

**Solicitation Number: RFP # 011723****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and **Komatsu America Corp.**, 8770 West Bryn Mawr Avenue, Suite 100, Chicago, IL 60631 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for **Heavy Construction Equipment with Related Attachments and Technology** from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires April 14, 2027, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Supplier warrants that all Equipment, Products, and Services furnished are free from liens and encumbrances, and are free from defects in design, materials, and workmanship. In addition, Supplier warrants the Equipment, Products, and Services are suitable for and will perform in accordance with the ordinary use for which they are intended. Supplier's dealers and distributors must agree to assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer. Any manufacturer's warranty that extends beyond the expiration of the Supplier's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be

returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery. In the event of the delivery of nonconforming Equipment and Products, the Participating Entity will notify the Supplier as soon as possible and the Supplier will replace nonconforming Equipment and Products with conforming Equipment and Products that are acceptable to the Participating Entity.

Supplier must arrange for and pay for the return shipment on Equipment and Products that arrive in a defective or inoperable condition.

Sourcewell may declare the Supplier in breach of this Contract if the Supplier intentionally delivers substandard or inferior Equipment or Products.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcewell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcewell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcewell Price and Product Change Request Form to the assigned Sourcewell Supplier Development Administrator. This approved form is available from the assigned Sourcewell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcewell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;

- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell

contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM. Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum, the terms of which will be negotiated directly between the Participating Entity and the Supplier or its authorized dealers, distributors, or resellers, as applicable. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. SPECIALIZED SERVICE REQUIREMENTS. In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. TERMINATION OF ORDERS. Participating Entities may terminate an order, in whole or in part, immediately upon notice to Supplier in the event of any of the following events:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

E. GOVERNING LAW AND VENUE. The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. PRIMARY ACCOUNT REPRESENTATIVE. Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;
- Timely response to all Sourcwell and Participating Entity inquiries; and
- Business reviews to Sourcwell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcwell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, performance issues, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcwell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcwell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcwell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcwell, the Supplier will pay an administrative fee to Sourcwell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcwell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased

by Participating Entities under this Contract during each calendar quarter. Payments should note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell and its Participating Entities, including their agents and employees, harmless from any claims or causes of action, including attorneys' fees incurred by Sourcewell or its Participating Entities, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees; this indemnification includes injury or death to person(s) or property alleged to have been caused by some defect in the Equipment, Products, or Services under this Contract to the extent the Equipment, Product, or Service has been used according to its specifications. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:
 - a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
 - b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.
2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

resellers, marketing representatives, and agents (collectively “Permitted Sublicensees”) in advertising and promotional materials for the purpose of marketing the Parties’ relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. Use; Quality Control.

- a. Neither party may alter the other party’s trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party’s trademarks only in good faith and in a dignified manner consistent with such party’s use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. Termination. Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party’s name or logo (excepting Sourcewell’s pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell’s written directions.

B. PUBLICITY. Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. MARKETING. Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. ENDORSEMENT. The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. PERFORMANCE. During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute. If the Supplier fails to continue without delay to perform its responsibilities under the Contract, in the accomplishment of all undisputed work, the Supplier will bear any additional costs incurred by Sourcewell and/or its Participating Entities as a result of such failure to proceed.

B. DEFAULT AND REMEDIES. Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. REQUIREMENTS. At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

- \$500,000 each accident for bodily injury by accident
- \$500,000 policy limit for bodily injury by disease
- \$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

- \$1,000,000 each occurrence Bodily Injury and Property Damage
- \$1,000,000 Personal and Advertising Injury
- \$2,000,000 aggregate for products liability-completed operations
- \$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

- \$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. WAIVER OF SUBROGATION. Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all

deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION. The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. LAWS AND REGULATIONS. All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. LICENSES. Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government.

The following list only applies when a Participating Entity accesses Supplier's Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of "federally assisted construction contract" in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 C.F.R. § 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. § 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 C.F.R. § 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-federal entity must report all suspected or reported violations to the federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. § 3145), as supplemented by Department of Labor regulations (29 C.F.R. § 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-federal entity must report all suspected or reported violations to the federal awarding agency. Supplier must be in compliance with all applicable Davis-Bacon Act provisions.

C. **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. §§ 3702 and 3704, as supplemented by Department of Labor regulations (29 C.F.R. § 5). Under 40 U.S.C. § 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40

hours in the work week. The requirements of 40 U.S.C. § 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. This provision is hereby incorporated by reference into this Contract. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

D. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT. If the federal award meets the definition of “funding agreement” under 37 C.F.R. § 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 C.F.R. § 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency. Supplier certifies that during the term of an award for all contracts by Sourcewell resulting from this procurement process, Supplier must comply with applicable requirements as referenced above.

E. CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387). Contracts and subgrants of amounts in excess of \$150,000 require the non-federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. § 7401- 7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. § 1251- 1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA). Supplier certifies that during the term of this Contract will comply with applicable requirements as referenced above.

F. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689). A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352). Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any

agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. To the extent applicable, Supplier must comply with the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

J. BUY AMERICAN PROVISIONS COMPLIANCE. To the extent applicable, Supplier must comply with all applicable provisions of the Buy American Act. Purchases made in accordance with the Buy American Act must follow the applicable procurement rules calling for free and open competition.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). A non-federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. § 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier cannot use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by a Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. To the extent applicable, Supplier certifies that during the term of this Contract it will comply with applicable requirements of 2 C.F.R. § 200.216.

T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's

Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Komatsu America Corp.

DocuSigned by:
Jeremy Schwartz
By: C0FD2A139D06489...
Jeremy Schwartz
Title: Chief Procurement Officer
Date: 4/18/2023 | 10:36 AM CDT

DocuSigned by:
Rodney Bull
By: D5FFD81B651241F...
Rodney Bull
Title: EVP North America Region
Date: 4/18/2023 | 12:57 PM CDT

Approved:

DocuSigned by:
Chad Coquette
By: 7E42B8F817A64CC...
Chad Coquette
Title: Executive Director/CEO
Date: 4/18/2023 | 1:37 PM CDT

RFP 011723 - Heavy Construction Equipment with Related Attachments and Technology

Vendor Details

Company Name: Komatsu America Corp.
Address: 8770 W. Bryn Mawr Ave.
Suite 100
Chicago, IL 60631
Contact: Rebecca O'Donnell
Email: KAC_Sourcewell@global.komatsu
Phone: 847-437-5800
HST#: 94-1715128

