# Commonwealth of Kentucky

## MASTER AGREEMENT

**CONTRACT INFORMATION**

**MASTER AGREEMENT NUMBER: MA 758 2700000461**

| | | | |
|---|---|---|---|
| Effective Date: | 10/16/2026 | Record Date: | 10/14/2026 |
| Expiration Date: | 09/15/2027 | Procurement Folder: | 2056465 |
| Document Description: | NASPO Cloud and Software Solutions - SHI | Procurement Type: | Special Authority Goods & Svcs |
| Cited Authority: | Intergovernmental Purchases | Version Number: | 1 |

**CONTACT INFORMATION**

**ISSUER:**
Jenifer Taylor
502-564-6522
jenifer.taylor@ky.gov

**REQUESTOR:**
Jenifer Taylor
502-564-6522
jenifer.taylor@ky.gov

**VENDOR INFORMATION**

**Name /Address:**

KY0028273: SHI INTERNATIONAL CORP

290 DAVIDSON AVENUE

SOMERSET NJ 08873

**Contact:**

George Seitis
502-936-1892
Remittance@shi.com

**COMMODITY / SERVICE INFORMATION**

| Line | Quantity | UOM | Unit Price | Service Amount | Service From | Service To | Line Total |
|---|---|---|---|---|---|---|---|
| 1 | 0.00000 | EA | $0.000000 | $0.00 | | | $0.00 |

NASPO Cloud and Software Solutions - SHI - DO NOT USE

**Extended Description:**

NASPO Cloud and Software Solutions - SHI

Agency must provide quote and approved SPR1 to be added to this MA.

Category 1 Software as a Service (SaaS)
Category 2 Platform as a Service (PaaS)
Category 3 Infrastructure as a Service (IaaS)
Category 4 On-Premises*

*Category 4 On-premises software and related services may only be procured through this PA if the Commonwealth Software Reseller cannot fulfill the request. Agencies must obtain written confirmation (via email) from the Commonwealth Software Reseller attesting to their inability to provide the software. This documentation must be attached to the Strategic Procurement Request (SPR1) for COT review and approval.

Standalone hardware procurement is prohibited; hardware may only be acquired as an integral component of a cloud or on-premises solution.

See “Attachment A” for Terms and Conditions. The Terms and Conditions set out in “Attachment A” are incorporated into and are part of the Contract.

# PARTICIPATING ADDENDUM
# NASPO ValuePoint COOPERATIVE PURCHASING PROGRAM
## CLOUD and SOFTWARE SOLUTIONS (2026-2036)

NASPO MASTER AGREEMENT
Master Agreement No.: LS5021
SHI International Corporation
(hereinafter "Contractor")
And
Commonwealth of Kentucky
Commonwealth Office of Technology (COT)
(hereinafter "Participating Entity")
Commonwealth Master Agreement #: MA 758 2700000461

This Participating Addendum, ("PA" or "Commonwealth Master Agreement") is entered into, by and between Commonwealth of Kentucky, Commonwealth Office of Technology ("Participating Entity", "Customer", or "COT") and SHI International Corporation ("Contractor", "Vendor", or "SHI").

**I. PARTICIPATING ADDENDUM CONTACTS.**

Contractor's contact for this Participating Addendum is:

Katelyn Rispoli
Katelyn_Rispoli@shi.com
(723) 584-8425

Participating Entity's contact for this Participating Addendum is:

Jenifer Taylor CPPB, KCPM
Assistant Director
Jenifer.Taylor@ky.gov
502-564-6522

Participating Entity's COT contact for this Participating Addendum is:

Stephanie R. Williams MPA, PMP, CPPO, CPPB, NIGP-CPP
Commonwealth Office of Technology
Chief IT Contracting Officer
StephanieR.Williams@ky.gov
502-234-4898

**II. TERM.** This Participating Addendum is effective as of the date of the last execution and will terminate upon termination of the NASPO Master Agreement LS5021, as amended, unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.

