 55. Entities that Boycott Israel.** Respondent represents and warrants that (1) it does not, and shall not for the duration of the contract, boycott Israel or (2) the verification required by Texas Government Code, §2271.002 does not apply to the contract. If circumstances relevant to this provision change during the course of the contract, Respondent shall promptly notify Agency.
- 56. Excess Obligations Prohibited.** Any contract resulting from this solicitation is contingent on the continued availability of lawful appropriations by the Texas Legislature. If such funds are not appropriated or become unavailable, the contract may be terminated by Agency. In the event of a termination under this section, Agency will not be liable to Respondent for any damages that are caused by or associated with such termination and Agency will not be required to give prior notice.

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- 57. Financial Participation Prohibited Affirmation.** Pursuant to Texas Government Code, §2155.004(a), the Respondent certifies that neither Respondent nor any person or entity represented by Respondent has received compensation from Agency to participate in the preparation of the specifications or solicitation on which this Response or contract is based. Under Texas Government Code, §2155.004(b), Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract and acknowledges that the contract may be terminated, and payment withheld if this certification is inaccurate.
- 58. Certification Regarding Non-Payment of Child Support.** Pursuant to Texas Family Code, §231.006(d), re: child support, the Respondent certifies that the individual or business entity named in this Response is not ineligible to receive the specified payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate. Furthermore, any bidder subject to §231.006 must include names and social security numbers of each person with at least 25% ownership of the business entity submitting the bid. This information must be provided prior to award.
- 59. Prior Disaster Relief Contract Violation.** Texas Government Code, §§2155.006 and 2261.053 prohibit state agencies from accepting a Response or awarding a contract that includes proposed financial participation by a person who, in the past five years, has been convicted of violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Katrina, Hurricane Rita, or any other disaster as defined by Texas Government Code, §418.004, occurring after September 24, 2005. Under Texas Government Code, §§2155.006 and 2261.053, Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.
- 60. E-Verify.** By entering into a contract, the Respondent certifies and ensures that it utilizes and will continue to utilize, for the term of this contract, the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of:
- a) All persons employed to perform duties within Texas, during the term of the contract; and
 - b) All persons (including subcontractors) assigned by the Respondent to perform work pursuant to the contract, within the United States of America.

If it has been determined that Respondent has violated the certification made in this section, then (1) Respondent will be in breach of contract, (2) Agency will have the option to terminate the contract for cause without prior notice, and (3) in addition to any other rights or remedies available to Agency under the contract, Respondent shall be responsible for all costs incurred by Agency to obtain substitute services to replace the terminated contract.

- 61. Human Trafficking Prohibition.** Under Texas Government Code, §2155.0061, Respondent certifies that the individual or business entity named in this Response or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated, and payment withheld if this certification is inaccurate.
- 62. Use of State Property.** Respondent is prohibited from using State Property for any purpose other than performing services under the contract. "State Property" includes, but is not limited to, TSLAC's office space, identification badges, TSLAC information technology equipment and networks, and any other resources of TSLAC. Use of State Property for a purpose not authorized by contract shall constitute a breach of contract and may result in termination of the contract and the pursuit of other remedies available to TSLAC under contract, at law, or in equity.
- 63. Gifts.** The Respondent has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted Response or contract.
- 64. Unfair Business Practices.** Respondent represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices under Chapter 17 of the Texas Business and Commerce Code or allegations of any unfair business practice in any administrative hearing or court suit, and that Respondent has not been found to be liable for such practices in such proceedings. Respondent certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit, and that such officers have not been found to be liable of such practices in such proceedings.
- 65. No Felony Criminal Convictions.** The Respondent represents and warrants that neither Respondent nor any of its employees, agents, or representatives, including any subcontractors and employees, agents, or representatives of such subcontractors, have been convicted of a felony criminal offense or that if such a conviction has occurred, Respondent has fully advised TSLAC as to the facts and circumstances surrounding the conviction. Respondent has a continuing duty to amend, supplement or

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correct this representation and warranty not later than 10 days after discovering additional information relating to felony criminal convictions of Respondent or any of its employees. Respondent shall not allow any employee convicted of a felony criminal offense to perform tasks related to the contract without such disclosure and express permission from TSLAC.

