

ALLIANCE FOR INNOVATION

MASTER COOPERATIVE AGREEMENT

This Master Cooperative Participation Agreement (the “Agreement”) is entered into as of June 16, 2026 (the “Effective Date”), by and between Alliance for Innovation, a Texas nonprofit corporation (“AFI”), and AGAS MFGS, Inc., a _____ (“Contractor”). AFI and Contractor may be referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Alliance for Innovation (“AFI”) is a Texas nonprofit association of local government entities that administers cooperative purchasing programs for the benefit of its members and other eligible public agencies (“Participating Entities”); and

WHEREAS, Contractor desires to participate in AFI’s cooperative purchasing program to offer goods and/or services to Participating Entities under competitively awarded cooperative contracts; and

WHEREAS, Participating Entities may access such goods and services and execute a Participating Addendum, issue purchase orders, or statements of work directly to Contractor;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein, the Parties agree as follows:

1. DEFINITIONS.

- 1.1.** “AFI Program” means the cooperative purchasing program administered by AFI under which this Agreement is made available to Participating Entities.
- 1.2.** “Offerings” means goods, supplies, equipment, software (including SaaS), and/or services that Contractor offers under this Agreement, as described in the applicable solicitation, Contractor’s response (if any), and any pricing schedules or exhibits approved by AFI.
- 1.3.** “Participating Addendum” or “PA” means the agreement executed by a Participating Entity (and Contractor, if required) adopting this Agreement and establishing entity-specific terms permitted herein.
- 1.4.** “Order” means a purchase order, task order, statement of work, quote accepted by a Participating Entity, or similar ordering instrument issued by a Participating Entity to Contractor referencing this Agreement and/or the applicable PA.

2. COOPERATIVE STRUCTURE.

- 2.1.** AFI administers this Agreement for the benefit of Participating Entities. AFI is not a purchaser, reseller, dealer, agent, or contracting party to any Order.
- 2.2.** All Orders are placed by Participating Entities directly with Contractor, and all invoicing, payment, delivery, performance, and dispute resolution related to an Order occur directly between Contractor and the ordering Participating Entity.
- 2.3.** Neither AFI nor any Participating Entity guarantees any minimum purchase volume, revenue, or exclusivity.

3. TERM.

- 3.1. Initial Term.** The initial term of this Agreement begins on the Effective Date and continues for five (5) years, unless earlier terminated as provided herein.
- 3.2. Renewals.** AFI may, in its sole discretion, renew this Agreement for up to two (2) additional renewal terms of up to two (2) years each, by written notice to Contractor.

4. SCOPE.

- 4.1. Broad Scope.** This Agreement is intended to be used for both supplies and services, including, as applicable: products, equipment, maintenance, installation, professional services, training, and software/SaaS as defined the scope of the RFP that awarded this agreement and the vendor's response to the RFP.
- 4.2. Order Controls.** Each Participating Entity controls its own procurement, approvals, funding, and compliance obligations. Participating Entities may issue Orders only as permitted by their applicable law and internal policies.
- 4.3. Quotes and SOWs.** Contractor shall provide quotes and/or SOWs upon request. SOWs may include reasonable project-specific details (scope, deliverables, milestones, acceptance criteria, schedule, and pricing) and may not conflict with this Agreement.
- 4.4. Order of Precedence.** In the event of a conflict: (a) the applicable PA, then (b) this Agreement, then (c) the applicable solicitation/addenda and Contractor's response incorporated by AFI, then (d) the Order/SOW (to the extent it does not conflict with (a)-(c)), then (e) Contractor's standard terms. Contractor's standard terms are expressly rejected unless a Participating Entity explicitly accepts them in writing in the PA.

5. PRICING.

- 5.1. Best Value.** Contractor shall provide best-value pricing and terms for the public sector, considering quality, performance, service, and total cost of ownership.
- 5.2. Price Changes.** Any price increase to AFI-approved pricing must be requested in writing with supporting documentation and is effective only upon AFI's written approval. Price decreases and promotions shall be passed through to Participating Entities as they become available.
- 5.3. Taxes.** Participating Entities are Tax Exempt and can provide Contractor tax exempt certificate upon request. Contractor is responsible for requesting and shall accept valid exemption documentation where applicable.