Submission Details

Created On: Monday November 21, 2022 13:46:50
Submitted On: Tuesday January 17, 2023 12:43:04
Submitted By: Rebecca O'Donnell
Email: KAC_Sourcewell@global.komatsu
Transaction #: 80bd003e-643a-4ce9-8cba-dcaaae3969c5
Submitter's IP Address: 198.207.182.9

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Company Name: Komatsu America Corp. Tax Identification Number: 94-1715128 Telephone Number: (847) 437-5800
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	Komatsu America Corp.
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Komatsu America does not operated under any assumed names or DBA names
4	Provide your CAGE code or Unique Entity Identifier (SAM):	Komatsu America does not have a CAGE code or Unique Entity Identifier
5	Proposer Physical Address:	8770 West Bryn Mawr Avenue Ste 100, Chicago, IL 60631
6	Proposer website address (or addresses):	www.Komatsu.com
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Rebecca O'Donnell Email Address: Rebecca.ODonnell@global.komatsu 309-672-7358
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Rebecca O'Donnell Email Address: Rebecca.ODonnell@global.komatsu 309-672-7358
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Robert Richens Robert.Richens@global.komatsu 435-650-0774

Table 2: Company Information and Financial Strength

Line Item	Question	Response *
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10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	<p>Komatsu America Corp. is a U.S. subsidiary of Komatsu Ltd., the world's 2nd largest manufacturer and supplier of construction, mining, and compact equipment. Named after the city of Komatsu, Japan, where the company was founded, Komatsu celebrated its 100 year anniversary on May 13, 2021. Komatsu America Corp. currently employs approximately 7,600 people in the United States and Canada to serve and support the North American market.</p> <p>Komatsu first founded operations in the United States in 1970. At the time, the mission was to not only become a world class supplier of quality construction equipment, but more importantly to become a trusted partner for the industry and its customers. Today, Komatsu's commitment is to create value together with our customers and partners, to achieve a sustainable future where businesses, people, and our planet thrive together.</p> <p>Komatsu's core values are deeply rooted in our history and are unique to our corporate identity:</p> <ol style="list-style-type: none"> 1) Ambition: With a "challenging spirit" and without fear failure, we innovate and always aspire to do more. 2) Collaboration: Creating value comes from teamwork, inclusion, respect, diversity, and a win-win approach to all relationships. 3) Perseverance: Even when work is difficult, we remain committed to our promises and reliably carry them through to completion. 4) Authenticity: To earn and maintain trust, we always act with sincerity, integrity and honesty, and communicate transparently. <p>Our values, combined with our promise of "creating value together", are what drive our strategy and actions every day, guided by the founding principles of the company, established over 100 years ago, to focus on global expansion, quality first, technological innovation, and employee development.</p>	*
11	What are your company's expectations in the event of an award?	<p>Komatsu America has experienced first hand the increasing focus and need for cooperative purchasing contracts within the industry. Like we are doing today, in the event of an award, we will deeply engage our distribution partners to expand our products, services, and solutions to existing Sourcwell members while working with Sourcwell to expand the membership base through the promotion of new opportunities with our contract.</p> <p>Additionally, we plan to partner closer with Sourcwell to leverage their expertise and training resources to drive a higher participation rate and awareness amongst our distribution as well as new potential members. We also believe there is an opportunity to drive higher participation with state level adoptions of our contract.</p>	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	<p>Komatsu Ltd. is a publicly traded company and is listed on the Tokyo Stock Exchange.</p> <p>Komatsu Ltd.'s consolidated business results for FY2021 (year ending March 31, 2022) as well as the first six months of FY2022 (through September 30, 2022) have been attached in the document section, labeled as "Financial Strength & Stability-FY22 YE Statement and 6 months ending 09.30.22-zip file".</p> <p>For FY2021, Komatsu's consolidated net sales exceeded 2.8 Trillion Yen, which based on the exchange rate identified on page 7 of the attached report is approximately \$25.0 Billion (US). The United States and Canada make up about 23% of equipment sales to outside customers.</p> <p>Through the first six months of FY2022, revenue exceeded 1.6 Trillion Japanese Yen, which based on the exchange rate identified on page 6 of the attached report is approximately \$12.3 Billion (US). The United States and Canada make up about 25% of equipment sales to outside customers this year to date.</p>	*
13	What is your US market share for the solutions that you are proposing?	Komatsu America Corp. considers market share to be confidential and proprietary and therefore is unable to disclose market share as part of this RFP response	*
14	What is your Canadian market share for the solutions that you are proposing?	Komatsu America Corp. considers market share to be confidential and proprietary and therefore is unable to disclose market share as part of this RFP response	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	Komatsu America Corp. has never petitioned for bankruptcy protection	*