66. **Dealings with Public Servants Affirmation.** Respondent has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted response.
67. **Equal Opportunity.** Respondent represents and warrants its compliance with all applicable duly enacted state and federal laws governing equal employment opportunities.
68. **Americans with Disabilities Act.** Respondent represents and warrants its compliance with the requirements of the Americans With Disabilities Act (ADA) and its implementing regulations, as each may be amended.
69. **Environmental Protection.** The Respondent shall be in compliance with all applicable standards, orders, or regulations issued pursuant to the mandates of the Clean Air Act (42 U.S.C. §7401 *et seq.*) and the Federal Water Pollution Control Act, as amended, (33 U.S.C. §1251 *et seq.*).
70. **Recovered Materials.** Contractors must comply with Section 6002 of the Federal Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items that contain the highest percentage of recovered materials practicable, as designated in the guidelines of the Environmental Protection Agency (EPA) at 40 Code of Federal Regulations (CFR) Part 247.
71. **False Statements.** Respondent represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a Response with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void the submitted Response and any resulting contract.
72. **Disclosure of Interested Parties.** Respondent represents and warrants that if selected for award of a contract as a result of the Solicitation, Respondent will submit to Agency a Certificate of Interested Parties prior to contract execution in accordance with Texas Government Code, §2252.908.
73. **Restricted Employment for Certain State Personnel.** Pursuant to Texas Government Code, §572.069, Respondent certifies that it has not employed and will not employ a former state officer or employee who participated in a procurement or contract negotiations for TSLAC involving Respondent within two years after the date that the contract is signed or the procurement is terminated or withdrawn.
74. **Duty to Disclose.** If circumstances change or additional information is obtained regarding any of the representations and warranties, or any other disclosure statements, provided by Respondent subsequent to the date of this contract, Respondent's duty to disclose continues through the term of this contract.

ARTICLE 6. PUBLICITY, PUBLIC INFORMATION, AND RECORDS

75. **Public Information Act.** Information, documentation, and other material in connection with this solicitation or contract may be subject to public disclosure pursuant to Texas Government Code, Chapter 552 (the "Public Information Act"). In accordance with Texas Government Code, §2252.907, Respondent is required to make any information created or exchanged with the State pursuant to the contract, and not otherwise excepted from disclosure under the Public Information Act, available in a format that is accessible by the public at no additional charge to the State.

Notwithstanding any provisions of this contract to the contrary, Respondent understands that TSLAC will comply with the Texas Public Information Act as interpreted by judicial opinions and opinions of the State's Attorney General. Any part of a submitted Response that is of a confidential or proprietary nature must be clearly and prominently marked on each page as such by the Respondent. Making a blanket claim that the entire Proposal is confidential is not acceptable. TSLAC will consider all Proposals and parts of Proposals that are not marked as confidential as public information after the contract is awarded. The successful Proposal may be considered public information even though parts are marked confidential. In the event TSLAC receives a request for portions of a Proposal marked as confidential, TSLAC will forward the request to the Attorney General for a ruling on whether TSLAC may withhold such information from disclosure under the Public Information Act. TSLAC will notify the

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Respondent whose Proposal is the subject of the request when the information is forwarded to the Attorney General. TSLAC assumes no obligation for asserting legal arguments on behalf of a Respondent.

Within three days of receipt, Respondent shall refer to TSLAC any third-party requests received directly by Respondent for information to which Respondent has access as a result of or in the course of performance under this contract.