This Participating Addendum shall expire on September 15, 2027, with optional annual extensions through September 15, 2036, the expiration date of the NASPO agreement per the NASPO Master Agreement LS5021.

**PARTICIPATION AND USAGE.** The Commonwealth Office of Technology (COT) is the ONLY authorized Executive Branch Agency that is permitted to use this PA. Other Executive Branch Agencies must submit an IT Strategic Procurement Request (SPR1) prior to procurement for COT review and approval. The SPR1 must include the vendor's quote, scope of work, and any end-user agreements or terms. After SPR1 approval, the agency must request a contract modification by emailing the Office of Procurement Services (ops.reporting@ky.gov) and attaching the approved SPR1 and supporting documentation to the email. A delivery order cannot be created until after the contract modification is approved and completed.

Non-Executive Branch State Agencies, public institutions of higher education, cities, counties, districts, and other political subdivisions of the state if authorized by the Commonwealth of Kentucky state statutes, are authorized to use this PA without the prior approval of COT.

III. **GOVERNING LAW.** The construction and effect of this Participating Addendum and any Orders placed hereunder will be governed by, and construed in accordance with, the laws of the Commonwealth of Kentucky.

All terms in this Participating Addendum and any associated Orders/EULAs shall be read as applicable only to the extent permitted by Kentucky law and no term in violation of the Kentucky Law, inclusive of Kentucky Procurement Law, shall be given effect.

IV. **SCOPE.** Except as otherwise stated herein, this Participating Addendum incorporates the scope, pricing, terms, and conditions of the NASPO Master Agreement LS5021 and the rights and obligations set forth therein as applied to the Contractor and Participating Entity and Purchasing Entities. The scope of this PA shall include the following awarded categories:

- Category 1 – Software as a Service (SaaS)
- Category 2 – Platform as a Service (PaaS)
- Category 3 – Infrastructure as a Service (IaaS)
- Category 4 – On-Premises*

*Category 4 – On-premises software and related services may only be procured through this PA if the Commonwealth Software Reseller cannot fulfill the request. Agencies must obtain written confirmation (via email) from the Commonwealth Software Reseller attesting to their inability to provide the software. This documentation must be attached to the Strategic Procurement Request (SPR1) for COT review and approval.

Standalone hardware procurement is prohibited; hardware may only be acquired as an integral component of a cloud or on-premises solution.

See NASPO website for available products and services.

- Participating Entity-specific Pricing

| Minimum Discount % Off MSRP | Software (Saas) | Infrastructure (Iaas) | Platform (Paas) | On-Premises | Value Added Services* |
|---|---|---|---|---|---|
| Value-Added Resellers: Minimum Discount % off MRSP * (also applies to all Third-party solutions or services offered within this Value Added Services category) | 1.50% | 1.50% | 1.50% | 1.50% | 1% |
| **Maximum Markup %** | **Software (Saas)** | **Infrastructure (Iaas)** | **Platform (Paas)** | **On-Premises** | **Value Added Services*** |
| Value-Added Resellers: Maximum Markup % | 20% | 20% | 20% | 20% | 30% |

- NASPO MASTER AGREEMENT LS5021
  https://s3-us-west-2.amazonaws.com/naspovaluepoint/1772224139_Contract%20LS5021%20SHI%20International_completed.pdf

- SHI NASPO WEBSITE
  https://www.naspovaluepoint.org/portfolio/cloud-and-software-solutions-2026-2036/shi-international-corp/

a. **Services.** All services available through the NASPO Master Agreement LS5021 may be offered and sold by Contractor to Purchasing Entities as it relates to the above listed categories.

   The NASPO eMarketPlace offerings are excluded under this PA.

b. **Equipment Leasing.** All requests for equipment leasing shall be negotiated and approved by the Commonwealth Office of Technology (COT).

c. **Equipment Trade-in Program.** All requests for equipment trade-ins shall be negotiated and approved by the Commonwealth Office of Technology (COT).

d. **Contractor Partners. All** subcontractors, dealers, distributors, resellers, and other partners identified on Contractor's NASPO ValuePoint webpage as authorized to provide Products and Services to Participating Entity may provide Products and Services to users through the Contractor via this Participating Addendum and not directly. **All quotes, orders, and invoices shall be conducted directly by and through the Contractor, unless otherwise approved by COT.**

   Contractor will ensure that the participation of Contractor's subcontractors, dealers, distributors, resellers, and other partners is in accordance with the terms and conditions set forth in the NASPO Master Agreement LS5021, and in this Participating Addendum.

