

PARTICIPATING ADDENDUM
WESTERN STATES CONTRACTING ALLIANCE
FACILITIES MRO Contracts
Administered by the State of Nevada (hereinafter "Lead State")
MASTER PRICE AGREEMENT
MSC Industrial Supply Company
Nevada Contract Number: 1862
(hereinafter "Contractor")
And
The State of South Carolina
(hereinafter "Participating State")
Contract Number: 5000011406

Page 1 of 9

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:
(These modifications or additions apply only to actions and relationships within the executing Participating State.)

South Carolina Specific Clauses:

South Carolina Contract #5000011406

South Carolina's participation in this Master Price Agreement is specifically conditioned on the Special Terms and Conditions listed below. Additionally, South Carolina has awarded Statewide Term Contracts for certain goods and supplies categories that are covered by this Master Price Agreement and those categories are **explicitly excluded from this Participating Addendum; to wit: Lamps and Ballasts; Paper Towels, Toilet Paper and Dispensers; and Trash Can Liners.**

SPECIAL TERMS AND CONDITIONS :

FEE FOR ADMINISTRATIVE SERVICES – RECEIPTS - SPO (JANUARY 2006): As provided herein, a public procurement unit, by participating in this contract, owes the Materials Management Office (MMO) a Fee for administrative services. A public procurement unit shall pay the Fee directly to Contractor as a part of the contract price. Contractor is responsible for collecting this Fee from participating public procurement units (state and local) and paying the Fee to MMO. The price stated in any offeror's bid or proposal shall include all amounts necessary for Contractor to meet this

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Contract Number: 5000011406

Page 2 of 9

obligation. Contractor shall factor the Fee into its contract pricing and shall not separately itemize or invoice for the Fee.

(a) For each Payment Period, Contractor shall pay to MMO a Fee equal to **0.75%** of the total dollar amount (excluding sales taxes & adjusted for credits or refunds) received from any public procurement unit by Contractor pursuant to this Agreement. As used in this clause, the term "Payment Period" means each full calendar quarter (Jan. – Mar., Apr. – Jun., Jul. – Sep., and Oct. – Dec.) and any periods less than a full calendar quarter during the term of this Agreement. Payment for each Payment Period must be received on or before the last day of the month immediately following the end of the Payment Period (Example: Payment for the quarterly "Payment Period" of Jan. - Mar. 2004 is due on or before April 30, 2004). Payments are to be mailed to: Materials Management Office, Attn: Contract Admin. Fee, 1201 Main Street, Suite 600, Columbia, S.C., 29201. Payments shall be made to the order of the Materials Management Office. If the amount due for a Payment Period is less than \$10.00, no payment is required.

(b) Contractor shall submit a Usage Report for each Payment Period, even if no payment is due for the Payment Period. The Usage Report shall include any information requested by MMO to verify the amount due. At a minimum, each Usage Report shall reflect the following information for the applicable Payment Period: contractor's name, contract number, contract description, Payment Period / quarter, Total Dollar Value of Invoice Payments Received (excluding sales taxes and showing any adjustments for credits or refunds), Total Number of Units (if practicable) , and the number, date, and amount of Contractor's check to MMO. The MMO procurement officer may require the Contractor to provide a separate, more detailed usage report. Should this be necessary, the procurement officer will work directly with the contractor to determine the appropriate content and format of the separate report. Separate reports may be required on a quarterly basis.

(c) During the term of this Agreement and for a period of three years thereafter, MMO, its auditors, or other authorized representatives shall be afforded access at reasonable times to Contractor's accounting records in order to audit all records relating to goods sold or work performed pursuant to this Agreement. If such an audit indicates that Contractor has materially underpaid MMO, then Contractor shall remit the underpayment and reimburse MMO for all costs of the audit.

(d) All amounts that become payable by the Contractor to MMO under this Agreement shall bear simple interest from the date due until paid unless paid within 30 calendar days of becoming due. The interest rate shall be the highest prime rate (as published in The Wall Street Journal) plus 2% per

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Contract Number: 5000011406

Page 3 of 9

annum (unless a higher rate is provided by law, but in no event be greater than the maximum interest rate permitted by law), shall be variable, and shall be adjusted effective at the close of business on the day of any change in the prime rate.