- 76. Confidentiality.** Respondent shall take all necessary and appropriate action to safeguard all sensitive data and other confidential information from unauthorized disclosure. Whenever the transmission of confidential information is necessary, Respondent shall transmit the information electronically, and such electronic transmission shall be secure and the data encrypted, at a minimum, using 128 AES encryption to protect it from unauthorized disclosure.
- 77. Publicity.** Respondent agrees that it shall not publicize this agreement or disclose, confirm or deny any details thereof to third parties or use any photographs or video recordings of TSLAC's name in connection with any sales promotion or publicity event without the prior express written approval of TSLAC.
- 78. Records Retention.** Respondent shall maintain and retain all records relating to the performance of the contract, including supporting fiscal and any other documents adequate to ensure that claims for contract funds are in accordance with applicable State of Texas requirements, including requirements of the Comptroller of the State of Texas and the State Auditor. Respondent shall maintain all such documents and other records relating to this contract and the State's property seven years after the expiration or termination of the contract or until all audit, claim, and litigation matters are resolved, whichever is later.
- 79. Supporting Documents; Agency's Right to Audit.** Respondent will make available at reasonable times and upon reasonable notice, and for reasonable periods, work papers, reports, books, records, and supporting documents kept current by Respondent pertaining to the contract for purposes of inspecting, monitoring, auditing, or evaluating by Agency and the State of Texas. Respondent shall maintain all such documents and other records related to this contract for a period of seven years after the date of submission of the final invoices or until a resolution of all billing questions, whichever is later.

ARTICLE 7. ADDITIONAL STATE AND FEDERAL LAWS, RULES, AND REGULATIONS

- 80. Drug Free Workplace.** Respondent must comply with the applicable provisions of the Drug-Free Workplace Act of 1988 (41 U.S.C §701 *et seq.*) and maintain a drug-free work environment.
- 81. Buy Texas.** In accordance with Texas Government Code, §2155.4441, Respondent agrees that during the performance of a contract for services it will buy Texas products and materials when such products and materials are available at a comparable price and in a comparable period of time when compared to non-Texas products and materials.
- 82. Taxes.** Purchases made for State of Texas use are exempt from the State Sales Tax and Federal Excise Tax. TSLAC will furnish Tax Exemption Certificates on request. Respondent represents and warrants that it shall pay all taxes or similar amounts resulting from the contract, including any federal, State, or local income, sales, or excise taxes of Respondent or its employees. TSLAC shall not be liable for any taxes resulting from the contract.
- 83. Immigration.** Respondent must comply with the requirements of the Immigration and Nationality Act (8 U.S.C. §1101 *et seq.*) and all subsequent immigration laws and amendments.
- 84. Fraud, Waste, or Abuse.** In accordance with Texas Government Code, Chapter 321, the State Auditor's Office is authorized to investigate specific acts or allegations of impropriety, malfeasance, or nonfeasance in the obligation, expenditure, or use of state funds. If there is reasonable cause to believe that fraud, waste, or abuse has occurred at TSLAC, it can be reported to the State Auditor's Office. Respondent represents and warrants that it has read and understood and must comply with TSLAC's Fraud, Waste, and Abuse Policy.
- 85. State Auditor's Right to Audit.** The state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under the contract or indirectly through a subcontract under the contract. The acceptance of funds directly under the contract or indirectly through a subcontract under the contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Respondent further agrees to cooperate fully with the state auditor or its successor in the conduct of the audit or investigation, including providing all records requested. Respondent will ensure that this clause concerning the authority to audit funds

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received indirectly by subcontractors through Respondent and the requirement to cooperate is included in any subcontract it awards.