Any amendment to the NASPO Master Agreement LS5021, shall be deemed incorporated into this Participating Addendum unless the amendment is rejected by the Participating Entity in writing to Contractor within ten (10) calendar days of the amendment's effective date and is documented thereafter via written amendment hereto. The Commonwealth cannot procure goods/services included as part of an amendment until such amendment is published to the NASPO website.

**Any conflict between this Participating Addendum and the NASPO Master Agreement LS5021 will be resolved in favor of this Participating Addendum.**

V. **ORDERS.** Purchasing Entities may place orders under this Participating Addendum by referencing the Commonwealth Master Agreement Number, MA 758 2700000461 on the Order. Each Order placed under this Participating Addendum is subject to the pricing and terms set forth herein and in the NASPO Master Agreement LS5021, including applicable discounts, reporting requirements, and payment of administrative fees to NASPO ValuePoint and Participating Entity. Orders that include additional terms and conditions or do not reference the Commonwealth Master Agreement Number, MA 758 2700000461 will not be accepted.

VI. **PARTICIPATING ENTITY REPORTING REQUIREMENTS AND ADMINISTRATIVE FEE.** The Contractor agrees to provide a quarterly administrative fee to the Commonwealth of Kentucky as a part of the Contractor's unit prices and is not to be charged directly to the customer in the form of a separate line item. The administrative fee percentage is only applicable to amounts actually received by the Contractor during the quarter and is not applicable to the amounts ordered by customers but not paid yet. The administrative fee shall be paid in the form of a check Payable to the Commonwealth of Kentucky – Office of Procurement Services for an amount equal to one percent (1%) of the net sales (less any returns, credits, or adjustments) under this PA for the period. Fees shall be paid sixty (60) calendar days after the close of the quarter.

Contractor shall submit to Participating Entity a Sales Report documenting all Contractor's net sales made during the applicable reporting period and such submission, including any supplemental information submitted, is deemed a public record.

Quarterly Sales Reports shall be emailed to Jenifer Taylor, Commonwealth Buyer, at Jenifer.Taylor@ky.gov and Stephanie R. Williams, COT Contracting Officer, at Stephanier.Williams@ky.gov. The Sales Report shall be submitted no later than forty-five (45) days after the end of each calendar quarter, and the related administrative fee shall be remitted no later than sixty (60) calendar days after the end of each calendar quarter. The calendar quarters will end March 31, June 30, September 30, and December 31. The Sales Report will contain the following information:

- Complete and accurate details of all sales, credits, and the like for the reporting quarter;
- Purchasing Entity Foundation Account Name;
- Total of Net Sales; and
- If no sales were made to Participating Entity during the reporting quarter, then a report shall be submitted showing zero sales and zero convenience fees due.

| End of Quarter | Reporting Date | Pay Date |
|---|---|---|
| March 31st | May 15th | May 31st |
| June 30th | August 15th | August 31st |
| September 30th | November 15th | November 30th |
| December 31st | February 15th | February 28th (29) |

**Payment of Administrative Fee:**

The Contractor shall timely remit Administrative Fees via check, including reference to this Participating Addendum, Commonwealth Master Agreement MA 758 2700000461, and mailed to the address below:

FINANCE AND ADMINISTRATION CABINET
**Office of Procurement Services**
Jenifer Taylor CPPB, KCPM
200 Mero St., 5th Floor Frankfort, KY 40622

VII. **FEDERAL FUNDING REQUIREMENTS.** Orders funded with federal funds may have additional contractual requirements or certifications that must be satisfied at the time the Order is placed or upon delivery. When applicable, a Purchasing Entity will identify in the Order any alternative or additional requirements related to the use of federal funds. By accepting the Order, Contractor agrees to comply with the requirements set forth therein.