16	<p>How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization.</p> <p>a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned?</p> <p>b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?</p>	<p>B) Komatsu America Corp. is best described as a manufacturer.</p> <p>Komatsu America Corp. has 29 distributors across the United States and Canada that market, sell, and support our products.</p> <p>Two of these distributors are wholly owned by Komatsu and have a total of 21 locations and 557 employees. The other 27 distributors are independently owned with 242 locations and partner with Komatsu, under dealer agreements, to provide sales, service, and parts support for the products offered in this proposal within their respective regions. Komatsu's North American distribution network has been in business for an average of 67 years which demonstrates the longevity and strength of our dealer network, which we believe is a differentiating strength.</p>	*
17	<p>If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.</p>	<p>To the best of our knowledge, Komatsu America Corp. as well as its distributors hold all licenses and certifications necessary to pursue the business contemplated by this RFP.</p>	*
18	<p>Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.</p>	<p>There has been no Suspension or Disbarment information applied to Komatsu America Corp. during the past ten years.</p>	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *
19	Describe any relevant industry awards or recognition that your company has received in the past five years	<p>1) Komatsu selected in the Dow Jones Sustainability Indices again in 2022. Komatsu has been recognized every year since 2014. https://www.komatsu.jp/en/newsroom/2022/20221212</p> <p>2) Komatsu recognized with prestigious double 'A' score for global climate and water stewardship. This is another award that Komatsu has received every year since 2014. https://www.komatsu.jp/en/newsroom/2022/20221213</p> <p>3) Komatsu named one of the safest companies in America by EHS Today (2018) https://www.apnews.com/96415e2096194fca87ea59c8afc20c03</p> <p>4) NIOSH Mine Safety and Health Technology Innovations Award (2018) https://www.cdc.gov/niosh/mining/content/innovationsawards.html</p> <p>5) Komatsu Receives the Grand Prix of the Corporate Value Improvement Award from Tokyo Stock Exchange (2020) https://www.komatsu.jp/en/newsroom/2020/20200128</p> <p>6) 2022 Construction Equipment's Top 100. Heavy Earthmoving Equipment for the Komatsu WA480-8 Wheel Loader. Komatsu also received the Smart Construction Retrofits Award for Excavators and the Ancillary Award for the KMHB-V series. https://www.constructionequipment.com/top-100</p> <p>7) 2021 Tucson Electric Power awards Komatsu with the Pioneering Partner Award for it's work in conjunction with Asarco Mine in developing sustainable solutions through zero-emission mining equipment and infrastructure. https://www.tep.com/news/2021-go-green-award-recipients-building-a-more-sustainable-future/</p> <p>8) 2021 ESG Reduction & Monitoring Awarded by Mining Magazine for Komatsu's Greenhouse Gas Alliance as well as the Load and Haul Award for the development and expansion of tele-remote products to increase safety https://www.miningmagazine.com/operational-excellence/news/1425271/mining-magazine-awards-2021-the-winners</p> <p>9) Equipment World: Two Komatsu models rank the highest in retained value by EquipmentWatch, the D85EX-18 and the PC78US-10 (2022) https://www.komatsu.com/en/newsroom/2022/ew-models-with-highest-retained-value/</p>
20	What percentage of your sales are to the governmental sector in the past three years	Approximately 1% of Komatsu's construction equipment sales are to the governmental sector over the past three years, which is why this segment remains a targeted area of growth for Komatsu. *
21	What percentage of your sales are to the education sector in the past three years	Over the past three years, less than 1% of Komatsu's construction equipment sales are to the education sector. Like the governmental segment, we see this as a potential target for growth as well for specific products and solutions. *
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	At this time, the state of Washington has adopted the current Komatsu Sourcewell contract, however there are no sales to report. In the event of another contract award, this is a target area to partner with Sourcewell to pursue these opportunities and leverage their expertise and resources to achieve further state adoptions of our contract. By partnering with Sourcewell, we can also better work with our distributors to engage these state level opportunities and ensure we are collectively supporting their procurement needs. *
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Komatsu America does not currently have any GSA Contracts or Standing Offers and Supply Arrangements. *

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *
Department of Public Works, Marshfield, MA 965 Plain Street Marshfield, MA 02050 https://www.marshfield-ma.gov/public-works	Tom Reynolds	508-922-6434
Coweta County Board of Commissioners 70 Selt Road Newnan, GA 30263 https://www.coweta.ga.us/	Ryan Phillips rphillips@coweta.ga.us	770-254-2601
Village of Farmingdale, Farmingdale NY 361 Main Street, Suite 1 Farmingdale, NY 11735 http://www.farmingdalevillage.com/index.htm	Kenny Tortoso	516-249-0093
City of Grand Prairie, Texas 318 W Main Street Grand Prairie, TX 75051	Jayson R. Ramirez, Director of General Services Jrramirez@gptx.org	972-237-2002
City of Dallas 3202 Canton Street Dallas, TX 75226 https://dallascityhall.com/departments/equipment/buildingservices/	Donzell Gipson, Director	614-671-5725

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *
NYC Department of Sanitation	Government	New York - NY	Wheel Loaders. Sanitation Work	28 units	Approx. \$11 million
DeKalb County	Government	Georgia - GA	Wheel Loaders. Transfer Stations	6 units	Approx. \$3.4 million
City of Irving	Government	Texas - TX	Excavators / Trucks Roads & General Construction	4 units	Approx. \$3.2 million
City of Birmingham	Government	Alabama - AL	Excavators / Dozers Utility & Sewer / Landfill	3 units	Approx. \$2.3 million
Escambia County	Government	Florida - FL	Excavators Road Construction & Maintenance	8 units	Approx. \$1.9 million

Table 6: Ability to Sell and Deliver Service

Describe your company's capability to meet the needs of Sourcewell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
26	Sales force.	Across the US and Canada, Komatsu America has over 590 sales representatives in our dealer network. Supporting the distributor sales representatives are 19 Komatsu District Sales Managers located in the field. Specific to the Sourcewell contract, Komatsu also has a dedicated National Account Manager that is responsible for actively promoting and training within Komatsu as well as the dealer network on the contract, in conjunction with support from the Sourcewell Supplier team.

27	Dealer network or other distribution methods.	Komatsu America has 29 dealers across the United States and Canada with 263 locations. The Komatsu distribution network is responsible for the sales and support of products that are offered in this proposal, backed by Komatsu America's field representatives for sales, product support and parts needs. Komatsu has 19 District Sales Managers, 16 Customer Support representatives, and 12 District Parts Sales Managers that are all field based in order to be responsive to Sourcewell member needs.	*
28	Service force.	From a product support standpoint, there are 1,959 distributor technicians that focus on the support of Komatsu equipment. Technicians are factory trained and certified using the most up to date product knowledge and technology to provide the level of support expected by Sourcewell members. Supporting our distributor force are 16 Komatsu Customer Support Managers, positioned across the U.S. and Canada, that work closely with our distributors to resolve technical issues.	*
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	<p>The ordering process will be handled as follows:</p> <ol style="list-style-type: none"> 1) Every Komatsu distributor will be provided the Sourcewell contracted billing rates. 2) When a Sourcewell member is in need of a quote, they will contact the local Komatsu distributor within that territory. The distributor will quote the machine and all eligible options using the contracted billing rates. The distributor may also add non-contracted items, or "sourced goods", to the quote like freight or assembly costs, and will communicate the lead time of the products and options. 3) When the Sourcewell members accepts the quote, they will then issue a PO directly to the distributor to process the order. The Sourcewell member PO should identify the contract/bid number. 4) If the member chooses to add terms or conditions to the PO, they will need to discuss these with the distributor directly because the distributor will take responsibility for agreeing with the terms. 5) The distributor will ship the machine to the buying agency and will invoice upon receipt. 6) Komatsu distributors are responsible for reporting monthly sales to Komatsu in accordance with our standard reporting process for National Account Customers. 	*
30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	<p>Komatsu's product support activity takes place through an extensive distribution network of 29 dealers with 263 branch locations across the US and Canada. All distributor technicians are certified through Komatsu's technician training programs to ensure they are capable of efficiently troubleshooting technical issues and performing maintenance and repair work, consistently across the entire dealer network.</p> <p>Most machines within this proposal come standard with Komatsu Care which is a complimentary 3 year / 2,000 hour maintenance program. As part of this maintenance, a certified technician will typically perform this work on a customer site, and will also perform a 50 point inspection at each maintenance interval to identify any potential issues or needs for the end user.</p> <p>All distributors use Komtrax telematics, a standard system included on all Komatsu machines within this proposal, in order to provide enhanced product support. Komtrax helps distributors to remotely diagnose issues before traveling to a machine which leads to fewer trips and faster repair times, ultimately maximizing machine availability for the customer.</p> <p>All Komatsu dealers are equipped with service trucks which allow technicians to perform maintenance and repair work on a customer site when possible, depending on the severity of the technical issue. Sourcewell members should contact their local Komatsu distributor when service work is needed. The number of service trucks and technicians does vary by dealer, so based on the request, a distributor will be responsible to dispatch a technician when needed.</p> <p>Sourcewell members will also have access to an online portal called My Komatsu. Through this website, customers will be able to look up and purchase parts for their machines but will also have access to machine information, including data that is provided by the standard Komtrax telematics system.</p>	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	As part of this proposal, Komatsu America is able and willing to provide our products and services to Sourcewell participating entities in all 50 United States.	*