- 86. Respondent Assignments.** Respondent assigns to the agency all of Respondent's rights, title, and interest in and to all claims and causes of action Respondent may have under the antitrust laws of Texas or the United States for overcharges associated with this Solicitation or any resulting contract.
- 87. Control; Ownership; Legal Proceedings.** Respondent shall immediately notify TSLAC in writing of any actual or anticipated change in the control or ownership of Respondent and of any legal or administrative investigations or proceedings initiated against Respondent regardless of the jurisdiction from which such proceedings originate.
- 88. Infringements.**
- a) Respondent shall indemnify and hold harmless TSLAC and the State of Texas, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any and all third party claims involving infringement of United States patents, trade and service marks, copyrights, trade secrets or other proprietary rights, and any other intellectual or intangible property rights in connection with the PERFORMANCE OR ACTIONS OF RESPONDENT PURSUANT TO THIS CONTRACT. RESPONDENT AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. RESPONDENT SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEY'S FEES. THE DEFENSE SHALL BE COORDINATED BY RESPONDENT WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND RESPONDENT MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.
 - b) Respondent shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Respondent's written approval, (iii) any modifications made to the product by the Respondent pursuant to TSLAC's specific instructions, (iv) any intellectual property right owned by or licensed to TSLAC, or (v) any use of the product or service by TSLAC that is not in conformity with the terms of any applicable license agreement.
 - c) If Respondent becomes aware of an actual or potential claim, or TSLAC provides the Respondent with notice of an actual or potential claim, Respondent may (or in the case of an injunction against TSLAC, shall) at Respondent's sole option and expense; (i) procure for the Respondent the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that TSLAC's use is non-infringing.
- 89. Patents and Copyrights.** Respondent shall defend and indemnify TSLAC and the State of Texas against claims of patent, trademark, copyright, trade secret or other proprietary rights, violations or infringements arising from TSLAC's or Respondent's use of or acquisition of any services or other items provided to TSLAC by Respondent or otherwise to which TSLAC has access as a result of Respondent's performance under this contract, provided that TSLAC notify Respondent of any such claim within a five (5) working days time of TSLAC's receiving notice of any such claim. If Respondent is notified of any claim subject to this Section, Respondent shall notify TSLAC of such claim within five (5) working days of such notice. If TSLAC determines that a conflict exists between its interests and those of Respondent or if TSLAC is required by applicable law to select separate counsel, TSLAC shall be permitted to select separate counsel, and the actual costs TSLAC's counsel shall be paid by Respondent. No settlement of any such claim shall be made by Respondent without TSLAC's prior written approval. Respondent shall reimburse TSLAC and the State of Texas for any claims, damages, losses, costs, expenses, judgments or any other amounts, including, but not limited to, attorneys' fees and court costs arising from any such claim. Respondent represents that it has determined what licenses, patents and permits are required under this contract and has acquired all such licenses, patents and claims.
- 90. Property Rights.** For purposes of this contract, the term "work" is defined as all reports, work papers, work products, materials, approaches, designs, specifications, systems, documentation, methodologies, concepts, intellectual property or other property developed, produced or generated in connection with the services provided under the contract. The TSLAC and Respondent intend this contract to be a contract for services, and each considers the work and any and all documentation or other products and results of the services to be rendered by Respondent to be a work made for hire. By execution of a contract for these services, Respondent acknowledges and agrees that the work (and all rights therein) belongs to and shall be the sole and exclusive property of the TSLAC.

If, for any reason, the work would not be considered a work-for-hire under applicable law, Respondent does hereby sell, assign, and transfer to the TSLAC, its successors and assigns, the entire right, title and interest in and to the copyright of the work and any registrations and copyright applications relating thereto, and any renewals and extensions thereof, and in and to all works

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based upon, derived from, or incorporating the work, and in and to all income, royalties, damages, claims and payments now or hereafter due or payable with respect thereto, and in and to all causes of action, either in law or in equity for past, present, or future infringement based on the copyrights, and in and all to rights corresponding to the foregoing. Respondent agrees to execute all papers and to perform such other property rights as the TSLAC may deem necessary to secure for TSLAC or its designee the rights herein assigned.

Copyrightable material made by the Respondent for TSLAC shall be considered work-made-for-hire for TSLAC within the meaning of the copyright laws. Respondent shall assign all rights, title and interest in such copyrightable materials to TSLAC. Should this work product prove to be patentable, Respondent will assign all patent rights to TSLAC upon request. TSLAC shall have the right, at its discretion, to keep such work product as a trade secret.