VIII. **INFORMATION TECHNOLOGY SECURITY STANDARDS.**
The Contractor and any subcontractors, dealers, distributors, resellers, and other partners shall adhere to relevant requirements of COT's Enterprise Architecture and Kentucky Information Technology Standards (KITS). These standards may be found online at:

https://technology.ky.gov/about-the-agency/Pages/kits.aspx

IX. **NOTICE. Any notice required herein shall be sent to the following:**

For Contractor:

Katelyn Rispoli
Katelyn.Rispoli@shi.com
(732) 584-8425

For Participating Entity:

Jenifer Taylor CPPB, KCPM
Assistant Director
Jenifer.Taylor@ky.gov
502-564-6522

Stephanie R. Williams MPA, PMP,
CPPO, CPPB, NIGP-CPP
Commonwealth Office of Technology
Chief IT Contracting Officer
StephanieR.Williams@ky.gov
502-234-4898


**X. SUBMISSION OF PARTICIPATING ADDENDUM TO NASPO VALUEPOINT.**

Upon execution, Contractor shall email a copy of this Participating Addendum and any amendments hereto to NASPO ValuePoint at pa@naspovaluepoint.org. While Participating Entity will maintain the official record of this Participating Addendum, the Parties agree that this Participating Addendum, as amended, may be published on the NASPO ValuePoint website.

**XI. ATTACHMENTS.**

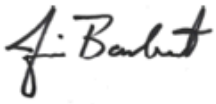
This Participating Addendum includes the following attachments:

**a.** Attachment A - Commonwealth of Kentucky Master Agreement Terms and Conditions

**SIGNATURE**

The undersigned for each Party represents and warrants that this Participating Addendum is a valid and legal agreement binding on the Party and enforceable in accordance with the Participating Addendum's terms and that the undersigned is duly authorized and has legal capacity to execute and deliver this Participating Addendum and bind the Party hereto

IN WITNESS WHEREOF, the Parties have executed this Participating Addendum.

| Commonwealth of Kentucky<br>Commonwealth Office of Technology (COT) | SHI International Corporation |
|---|---|
| Signature:  |  |
| Name: Jim Barnhart | Paul Linhardt |
| Title: CIO | Sr. Lead Contracts Specialist |
| Date: 10-12-2026 | 09/28/2026 |
| Commonwealth of Kentucky<br>Office of Procurement Services (OPS) | |
| Signature:   | |
| Name: Stacy Blank | |
| Title: Executive Director | |
| Date: 10/13/2026 | |

Rev: July 14, 2026

**ATTACHMENT A**
**MA 758 2700000461**

**COMMONWEALTH OF KENTUCKY**
**MASTER AGREEMENT TERMS AND CONDITIONS**

This Participating Addendum incorporates all terms and conditions of the Master Agreement as applied to the Participating Entity and Contractor, subject to the following limitations, modifications, and additions.

Any limitations, modifications, or additions specified herein apply only to the agreement and relationship between Participating Entity and Contractor and shall not amend or affect other participating addendums or the Master Agreement itself.

**Tax Exempt Status**
Do not include Federal Excise Tax, Kentucky Sales or Use Tax.

**Provisions for Termination of the Contract**
This contract shall be subject to the termination provisions set forth in 200 KAR 5:312.

**Conflict of Interest**
The parties certify by the signatures of duly authorized representatives hereinafter affixed, that they are legally entitled to enter into this agreement and that they shall not be violating, either directly or indirectly, any conflict of interest statute of the Commonwealth of Kentucky, by the performance of this agreement.

**Liability**
The liability of the Commonwealth related to contractual damages is set forth in KRS 45A.245.

**Payment**
The Commonwealth will make payment within thirty (30) working days of receipt of Contractor's invoice and of acceptance of goods and/or services except when the agency has transmitted a rejection notice to the vendor in accordance with KRS 45.453 and KRS 45.454. For the purpose of this provision, a working day is any weekday except for Commonwealth employee holidays up to the agency close of business. The Commonwealth may make a partial payment of goods or services that it has received according to the terms of the contract.