32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	As part of this proposal, Komatsu America can and will be able to provide the same products and services to Sourcewell participating entities across Canada in the same way it will be provided in the U.S. Komatsu America will also continue to work with our Canadian distributors to deepen in our partnership with Canoe to ensure those participating entities receive the same level of service and support.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	This proposal excludes areas identified as U.S. territories, including but not limited to Guam, American Samoa, Puerto Rico, and the U.S. Virgin Islands. Komatsu does not have adequate distribution located in these defined U.S. territories and would be unable to provide the level of support expected from Sourcewell members in all 50 US states and Canada.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Komatsu America will be fully serving all Sourcewell Member sectors entity sectors; government, education, and not-for-profit.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Komatsu and its distributors will be serving Sourcewell members in all 50 states, including Alaska and Hawaii. However, due to the limited distribution capabilities in U.S. Territories such as Guam, American Samoa, Puerto Rico, and the U.S. Virgin Islands, this proposal excludes these defined U.S. Territories because Komatsu will be unable to provide the level of support expected from Sourcewell members in all 50 US states and Canada.	*

Table 7: Marketing Plan

Line Item	Question	Response *	
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	<p>Komatsu has a robust marketing department and presence that will prove effective in the promotion of this contract opportunity:</p> <ol style="list-style-type: none"> 1) Upon a contract award, Komatsu will issue a press release that will be issued to all major industry publications. In addition, most distributors issue their own publications within their territory that will promote this contract opportunity and its benefits. 2) From our experience, we know that a proper training framework with our distributors is imperative for success. In addition to using Komatsu's existing web training platform, we know that in person training, conducted with the support of Sourcewell representatives, will drive better engagement and promotion at the dealer level. 3) We believe that another element for success is to utilize the great resources offered by Sourcewell, such as the Sales Accelerator and Sourcewell University programs, which we will leverage to better promote the contract and benefits within our dealer network. 4) We've identified that certain trade shows, such as Waste Expo, have a higher level of attendance from existing and potential Sourcewell members. We will promote the contract while at these trade shows not only to bring awareness, but to engage in deeper conversation about the benefits of our contract. A sample of this trade show promotion has been attached. 5) Komatsu has a strong web presence, therefore a dedicated web page will be on the Komatsu website to promote and provide information about the contract. We will also link this site back to Sourcewell to provide quick access to information for members. In addition, with authorization from Sourcewell members, we would use the dedicated webpage to promote successful stories and training opportunities. 6) Komatsu also boasts a significant presence on social media with 36,273 followers on Twitter, 231,088 followers on Facebook and 225,000 followers on LinkedIn. Each of these channels will be leveraged to promote this contract opportunity and benefits. 7) High quality marketing materials will be created and issued to further promote the value of this contract opportunity. Representative samples have been attached to this submission. 	*

37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	<p>The use of technology is core to Komatsu's business philosophy, so it will be instrumental to enhance our marketing effectiveness.</p> <p>Komatsu's website is a single and easy to use source of information about Komatsu, our products, and solutions, therefore this platform will be key to marketing our contract and building awareness of the benefits. As previously mentioned, there will be a Sourcewell specific web page on the Komatsu site that will provide instant access to information about our contract from our press release, marketing materials, videos, and success stories.</p> <p>In addition to the webpage, Komatsu's social media and online presence will be an important tool in maximizing the effectiveness of our marketing efforts to promote the contract:</p> <p>https://www.facebook.com/KomatsuConstructionnorthamerica https://www.linkedin.com/company/komatsuconstruction/ https://twitter.com/komatsuconstrna https://www.instagram.com/komatsuconstructionna/ https://www.youtube.com/c/KomatsuConstruction https://www.facebook.com/komatsuforestnorthamerica https://www.linkedin.com/company/komatsu-forest-na/ https://twitter.com/komatsuforestna https://www.instagram.com/komatsuforestna/ https://www.youtube.com/c/KomatsuForestNorthAmerica</p>
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	<p>Komatsu America views this contract as a partnership with Sourcewell. We believe that Sourcewell's team will play an integral role in assisting our National Account Manager(s) in promoting the contract and assisting with training our dealer network, both virtually and in person. We anticipate that Sourcewell would attend numerous dealer meetings and training sessions, attend trade shows to help promote the contract, and will have a key role in educating distributors as well as existing or potential members of the value of this contract.</p> <p>The sales process for Sourcewell will follow the current process that is place with the existing contract, which is also identical to the process used for large National Accounts, with the benefit of set billing rates to ensure accurate pricing and top tier support.</p>
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	<p>An e-procurement ordering process is not a service that is available through Komatsu America Corp. at this time for machine purchases. However, Komatsu does provide online parts purchasing through a web platform called "My Komatsu". This site provides a portal for customers to look up and purchase parts as well as provides access to extensive equipment data provided by Komtrax.</p>

Table 8: Value-Added Attributes

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	<p>Komatsu America has a dedicated training facility and department located in Cartersville, GA. Professional Komatsu instructors develop multiple levels of training programs, designed for both operators as well as technicians. Most Komatsu distributors also have dedicated training staff, certified as trainers by Komatsu, and are in place to support end user needs regionally. Any training requests by Sourcewell members would be managed by the Komatsu distributor. Depending on the depth of the training requests, there may be a cost associated with it.</p> <p>Komatsu also provides, at no charge, access to high level informational videos on product and solutions, available on YouTube. Here are some examples of these basic training videos:</p> <p>https://www.youtube.com/watch?v=1ej0BYVWhUI</p> <p>https://www.youtube.com/watch?v=xFuRkTHPyxs</p> <p>https://www.youtube.com/watch?v=M1ACvny0ocl</p>

