



NASPO ValuePoint  
**PARTICIPATING ADDENDUM**

**Facilities Maintenance and Repair &  
Operations (MRO) and Industrial Supplies Lead by the State of Oregon**

Master Agreement #: 8497  
Contractor: **Fastenal Company (Contractor)**  
Participating Entity: **State of South Dakota**  
State Contract Number: **17238**

**Master Agreement Terms and Conditions:**

1. **Scope:** This addendum covers the **Maintenance and Facilities Repair & Operations and Industrial Supplies** led by the State of Oregon for use by state agencies and other entities located in the Participating State authorized by that State's statutes to utilize State contracts with the prior approval of the State's Chief Procurement Official.

The following Goods or services are included in this Addendum:

All Goods, Services and accessories listed on the Contractor page of the NASPO ValuePoint website or offered in the Fastenal catalog.

2. **Participation:** This NASPO ValuePoint Master Agreement may be used by all state agencies, institutions of higher institution, political subdivisions and other entities Authorized to use statewide contracts in the **State of South Dakota**. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

Eligible participants in this agreement include all agencies, institutions, officers, boards, commissions and public universities of the State of South Dakota, and all political subdivisions of the State, including counties, municipalities and public school corporations within the State of South Dakota.

Institutions under the control of the Board of Regents may make direct purchases from this agreement using their own procurement guidelines.

Political subdivisions of the State of South Dakota may purchase directly from the Contractor according to their own procurement procedures.

The Contractor may, at the Contractor's discretion, extend pricing from this agreement to Indian tribal governments and non-profit organizations in South Dakota. Any sales made to Indian tribes and non-profit organizations from this agreement shall be included in any required reports and shall be subject to the NASPO Valuepoint administrative fee.

3. Primary Contacts: The primary contact individuals for this Participating Addendum are as follows (or their named successors):

Contractor

Name: Monica Nelton  
Address: 4730 N. Service Drive, Winona, MN 55987  
Telephone: 507-313-7633  
Fax: 507-453-7145  
Email: mnelton@fastenal.com

Participating Entity

Name: Andy Mobley  
Address: State of South Dakota  
PMB 01231 Bureau of Administration  
Office of Procurement Management  
523 E Capitol Avenue  
Pierre, SD 57501-3128  
Telephone: 605-773-4278  
Fax: 605-773-4840  
Email: andy.mobley@state.sd.us

4. Participating Entity Modifications Or Additions To The Master Agreement

These modifications or additions apply only to actions and relationships within the Participating Entity. Participating Entity must check one of the boxes below.

No changes to the terms and conditions of the Master Agreement are required.

The following changes are modifying or supplementing the Master Agreement terms and conditions.

**Administration fee:** Fastenal offers an administration fee of 1% paid on annual contract spend.

**Growth Incentive** – 1% fee paid on annual sales growth.

Annual sales growth is defined as (contract spend in excess of previous year's contract spend). Eligible annual activity includes all product spend (gross product spend less product returns) and excludes freight (if charged) and sales taxes (if charged). The benchmark for year 1 will be determined by the eligible activity (irrespective of contract vehicle) for the previous contract year.

Purchasing entity will receive an activity report to support all calculations. Fastenal reserves the right to hold Growth Incentive Program payments until open invoices for the subject contract year are paid. Growth Incentive Program payments shall not automatically roll over in the event that Buyer continues to purchase product from Seller upon expiration of the Agreement. The Growth Incentive Program period terminates at the end of the Agreement term and may only be extended by a written agreement signed by both parties. In the event that the underlying purchase Agreement is prematurely terminated by the Buyer, for any reason, Growth Incentive Program credits accrued in the current contract year shall be forfeited by the Buyer.

The Growth Incentives earned by the member will be paid annually within the first contract quarter following each consecutive contract year in the form of a single disbursement.

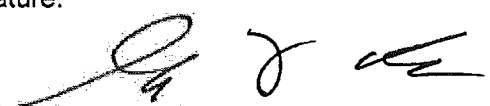
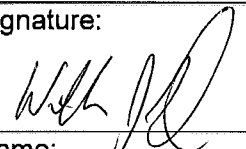
**Solutions incentive** – 2% fee paid on all sales through Fastenal Vending solution or Onsite program.

Fastenal Company will create and maintain an internet-based electronic ordering system for the use of all users of the state contract. The electronic ordering system must facilitate a "punch-out" catalog with the State's current e-procurement system, EasyPurchase hosted by ESM Solutions Inc. The electronic ordering site must be updated and fully operational by October 1, 2018. The "punch-out" catalog will list current pricing and only products available through the Master Agreement.

5. Lease Agreements: Any lease entered into by a State agency, institution, public university, officer, board or commission through this agreement may utilize the lease terms included in the Master Price Agreement at their own discretion. Leases that require authorization by the Office of Procurement Management will be reviewed and approved on a lease by lease basis.
6. Subcontractors: All contactors, dealers, and resellers authorized in the **State of South Dakota**, as shown on the dedicated Contractor (cooperative contract) website, are approved to provide sales and service support to participants in the NASPO ValuePoint Master Agreement. The contractor's dealer participation will be in accordance with the terms and conditions set forth in the aforementioned Master Agreement.

7. Orders: Any order placed by a Participating Entity or Purchasing Entity for a product and/or service available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions) of the Master Agreement unless the parties to the order agree in writing that another contract or agreement applies to such order.

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

Participating Entity: <b>State of South Dakota</b>	Contractor: <b>Fastenal Company</b>
Signature: 	Signature: 
Name: <b>Steven L. Berg</b>	Name: <b>William Drazkowski</b>
Title: <b>Procurement Director</b>	Title: <b>EVP</b>
Date: <b>8-23-18</b>	Date: <b>8-24-18</b>

For questions on executing a participating addendum, please contact:

NASPO ValuePoint

Cooperative Development Coordinator: Shannon Berry  
 Telephone: 775-720-3404  
 Email: sberry@naspovaluepoint.orgF

*[Please email fully executed PDF copy of this document to:  
**PA@naspovaluepoint.org**  
 to support documentation of participation and posting in  
 appropriate data bases.]*