Payments are predicated upon agreed upon payment milestones set forth in the agreement and/or successful completion and acceptance of the described work, services, supplies, or commodities, and delivery of the required documentation. Invoices for payment shall be submitted to the agency contact person or agency representative and, except Personal Service Contract invoices, shall include the following information, as applicable:

(1) Contract and/or delivery order number;

(2) Name of Contractor Entity or Individual;

(3) Contractor designated point of contact;

(4) Unique Invoice Number;

(5) Invoice Date;

(6) Item numbers;

(7) Descriptions of goods or services provided;

(8) Sizes of goods provided;

(9) Quantities provided;

(10) Unit prices; and

(11) Extended totals (unit price x quantity) for invoiced line items.

For Personal Service Contracts, invoices must be submitted on the Personal Service Contract Invoice form established by the Government Contract Review Committee, available at:

https://apps.legislature.ky.gov/moreinfo/contracts/PSC%20INVOICE%20FORM.pdf

The Commonwealth will make a good faith effort to notify the Contractor within fifteen (15) working days of the Contractor's failure to submit a proper invoice or a dispute of the goods or services provided. The Contractor shall address the Commonwealth's concerns within ten (10) calendar days and resubmit a corrected invoice with a new invoice number for payment. If the Contractor has not rectified the problem with the invoice or the good or service within the ten (10) calendar day correction period, any revised submitted invoice shall be considered a new invoice with a new date of submission for calculation of any late payment penalty.

If the Commonwealth has not notified the Contractor of any issue with the invoice or the goods and/or services and the Contractor has not received payment by the twenty-fifth (25th) business day after the Contractor submitted the invoice, the Contractor should notify its Commonwealth contract representative that its invoice is still pending payment.

Except as otherwise explicitly provided in the contract, payments shall be issued to the Contractor within thirty (30) working days of receipt of Contractor's invoice and of acceptance of goods and/or services. In the event of an invoice payment dispute between the Contractor and purchasing agency, the Contractor shall first attempt resolution of the dispute via submission to the purchasing agency in accordance with the payment dispute process posted on the Finance and Administration Cabinet website, located at:

https://finance.ky.gov/office-of-the-secretary/office-of-general-counsel/Pages/procurement-and-protest-resources.aspx

If submission to the purchasing agency fails to resolve the payment dispute, the Contractor may submit a contract dispute regarding payment to the Finance Secretary for resolution. In accordance with KRS 45.454, and except as provided by KRS 371.405, there shall be payable to the Contractor a penalty of one-percent (1%) on any undisputed amount each month or fraction thereof owing to the Contractor after 30 working days following the receipt of the goods or services and receipt of the invoice unless otherwise agreed between the Commonwealth and the Contractor. After a resolution is determined, the purchasing agency shall begin to assess penalties due the Contractor and remit the penalty payment to the Contractor within five (5) working days.

Rev: July 14, 2026

**Governing Law**
This contract shall be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. Any action brought against the Commonwealth on the contract, including but not limited to actions either for breach of contract or for enforcement of the contract, shall be brought in Franklin Circuit Court, Franklin County, Kentucky in accordance with KRS 45A.245.

**Access to Records**
The state agency certifies that it is in compliance with the provisions of KRS 45A.695, "Access to contractor's books, documents, papers, records, or other evidence directly pertinent to the contract." The Contractor, as defined in KRS 45A.030, agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement for the purpose of financial audit or program review. The Contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the agreement and shall be exempt from disclosure as provided in KRS 61.878(1)(c).

**Contract Modification**
No modification or change of any provision of this Agreement shall be made, or construed to be made, unless such modification is mutually agreed to in writing and the Office of Procurement Services has issued a contract Modification to effect the said change. Until such time as the vendor receives a Modification, the vendor shall not accept Delivery Orders from any agency referencing such items or services.