41	Describe any technological advances that your proposed products or services offer.	<p>Komatsu prides itself on driving technological innovation to support our industry and customers:</p> <p>Komatsu was the first equipment manufacturer to introduce products equipped with Intelligent Machine Control (iMC) with a 3D GPS system fully integrated into the machine. There are now 13 crawler dozer models and 5 excavator models available with this technology and offered in this proposal. These products are also supported by a network of dealer Technology Solutions Experts (TSE's).</p> <p>In addition to the iMC machines, Komatsu offers two Hybrid Excavator models that utilize a fully electric swing motor to captures wasted energy, that can be use to power the swing and boost the engine performance. Fuel consumption is decreased by up to 20% which also reduces Green House Gas emissions.</p> <p>Komatsu's newly redesigned WA475-10 wheel loader features next-generation technology, a Komatsu Hydraulic Mechanical Transmission, to deliver improved productivity and lower fuel consumption, providing up to a 30% improvement in fuel efficiency.</p> <p>Komatsu also continues to advance its telematics system, Komtrax. Now accessible through a new online portal called "My Komatsu", customers have convenient access to critical machine data across mixed fleets that provides valuable insights into fleet productivity. My Komatsu provide telematics, remote fleet monitoring, parts ordering, service manuals as well as more general product information.</p>	*
42	Describe any "green" initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	<p>To enhance sustainable actions, we have focused on four key areas: CO2 reduction, renewable energy use, water conservation and waste reduction.</p> <p>Komatsu aims to reduce carbon emissions by 50% by 2023 with a goal of carbon neutrality by 2050. To obtain this goal we will look at our Production facilities and continue to implement renewable energy sources and purchase renewable energies. We are also working on the development of numerous products that will reduce fuel consumption by utilizing cleaner power sources such as electric, hybrid, hydrogen and bio-diesel fuel. Komatsu holds ISO14001 certification which is internationally recognized.</p> <p>Komatsu is also proud of our reforestation efforts boasting over 470,000 trees planted to date around the world.</p>	*
43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	<p>Komatsu factories are ISO 9001:2015 certified for quality management.</p> <p>Komatsu factories are ISO 14001:2015 certified for environmental management systems.</p> <p>Komatsu factories are either ISO 45001 or OHSAS 18001 certified for occupational health and safety management systems.</p>	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	<p>Komatsu does not hold any WMBE or SBE certifications, however Komatsu values and respects the diversity of its employees and the communities in which it operates. Based on our Worldwide Code of Business Conduct, Komatsu members shall not discriminate against any employee on the basis of nationality, race, ethnicity, color, sex, sexual orientation, gender identity, age, religion, national ancestry, disability, marital status or any other legally protected status.</p> <p>https://home.komatsu/en/company/conduct/</p>	*

45	<p>What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?</p>	<p>The Smart Construction solutions provided by Komatsu have changed the game in transforming job site efficiencies and profitability. Our industry is on the cusp of rapid change and innovation — where advanced automation and integrated technologies intersect. Our Smart Construction solutions harness technology for accurate data, comprehensive reporting and remote capabilities. In addition to Smart Construction, Komatsu offers newly updated My Komatsu, our Genuine Care Program and a highly skilled dealer network that supports our customer base.</p> <p>Komatsu Harmony: Major components are designed and manufactured by Komatsu, allowing us to optimize the performance of engines, transmissions, and hydraulic systems to maximize productivity while minimizing fuel consumption.</p> <p>Komatsu Care: Tier 4 Final machines come standard with Komatsu Care, an industry exclusive program that offers complimentary maintenance for 3 years / 2,000 hours as well as a complimentary DPF exchange program for machines equipped with this engine technology. We've completed over 100,000 service intervals under this program. Four of the compact excavator models in this proposal do not have the Komatsu Care program, however come with extended powertrain coverage. See enclosed brochures on the attached flash drive.</p> <p>Machine Diagnostics: Komatsu machines have full diagnostic capability through the monitor panel in the cab and do not require special software or a laptop to diagnose and resolve most issues.</p> <p>TSE Support Network for IMC: A dedicated network of Technology Solutions Experts is in place to support the Intelligent Machine Control products and business needs for customers.</p> <p>Komatsu Remote Solutions: Komatsu has started the process of updating controller software using Komtrax telematics when possible instead of dispatching technicians to a machine. While not all controllers are able to be updated today, we continually expand our capability to update additional controllers across the product lines.</p> <p>North American Manufacturing: While machines are sourced globally through multiple factories, Komatsu does have two factories in North America producing the majority of excavator and wheel loader models offered in this proposal.</p> <p>Undercarriage Assurance Program: Komatsu offers additional coverage for undercarriage on Komatsu dozers, protecting against leakage and breakage due to defects in material or workmanship for the term. Please see the attached Undercarriage Program Certificate.</p> <p>Advantage Warranty: Through the Komatsu distributor, Komatsu offers a variety of extended warranty options with different levels of coverage and terms. These will be quoted as a non-contract item.</p>
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Table 9: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
46	<p>Do your warranties cover all products, parts, and labor?</p>	<p>Komatsu offers several types of warranties and all warranty repair work is performed by Komatsu factory certified distributor technicians.</p> <p>All new machines come with a Standard Product Warranty and an Emission Control Warranty. Both the Standard Product and Emission Control warranties cover parts and labor.</p> <p>Komatsu also offers an extensive Advantage Extended Warranty Program. Customers have the ability to purchase different levels of additional coverage from any combination of up to 5 years or 10,000 hours. The Advantage program also covers parts and labor expense.</p> <p>Included with this submission is a copy of the Standard Product Warranty Certificate and Advantage Warranty Certificate which contains additional details about these warranties.</p>

