



Board of Livestock Meeting Agenda Request Form

BOL Meeting Date:
April 6, 2017

1. From: Dan Turcotte	Division/Program: Milk & Egg Bureau	
Agenda Item: General Updates		
Time needed: 10 minutes	Attachments: None	Board vote required?

2. From:	Division/Program:	
Agenda Item:		
Time needed: MIN	Attachments:	Board vote required?



Board of Livestock Meeting

Agenda Request Form

From: George Edwards		Division/Program: LLB			Meeting Date: 4/6/17			
<u>Agenda Item:</u> General Updates								
Recommendation:								
Time needed: 10 minutes		Attachments:	Yes	No	Board vote required?		Yes	No
<u>Agenda Item:</u>								
Background Info:								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required		Yes	No
<u>Agenda Item:</u>								
Background Info:								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required:		Yes	No
<u>Agenda Item:</u>								
Background Info:								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required:		Yes	No



Board of Livestock Meeting

Agenda Request Form

From: Leslie Doely		Division/Program: Brands Enforcement			Meeting Date: April 6, 2017			
<u>Agenda Item:</u> Fort Supply Contract Addendum								
Background Info:								
Recommendation: Review and approve 2017 Fort Supply contract addendum								
Time needed: 30 minutes		Attachments:	Yes X	No	Board vote required?		Yes X	No
<u>Agenda Item:</u> Administrative Rule Change Proposal								
Background Info:								
In conjunction with an age tally or individual identification mark, animals must also bear the owner's registered brand. This language was inadvertently removed from this Rule in 2014 changes. The intent of this proposal is to add the holding brand requirement back in to the existing Rule.								
Recommendation:								
Time needed: 20 minutes		Attachments:	Yes X	No	Board vote required		Yes X	No
<u>Agenda Item:</u> General Updates								
Background Info:								
Recommendation:								
Time needed: 20 minutes		Attachments:	Yes	No X	Board vote required:		Yes	NoX
<u>Agenda Item:</u>								
Background Info:								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required:		Yes	No
<u>Agenda Item:</u>								
Background Info:								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required:		Yes	No

Fort supply

LIVESTOCK IDENTIFICATION SYSTEM
Montana Department of Livestock
Contract # LIV-12-BE1201

1. PARTIES

THIS CONTRACT is entered into by and between the State of Montana Department of Livestock, (hereinafter referred to as "the State"), whose address and phone number are: PO Box 202001, Helena, MT 59620; 406-444-7323 and Fort Supply Technologies, (hereinafter referred to as the "Contractor"), whose address, phone number, and Federal ID # is: 1773 W. 200 N., Kaysville UT 84037, 888-650-6446,

PARTIES AGREE AS FOLLOWS:

2. EFFECTIVE DATE, DURATION, AND RENEWAL

2.1 Contract Term. This contract shall take effect on March 20, 2012, and terminate on March 31, 2013, unless terminated earlier in accordance with the terms of this contract.

2.2 Contract Renewal. This contract may, upon mutual agreement between the parties and according to the terms of the existing contract, be renewed in one (1)-year intervals, or any interval that is advantageous to the State. This contract, including any renewals, may not exceed a total of 10 years.

3. SERVICES AND/OR SUPPLIES

Contractor agrees to provide to the State a Livestock Identification System hereafter referred to as (LIS). The LIS is a market inspection software package that has complete animal traceability. It will be able to accept data from the State's brands system and track the sale and movement of livestock including, but not limited to, cattle, horses, and sheep. Two (2) handheld outdoor rugged Archer devices will be provided for use with this software package to be used in the yards at the markets. It must be able to generate reports on the number of livestock moved or sold. This software package will be installed at the 13 brand offices located throughout the state at each market. It must be able to send data to the Helena office on a regular basis. This system must also allow for use of the old paper based system when an inspector deems it necessary. The Contractor will custom-install and perform one (1) day training at each site.

The following bullet points detail the field collection:

- Livestock data is captured as the animals are delivered to the auction yard
- The animals can be booked-in by a yard employee and later officially inspected or initially inspected by the official livestock inspector
- Delivery information is entered and the animal is assigned a pen location
- Owner information can be manually entered or a brand/premises database query can be executed to populate the owner information
- Animal data can either be entered as individuals or as a group/pen lot
- Individual animal data includes: Species, Breed, Color, Age, Sex, Brand, Brand Location, Back tag, USDA tag, Visual tag, EID, Clearance #, and Comments
- Group/Pen Lot animal data includes: Species, Breed, Color, Age, Sex, Brand, Brand Location, and Comments
- Premises registration form is electronically provided and entered data is forwarded to the brand office
- Following animal data entry completion, user can acquire an electronic signature from the livestock owner
- Information is Accepted and then Uploaded wirelessly to the PC database
- If entered data requires modification, user can recall transaction data, modify, and resubmit without double entry
- If brand is not found in database it may be hand drawn on the Archer unit.

Book-in, owner, and animal data are as follows:

- User enters the individual's name that delivers the livestock to the auction yard
- User assigns the pen lot number with a prefix of either individual animal entry (I) or pen lot entry (P) and a postfix that defines ownership and/or sale listings
- User can opt out of inspection fees and/or beef council fees when provided appropriate documentation
- User can select to manually enter yard ticket information or allow the system to generate ticket numbers which can associate the inspector code
- Plus and minus keys can be used to quickly add or subtract the pen lot number or ticket number when system is set in manual entry mode
- User enters the owner's name and information or the user can enter partial listing and search the entire database to auto-complete the entry
- User can opt to hand-draw the primary brand image and add four (4) additional hand-drawn brands to the inspection record
- User selects the species from a pre-populated list provided in a drop-down menu
- User selects the breed from a pre-populated list provided in a drop-down menu
- User selects the Sex of the animal from a pre-populated drop-down menu
- User selects the Age (years, months) and the number of head in the group
- User assigns the location of the brand or brand location will auto-populate from brand database selection
- User records the hide Color, Back tag, USDA tag, Visual tag, EID, Clearance Number, and adds any Comments (note: EID is scanned in using a wand or panel reader)
- Livestock can be entered individually or in groups by simply changing the Number or head count
- Multiple animals with multiple brands can be entered on a single inspection for a single Owner
- Pen Lot screen provides the user with a method to quickly tally animals by brand (note: no limitation on the number of brands in a pen lot)
- System tallies by brand (Brand Total) and tracks the total number of animals in the pen (Pen Total)
- Sex types are keyed to improve strike accuracy and speed of entry with the ability to remove unwanted entries using minus keys
- User can place a single brand, multiple brands, or entire pen lot on hold if appropriate documentation is missing
- User can assign a single back tag to the entire pen to improve group lot traceability
- User can provide hide color and comments for each brand group
- When user selects "Complete", animal data is separated by brand group and displayed on the animal screen for visual confirmation and/or modification
- Signature screen allows the user to collect an electronic signature from the current owner of the livestock at the time of inspection
- By selecting the Accept Brand key, the user completes the inspection and files await wireless submission to PC database
- By selecting the Upload Brand(s) key, the user wirelessly submits all accepted inspections to the PC database
- In the event that the connection is lost, any partially submitted files are cancelled and will remain in waiting to be submitted to the PC database
- Wireless submission allows the user to avoid the hassle of running paper inspections to the office