**No Fees for Processing Credit Card Payments**
The Contractor shall accept purchasing credit cards as a form of payment without charging any fees for the purchase.

**Nondiscrimination**
The Equal Employment Opportunity Act of 1978 (the "Act"), KRS 45.560 to 45.640, applies to all State government contracts or subcontracts in an amount exceeding $500,000. The contractor shall comply with all terms and conditions of the Act.

During the performance of this contract, the Contractor agrees as follows:

(a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age forty (40) and over, disability, veteran status, or national origin or.

(b) The Contractor shall take affirmative action in regard to employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination rates of pay or other forms of compensation, and selection for training, so as to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex, age forty (40) and over, disability, veteran status, and national origin.

(c) The Contractor shall state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age forty (40) and over, disability, veteran status, or national origin.

(d) The Contractor shall post notices in conspicuous places, available to employees and applicants for employment, setting forth the provisions of this non-discrimination clause.

The Contractor shall send a notice to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding advising the said labor union or workers' representative of the Contractor's commitments under this nondiscrimination clause.

The Contractor's noncompliance with the nondiscrimination clauses of this contract shall constitute a material breach of the contract.

Each Contractor shall, for the length of the contract or at the point at which the contract is covered by this Act and until its conclusion, furnish such information as required by the Act and any rules, regulations and orders issued pursuant thereto and permit access to all books and records pertaining to his employment practices and work sites by the contracting agency and the Cabinet to ascertain compliance with the Act.

This section applies to agreements disbursing federal funds, in whole or part, only when the terms for receiving those funds mandate its inclusion.

**Artificial Intelligence (AI)**
Vendor agrees to adhere to CIO-126 Artificial Intelligence Policy.pdf, which includes but is not limited to, the required written disclosure, in advance, of every use of generative AI and/or integrations with generative AI system. Vendor agrees to disclose all parts of contracted work that is expected to be or will be performed with the assistance of AI. Further, Vendor understands and agrees to take appropriate measures to ensure Generative AI shall not be used for any activities that are illegal or in violation of state policy, COT policy, or agency policy per CIO-126. Vendors may not use Commonwealth confidential or internal data in generative AI queries or for building or training proprietary generative AI programs unless explicitly approved in writing by the agency head with consultation from the COT Chief Information Officer. Vendor agrees to provide reasonable written notice of any issue of noncompliance with these requirements.

**Insurance Requirements**

*** Proof of all required insurances should be provided prior to award.***

*Contractor shall furnish the Certificate of Insurance prior to award and shall, upon request of the Commonwealth at any time during the contract term, provide a current, valid Certificate of Insurance.*

*A Certificate of Insurance (COI) on an ACORD or equivalent to form is required unless approved by the Commonwealth's Office of the Controller.*

A. **Required Coverage**
During the entire term contract and throughout any renewal, the awarded vendor(s) shall be responsible for maintaining and not altering the following insurance coverages, types, and limits of liability.

1. **Commercial General Liability Insurance** in accordance with minimum limits of liability of $1,000,000.00 per occurrence, $2,000,000.00 aggregate.

Rev: July 14, 2026

2. **Professional Technology Liability Insurance (Tech Errors & Omissions) and Cyber Liability Insurance (combined) with minimum limits of $5,000,000.00 per claim, $5,000,000.00 aggregate.**

   Tech E&O coverage shall include, at a minimum, the following coverages for first party and third-party losses due to:
   - errors, omissions, and negligence in design, development and/or delivery of technology products and services
   - intellectual property infringement
   - product or service failure
   - misrepresentations
   - unauthorized access or use of computer systems or networks

   This insurance may also include coverage for unauthorized disclosure, access, or use of Agency Data (which may include, but is not limited to, Personally Identifiable Information ("PII"), Payment Card Data, and Protected Health Information ("PHI")) in any format. Coverage must extend to Business Associates (if applicable) and independent contractors providing Services on behalf of or at the direction of Contractor.