47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	<p>The Standard Product Warranty is 12 months / unlimited hours.</p> <p>The Emission Control Warranty is 5 years / 3,000 hours.</p> <p>Advantage Extended Warranty Coverage is available in any combination up to 5 years or 10,000 hours.</p> <p>Komatsu's warranties protect against defects in material and workmanship. The attached Standard Product Warranty Certificate and Advantage Warranty Certificate outline the limitations of Komatsu's warranties, which includes misuse or unauthorized modifications to the products.</p>	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	<p>The Standard Product Warranty, Emission Control Warranty, and Advantage Extended Warranty coverage includes technician's mileage but excludes travel time.</p> <p>While it is recommended that customers return the product to the distributor from which it was purchased, customers can take machines to the most convenient authorized Komatsu distributor to service a product.</p>	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	<p>There are no geographic regions of the United States or Canada where a Komatsu distributor cannot provide a certified technician to perform warranty repairs.</p> <p>Komatsu has an extensive distributor network with 263 dealer branches covering all regions of the United States and Canada. One of Komatsu's primary advantages is our ability to service customers in all regions of North America.</p> <p>Sourcewell members will also have access to an easy to use, online Dealer Locator to find the most convenient service location.</p>	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	<p>For components provided in new machines from the factory, warranty repair work is completed by an authorized Komatsu distributor, and claims are submitted to Komatsu.</p> <p>Some products within this proposal offer options supplied by "Allied" vendors, which are generally attachments such as buckets, couplers, etc. Allied vendors offer their own specific warranties. For warranty on these options, the Sourcewell member will contact their local distributor for the repair work and the distributor will process warranty claims directly with the Allied vendor.</p>	*
51	What are your proposed exchange and return programs and policies?	<p>As stated in the Standard Product Warranty Certificate, if a defect is found during the Warranty Period, Komatsu, at its option, will repair or replace any part or component which fails to conform to the warranty.</p>	*
52	Describe any service contract options for the items included in your proposal.	<p>Most Komatsu machines come standard with Komatsu Care, an industry exclusive program that offers complimentary maintenance for 3 years / 2,000 hours as well as a complimentary KDPF exchange program for machines equipped with this engine technology. The only exclusion to this complimentary maintenance program are the four compact excavator models included in this proposal.</p> <p>In addition to the complimentary maintenance program, Komatsu also offers extended service contract options that can be purchased from an authorized distributor, to better support customers in controlling costs and increasing uptime:</p> <ol style="list-style-type: none"> 1) Komatsu Care Plus, which includes extended maintenance beyond the complimentary period. 2) Komatsu Care Plus II, which includes extended maintenance and repair, providing the benefit of both fixed maintenance and repair costs. 3) Komatsu Care Plus III, which provides all the benefits of the Care Plus II program, but also adds consumables. <p>Attached in this submission is a brochure outlining all the details of Komatsu's Repair And Maintenance Programs</p>	*

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
53	Describe your payment terms and accepted payment methods.	Payment Terms are net 45 days or whatever is agreed to by the Sourcewell member and our Komatsu distributor at the time of sale.
54	Describe any leasing or financing options available for use by educational or governmental entities.	<p>We currently do not offer a finance option for Government sales, but Komatsu does have a Lease product offered through our captive finance company, Komatsu Financial. The Sourcewell member will need to work through their local Komatsu dealer to see if the lease option meets their needs. See Documents-Additional Documents-KF7 Municipal Lease Program for further details on the Lease Option.</p> <p>Additionally, if financing is requested by the Sourcewell member, they can work with their local Komatsu distributor for financing alternatives.</p>
55	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	<p>Each Komatsu distributor will be provided the Sourcewell "billing rates" for this contract - See Document Section-Pricing-Sourcewell Contract Billing Rates & List Discounts. When a Sourcewell member is seeking a quote, they will contact their local Komatsu distributor for assistance. The distributor will quote the machine and KAC sourced eligible options using the Sourcewell billing rates. The distributor will add non-contracted costs to the quote, including freight, assembly, or "sourced goods". As part of the Sourcewell contract pricing, Pre Delivery Inspection (PDI) is included and will be completed by the distributor prior to delivery. Within the Document section, we have attached the PDI forms for each product line to illustrate the process that will be completed. The dealer will also communicate the lead time of the product and options. If accepted, the Sourcewell member will issue the PO directly to the distributor who will process the order. The PO should note the Sourcewell contract number. If the buying agency wants to add terms or conditions to the PO, the agency will need to discuss these with the distributor who takes responsibility for agreeing with the terms. The distributor will ship the machine to the buying agency and will invoice the buying agency upon receipt. Komatsu dealers are responsible to report sales to Komatsu monthly in accordance with our standard reporting process for all final deliveries. Attached in the Document section is a representative example of a quotation sheet that a distributor would use to quote a Sourcewell member. Due to different business systems, quotation forms may vary by distributor, but will follow a similar structure.</p>
56	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcewell participating entities for using this process?	Komatsu America Corp. does not accept the P-card procurement and payment process. We recommend that the Sourcewell member contact their local distributor directly to determine if that distributor does accept the P-card process and whether any fees would apply.

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcewell Price and Product Change Request Form.