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration for the Brand Software provided, the State shall pay according to completion of milestone items. Thirty days after the completion of each market implementation of the LIS, the contractor may invoice the State for the services provided. The state will reimburse the contractor 90% of the amount billed within 30 days. The remaining 10% will be reimbursed 60 days after each milestone completion to ensure the system is operational to the satisfaction of the State.

Schedule:	<u>Milestone</u>	<u>Brand Office</u>	<u>Amount</u>	<u>Install By</u>	<u>Invoice Date</u>
	1.	Three Forks	\$16,225	4/02/2012	5/02/20 12
	2.	Ramsay	\$16,225	4/02/2012	5/02/20 12
	3.	BLS	\$16,225	4/02/2012	5/02/20 12
	4.	Pays	\$16,225	4/02/2012	5/02/20 12
	5.	Glendive	\$16,225	4/02/2012	5/02/20 12
	6.	Miles City	\$16,225	4/02/2012	5/02/20 12

Total amount paid under this contract cannot exceed \$97,350.00.

5.2 Withholding of Payment. The State may withhold disputed payments to the Contractor under the subject statement of work (or where no statement of work exists, the applicable contract) if the Contractor is in material breach of such statement of work (or applicable contract). Such withholding cannot be greater than, in the aggregate, fifteen percent (15%) of the total value of the subject statement of work or applicable contract. With respect to payments subject to milestone acceptance criteria, the State may withhold payment only for such specific milestone if and until the subject milestone criteria are met. The Contractor is not relieved of its performance obligation in the event such payment is withheld.

6. ACCESS AND RETENTION OF RECORDS

6.1 Access to Records. The Contractor agrees to provide the State, Legislative Auditor or their authorized agents access to any records necessary to determine contract compliance. (Section 18-1-118, MCA)

6.2 Retention Period. The Contractor agrees to create and retain records supporting the Brands Tracking System for a period of three (3) years after either the completion date of this contract or the conclusion of any claim, litigation, or exception relating to this contract taken by the State of Montana or a third party.

7. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

The Contractor shall not assign, transfer, or subcontract any portion of this contract without the express written consent of the State. (Section 18-4-141, MCA) The Contractor shall be responsible to the State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by the Contractor. No contractual relationships exist between any subcontractor and the State.

8. HOLD HARMLESS/INDEMNIFICATION

The Contractor agrees to protect, defend, and save the State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of the Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of the Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of the State, under this agreement.

9. LIMITATION OF LIABILITY

The Contractor's liability for contract damages is limited to direct damages and further to no more than twice the contract amount. The Contractor shall not be liable for special, incidental, consequential, punitive, or indirect damages. Damages caused by injury to persons or tangible property, or related to intellectual property indemnification, are not subject to a cap on the amount of damages.

10. INSURANCE REQUIREMENT

10.1 General Requirements. The Contractor shall maintain for the duration of the contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by the Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

10.2 Primary Insurance. The Contractor's insurance coverage shall be primary insurance with respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

10.3 Specific Requirements for Commercial General Liability. The Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000 per occurrence and \$2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of the Contractor or its officers, agents, representatives, assigns, or subcontractors.

The State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds; for liability arising out of activities performed by or on behalf of the Contractor, including the insured's general supervision of the Contractor; products, and completed operations; premises owned, leased, occupied, or used.

10.4 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by the state agency. At the request of the agency either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the State, its officers, officials, employees, or volunteers; or (2) at the expense of the Contractor, the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

10.5 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages, has been received by the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. The Contractor must notify the State immediately, of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. The State reserves the right to require complete copies of insurance policies at all times.

11. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractors are required to comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana in accordance with sections 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither the contractor nor its employees are employees of the State. This insurance/exemption must be valid for the entire term of the contract. A renewal document must be sent to the State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135, upon expiration.

12. COMPLIANCE WITH LAWS

The Contractor must, in performance of work under this contract, fully comply with all applicable federal, state, or local laws, rules, and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Any subletting or subcontracting by the Contractor subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, the Contractor agrees that the hiring of persons to perform the contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by the persons performing the contract.

13. INTELLECTUAL PROPERTY/OWNERSHIP

13.1 Mutual Use. All patent and other legal rights in or to inventions first conceived and reduced to practice, created in whole or in part under this contract, must be available to the State for royalty-free and nonexclusive licensing if necessary to receive the mutually agreed upon benefit under this contract. Unless otherwise specified in a statement of work, both parties shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use and authorize others to use copyrightable property created under this contract including all deliverables and other materials, products, modifications developed or prepared for the State by the Contractor under this contract or any program code, including site related program code, created, developed, or prepared by the Contractor under or primarily in support of the performance of its specific obligations hereunder, including manuals, training materials, and documentation (the "Work Product").

13.2 Title and Ownership Rights. The State shall retain title to and all ownership rights in all data and content, including but not limited to multimedia or images (graphics, audio, and video), text, and the like provided by the State (the "content"), but grants the Contractor the right to access and use content for the purpose of complying with its obligations under this contract and any applicable statement of work.

13.3 Ownership of Work Product. The Contractor agrees to execute any documents or take any other actions as may reasonably be necessary, or as the State may reasonably request, to perfect the State's ownership of any Work Product.

13.4 Copy of Work Product. The Contractor shall, at no cost to the State, deliver to the State, upon the State's request during the term or at the expiration or termination of all or part of the Contractor's performance hereunder, a current copy of all Work Product in the form and on the media in use as of the date of the State's request, or as of such expiration or termination, as the case may be.