Respondent and Respondent's employees shall have no rights of ownership of the Work and any documentation or other products and results of the services or any other property of TSLAC. Any property or Work not specifically scheduled in this contract as property of Respondent shall constitute property of TSLAC.

In addition to compliance with the right to examination provisions of the contract, Respondent must deliver to TSLAC, no later than the forty-eight (48) hours after receipt of TSLAC's written request for same, all completed or partially completed Work and any and all documentation or other products and results of the Services under such contract. Respondent's failure to timely deliver such Work or any documentation or other products and results of the Services will be considered a material breach of the contract. With the prior written approval of TSLAC, this forty-eight (48) hour period may be extended for delivery of certain completed or partially completed Work or other such information, if such extension is in the best interest of the State of Texas or TSLAC. If Respondent fails to deliver such Work within forty-eight (48) hours after receipt of written request for same, TSLAC may withhold all payments to Respondent, may withhold all authorization for payment of previously approved and future invoices, may impose liquidated damages of \$1,000 per each twenty-four (24) hour period of delay, or a pro rata amount for any portion of each such twenty-four (24) hour period. During the transition from any successor of the Respondent, TSLAC may impose liquidated damages of \$2,000 rather than \$1,000 per each twenty-four (24) hour period of delay, or a pro rata amount for any portion of each such twenty-four (24) hour period. These liquidated damages are in addition to other remedies and rights that are applicable or available to TSLAC for such failure or delay under this contract.

- 91. Limitation on Authority; No Other Obligations.** Respondent shall have no authority to act for or on behalf of TSLAC or the State of Texas except as expressly provided for in the contract; no other authority, power or use is granted or implied. Respondent may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State of Texas or TSLAC.
- 92. Insurance & Other Security.** Respondent represents and warrants that it will, upon five days of request, provide TSLAC with current written certificates of insurance or other proof acceptable to TSLAC of the following insurance coverage:
- a) Standard Workers Compensation Insurance as required by the Texas Workers' Compensation Act and Employers' Liability covering all personnel who will provide services under the contract with the following limits:
 - \$500,000 policy
 - Each Accident limit: \$100,000 bodily injury;
 - \$100,000 bodily injury by disease;
 - Containing a waiver of subrogation as to the Texas State Library & Archives Commission;
 - b) Commercial General Liability Insurance, including Independent Contractor's Liability and blanket Contractual Liability Covering, but not limited to, the liability assumed under the indemnification provisions of this contract; the CGL policy shall be written on an occurrence basis and include endorsement CG2503 Amendment of Aggregate Limits of Insurance (per project) or its equivalent. Occurrence based:
 - Each Occurrence limit: \$1,000,000
 - General Aggregate limit: \$1,000,000
 - Medical Expense each person: \$5,000
 - Personal Injury (including death) & Advertising Liability: \$500,000
 - Bodily injury and Property Damage: \$500,000
 - Products/Completed Operations Aggregate Limit: \$1,000,000
 - Damage to Premise Rented to You: \$50,000
 - c) Professional Liability Insurance: \$500,000 minimum each occurrence limit; \$1,000,000 minimum aggregate limit

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- d) Comprehensive Automobile Liability Insurance; covering owned, hired, and non-owned vehicles, as well as loading and unloading hazards with a minimum combined single limit for bodily injury (including death) and property damage: Each occurrence limit: \$500,000
- e) Employers Liability: Each Accident - \$1,000,000
- f) Disease – Each Employee: \$1,000,000
- g) Disease – Policy Limit: \$1,000,000

Respondent represents and warrants that all of the above coverage is with companies licensed in the state of Texas, with 'A' rating from Best, and authorized to provide the corresponding coverage. Respondent also represents and warrants that all policies contain endorsements prohibiting cancellation, material change, or non-renewal except upon at least thirty (30) days prior written notice to TSLAC.

