

Vermont Department of Liquor Control
13 Green Mountain Drive
Montpelier, Vt. 05602

BAILMENT AND TRADING AGREEMENT BETWEEN
THE VERMONT DEPARTMENT OF LIQUOR CONTROL
AND

The Vermont Department of Liquor Control, a department of Vermont State Government (hereinafter the "Department") and the supplier identified above (hereinafter the "Supplier") enter into this agreement for the purpose of operating a bailment inventory management program. This agreement will be effective, and will remain in effect until cancelled or revised in writing

The Department and the Supplier agree to the following:

1. The Department agrees to handle and store approved items furnished by the Supplier for sale in State Liquor stores in Vermont. The Supplier shall continue to hold title to its stock in the Department's distribution center until such stock is delivered by the Department to the State Liquor stores in Vermont.
2. The Department agrees to provide the Supplier recommended Bailment Replenishment Orders (subject to adjustments with increases for truckload, pallet, tier, etc.) with requested delivery dates.
3. The Department agrees to purchase any bailment stock, which is lost or is broken by Department employees while stored in the Department's distribution center.

4. The Department agrees to maintain a record of all bailment transactions, including a perpetual inventory in the distribution center for its own purposes, and to make reports available to the Supplier for accounting reconciliation purposes.

The Department agrees to allow the Supplier to conduct physical counts of its bailment stock in the distribution center. There is no scheduled Department shut-down for annual inventory. Supplier staff or broker will be accommodated - with one full weeks' notice - to conduct inventory upon any or all specific supplier locations by assigned vendor number.

5. The Department has authorization as requested from the Supplier to withdraw bailment stock. No response will be required unless permission to withdraw is denied.

6. The Department agrees to send official "Vermont Liquor Purchase Order" to the Supplier twice monthly for withdrawals of the previous one-half month. The Department will pay the supplier from the Purchase Order.

7. The Department agrees that the Supplier has the right to withdraw or transfer their stock from the Department's distribution center with written request at any time during normal working hours.

8. The Supplier agrees to secure any applicable state and/or federal basic permits and federal special occupational tax stamps that may be needed before any alcoholic beverages are shipped into the distribution center under the bailment program and provide copies at the Department's request.

9. The Supplier agrees that any unapproved or miss-shipped products will be removed from the Department's distribution center, at the Supplier's sole expense within thirty (30) working days upon written notification by the Department. If such products are not removed within the thirty (30) days, the Department will consider these goods as excess. Failure to remove excess product within 30 days may result in the refusal to accept new listing proposals.

10. The Supplier agrees to place, without charge, approved items of alcoholic beverages and or related products into the Department's distribution center in Montpelier only as requested on a Bailment Replenishment Order. The items shall be shipped in accordance with the Department's shipping instructions and the Supplier must schedule a delivery appointment on the day of the requested ship date indicated on the Bailment Replenishment Order for arrival in Montpelier. When the merchandise is shipped, it is to be consigned to the Supplier, or the representative or agent in care of the Department's distribution center.

A. The Department requires that every pallet being delivered to the Distribution center must comply with the following standards. These standards will be verified on every pallet entering the distribution center:

- (i) All merchandise must to be placed on Grade A or Grade B wooden pallets.
- (ii) Maximum Pallet Height, *including the pallet: 68"*
- (iii) Maximum Pallet Weight: **2,800 lbs.**
- (iv) Maximum Pallet Width: **40"**
- (v) Maximum Pallet Length: **48"**

All In-bound pallets must be stretch wrapped. **All** Product must ship on Grade A or Grade B wooden pallets. The total height when transferred must not exceed 68" in height. Non-compliant loads are subject to dock staff refusal or extra handling charges of \$10.00 per pallet if required to achieve load compliance. Repeated failure to conform to pallet specifications may result in the refusal to accept new listing proposals from the offending supplier.

B. If a pallet contains multiple SKU's (stock keeping units) each SKU must be separated and on its own 4-way pallet. The Department warehouse staff must be able to easily separate the different products. If extra hand unloading, stacking, or use of a carton clamp to separate the products is required the Department may assess extra handling charges in amounts necessary to offset the Department's costs. The supplier will have been considered to be out of compliance with State policy. Repeated failure to conform to pallet specifications may result in the refusal to accept new listing proposals from the offending supplier.