13.5 Ownership of Contractor Pre-Existing Materials. Literary works or other works of authorship (such as software programs and code, documentation, reports, and similar works), information, data, intellectual property, techniques, subroutines, algorithms, methods or rights thereto and derivatives thereof owned by the Contractor at the time this contract is executed or otherwise developed or acquired independent of this contract and employed by the Contractor in connection with the services provided to the State (the "Contractor Pre-Existing Materials") shall be and remain the property of the Contractor and do not constitute Work Product. The Contractor must provide full disclosure of any Contractor Pre-Existing Materials to the State prior to its use and prove its ownership, provided, however, that if the Contractor fails to disclose to the State such Contractor Pre-Existing Materials, the Contractor shall grant the State a nonexclusive, worldwide, paid-up license to use any Contractor Pre-Existing Materials embedded in the Work Product to the extent such Contractor Pre-Existing Materials are necessary for the State to receive the intended benefit under this contract. Such license shall remain in effect for so long as such Pre-Existing Materials remain embedded in the Work Product. Except as otherwise provided for in Section 13.3 or as may be expressly agreed in any statement of work, the Contractor shall retain title to and ownership of any hardware provided by the Contractor.

14. PATENT AND COPYRIGHT PROTECTION

14.1 Third-Party Claim. In the event of any claim by any third party against the State that the products furnished under this contract infringe upon or violate any patent or copyright, the State shall promptly notify the Contractor. The Contractor shall defend such claim, in the State's name or its own name, as appropriate, but at the Contractor's expense. The Contractor will indemnify the State against all costs, damages, and attorney's fees that accrue as a result of such claim. Such indemnification will be conditional upon the following:

- a. the State will promptly notify the Contractor of the claim in writing; and
- b. the State will allow the Contractor to control, and will cooperate with the Contractor in the defense and any related settlement negotiations, provided that:
 - i. the Contractor will permit the State to participate in the defense and settlement of any such claim, at the State's own expense, with counsel of its choosing; and
 - ii. the Contractor shall not enter into or agree to any settlement containing any admission of or stipulation to any guilt, fault, liability or wrongdoing on the part of the State, its elected and appointed officials, agents or employees without the State's prior written consent.

14.2 Product Subject of Claim. If any product furnished is likely to or does become the subject of a claim of infringement of a patent or copyright, then the Contractor may, at its option, procure for the State the right to continue using the alleged infringing product, or modify the product so that it becomes noninfringing or replace it with one that is at least functionally equivalent. If none of the above options can be accomplished, or if the use of such product by the State shall be prevented by injunction, the State agrees to return the product to the Contractor on written request. The Contractor will then give the State a credit equal to the amount paid to the Contractor for the creation of the Work Product. This is the Contractor's entire obligation to the State regarding a claim of infringement. The State is not precluded from seeking other remedies available to it hereunder, including Section 9, and in equity or law for any damages it may sustain due to its inability to continue using such product.

14.3 Claims for Which Contractor is Not Responsible. The Contractor has no obligation regarding any claim based on any of the following except where the Contractor has agreed in writing, either separately or within this contract, to such use that is the basis of the claim:

- a. anything the State provided which is incorporated into a Work Product except:
 - i. where the Contractor knew (and the State did not know) such thing was infringing at the time of its incorporation into a Work Product but failed to advise the State; or
 - ii. where the claim would not have been brought except for such incorporation;
- b. the State's modification of a Work Product furnished under this contract;
- c. the use of a Work Product in a manner that could not be reasonably contemplated within the agreed upon scope of the applicable project; or
- d. infringement by a non-Contractor Work Product alone

15. CONTRACT OVERSIGHT

15.1 CIO Oversight. The Chief Information Officer (CIO) for the State of Montana, or designee, may perform contract oversight activities. Such activities may include the identification, analysis, resolution, and prevention of deficiencies that may occur within the performance of contract obligations. The CIO may require the issuance of a right to assurance or the issuance of a stop work order.

15.2 Right to Assurance. If the State, in good faith, has reason to believe that the Contractor does not intend to, or is unable to perform or has refused to perform or continue performing all material obligations under this contract, the State may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand (in no event less than five (5) business days) may, at the State's option, be the basis for terminating

this contract under the terms and conditions or other rights and remedies available by law or provided by this contract.

15.3 Stop Work Order. The State may, at any time, by written order to the Contractor, require the Contractor to stop any or all parts of the work required by this contract for the period of days indicated by the State after the order is delivered to the Contractor. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The State Project Manager shall make the necessary adjustment in the delivery schedule or contract price, or both, and this contract shall be amended in writing accordingly.

16. CONTRACT TERMINATION

16.1 Termination for Cause. The State or the Contractor may, by written notice to the other party, terminate this contract in whole or in part at any time the other party fails to perform this contract.

16.2 Bankruptcy or Receivership. Voluntary or involuntary bankruptcy or receivership by the Contractor may be cause for termination.

16.3 Noncompliance with Department of Administration Requirements. The Department of Administration, pursuant to section 2-17-514, MCA, retains the right to cancel or modify any contract, project, or activity that is not in compliance with the Department's Plan for Information Technology, the State Strategic Plan for Information Technology, or any Statewide IT policy or standard in effect as of the date of contract execution. In the event of such termination, the State will pay for products and services delivered to date and any applicable termination fee specified in the statement of work or work order. Any modifications to this contract must be mutually agreed to by the parties.

16.4 Reduction of Funding. The State must terminate this contract if funds are not appropriated or otherwise made available to support the State's continuation of performance of this contract in a subsequent fiscal period. (See section 18-4-313(4), MCA.)

17. LIAISON AND SERVICE OF NOTICES

All project management and coordination on behalf of the State shall be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed pursuant to this contract shall be coordinated between the State's liaison and the Contractor's liaison.

Christian Mackay, Executive Officer, will be the liaison for the State.
Department of Livestock
P.O. Box 202001
Helena, Montana 59620 – 2001
Phone 406-444-9321

Malcolm Harvey, President, will be the liaison for the Contractor.
Fort Supply Technologies
1773 W. 200 N.
Kaysville, UT 84037
Phone: (888) 650-6446 ext. 12
Malcolm@fort-supply.com

The State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints will first be directed to the liaison.