Respondent further represents and warrants that all policies, except for Workers' Compensation and Employer's Liability Insurance, shall be endorsed to name the Texas State Library and Archives Commission as an additional insured and Loss Payee and shall be considered primary for all claims. Respondent represents and warrants that it shall maintain the above insurance coverage during the term of the contract and shall provide TSLAC with an executed copy of the policies immediately upon request and at no expense. *[Updated 08/10/2016]*

93. Workers' Compensation Insurance Coverage.

A. Definitions:

Certificate of coverage ("certificate")- A copy of a certificate of insurance, a certificate of authority to self-insure issued by the commission, or a coverage agreement (TWCC-81, TWCC-82, TWCC-83, or TWCC-84), showing statutory workers' compensation insurance coverage for the person's or entity's employees providing services on a project, for the duration of the project.

Duration of the project - includes the time from the beginning of the work on the project until the contractor's/person's work on the project has been completed and accepted by the governmental entity.

Persons providing services on the project ("subcontractor" in §406.096) - includes all persons or entities performing all or part of the services the contractor has undertaken to perform on the project, regardless of whether that person contracted directly with the contractor and regardless of whether that person has employees. This includes, without limitation, independent contractors, subcontractors, leasing companies, motor carriers, owner-operators, employees of any such entity, or employees of any entity which furnishes persons to provide services on the project. "Services" include, without limitation, providing, hauling, or delivering equipment or materials, or providing labor, transportation, or other service related to a project. "Services" does not include activities unrelated to the project, such as food/beverage Respondents, office supply deliveries, and delivery of portable toilets.

- B. The contractor shall provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, §401.011(44) for all employees of the contractor providing services on the project, for the duration of the project.
- C. The contractor must provide a certificate of coverage to the governmental entity prior to being awarded the contract.
- D. If the coverage period shown on the contractor's current certificate of coverage ends during the duration of the project, the contractor must, prior to the end of the coverage period, file a new certificate of coverage with the governmental entity showing that coverage has been extended.
- E. The contractor shall obtain from each person providing services on a project, and provide to the governmental entity:
 - (1) a certificate of coverage, prior to that person beginning work on the project, so the governmental entity will have on file certificates of coverage showing coverage for all persons providing services on the project; and
 - (2) no later than seven days after receipt by the contractor, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project.
- F. The contractor shall retain all required certificates of coverage for the duration of the project and for one year thereafter.

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- G. The contractor shall notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the contractor knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project.
- H. The contractor shall post on each project site a notice, in the text, form and manner prescribed by the Texas Workers' Compensation Commission, informing all persons providing services on the project that they are required to be covered, and stating how a person may verify coverage and report lack of coverage.
- I. The contractor shall contractually require each person with whom it contracts to provide services on a project, to:
- (1) provide coverage, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, which meets the statutory requirements of Texas Labor Code, Section 401.011(44) for all of its employees providing services on the project, for the duration of the project;
 - (2) provide to the contractor, prior to that person beginning work on the project, a certificate of coverage showing that coverage is being provided for all employees of the person providing services on the project, for the duration of the project;
 - (3) provide the contractor, prior to the end of the coverage period, a new certificate of coverage showing extension of coverage, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (4) obtain from each other person with whom it contracts, and provide to the contractor:
 - (a) a certificate of coverage, prior to the other person beginning work on the project; and
 - (b) a new certificate of coverage showing extension of coverage, prior to the end of the coverage period, if the coverage period shown on the current certificate of coverage ends during the duration of the project;
 - (5) retain all required certificates of coverage on file for the duration of the project and for one year thereafter;
 - (6) notify the governmental entity in writing by certified mail or personal delivery, within 10 days after the person knew or should have known, of any change that materially affects the provision of coverage of any person providing services on the project; and
 - (7) contractually require each person with whom it contracts, to perform as required by paragraphs (1) - (7), with the certificates of coverage to be provided to the person for whom they are providing services.
- J. By signing this contract or providing or causing to be provided a certificate of coverage, the contractor is representing to the governmental entity that all employees of the contractor who will provide services on the project will be covered by workers' compensation coverage for the duration of the project, that the coverage will be based on proper reporting of classification codes and payroll amounts, and that all coverage agreements will be filed with the appropriate insurance carrier or, in the case of a self-insured, with the commission's Division of Self-Insurance Regulation. Providing false or misleading information may subject the contractor to administrative penalties, criminal penalties, civil penalties, or other civil actions.
- K. The contractor's failure to comply with any of these provisions is a breach of contract by the contractor which entitles the governmental entity to declare the contract void if the contractor does not remedy the breach within ten days after receipt of notice of breach from the governmental entity.