6. ADMINISTRATIVE FEE; AUDIT.

- 6.1. Administrative Fee.** Contractor shall remit an administrative fee to Civic Marketplace equal to three percent (3%) of all amounts paid to Contractor by Participating Entities for sales under this Agreement, excluding taxes, shipping (if separately stated), refunds, credits, and returns, unless AFI approves a different basis in writing for a specific program.
- 6.2. No Pass-Through.** The administrative fee is not an added cost to Participating Entities and may not be itemized or charged to Participating Entities as a separate line item.
- 6.3. Reporting.** Contractor shall provide monthly sales reports to Civic Marketplace in the format reasonably specified by Civic Marketplace, and payments sent quarterly, unless Civic Marketplace specifies a different cadence for a particular program.
- 6.4. Audit.** Contractor shall maintain accurate books and records relating to sales and fees under this Agreement for at least four (4) years after expiration or termination. Civic Marketplace or

AFI may audit such records (including through a third party) upon reasonable notice during normal business hours. If an audit reveals underpayment, Contractor shall promptly pay the deficiency and, if material, reimburse reasonable audit costs.

- 6.5. Remedies.** Failure to timely report or remit fees is a material breach and may result in suspension or termination from the AFI Program.

7. SUBCONTRACTORS.

- 7.1. AFI Approval.** Contractor may not use subcontractors to perform material obligations under this Agreement without AFI's prior written approval, which may be granted or withheld in AFI's discretion.
- 7.2. Flow-Down.** Contractor shall flow down applicable obligations (including confidentiality, data protection, insurance, and compliance) to approved subcontractors and remain fully responsible for subcontractor performance.

8. PERFORMANCE STANDARDS; WARRANTIES.

- 8.1. Standard of Care.** Contractor shall perform services in a professional and workmanlike manner consistent with generally accepted industry standards.
- 8.2. Product Warranties.** Contractor warrants that goods furnished are new (unless otherwise specified), of good quality, and free from defects in workmanship and materials, and conform to the applicable specifications and descriptions.
- 8.3. Services Warranty.** Contractor warrants that services will materially conform to the applicable SOW/Order and will be re-performed or corrected at no additional cost if nonconforming.
- 8.4. No Disclaimers That Reduce Public Protections.** To the extent permitted by law, Contractor may not disclaim warranties or limit remedies in a manner inconsistent with this Agreement or an applicable PA.

9. COMPLIANCE.

- 9.1. Compliance with Law.** Contractor shall comply with all applicable federal, state, and local laws and regulations in performing under this Agreement and any Order.
- 9.2. Non-Discrimination.** Contractor shall not discriminate in employment or service delivery on any protected basis under applicable law.
- 9.3. Debarment.** Contractor represents it is not debarred, suspended, or otherwise ineligible for federal contracting and will notify AFI promptly if that changes.
- 9.4. No Gratuities/Improper Influence.** Contractor shall comply with applicable ethics and anti-corruption requirements and shall not offer improper inducements to any public official or employee.

10. CONFIDENTIALITY.

- 10.1. Confidential Information.** Each Party may receive non-public information from the other that is designated as confidential or that reasonably should be understood to be confidential ("Confidential Information"). The receiving Party shall protect Confidential Information using at least reasonable care and use it only for performance under this Agreement.
- 10.2. Public Entity Data.** Data provided by or on behalf of a Participating Entity ("Public Entity Data") remains the property of that Participating Entity. Contractor may use Public Entity Data only as

necessary to perform the applicable Order and shall not sell or disclose it except as permitted by the Participating Entity or required by law.

- 10.3. Security.** Contractor shall maintain administrative, technical, and physical safeguards appropriate to the nature of the data and the Offerings, including protections against unauthorized access and disclosure.
- 10.4. Breach Notification.** Contractor shall notify the affected Participating Entity and AFI without undue delay (and in any event within the timeframe required by applicable law) of any confirmed security incident involving Public Entity Data and shall cooperate in investigation and remediation.
- 10.5. SaaS/Software.** If Contractor provides SaaS/software, the Order/SOW or PA may include additional security requirements (e.g., encryption, access controls, logging, data location, and incident response) and service levels.

11. PUBLIC RECORDS.

Contractor acknowledges Participating Entities may be subject to public information/open records laws. Disclosures required by law are permitted. Contractor shall, upon request, provide reasonable assistance to a Participating Entity responding to an open records request, including identifying portions of information claimed as confidential; however, the Participating Entity controls final disclosure decisions subject to applicable law.