18. MEETINGS

The Contractor is required to meet with the State's personnel, or designated representatives, to resolve technical or contractual problems that may occur during the term of the contract or to discuss the progress made by Contractor and the State in the performance of their respective obligations, at no additional cost to the State. Meetings will occur as problems arise and will be coordinated by the State. The Contractor will be given a minimum of three full working days notice of meeting date, time, and location. Face-to-face meetings are desired. However, at the Contractor's option and expense, a conference call meeting may be substituted. Consistent failure to participate in problem resolution meetings two consecutive missed or rescheduled meetings, or to make a good faith effort to resolve problems, may result in termination of the contract.

19. TRANSITION ASSISTANCE

If this contract is not renewed at the end of this term, or is terminated prior to the completion of a project, or if the work on a project is terminated, for any reason, the Contractor must provide for a reasonable period of time after the expiration or termination of this project or contract, all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of this contract, except for those terms or conditions that do not reasonably apply to such transition assistance. The State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the contract. If there are no established contract rates, then the rate shall be mutually agreed upon. If the State terminates a project or this contract for cause, then the State will be entitled to offset the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said termination.

D. **FORCE MAJEURE.** Neither party shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party is using its best efforts to remedy such failure or delays.

21. **TECHNOLOGY ACCESS FOR BLIND OR VISUALLY IMPAIRED.** Contractor acknowledges that no state funds may be expended for the purchase of information technology equipment and software for use by employees, program participants, or members of the public unless it provides blind or visually impaired individuals with access, including interactive use of the equipment and services, that is equivalent to that provided to individuals who are not blind or visually impaired. (Section 18-5-603, MCA.) Contact the State Procurement Bureau at (406) 444-2575 for more information concerning nonvisual access standards.

22. WARRANTIES.

22.1 Warranty for Services. The contractor warrants that it performs all services using reasonable care and skill and according to its current description (including any completion criteria) contained in this contract. State agrees to provide timely written notice of any failure to comply with this warranty so that the contractor can take corrective action.

22.2 Warranty for Software. Upon initial installation of the software, the contractor warrants that: (i) the unmodified software will provide the features and functions, and will otherwise conform to all published documentation including on the contractor's website; and (ii) the media upon which the software is furnished will be free from defects in materials and workmanship under normal use and service.

22.3 Warranty for Hardware. The contractor warrants that hardware provided is free from defects in materials and workmanship and conforms to the specifications.

The warranty period for provided hardware is a fixed period commencing on the date specified in a statement of work or applicable contract. If the hardware does not function as warranted during the warranty period and the contractor is unable to either: i) make it do so; or ii) replace it with one that is at least functionally equivalent, State may return it to the contractor for a full refund.

The parties agree that the warranties set forth above do not require uninterrupted or error-free operation of hardware or services unless otherwise stated in the specifications.

THESE WARRANTIES ARE THE STATE'S EXCLUSIVE WARRANTIES AND REPLACE ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

23. CHOICE OF LAW AND VENUE

This contract is governed by the laws of Montana. The parties agree that any litigation concerning this bid, proposal or subsequent contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana and each party shall pay its own costs and attorney fees. (See section 18-1-401, MCA.)

24. SCOPE, AMENDMENT, AND INTERPRETATION

24.1 Contract. This contract consists of 10 numbered pages. This contract contains the entire agreement of the parties. Any enlargement, alteration, or modification requires a written amendment signed by both parties.

25. EXECUTION

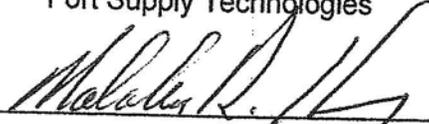
The parties through their authorized agents have executed this contract on the dates set out below.

Department of Livestock
P.O. Box 202001
Helena, Montana 59620 - 2001

Fort Supply Technologies
1773 W. 200 N.
Kaysville UT 84037

BY: Christian Mackay, Executive Officer
Montana Department of Livestock

BY: Malcolm Harvey, President
Fort Supply Technologies



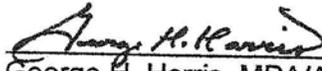
(Signature)

(Signature)

DATE: 3/20/12

DATE: March 22, 2012

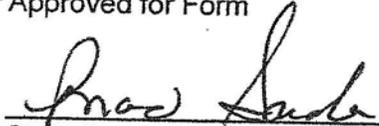
Approved for Content


George H. Harris, MPA/ARM
Administrator, CSD

3/20/12

(Date)

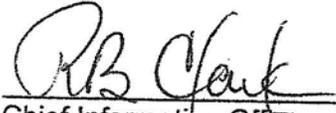
Approved for Form


State Procurement, Department Administration (Date)

3/20/12

Chief Information Officer Approval:

The Contractor is notified that pursuant to section 2-17-514, MCA, the Department of Administration retains the right to cancel or modify any contract, project, or activity that is not in compliance with the Agency's Plan for Information Technology, the State Strategic Plan for Information Technology, or any statewide IT policy or standard.


Chief Information Officer
Department of Administration

3-20-12

(Date)

CONTRACT AMENDMENT NO. 4
CONTRACT FOR Livestock Identification System

CONTRACT # LIV-12-BE1201

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, Department of Livestock (STATE), whose address and phone number are 301 North Roberts, Helena MT, 406-444-7323 and Fort Supply Technologies (CONTRACTOR), whose address and phone number are 1773 W. 200 N., Kaysville UT, 888-650-6446. This Contract is amended for the following purpose(s):

To continue extended service and support for desktop and hand held systems installed in thirteen livestock markets and one central office in Montana.

1 EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. This contract shall take effect on April 1, 2016, and terminate on March 31, 2017, unless terminated earlier in accordance with the terms of this contract.

2 SCOPE OF WORK, SERVICES AND/OR SUPPLIES

The state requires the use of a knowledgeable professional employed by the Contractor for the maintenance and support of the LIS. Contractor agrees to perform the following:

2.1 Standard Service Hours: The Contractor shall be compensated at a rate of \$110.00 per hour for 350 standard service hours. Hours are rounded up to the nearest hour.

