

Quick Reference Guide

1. Purpose of the Participating Addendum (PA):

- The PA is intended to allow participating entities to adopt the Master Agreement (MA) terms with minimal modifications.
- PA should only modify or supplement MA terms where necessary to comply with state-specific statutes or procurement rules.
- The PA should not reiterate or restate MA terms that remain unchanged.

2. Relationship Between PA and MA:

- The MA governs the overall contract terms and conditions.
- The PA applies only within the Participating Entity's jurisdiction and supplements the MA as needed.
- PA terms take precedence only where they explicitly modify or when in addition to the MA terms.
- Orders placed under the PA are governed by the MA terms.

3. How to Draft a PA using the Model PA Template:

- The Model PA Template includes [Notes and Instructions] within brackets in italics throughout the document.
- Placeholder fields provide guidance as to what content should be populated.
- Reminders to (delete before execution) in the [Notes and Instructions] are indicated.
- Participating Entities may include their statutorily based terms within Section IX.
- SUPPLIER SPECIFIC INSTRUCTIONS: Attachment A includes Cisco's current position on Limitation of Liability and Intellectual Property Indemnity terms.
 - If interested Participating Entities have changes to those terms, then those may be redlined accordingly.
 - Or another option during active negotiations is to review both Cisco and the PE terms side-by-side to see where integration of the PE's needs can be made while maintaining the core requirements in the Supplier's template.

4. Common Issues to Avoid in PA Drafting:

- Avoid duplicating MA terms that do not change the original agreement.
- Avoid including irrelevant or generic terms that do not apply to the portfolio.
- Avoid overly lengthy or complex terms that introduce administrative burdens such as excessive reporting, notifications, or restrictive sales limitations.
- Avoid terms that limit the scope of sales under the contract, which undermines the "one-stop shop" goal of the contract.

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5. Administrative Fees:

- Keep administrative fees low to avoid increasing customer prices.
- A lower fee encourages higher sales volume, benefiting all parties.
- Excessive fees can discourage sales and drive customers to alternative procurement methods.

6. Contract Administration and Ordering:

- Purchase Orders must reference both the MA number and the PA number.
- Orders should be placed through authorized fulfillment partners or contractors as specified in the PA.
- Blanket POs and additional or conflicting PO terms are generally not allowed under the contract.
- Payment terms and invoice submission procedures follow the MA and PA terms.

7. Modifications and Notices:

- Any changes to the PA must be in writing and executed by authorized parties.
- Notices under the PA follow the methods specified in the PA, including written, electronic, or certified mail.

8. Leasing and Financing:

- Include language that enables leasing and alternative financing methods to be authorized under the PA as applicable to state laws.
- Indicate that terms of lease or financing agreements are to be negotiated separately between the purchaser and the financing partner.

9. Fulfillment Partners:

- Only approved contractors and resellers authorized in the PA may provide sales and service support.
- The contractor may add or remove fulfillment partners at its discretion, subject to state approval.