(e) In the event the Contractor fails to make any payment when due, Contractor shall be liable to MMO for all expenses, court costs, and attorneys' fees (including inside counsel) incurred in enforcing the terms and conditions of this Agreement.

(f) Failure to pay any amount due pursuant to this clause may result in the Contractor's debarment pursuant to Section 11-35-4220 of the South Carolina Code of Laws, as amended.

(g) For purposes of this clause, MMO is intended as a third-party beneficiary of this Agreement. The phrase "public procurement unit" is defined by Section 11-35-4610(5) of the South Carolina Code of Laws, as amended.

NOTICE: The administrative fee created by this clause is calculated against receipts. After a contract has been awarded, contractor may elect to calculate the administrative fee against sales. To effect this election, a change order must be executed. The change order will substitute a different administrative fee clause for this one. The alternate clause is available for review upon request and may be found at www.ogs.state.sc.us/DDP/terms/. Any election must be made within thirty (30) days of final award. If you wish to make this election, contact the procurement officer identified on the cover page of this solicitation.

SECTION 11-35-4810. Cooperative purchasing authorized.

Any public procurement unit may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any supplies, services, or construction with one or more public procurement units or external procurement activities in accordance with an agreement entered into between the participants. Such cooperative purchasing may include, but is not limited to, joint or multi-party contracts between public procurement units and open-ended state public procurement unit contracts which shall be made available to local public procurement units, except as provided in Section 11-35-4820 or except as may otherwise be limited by the board through regulations.

However, thirty days notice of a proposed multi-state solicitation shall be provided through central advertising and such contracts may be only awarded to manufacturers who will be distributing the products to South Carolina governmental bodies through South Carolina vendors.

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And
The State of South Carolina
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Contract Number: 5000011406**

Page 4 of 9

PARTICIPATING ADDENDUM
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Contract Number: 5000011406

Page 5 of 9

SECTION 11-35-4230. Authority to resolve contract and breach of contract controversies.

(1) Applicability. This section applies to controversies between a governmental body and a contractor or subcontractor, when the subcontractor is the real party in interest, which arise under or by virtue of a contract between them including, but not limited to, controversies based upon breach of contract, mistake, misrepresentation, or other cause for contract modification or recession. The procedure set forth in this section constitutes the exclusive means of resolving a controversy between a governmental body and a contractor or subcontractor, when the subcontractor is the real party in interest, concerning a contract solicited and awarded pursuant to the provisions of the South Carolina Consolidated Procurement Code.

(2) Request for Resolution; Time for Filing. Either the contracting state agency or the contractor or subcontractor, when the subcontractor is the real party in interest, may initiate resolution proceedings before the appropriate chief procurement officer by submitting a request for resolution to the appropriate chief procurement officer in writing setting forth the specific nature of the controversy and the specific relief requested with enough particularity to give notice of every issue to be decided. A request for resolution of contract controversy must be filed within one year of the date the contractor last performs work under the contract; except that in the case of latent defects a request for resolution of a contract controversy must be filed within three years of the date the requesting party first knows or should know of the grounds giving rise to the request for resolution.

(3) Duty and Authority to Attempt to Settle Contract Controversies. Before commencement of an administrative review as provided in subsection (4), the appropriate chief procurement officer or his designee shall attempt to settle by mutual agreement a contract controversy brought pursuant to this section. The appropriate chief procurement officer has the authority to approve any settlement reached by mutual agreement.

(4) Administrative Review and Decision. If, in the opinion of the appropriate chief procurement officer, after reasonable attempt, a contract controversy cannot be settled by mutual agreement, the appropriate chief procurement officer or his designee promptly shall conduct an administrative review and issue a decision in writing within ten days of completion of the review. The decision must state the reasons for the action taken.

(5) Notice of Decision. A copy of the decision pursuant to subsection (4) and a statement of appeal rights under Section 11-35-4230(6) must be mailed or otherwise furnished immediately to all parties participating in the administrative review proceedings. The appropriate chief procurement officer also shall post a copy of the decision at a time and place communicated to all parties participating in the administrative review, and the posted decision must indicate the date of posting on its face and must be accompanied by a statement of the right to appeal provided in Section 11-35-4230(6).