If a single pallet load contains multiple products, and the layers aren't separated by a pallet or slip sheet, the Department may assess extra handling charges in amounts necessary to offset the Department's costs.

C. If a supplier sends several layers of the same SKU, these must be on the same pallet. If a product is separated and loaded on different pallet loads, and the Department dock staff must then combine these layers the Department may assess extra handling charges in amounts necessary to offset the Department's costs. The department will take repeated non-compliance into consideration when evaluating new listing proposals

D. There is no difference when assessing a handling charge between a full layer and a partial layer of mixed SKUs. The parties acknowledge that the additional labor cost increase to rectify the error is considered equivalent.

The Department warehouse requires an appointment for deliveries. These delivery appointments may be made by calling the warehouse Program Services Clerk. The appointments are booked on a first come first served basis. Every attempt should be made to schedule a delivery appointment on the requested delivery date.

11. The Supplier agrees to assume all storage risks; to acquire and maintain insurance at the minimum coverage levels identified in Attachment C hereto; and to hold the Department harmless from any damage to or loss of such stock, except breakage caused by the negligence or intentional misconduct of Department employees while the stock is stored in, or being shipped from, the Department's distribution center and/or disappearance of the stock while in Department custody.

12. The Supplier agrees to provide the Department with current price quotations at least 60 days in advance of any price quotation changes (weight, pack, pallet, ship point, price, etc.) The FOB Montpelier cost on file will be the price paid by the Department at the time the merchandise is withdrawn from bailment.

13. There will be a minimum inventory quantity for each Regular Distribution status code stored in the Department's distribution center (exceptions-closeout and special order items).

14. The minimum inventory parameters may be set by the Department, after consultation with the Supplier. They may be changed by mutual consent on an as needed basis.

15. The Supplier will not maintain an inventory of special order or closeout items at the Department's distribution center unless listed or approved by the Department.

16. The Department will send the Supplier a Bailment Replenishment Order for limited distribution and special order items. The Department may "withdraw" the special order merchandise from bailment stock into state stock upon its arrival to the Department distribution center.

17. The failure to maintain minimum inventories may result in the Department's refusal to accept new listing proposals from the offending supplier.

18. The Department will waive requirements on minimum quantities if they are not met due to a natural disaster (flood, fire, earthquake, etc.), acts of war, or unpreventable strikes and/or walkouts.

19. It is mandatory that the N.A.B.C.A. issued Control State Code numbers (or the Department-issued code numbers) are included on each item on the shipping manifest. It is mandatory that the N.A.B.C.A issued Standard Case Code numbers - in electronic read scan bar code format is included on each case shipped. Products that are non-compliant are subject to refusal. Repeated failure to conform to labeling

specifications may result in the refusal to accept new listing proposals from the offending supplier.

Supplier shall ensure that \$.15 deposit stickers are affixed to all products larger than 50ml, as required by Vermont law.

20. If the order to be shipped is different in any way from the Bailment Replenishment Order placed by the Department, the Supplier must notify the Department five (5) days in advance of the merchandise arriving in the Department's distribution center.

21. Each load shall be shipped under shipper's load and count. Each case shall be clearly labeled with the control state code number.

22. If small amounts of damaged merchandise are received, concealed or otherwise, the Department will purchase the damaged merchandise and file a claim against the Supplier. The Department will apply a handling charge of \$1.00 per case to offset the Department's costs to recover and repackage undamaged merchandise.

23. Local Supplier representatives may be asked to inspect the damaged merchandise and sign the Department loss/damage form.

24. If products on Bailment Replenishment Orders are ordered for a future Depletion Allowance (DA) and are not shipped or short-shipped the corresponding D.A. may be canceled.

25. The Department reserves the right to refuse an entire shipment or partial shipment of damaged merchandise and/or accept the damaged load and charge the Supplier back extra handling and administrative fees in amounts necessary to offset the Department's costs.

26. This Agreement will be governed by the laws of the State of Vermont.

27. Attachment C, Standard State Provisions for Contracts and Grants, Revised July 1, 2016 is incorporated herein; and its provisions are hereby made terms and conditions of this Agreement.