RESPONDENT AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, RESPONDENT SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF RESPONDENT'S AND RESPONDENT'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. RESPONDENT AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. TSLAC AND/OR THE STATE SHALL NOT BE LIABLE TO THE RESPONDENT, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

RESPONDENT AGREES TO INDEMNIFY AND HOLD HARMLESS TSLAC, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR

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WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. RESPONDENT SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY RESPONDENT WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND RESPONDENT MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. RESPONDENT AND THE TSLAC AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

- 94. Federal, State, and Local Requirements.** Respondent shall demonstrate on-site compliance with the Federal Tax Reform Act of 1986, Section 1706, amending Section 530 of the Revenue Act of 1978, dealing with issuance of Form W-2's to common law employees. Respondent is responsible for both federal and State unemployment insurance coverage and standard Worker's Compensation Insurance coverage. Respondent shall comply with all federal and State tax laws and withholding requirements. The State of Texas shall not be liable to Respondent or its employees for any Unemployment or Workers' Compensation coverage, or federal or State withholding requirements. Respondent shall indemnify the State of Texas and shall pay all costs, penalties, or losses resulting from Respondent's omission or breach of this Section
- 95. Disclosure of Security Breach.** Respondent shall provide notice to the Purchasing Department at (512) 463-3037 or purchasing@tsl.texas.gov within twenty-four (24) hours of Respondent's discovery or reasonable belief that there has been unauthorized use, exposure, access, disclosure, compromise, modification, or loss of sensitive or confidential TSLAC information ("Security Incident"). Within twenty-four (24) hours of the notification of a Security Incident, Respondent shall provide a written report to TSLAC's Purchasing Department detailing the circumstances of the incident, which includes at a minimum:
- a) A description of the nature of the Security Incident;
 - b) The type of TSLAC information involved;
 - c) Who may have obtained TSLAC information;
 - d) What steps Respondent has taken or will take to investigate the Security Incident;
 - e) What steps Respondent has taken or will take to mitigate any negative effect of the Security Incident; and
 - f) A point of contact for additional information.

Each day thereafter until the investigation is complete, Respondent shall provide TSLAC's Purchasing Department with a written report regarding the status of the investigation and the following additional information as it becomes available:

- a) Who is known or suspected to have gained unauthorized access to TSLAC information;
- b) Whether there is any knowledge if TSLAC information has been abused or compromised;
- c) What additional steps Respondent has taken or will take to investigate the Security Incident;
- d) What steps Respondent has taken or will take to mitigate any negative effect of the Security Incident; and
- e) What corrective action Respondent has taken or will take to prevent future similar unauthorized use or disclosure.

Respondent shall confer with TSLAC's Purchasing Department regarding the proper course of the investigation and risk mitigation. TSLAC reserves the right to conduct an independent investigation of any Security Incident, and should TSLAC choose to do so, Respondent shall cooperate fully by making resources, personnel, and systems access available to TSLAC and TSLAC's authorized representative(s). Subject to review and approval of TSLAC, Respondent, at its own cost, shall provide notice that satisfies the requirements of applicable law to individuals whose personal, confidential, or privileged data were compromised or likely compromised as a result of the Security Incident. If TSLAC, in its sole discretion, elects to send its own separate notice, then all costs associated with preparing and providing notice shall be reimbursed to TSLAC by Respondent. If Respondent does not reimburse such costs within 30 days of TSLAC's written request, then TSLAC shall have the right to collect such costs.