12. INDEMNIFICATION.

- 12.1. By Contractor.** To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless AFI and each Participating Entity (and their respective officials, officers, employees, and agents) from and against any and all claims, damages, losses, liabilities, penalties, fines, costs, and expenses (including reasonable attorneys' fees) arising out of or relating to: (a) Contractor's or its subcontractors' negligence, willful misconduct, or violation of law; (b) bodily injury, death, or property damage caused by Contractor or its subcontractors; (c) infringement or misappropriation of intellectual property rights by the Offerings or deliverables; (d) a breach of confidentiality or data security obligations; or (e) Contractor's material breach of this Agreement or an Order.
- 12.2. Procedure.** The indemnified party shall provide prompt notice (to the extent practicable) and reasonable cooperation. Contractor may not settle any claim requiring admission of fault or non-monetary obligations without the indemnified party's written consent.

13. INSURANCE.

Contractor shall maintain insurance customary for its industry and the Offerings provided, which may include commercial general liability, workers' compensation (statutory), automobile liability (if vehicles are used), professional liability/errors & omissions (for services), and cyber liability (for data/SaaS). Upon request, Contractor shall provide certificates of insurance. Where required by a Participating Entity for an Order, Contractor shall name the Participating Entity as an additional insured for general liability, as appropriate.

14. LIMITATION OF LIABILITY.

Except for (a) indemnification obligations, (b) breach of confidentiality/data security, (c) intellectual property infringement, and (d) gross negligence or willful misconduct, neither Party shall be liable to the other for consequential, incidental, special, punitive, or exemplary damages. Any additional limitations of liability applicable to an Order may be addressed in the PA or Order/SOW, subject to the Participating Entity's laws and policies.

15. TERMINATION; SUSPENSION.

- 15.1. AFI Termination for Convenience.** AFI may terminate this Agreement for convenience upon thirty (30) days' prior written notice.
- 15.2. AFI Termination for Cause.** AFI may terminate immediately upon written notice for a material breach that is not cured within thirty (30) days after notice, or immediately for breaches that cannot be cured (including fraud, unlawful conduct, or persistent failure to report/remit fees).
- 15.3. Effect on Orders.** Termination of this Agreement does not automatically terminate existing Orders; however, Participating Entities retain all rights under their Orders and may terminate Orders as permitted by applicable law and the applicable PA.

16. DISPUTE RESOLUTION.

The Parties will attempt in good faith to resolve disputes through informal discussions. If unresolved, either Party may pursue available remedies in a court of competent jurisdiction, subject to Section 17 (Governing Law and Venue). Participating Entity disputes relating to an Order are governed by the applicable PA and the Participating Entity's laws and policies.

17. GOVERNING LAW; VENUE.

This Agreement (as between AFI and Contractor) is governed by the laws of the State of Texas, without regard to conflicts-of-law principles. Venue for disputes between AFI and Contractor shall be in a court of competent jurisdiction in the State of Texas.

18. MISCELLANEOUS.

- 18.1. Independent Contractors.** The Parties are independent contractors. Nothing creates a partnership, joint venture, or agency relationship.
- 18.2. Assignment.** Contractor may not assign this Agreement without AFI's prior written consent.
- 18.3. Force Majeure.** Neither Party is liable for failure to perform due to causes beyond reasonable control, provided the affected Party gives notice and uses reasonable efforts to mitigate.
- 18.4. Notices.** Notices must be in writing and delivered by personal delivery, nationally recognized courier, or email with confirmation to the addresses designated by the Parties.
- 18.5. Entire Agreement; Amendments.** This Agreement constitutes the entire agreement between AFI and Contractor regarding cooperative participation and may be amended only by a written instrument signed by both Parties.
- 18.6. Severability; Waiver.** If any provision is unenforceable, the remainder remains in effect. Failure to enforce a provision is not a waiver.
- 18.7. Counterparts; Electronic Signatures.** This Agreement may be executed in counterparts and by electronic signature.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date first written above.

Alliance for Innovation (AFI)

By: Michael Wilkes
Printed Name: _____
Title: _____

AGAS MFG, INC.

By: Saleheen Rizwan
Printed Name: Saleheen Rizwan
Title: Bid Manager