Line Item	Question	Response *

57	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcewell discounted price) on all of the items that you want Sourcewell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	<p>Within this submission are the price lists for the products offered in this proposal. Each price list contains the list prices of the base machine and all available options, identified by individual sales codes. The price lists also identify items that are standard equipment and included in the base machine price. The price lists also contain options supplied by "Allied", or non-Komatsu vendors.</p> <p>Komatsu has provided a billing rate for every model offer in this contract - See Document Section-Pricing-01.17.2023 KAC Price List/Sourcewell Contract Billing Rates & List Discount. The billing rates when multiplied by the Komatsu List Price represents the Sourcewell member price, FOB the factory or stockyard. These billing rates include PDI, or Pre Delivery Inspection, to be performed by the distributor prior to delivery.</p> <p>The billing rate will only be applied to the base machine, factory options, or Allied options listed in the Komatsu price list, which we consider contracted items. Any Sourced Good that a buying agency requests to be quoted that is not included within the Komatsu price list will be negotiated directly with the local distributor and added to the Komatsu purchase price. See Documents-Additional Documents-WA200 Pricing Example for machine pricing.</p>	*
58	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	The Sourcewell member discount range is between 28.6% and 58.8% off List Price, depending on the model. See the document section-Pricing-Sourcewell Contract Billing Rates & List Prices.	*
59	Describe any quantity or volume discounts or rebate programs that you offer.	Komatsu does not have any volume discount or rebate program as part of this proposal. If the buying agency is purchasing more than 3 units on the same purchase order, the distributor will contact Komatsu to receive additional incentives for this volume purchase. Because Komatsu will review all volume purchases, additional discounting will be consistent across North America.	*
60	Propose a method of facilitating "sourced" products or related services, which may be referred to as "open market" items or "nonstandard options". For example, you may supply such items "at cost" or "at cost plus a percentage," or you may supply a quote for each such request.	Komatsu considers "sourced" products as non-contract items, items that are not included in the Komatsu price list for a model. Komatsu distributors are capable and authorized to supply non-contact items to Sourcewell members. If requested, sourced products will be quoted and negotiated directly with the Sourcewell member by the Komatsu distributor.	*
61	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	<p>All machine pricing within this proposal is FOB the factory or stockyard and includes PDI. Through the PDI (Pre-Delivery Inspection) Process, the dealer is responsible to ensure the machine has proper fluid levels, system pressures, and is operating to Komatsu's standard specification prior to delivery to the Sourcewell member.</p> <p>1) Prep / Assembly Costs: If there are any prep or assembly costs associated with the product before delivery, such as but not limited to machine assembly, bucket / coupler, thumb installation, or Allied vendor product installation and setup, the dealer will quote these costs separately from the machine itself.</p> <p>2) Fuel Charge: A dealer may elect to quote delivery of the machine with a full tank of fuel which would be identified as a separate cost item on the quote. A Sourcewell member may request the distributor not fill the fuel tank prior to delivery.</p> <p>3) Sourced Goods: If a buying agency requests any sourced good items, such as but not limited to attachments or extended warranty / maintenance programs, these items will be quoted in addition to the price of the machine directly by the distributor.</p>	*
62	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	The Komatsu price (List Price x Billing Rate) will be FOB from the factory or stockyard. This will also apply to machines shipping to Alaska, Hawaii, and Canada. At the time of quote, the distributor can itemize the costs for inbound and outbound freight from the dealer branch location to the customer's delivery point. A buying agency may also elect to pick up the machine and that can be arranged directly with the distributor.	*

63	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	The Komatsu price will be FOB from the factory or stockyard, and the dealer will be responsible to quote all freight and delivery charges directly to the Sourcwell member, including to locations in Alaska, Hawaii, and Canada. A buying agency may also elect to pick up the machine and that can be arranged directly with the distributor.	*
64	Describe any unique distribution and/or delivery methods or options offered in your proposal.	There is nothing in this proposal that we would describe as unique distribution or delivery method options.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
65	c. better than the Proposer typically offers to GPOs, cooperative procurement organizations, or state purchasing departments.	Sourcwell Members will receive a better price than other GPOs, cooperative procurement organizations, or state purchasing departments.

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
66	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcwell. This process includes ensuring that Sourcwell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcwell. Provide sufficient detail to support your ability to report quarterly sales to Sourcwell as described in the Contract template.	<p>Komatsu America Corp. will manage the Sourcwell contract with internal processes currently used to manage our existing Sourcwell contract as well as National Account contracts.</p> <p>Every Komatsu distributor in North America has assigned a point of contact to support the Sourcwell contract and its members. Each distributor will be provided with the Sourcwell billing rates and the most up to date, Sourcwell approved Komatsu price list. The distributor is responsible for pricing the products using the Sourcwell member discounts. Each distributor is responsible to report their quotations to Komatsu America Corp. which will employ a process to check accuracy. Corrective action will take place immediately if there are any mistakes or issues. Each key point of contact at the dealer is also responsible to report sales monthly. Komatsu will audit this data through an internal report that matches all Komatsu final deliveries with the Sourcwell member listing. Komatsu will then ask the selling distributor to confirm if the matches were a Sourcwell deal. This double check is used to confirm that 100% of sales to Sourcwell members are reported and the proper administrative fee is submitted to Sourcwell.</p>	*
67	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	<p>The following three examples of metrics can and will be used to drive action, both internally, and with dealer management:</p> <ol style="list-style-type: none"> 1) With an existing Sourcwell contract, we are able to track dealer quote participation as well as success, which will be used to measure sales growth under the new contract. 2) Dealer training participation and completion to communicate with dealer management personnel. 3) Market Share - we can track government sales and market share by dealer or region and evaluate if share growth is through our contract. 	*
68	Identify a proposed administrative fee that you will pay to Sourcwell for facilitating, managing, and promoting the Sourcwell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	Komatsu America Corp. is proposing an administrative fee of 1.0% payable to Sourcwell for this contract.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *										
69	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	<p>In this proposal, Komatsu is offering 62 machine models across 10 product groups to Sourcewell members. The individual models are shown on the Sourcewell Contract Billing Rates and List Discounts file in Documents/Pricing and further detail is available in the 01.17.2023 KAC Price List also in the Document section/Pricing. The product groups being offered are:</p> <table border="0"> <tr> <td>1) Articulated Dump Trucks</td> <td>6) Hydraulic Excavators</td> </tr> <tr> <td>2) Compact Excavators</td> <td>7) Hybrid Hydraulic Excavators</td> </tr> <tr> <td>3) Crawler Dozers</td> <td>8) IMC Hydraulic Excavators</td> </tr> <tr> <td>4) IMC Crawler Dozers</td> <td>9) Wheel Loaders</td> </tr> <tr> <td>5) Motor Graders</td> <td>10) Forestry Machines – Processor and Log Loader</td> </tr> </table> <p>Each of these products meet EPA emissions regulations and are supported by the Komatsu America distribution network across North America.</p> <p>The IMC dozers and excavators feature Komatsu's Intelligent Machine Control, which integrate 3D GPS technology into the machine. This technology is supported by a dedicated network of over Technology Solutions Experts (TSEs) located throughout North America.</p> <p>58 of the models offered in this proposal come with Komatsu Care, a 3 Year / 2,000-hour complimentary maintenance program. This program also includes a complimentary DPF exchange program for applicable models. The 4 compact excavator models (PC30-PC55) do not have Komatsu Care coverage.</p> <p>Komtrax telematics will be provided free of charge to Sourcewell members. Through Komatsu Financial there will be a competitive lease option available for Sourcewell members, subject to credit approval. See Additional Documents-KF7 Amendment 3-Municipal Lease Program.</p>	1) Articulated Dump Trucks	6) Hydraulic Excavators	2) Compact Excavators	7) Hybrid Hydraulic Excavators	3) Crawler Dozers	8) IMC Hydraulic Excavators	4) IMC Crawler Dozers	9) Wheel Loaders	5) Motor Graders	10) Forestry Machines – Processor and Log Loader
1) Articulated Dump Trucks	6) Hydraulic Excavators											
2) Compact Excavators	7) Hybrid Hydraulic Excavators											
3) Crawler Dozers	8) IMC Hydraulic Excavators											
4) IMC Crawler Dozers	9) Wheel Loaders											
5) Motor Graders	10) Forestry Machines – Processor and Log Loader											
70	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	There are no subcategories for the listed products and services.										