- a.** All hours will be logged and tracked by the Contractor.
- b.** Contractor shall not accrue State of Montana leave, retirement, or insurance benefits as a result of this agreement.
- c.** There is no State compensation for travel, lodging, vehicle use or per diem.
- d.** Standard service hours may be used for user support, correction of software errors, or software enhancements or modifications.
- e.** As this contract is renewed, if not used in the current contract year, up to 50 unused standard service hours will roll over into the next contract year.

2.2 After-Hours User Support: The Contractor shall be compensated at a rate of \$150.00 per hour for 25 service hours outside regular business hours of 8:00 AM to 5:00 PM Monday through Friday. Hours are rounded up to the nearest hour.

- a.** All hours will be logged and tracked by the Contractor.
- b.** Contractor shall not accrue State of Montana leave, retirement, or insurance benefits as a result of this agreement.
- c.** There is no State compensation for travel, lodging, vehicle use or per diem.
- d.** After-hours user support hours may be used for user support and correction of software errors when requested by the State.
- e.** As the contract is renewed, if not used in the current year, up to 10 unused after-hours support hours will roll over into the next contract year.

2.3 Mobi Control

- a.** Mobi Control service may requested by the State at a rate of \$92 per device per year.
- b.** Mobi Control will not be installed unless requested by the State.
- c.** The State is responsible for removing the application from any device on which it is installed to prevent additional charges in subsequent years.
- d.** Mobi Control will be invoiced by the Contractor per device following installation.

3 CONSIDERATION/PAYMENT

3.1 Payment Schedule. Payment will be made in full (\$42,250) at time of signing this addendum

a. Standard Service Hours: \$38,500

i. Quantity: 350 hours

ii. Rate: \$110/hour

b. After Hours Support: \$3,750

i. Quantity: 25

ii. Rate: \$150/hour

3.2 Purchase of Additional Support: If all service hours in the contract are exhausted, additional hours may be purchased at the rates specified in the contract. Additional hours should be logged on the shared document and invoiced monthly.

4 WARRANTIES

4.1 Warranty for Hardware section 22.3 of the original contract is void for all hardware purchased under previous contracts.

5 LIAISON AND SERVICE OF NOTICES

All project management and coordination on behalf of the State shall be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed pursuant to this contract shall be coordinated between the State's liaison and the Contractor's liaison.

Mike Honeycutt, Executive Officer, will be the liaison for the State.

Department of Livestock

P.O. Box 202001

Helena, Montana 59620 – 2001

Phone 406-444-9321

Malcolm Harvey, President, will be the liaison for the Contractor.

Fort Supply Technologies

1773 W. 200 N.

Kaysville, UT 84037

Phone: (888) 650-6446 ext. 12

Malcolm@fort-supply.com

Except as modified above, all other terms and conditions of Contract # LIV-12-BE1201 remain unchanged.

STATE OF MONTANA

Department of Livestock

301 North Roberts

Helena, MT 59620

FORT SUPPLY TECHNOLOGIES

1773 W. 200 N.,

Kaysville UT, 84037

FEDERAL ID # 26-0680929

BY: _____

Mike Honeycutt Executive Officer

Mike Honeycutt By George H. Harris
(Signature)

DATE: 6/29/16

Approved for Content:

George H. Harris 6/29/16
George H. Harris, MPA/ARM (Date)

Administrator, CSD

BY: _____

Malcolm Harvey, President

Malcolm R. Harvey
(Signature)
Digitally signed by Malcolm R Harvey
DN: cn=Malcolm R Harvey, o, ou=Fort
Supply Technologies LLC,
email=Malcolm@fort-supply.com,
c=US
Date: 2016.06.29 13:12:26 -06'00'

DATE: June 29, 2016

Approved for Form:

Bonny McCabe 6-29-16
State Procurement, Department Administration (Date)

CONTRACT AMENDMENT NO. 5
CONTRACT FOR Livestock Identification System

CONTRACT # LIV-12-BE1201

This CONTRACT AMENDMENT is to amend the above-referenced contract between the State of Montana, **Department of Livestock** (STATE), whose address and phone number are **301 North Roberts, Helena MT, 406-444-7323** and **Fort Supply Technologies** (CONTRACTOR), whose address and phone number are **1773 W. 200 N., Kaysville UT, 888-650-6446**. This Contract is amended for the following purpose(s):

To continue extended service and support for desktop and hand held systems installed in thirteen livestock markets and one central office in Montana.

1 EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. This contract shall take effect on April 1, 2017, and terminate on March 31, 2018, unless terminated earlier in accordance with the terms of this contract.

2 SCOPE OF WORK, SERVICES AND/OR SUPPLIES

The state requires the use of a knowledgeable professional employed by the Contractor for the maintenance and support of the LIS. Contractor agrees to perform the following:

2.1 Standard Service Hours: The Contractor shall be compensated at a rate of \$110.00 per hour for 170 standard service hours. Hours are rounded up to the nearest hour.

- a.** All hours will be logged and tracked by the Contractor.
- b.** Contractor shall not accrue State of Montana leave, retirement, or insurance benefits as a result of this agreement.
- c.** There is no State compensation for travel, lodging, vehicle use or per diem.
- d.** Standard service hours may be used for user support, correction of software errors, or software enhancements or modifications.
- e.** As this contract is renewed, up to 50 standard service hours will roll over into the next contract year.

2.2 After-Hours User Support: The Contractor shall be compensated at a rate of \$150.00 per hour for 25 service hours outside regular business hours of 8:00 AM to 5:00 PM Monday through Friday. Hours are rounded up to the nearest hour.

- a.** All hours will be logged and tracked by the Contractor.
- b.** Contractor shall not accrue State of Montana leave, retirement, or insurance benefits as a result of this agreement.
- c.** There is no State compensation for travel, lodging, vehicle use or per diem.
- d.** After-hours user support hours may be used for user support and correction of software errors when requested by the State.
- e.** As the contract is renewed, up to 10 after-hours support hours will roll over into the next contract year.

2.3 Mobi Control

- a.** Mobi Control service for 25 devices at a rate of \$92 per device is included for this contract year for a total cost of \$2,300.
- b.** Mobi Control service for additional devices may requested by the State at a rate of \$92 per device per year.
- c.** Mobi Control will not be installed unless requested by the State.

- d. The State is responsible for removing the application from any device on which it is installed to prevent additional charges in subsequent years.
- e. Mobi Control will be invoiced by the Contractor per device following installation.