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Page 6 of 9

(6) Finality of Decision. A decision pursuant to subsection (4) is final and conclusive, unless fraudulent or unless a person adversely affected requests a further administrative review by the Procurement Review Panel pursuant to Section 11-35-4410(1) within ten days of the posting of the decision in accordance with Section 11-35-4230(5). The request for review must be directed to the appropriate chief procurement officer, who shall forward the request to the panel, or to the Procurement Review Panel, and must be in writing setting forth the reasons why the person disagrees with the decision of the appropriate chief procurement officer. The person also may request a hearing before the Procurement Review Panel. The appropriate chief procurement officer and any affected governmental body shall have the opportunity to participate fully in a later review or appeal, administrative or legal.

SECTION 11-35-45. Payment for goods and services received by state.

(A) All vouchers for payment of purchases of services, supplies, or information technology must be delivered to the Comptroller General's office within thirty work days from acceptance of the goods or services and proper invoice. After the thirtieth work day, following acceptance or the postmark on the invoice, the Comptroller General shall levy an amount not to exceed fifteen percent each year from the funds available to the agency, this amount to be applied to the unpaid balance to be remitted to the vendor unless the vendor waives imposition of the interest penalty.

(B) All agencies and institutions of the State are required to comply with the provisions of this section. Only the lump sum institutions of higher education are responsible for the payment of all goods or services within thirty work days after the acceptance of the goods or services and proper invoice, whichever is received later, and shall pay an amount not to exceed fifteen percent per annum on any unpaid balance which exceeds the thirty work-day period, if the vendor specifies on the statement or the invoice submitted to such institutions that a late penalty is applicable if not paid within thirty work days after the acceptance of goods or services.

(C) The Comptroller General shall issue written instructions to the agencies to carry out the intent of this section. All offices, institutions, and agencies of state government shall fully cooperate with the Comptroller General in the implementation of this section.

(D) The thirty-day period shall not begin until the agency, whether or not the agency processes vouchers through the Comptroller General, certifies its satisfaction with the received goods or services and proper invoice.

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Contract Number: 5000011406**

Page 7 of 9

4. Lease Agreements:

Lease Agreements Are NOT Authorized By This Contract

5. Primary Contacts: The primary government contact individual 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 Suite 300, Carson City, NV 89701
Telephone: (775) 684-0172
Fax: (775) 684-0188
E-mail: gburchet@purchasing.state.nv.us

Contractor

Name: David Ottenstein, State Government Team Manager
Address: MSC Industrial Supply Company, 75 Maxess Road
Melville, New York 11747
Telephone: (904) 519-6002
Fax: (904) 519-9003
E-mail: ottenstd@mscdirect.com

Participating State (Entity)

Name: Derwin Brannon, Procurement Manager
Address: 1201 Main Street, Suite 600
Telephone: (803) 737-2052
Fax: (803) 737-0639
E-mail: dbrannon@mimo.sc.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

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(hereinafter "Participating State")
Contract Number: 5000011406

Page 8 of 9

number: 5000011406 and the Lead State price agreement number: 1862.

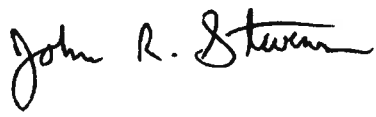
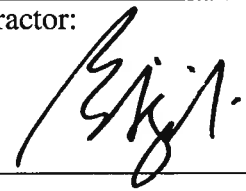

This Participating Addendum and the Master Price Agreement number 1862 (administered by the State of Nevada) together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or 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.

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 subgrantee, but simply a provider of goods and related services.

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Contract Number: 5000011406

Page 9 of 9

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

Participating State/Entity: 	Contractor: 
By: John Stevens 1201 Main Street, Suite 600 Columbia, SC 29201	By:
Name: S.C. Budget & Control Board, Materials Management Office	Name: Peter E. Biagioli Vice President National Accounts & Government
Title: State Procurement Officer	Title:
Date: April 28, 2011	Date: 

[Additional signatures as required by Participating State]