Table 14B: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
71	Wheeled, tracked, and backhoe loaders	<input checked="" type="radio"/> Yes <input type="radio"/> No	KAC offers 7 wheel loader models - 126 HP - 353HP and operating weights from 25,827 lbs. to 81,020 lbs. KAC does not offer tracked and backhoe loaders as part of this proposal
72	Motor Graders	<input checked="" type="radio"/> Yes <input type="radio"/> No	2 models offered - 218 HP and operating weights of 37,346 - 38,250 lbs.
73	Wheeled and tracked excavators	<input checked="" type="radio"/> Yes <input type="radio"/> No	Tracked Excavators - 23 models from 24HP through 359 HP and operating weight from 6,505 lbs. to 110,220 lbs. Within this category, we offer 2 Hybrid EX, 5 Intelligent machines and 6 compact/Utility excavators. In addition, KAC is offering 2 Forestry model excavators - PC230F-11 Processor and PC290LL-11 Log Loader
74	Bulldozers, compactors, scapers, articulated and rigid haulers	<input checked="" type="radio"/> Yes <input type="radio"/> No	26 crawler dozer models from-89HP-354 HP. Operating weight from 19,842 lbs. to 89,300lbs. Within this category, we are offering 10 Intelligent models. There is also 2 Articulated Trucks offered from 332HP to 473 HP with load capacity from 30.9 tons - 44.1 tons.
75	Cranes	<input type="radio"/> Yes <input checked="" type="radio"/> No	KAC will not offer any cranes in this proposal.
76	Accessories or attachments for the offering in #71-75 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	Both Komatsu manufactured and Allied attachments are offered to Sourcewell members for category #71-74 above. Please see the 01.17.2023 KAC Price List files in Documents/Pricing for attachments offered by Komatsu America Corp. for category # 71 - 74.
77	Technology or services for the offering in #71-75 above	<input checked="" type="radio"/> Yes <input type="radio"/> No	Intelligent Machine Control is offered on both Crawler Dozers and Excavators - please refer to Documents/Pricing-01.17.2023 KAC Price List/Sourcewell Contract Billing Rates & List Discounts for specific models and options. There is also 2 Hybrid model excavators that offer an Electrically Driven Swing Motor powered by a Komatsu Ultra Capacitor that provides high swing power and speed with a 20% fuel savings over the standard excavators.

Table 14C: Required Offering of Equipment

Indicate below if the proposer's proposal includes at least one (1) of the following listed types or classes of equipment. Provide additional comments in the text box provided, as necessary.

Line Item	Category or Type	Offered *	Comments
78	Wheel loader with published net horsepower (HP) of at least 300 HP	<input checked="" type="radio"/> Yes <input type="radio"/> No	WA500-8 at 353 HP. Refer to Documents/Pricing-01.17.2023 KAC Price List for machine specs
79	Wheeled or tracked excavator with a published net horsepower (HP) of at least 150 HP	<input checked="" type="radio"/> Yes <input type="radio"/> No	PC490LC-11 at 359 HP. Refer to Documents/Pricing-01.17.2023 KAC Price List for machine specs
80	Motor Grader with a published maximum operating weight of at least 30,000 lbs.	<input checked="" type="radio"/> Yes <input type="radio"/> No	GD655-7 with an operating weight of 38,250 lbs. Refer to Documents/Pricing-01.17.2023 KAC Price List for machine specs
81	Rough terrain, all terrain, crawler, floating, lattice, or telescopic crane with a published maximum lifting capacity of at least 300 tons and a published maximum boom length of at least 150 feet	<input type="radio"/> Yes <input checked="" type="radio"/> No	KAC does not offer a crane in this proposal

Table 15: Exceptions to Terms, Conditions, or Specifications Form

Line Item 82. NOTICE: To identify any exception, or to request any modification, to the Sourcewell template Contract terms, conditions, or specifications, a Proposer must submit the exception or requested modification on the **Exceptions to Terms, Conditions, or Specifications Form** immediately below. The contract section, the specific text addressed by the exception or requested modification, and the proposed modification must be identified in detail. Proposer's exceptions and proposed modifications are subject to review and approval of Sourcewell and will not automatically be included in the contract.

Contract Section	Term, Condition, or Specification	Exception or Proposed Modification
Section 18C	ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE	Komatsu carries a general umbrella liability policy applicable to normal business operations. We are able to issue a specific policy in a participating entity's name on a case by case basis, when needed or requested.

Documents**Ensure your submission document(s) conforms to the following:**

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Pricing](#) - 01-17-2023 KAC Price List and Sourcewell Contract Billing Rates and List Discounts.zip - Tuesday January 17, 2023 11:04:27
- [Financial Strength and Stability](#) - FY22 YE Statement and 6 months ending 09.30.22.zip - Tuesday January 10, 2023 08:57:23
- [Marketing Plan/Samples](#) - Press Release - Sourcewell Announcement DRAFT 1-15-23.zip - Sunday January 15, 2023 16:35:12
- WMBE/MBE/SBE or Related Certificates (optional)
- [Warranty Information](#) - Warranties and program details.zip - Friday January 06, 2023 10:47:16
- [Standard Transaction Document Samples](#) - Standard Documents Komatsu.zip - Monday January 16, 2023 13:08:09
- [Upload Additional Document](#) - Additional Documents Komatsu.zip - Monday January 16, 2023 13:07:46

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Robert Richens, Director National Accounts, Komatsu America

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

Yes No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_5_Heavy_Construction_Equipment_RFP_011723 Tue January 10 2023 08:47 AM	<input checked="" type="checkbox"/>	1
Addendum_4_Heavy_Construction_Equipment_RFP_011723 Fri January 6 2023 09:51 AM	<input checked="" type="checkbox"/>	2
Addendum_3_Heavy_Construction_Equipment_RFP_011723 Thu December 29 2022 12:33 PM	<input checked="" type="checkbox"/>	2
Addendum_2_Heavy_Construction_Equipment_RFP_011723 Wed December 21 2022 01:49 PM	<input checked="" type="checkbox"/>	1
Addendum_1_Heavy_Construction_Equipment_RFP 011723 Thu December 15 2022 09:27 AM	<input checked="" type="checkbox"/>	1