3 CONSIDERATION/PAYMENT

3.1 Payment Schedule. Payment will be made in full (\$24,750) at time of signing this addendum

a. Standard Service Hours: \$18,700

i. Quantity: 170 hours

ii. Rate: \$110/hour

b. After Hours Support: \$3,750

i. Quantity: 25

ii. Rate: \$150/hour

c. Mobi Control: \$2,300

3.2 Purchase of Additional Support: If all service hours in the contract are exhausted, additional hours may be purchased at the rates specified in the contract. Additional hours should be logged on the shared document and invoiced monthly.

4 WARRANTIES

4.1 Warranty for Hardware section 22.3 of the original contract is void for all hardware purchased under previous contracts.

5 LIAISON AND SERVICE OF NOTICES

All project management and coordination on behalf of the State shall be through a single point of contact designated as the State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed pursuant to this contract shall be coordinated between the State's liaison and the Contractor's liaison.

Mike Honeycutt, Executive Officer, will be the liaison for the State.

Department of Livestock

P.O. Box 202001

Helena, Montana 59620 – 2001

Phone 406-444-9321

Malcolm Harvey, President, will be the liaison for the Contractor.

Fort Supply Technologies

1773 W. 200 N.

Kaysville, UT 84037

Phone: (888) 650-6446 ext. 12

Malcolm@fort-supply.com

Except as modified above, all other terms and conditions of Contract # **LIV-12-BE1201** remain unchanged.

STATE OF MONTANA

Department of Livestock

301 North Roberts

Helena, MT 59620

FORT OF SUPPLY TECHNOLOGIES

1773 W. 200 N.,

Kaysville UT, 84037

FEDERAL ID # 26-0680929

BY: _____

Mike Honeycutt Executive Officer

BY: _____

Malcolm Harvey, President

(Signature)

(Signature)

DATE: _____

DATE: _____

Approved for Content:

George H. Harris, MPA/ARM (Date)

Administrator, CSD

Approved for Form:

State Procurement, Department Administration (Date)

32.18.102 AGE TALLY MARK

(1) Single letter identification marks on cattle using numbers 0 to 9 inclusive may be used for an "age tally mark."

(2) The "age tally mark" may be used on livestock in a manner that does not confuse ownership.

(a) If ownership becomes an issue, the department will follow [81-3-204](#), MCA, and attempt to determine ownership.

History: [81-1-102](#), MCA; IMP, [81-1-102](#), MCA; Eff. 12/31/72; [AMD](#), 2012 MAR p.1257, Eff. 6/22/12; [AMD](#), 2014 MAR p. 1276, Eff. 6/13/14.

32.18.103 NUMERAL MARK

(1) A "numeral mark" (limited four digits) may be used on livestock in a manner that does not confuse ownership.

(a) If ownership becomes an issue, the department will attempt to determine ownership and follow [81-3-204](#), MCA.

32.18.104 PLACEMENT OF DIGITS

(1) One of the four digits may be used on livestock in a manner that does not confuse ownership.

(a) If ownership becomes an issue, the department will attempt to determine ownership and follow [81-3-204](#), MCA.

SPECIAL IDENTIFICATION MARKS

(1) Special identification marks may be used on livestock as an age tally mark or as herd or individual animal identification.

(a) Marks must contain one to four numeric digits ("0-9" inclusive) and may also include a single letter ("A-Z" inclusive).

(b) Livestock must be branded with the registered brand of the livestock owner.

(c) Marks may be applied to any location using freeze or hot iron branding methods.

(2) Special identification marks are not permitted if they create any discrepancy or confusion over livestock ownership.

(a) If ownership becomes an issue, the department will follow [81-3-204](#), MCA, and attempt to determine ownership.

32.18.109 FREEZE BRANDING

(1) Freeze branding of cattle may be allowed under the following conditions:

(a) all freeze brands must be registered with the department;

(b) in order to register a freeze brand, the owner must have a hot iron brand registered with the department;

(c) the freeze brand must be identical in design and location to the owner's hot iron brand;

(d) the freeze brand will be issued on the same certificate and except on a new recording will not be charged an additional recording fee;

(e) freeze brands can only be sold or transferred along with the hot iron certificate;

(f) a grazing permit will not be issued to freeze brand cattle.



Board of Livestock Meeting

Agenda Request Form

From: Gary Hamel		Division/Program: Meat and Poultry Inspection			Meeting Date: April 6, 2017										
<u>Agenda Item:</u> Permission for out of state travel															
<p>Background Info: Travel to New Mexico to attend the Spring meeting with my 26 counterparts. This meeting is the National Association of State Meat and Food Inspectors Directors meeting and will be held April 24 – April 27. Topics include interstate sale of exempt meats, updates from the Federal State Audit Branch, and State Directors discussion. Costs are approximately as follows: Plane \$1,226, Hotel \$470, Per diem \$246, Ground Transportation Shuttle \$50 for a Total Cost of approximately \$1,992. This funding is already in the base budget.</p> <p>Recommendation:</p>															
Time needed: 5 minutes	Attachments:	Yes	No X	Board vote required?	Yes	No									
					X										
<u>Agenda Item:</u> SIEM Training for a compliance officer															
<p>Background Info:</p> <p>Board permission is being requested to send a compliance officer to SIEM (Surveillance, Investigation, and Enforcement Methodology) training the first two weeks in May. Location will either be Denver or Omaha but has not been determined yet. This course is a required course for compliance officers and is the only place that a person can obtain this training. Applicants are selected on a nomination only basis and if accepted, will attend a two-week course to properly apply compliance principles while conducting duties of a compliance officer. This course is designed for new compliance officers. We have one new compliance officer that needs this training. Attending this training is an “at least equal to” requirement. Approximate cost is as follows:</p> <table border="0"> <tr> <td>Plane Ticket</td> <td>\$950</td> </tr> <tr> <td>Hotel 125/day</td> <td>1,875</td> </tr> <tr> <td>Per Diem 41/day</td> <td><u>615</u></td> </tr> <tr> <td>Total</td> <td><u>\$3,440</u></td> </tr> </table> <p>The program has not sent anyone to this training for many years. Consequently, the total cost is not in the program base. However, per budget projections, operations costs are projected at a level that would be able to absorb this cost. This is an important course that will enable the compliance officer to perform his duties at a much higher level.</p> <p>Recommendation:</p>								Plane Ticket	\$950	Hotel 125/day	1,875	Per Diem 41/day	<u>615</u>	Total	<u>\$3,440</u>
Plane Ticket	\$950														
Hotel 125/day	1,875														
Per Diem 41/day	<u>615</u>														
Total	<u>\$3,440</u>														
Time needed: 5 minutes	Attachments:	Yes	No X	Board vote required	Yes X	No									
<u>Agenda Item:</u> General Program Updates															
<p>Background Info:</p> <p>General program updates</p> <p>Recommendation:</p>															
Time needed: 10 min	Attachments:	Yes	No	Board vote required:	Yes	No									
						X									
<u>Agenda Item:</u>															