SUPPLIER INFORMATION

Supplier Name (or DBA) _____

Supplier Mailing Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____

Primary Supplier Contact Name: _____

Primary Supplier Contact E-Mail Address:

AGREEMENT EXECUTION:

Supplier Representative

Department Representative

Date

Date

**ATTACHMENT C: STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS
REVISED JULY 1, 2016**

1. Definitions: For purposes of this Attachment, “Party” shall mean the Contractor, Grantee or Sub recipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. “Agreement” shall mean the specific contract or grant to which this form is attached.

2. Entire Agreement: This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

3. Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial: This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under the Agreement.

Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

4. Sovereign Immunity: The State reserves all immunities, defenses, rights or actions arising out of the State’s sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State’s immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State’s entry into this Agreement.

5. No Employee Benefits For Party: The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

6. Independence: The Party will act in an independent capacity and not as officers or employees of the State.

7. Defense and Indemnity: The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall

immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits. In the event the State withholds approval to settle any such claim, then the Party shall proceed with the defense of the claim but under those circumstances, the Party's indemnification obligations shall be limited to the amount of the proposed settlement initially rejected by the State. After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.

The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

The Party agrees that in no event shall the terms of this Agreement nor any document required by the Party in connection with its performance under this Agreement obligate the State to defend or indemnify the Party or otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party except to the extent awarded by a court of competent jurisdiction.

8. Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of the Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:
\$1,000,000 Each Occurrence
\$2,000,000 General Aggregate

\$1,000,000 Products/Completed Operations Aggregate
\$1,000,000 Personal & Advertising Injury

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than \$500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than \$1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

9. Reliance by the State on Representations: All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with the Contract, including but not limited to bills, invoices, progress reports and other proofs of work.

10. False Claims Act: The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* If the Party violates the Vermont False Claims Act it shall be liable to the State for civil penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney's fees, except as the same may be reduced by a court of competent jurisdiction. The Party's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.

11. Whistleblower Protections: The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

12. Federal Requirements Pertaining to Grants and Sub Recipient Agreements:

A. Requirement to Have a Single Audit: In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Sub recipient will complete the Sub Recipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Sub recipient will submit a copy of the audit report to the granting Party

within 9 months. If a single audit is not required, only the Sub Recipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the sub recipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the sub recipient expends \$750,000 or more in federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Sub Recipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

B. Internal Controls: In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, in accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

C. Mandatory Disclosures: In the case that this Agreement is a Grant funded in whole or in part by Federal funds, in accordance with 2CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

13. Records Available for Audit: The Party shall maintain all records pertaining to performance under this agreement. “Records” means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

14. Fair Employment Practices and Americans with Disabilities Act: Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

15. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

16. Taxes Due to the State:

A. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.

B. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

C. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.

D. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

17. Taxation of Purchases: All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

18. Child Support: (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:

A. is not under any obligation to pay child support; or

B. is under such an obligation and is in good standing with respect to that obligation; or

C. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

19. Sub-Agreements: Party shall not assign; subcontract or sub grant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of \$250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors,

together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification Regarding Debarment"); Section 23 ("Certification Regarding Use of State Funds"); Section 31 ("State Facilities"); and Section 32 ("Location of State Data").

20. No Gifts or Gratuities: Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

21. Copies: Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

22. Certification Regarding Debarment: Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>

23. Certification Regarding Use of State Funds: In the case that Party is an employer and this Agreement is a State Funded Grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

24. Conflict of Interest: Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

25. Confidentiality: Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

26. Force Majeure: Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lock-outs) ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled

all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

27. Marketing: Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

28. Termination: In addition to any right of the State to terminate for convenience, the State may terminate this Agreement as follows:

A. Non-Appropriation: If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, and in the event federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Sub recipient from State revenues.

B. Termination for Cause: Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice.

C. No Implied Waiver of Remedies: A party's delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

29. Continuity of Performance: In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

30. Termination Assistance: Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

31. State Facilities: If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party's performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

32. Location of State Data: No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside continental United States, except with the express written permission of the State. (End of Standard Provisions)