   Cyber Liability coverage shall include, at a minimum, the following coverages for first party and third-party losses that result from or are related to unauthorized access, malicious software, digital or cyber extortion such as ransomware attacks, social engineering, denial of service, and other cyber threats:
   - Active breach response including forensic investigation and analysis costs
   - Customer associated costs due to data breach, such as notification, monitoring
   - Business interruption costs
   - Equipment replacement or repair needed because
   - Legal fees associated with a data breach

   The required policy shall be either occurrence-based or claims-made with a minimum two-year tail following the contract expiration. Sub limits must be proportionate and not materially reduce the effective coverage.

**B. Evidence of Insurance Coverage**

The awarded vendor shall provide evidence of insurance coverage as required. Failure to do so shall constitute a material breach of this Contract, which may result in immediate cancellation of the Contract.

Contractor and/or its insurer shall provide immediate notice of nonrenewal or cancellation of coverage during the course of the Contract.

For all required insurance coverages, during the course of the Contract, the awarded vendor shall not be self-insured or utilize a Captive Insurer or a fronting policy that shifts risk back to the awarded vendor without prior review of the proposed coverage by the Office of the Controller of the Commonwealth and sent to the agency for consideration.

Such approvals may require additional financial review, proof of funds, or bonding requirements sufficient for the risk associated with the services covered by the Contract, and approval or rejection is within the sole discretion of the Commonwealth's Office of the Controller.

Further, the awarded vendor shall not utilize an insurer or similar entity not in good standing with the Insurance Commissioner to fulfill the insurance requirements of the contract without prior written approval by the Office of the Controller of the Commonwealth.

All Certificates of Insurance must be signed by an authorized representative of the insurance agency, shall be in compliance with the laws of the Commonwealth of Kentucky, and shall be placed with a licensed resident or non-resident agent who represents insurance companies authorized to do business in Kentucky. The insurer shall have an AM Best rating of B+ or higher. Visit www.ambest.com for verification. Failure to meet this requirement may result in cancellation of this Contract. A list of authorized companies can be found at https://insurance.ky.gov/ppc/Company/Default.aspx.

The certificate holder shall be listed as:

Finance and Administration Cabinet, DCM
Office of Procurement Services
200 Mero Street, 5th Floor
Frankfort, Kentucky 40622

Certificate of Insurance must contain the following language in the Description of Operations box:

> "The Commonwealth and its agents are Additional Insureds for this Contract. Additional insured protection afforded is on a primary and non-contributory basis."

**C. Subcontractors**

If the contract allows for Subcontractors and utilizes Subcontractors, prior to the commencement of any work by a Subcontractor.

- The primary Contractor's Certificate of Insurance must identify coverage that meets or exceeds the insurance requirements defined in this contract and that covers Subcontractor and its work in support of the Contract ***or*** the Subcontractor must submit and maintain a Certificate of Insurance that also meets or exceeds the insurance requirements of the Primary Contractor defined in this contract.
- OPS reserves the right to request copies of all Subcontractor's Certificate(s) of Insurance at any time.

**D. Additional Types of Insurance**

The Commonwealth reserves the right to require higher coverage amounts if needed based on the project/SOW and associated risk.

Rev: July 14, 2026

**1. Automobile Liability Insurance (If Applicable)**

Automobile Liability Insurance is required for delivery, onsite training, services or events in all situations where the Contractor must drive to any property where Commonwealth operations occur. With regard to delivery, if the items requested in this solicitation will be delivered by the awarded Contractor or Subcontractor, proof of Automobile Liability Insurance must be provided prior to award. ***If items will be delivered by common courier (USPS, FedEx, UPS, Old Dominion Freight Line, etc.), this requirement does not apply.***

The Contractor or Subcontractor must provide a certificate of insurance coverage for any vehicle used in performance of this contract, whether owned, non-owned, or hired, or other vehicles utilized by the Contractor or Subcontractor. Said policy of insurance to have a minimum coverage limit of $1,000,000.00 per occurrence combined single limit for bodily injury, including death, and property damage.

This requirement does not apply if the Contractor does not own, lease, or hire any automobiles to be used in connection with performance under this Contract.