Department of Livestock

1) Division
Meat & Poultry Bureau

2) Employees Traveling

Gary Hamel

3) Justification

Attend the National Association of State Meat and Food Inspectors Directors Spring meeting April 24-27, 2017 in Las Cruces, New Mexico with my 26 counterparts. Topics include interstate sale of exempt meats, updates from the Federal State Audit Branch and State Directors discussion.

4) Itinerary

Costs are approximately as follows: Plane-\$1226; Hotel-\$470; Per diem-\$246; Ground transportation shuttle-\$50 TOTAL COST is approximately \$1992. The funding is already in the base budget.

5) Submitted By

Requested By
Gary HamelTitle
Bureau ChiefDate
3/28/2017

Approval - to be Completed by Agency Authorized Personnel

Date Approved by Board

Board Chair / EO

Date

NOTE: A travel expense voucher form must be filed within three months after incurring the travel expenses, otherwise the right to reimbursement will be waived.

Department of Livestock

1) Division
Meat & Poultry Bureau**2) Employees Traveling**

James Peterson. Compliance Officer

3) Justification

Attend Surveillance, Investigation and Enforcement Methodology (SIEM) training May 8 - 19, 2017 in Denver Colorado. The course is required for compliance officers and is the only place that a person can obtain this training. Applicants are selected on a nomination-only basis and if accepted, will attend the two-week course to properly apply compliance principles while conducting duties of a compliance officer. This course is designed for new compliance officers. We have one new compliance officer that needs this training. Attending this training is an "at least equal to" requirement. This program has not sent anyone to this training for many years. Consequently, the total cost is not in the program base. However, per budget projections, operations costs are projected at a level that would be able to absorb this cost. This is an important course that will enable the compliance officer to perform his duties at a much higher level.

4) Itinerary

Costs are approximately as follows: Plane-\$950; Hotel-\$125/day, \$1875; Per diem-\$41/day, \$615; TOTAL COST is \$3440.

5) Submitted ByRequested By
Gary HamelTitle
Bureau ChiefDate
3/28/2017**Approval - to be Completed by Agency Authorized Personnel**

Date Approved by Board

Board Chair / EO

Date

NOTE: A travel expense voucher form must be filed within three months after incurring the travel expenses, otherwise the right to reimbursement will be waived.



Board of Livestock Meeting

Agenda Request Form

From: Layton		Division/Program: MVDL			Meeting Date: 3-22-16			
<u>Agenda Item:</u> Fossmatic-Milk Laboratory								
Background Info: Foss representative visited and has extended the trade in offer that would save approximately \$19,500 on the purchase/lease of the machine. I have attached the quotes and e-mail correspondence. The offer is good until mid May. Also, another option may have risen regarding an individual who will provide maintenance of our current machine. We need to investigate more because he may be able to service but parts and testing reagents are still a question mark. We have attempted to contact this individual and have yet to do so. The machine is 20 years old and the value of this option may just be delay in the eventual need to purchase.								
Recommendation: If funds available in the department, obtain a new machine								
Time needed: 15m		Attachments:	Yes	No	Board vote required?		Yes	No
<u>Agenda Item:</u> Clinical Pathology								
Background Info: Several events may occur that dictates options in clinical pathology. I should know I hope by the end of the week. The section supervisor has done test material cost breakdown and I will attempt to have price recommendations available. We have been short handed in the laboratory during our busiest time period and time has been a premium.								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required		Yes	No
<u>Agenda Item:</u> Waste management								
Background Info: Update on training and progress								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required:		Yes	No
<u>Agenda Item:</u> Updates/ other new items after agenda request.								
Background Info:								
Recommendation:								
Time needed:		Attachments:	Yes	No	Board vote required:		Yes	No
<u>Agenda Item:</u>								
Background Info:								

Sales Quotation

FOSS North America, Inc.
8091 Wallace Road
Eden Prairie, MN 55344 USA
T: (952) 974-9892 F: (952) 974-9823

FOSS

March 17, 2017

Julie Armstrong
Montana Veterinary Diagnostics
Bozeman, MT

Re: Proposal to Supply a MilkoScan™ FT1

Dear Julie,

Please find enclosed our proposal to supply Montana Veterinary Diagnostics with the FOSS MilkoScan™ FT1

Built on the well proven analytical technology behind the well known benchmark in routine testing - the

The FT1 offers unequalled performance in several key ways to ensure you:

- 1) Rapid control at the platform for optimal segregation, fair payment and screening for abnormalities
- 2) Milk standardization for optimal use of raw material and consistent quality products
- 3) Monitoring the quality of incoming liquid ingredients, in-process or final liquid products

We hope this proposal meets with your approval and we look forward to working with you on this project.

Please do not hesitate to contact me should you have any questions or require any further information.

Sincerely,

Vitaliy Mahidov
Regional Sales Manager
Email: vmahidov@fossna.com
[Website: www.foss.us](http://www.foss.us)
Customer Service: 1-800-547-6275
/mm

What the FT1 Means for Your Company

A few key things to keep in mind about the MilkoScan™ FT1 compared to filter based instruments:

- Ø The FT1 flow system is much more versatile.
- Ø A number of calibrations are available on the FT1 for many different products.
- Ø The applications module can be added now or at a later date.
- Ø A maintenance program is developed to nullify drift and other calibration headaches.
- Ø Once a calibration is achieved, it need not be done again.
- Ø Automatic clean and zero, so you can run your sample and walk away.
- Ø The FT1 has a modem diagnostics so our service people can dial up your machine, or our applications people can do the same thing with your calibrations.