96. Information Security Requirements.

- a) Respondent shall comply with all applicable state and federal laws and regulations regarding confidentiality, privacy, and security pertaining to TSLAC confidential information.
- b) Access to sensitive or confidential TSLAC information. Respondent represents and warrants that it will take all necessary and appropriate action within its abilities to safeguard sensitive or confidential TSLAC information and to protect it from unauthorized disclosure. If communications with Respondent necessitate the release of confidential TSLAC information, the Confidential Treatment of Information Acknowledgement form (CTIA) must be signed by each individual who will require access to or may be exposed to that information. Respondent shall access TSLAC's systems and sensitive or confidential TSLAC information only for the purposes for which it is authorized.

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Respondent shall ensure that any sensitive or confidential TSLAC information in the custody of Respondent is properly sanitized or destroyed when the information is no longer required to be retained by TSLAC or Respondent in accordance with this agreement. Electronic media used for storing any confidential TSLAC information must be sanitized by clearing, purging or destroying in accordance with NIST Special Publication 800-88 Guidelines for Media Sanitization. Respondent must maintain a record documenting the removal and completion of all sanitization procedures with the following information:

- 1) Date and time of sanitization/destruction,
- 2) Description of the item(s) and serial number(s) if applicable,
- 3) Inventory number(s), and
- 4) Procedures and tools used for sanitization/destruction.

No later than sixty (60) days from contract expiration or termination or as otherwise specified in this agreement,

Respondent must complete the sanitization and destruction of the data and provide to TSLAC all sanitization documentation.

Respondent shall not access, process, store or transmit IRS Federal Taxpayer Information unless expressly authorized by this agreement. Respondent shall comply with IRS Publication 1075 requirements if it accesses, processes, stores, or transmits IRS Federal Taxpayer Information.

- c) Access to Internal TSLAC Network and Systems. As a condition of gaining remote access to any internal TSLAC network and systems, Respondent must comply with TSLAC's policies and procedures. TSLAC's remote access request procedures will require Respondent to submit a Remote Access Request form for TSLAC's review and approval. Remote access technologies provided by Respondent must be approved by TSLAC's Information Security Officer. Individuals shall not access internal TSLAC network and systems from outside the United States. Individuals who are provided with access to TSLAC network or systems will be required to participate in TSLAC's Security Awareness Training on an annual basis. The State and TSLAC's Fiscal Year begins on September 1 and ends on August 31. Respondent shall maintain records of all individuals who have completed TSLAC-required training for the duration of the individual's employment with Respondent, plus five years. Upon TSLAC's written request, Respondent shall provide copies of the certificates of completion for TSLAC's Security Awareness Training. On November 1st of each year, Respondent shall submit a list to TSLAC which identifies all individuals who have current access to TSLAC network or systems as well as the most recent training completion date for each individual. TSLAC, in its sole discretion, may deny network or system access to any individual that does not complete TSLAC-required training within thirty (30) calendar days following the date of TSLAC's grant of access under this contract.
- d) TSLAC reserves the right to audit the security measures in effect on Respondent's connected systems without prior warning. Respondent must secure its own connected systems in a manner consistent with an auditable information security framework. TSLAC's audit can consist of a review of third party audit results of Respondent's security measures (e.g., SSAE-16 Type II, ISO 27002 assessment). TSLAC also reserves the right to immediately terminate network and system connections not meeting such requirements.
- e) TSLAC data shall not be accessed from, stored at or transported to locations outside of the United States.
- f) Where applicable, encryption shall conform to or exceed Federal Information Processing Standard (FIPS) 140-2:
 - (1) Backup media containing TSLAC data shall be encrypted at all times.
 - (2) Transmission of TSLAC data across public networks shall be protected by encryption methods such as Virtual Private Network ("VPN"), Secure Shell File Transfer Protocol ("SFTPS"), or File Transfer Protocol over SSL/TLS ("FTPS").
- g) If Respondent is a software manufacturer, then Respondent represents and warrants that it has implemented processes for the protection, detection, remediation, mitigation and timely customer notification of software vulnerabilities associated with its software provided under this agreement.