Technical Specifications for the FT1

Dimensions (H*W*D).	15.03 x 33.46 x 21.38 inches (excluding PC)
Weight:	176.37 lbs
Power Supply:	(115 or 230) ±15% V/AC -50/60 Hz
Power Consumption	Max. 600 VA during measurement, 80 VA in standby
Ambient Temperature:	50 - 95 °F
Ambient Humidity	< 80 RH, Cyclic up to 93 RH from low to high, working temperature in 93 RH
Environment:	For best performance place on a stable surface away from excessive and continuous vibration.
Noise Level:	70 dB (measured when the instrument is analyzing in 1.6 m level and 60 sec. equivalent).
Analysis Time:	30 seconds for milk
Calibration Range:	Up to 50% Fat Up to 5% Protein Up to 7% Lactose Up to 50% Total solids
Repeatability:	≤0.25% CV on major raw Milk components (Fat, Protein, Lactose, Total Solids)
Accuracy:	≤ 1.0% CV on major raw cow Milk components (Fat, Protein, Lactose, Total Solids) < 0.8% (TS and SNF in bulk samples)
Purging Efficiency:	≥ 99%
Sample Temperature:	41- 131° F (the sample must be homogen)
Sample Volume:	8 ml. or .27 ounces
Optical System:	Hermetically sealed, humidity control
Automatic and programmable with Automatic Clean and Zero Module	
PLS (Partial Least Squares), MLR (Multiple Linear Regression), Slope & Intercept Adjustment and Automatic Wavelength Selection	

To Order:

Fax (818-889-0061) or email (vmahidov@fossna) PO and signed quote to FOSS -
Attn: Vitaliy Mahidov. Please indicate the total amount of the PO, as well as which, if any, options you wish to include with your purchase. Clearly specify the Bill To and Ship To addresses.

Responsibilities:

Customer is responsible for the following:

1. Provide calibration samples for the parameters they will be using.
2. Provide bench space (approximately 4 X 3 feet) in addition to sample space.
3. Installation of power to the point of connection on the MilkoScan™ FT1
4. Connection may be directly to a drain or to a container.

Benefits of doing business with FOSS

➤ **FOSS Experience**

Established in 1956, FOSS has over 50 years experience in the food and agriculture business. In this time,

➤ **FOSS Service and Support**

FOSS is committed to providing you with outstanding service & support. With more than 300 service and





Secure your investment with a FossCare™ Support Agreement

Get a maximum return on your analytical investment with a FossCare™ Support Contract. Contracts now include a four year warranty as part of the FossCare™ Premium Preventive Maintenance Agreement, or a two year warranty as part of any other FossCare™ agreement. In addition to the peace of mind that comes with the warranty period, the certified preventive maintenance pays off by keeping your analytical instruments working

Why preventive maintenance

As with any analytical solution or product you rely on, it is essential that your FOSS instrument receive regular maintenance to ensure optimal performance and extended lifetime. Avoiding expensive downtime is a matter of following factory standards and proactively replacing parts before they wear out. Ultimately, this helps ensure reliable and consistent results at the highest level. Preventive and predictive maintenance combined with global support from 300 dedicated service, application, software and calibration specialists keeps your instrument running perfectly all year.



Benefits of a FossCare™ Support Agreement:

- Extended Warranty (two or four years depending on the agreement)
- Regular maintenance including; diagnosing the instrument, cleaning, adjusting, testing, fine tuning and recalibrations
- Minimal downtime from replacing components before they are worn
- Consistent, accurate and reliable results you can always trust
- Preventive maintenance visits when it suits you (your business)
- 24/7 Phone Hotline support - no need to worry about closing hours or P.O.
- Low, fixed service budget, preventing unexpected expenses
- Discounts on additional services, spares, training, reagents, consumables and software upgrades

Contact your local FOSS office for more information 1.800.547.6275

www.foss.us/FossCare

Dedicated Analytical Solutions

Sales Quotation

FOSS North America, Inc.
 8091 Wallace Road
 Eden Prairie, MN 55344 USA
 T: (952) 974-9892 F: (952) 974-9823



Quoted to:
 Julie Armstrong
Montana Veterinary Diagnostics
 Bozeman, MT

Quote Date: March 17, 2017
Quote Expires on: May 16, 2017
Quote Number: **VM-2017-33803**

Quoted by: Vitaliy Mahidov

Market Segment 02- Dairy

Products

Part #	Product	Price		Ext. Price
4550065	MilkoScan™ FT1 Analyzer FT1 unit includes: Instrument with Automatic Clean and Zero; Software compatible with Windows 7 (32 Bit); Computer with available USB Connection; Calibrations for Milk, Cream, Whey, Basic Yogurt, and Ice Cream	\$83,513.00	1	\$83,513.00
60049890	Dell Computer		1	Included
	17" Flat Screen Monitor		1	Included
60036602	Powervar 1100 UPM		1	Included
	Milk parameters: Fat, Protein, Lactose, Total Solids, SNF, FPD, Total Acidity, Density, FFA, Citric Acids, Casein, Urea, Galactose , Glucose		1	Included
	Cream parameters: Fat, Protein, Total Solids, SNF, Lactose		1	Included
	Whey parameters: Fat, Protein, Total Solids, Lactose		1	Included
	Yogurt & Ice Cream : Fat , Protein, Total solids		1	Included
S180051	Application Module		1	Included
60049890	Dell 64-bit Computer Includes: Windows 7 Professional 19" Flat Screen Monitor Keyboard & Mouse Microsoft Office Professional 2013 Dell ProSupport 3 year Warranty (Includes on-site parts and labor) Custom computer Set-up		1	Included
60036602	Powervar 1100 UPM		1	Included

Continued on Next Page

Sales Quotation

FOSS North America, Inc.
 8091 Wallace Road
 Eden Prairie, MN 55344 USA
 T: (952) 974-9892 F: (952) 974-9823



Quote Number: VM-2017-33803

Part #	Product	Price		Ext. Price
Zmplug	Plug		1	

Cleaning Reagents

509935	S-470 Cleaning Agent	131.24	1	\$131.24
67165	Antifoam Y-30	\$43.29	1	\$43.29
1015912	Zero Liquid Salt	\$36.92	1	\$36.92
537811	FTIR Equalizer Reagent, 6 bottles	\$205.24	1	\$205.24
60036583	FOS-Soak	\$45.00	1	\$45.00

Installation & On-Site Training 1 Included

Trade-in Discount on Instrument **-\$15,032.34**

Instrument to be traded-in:

MSC FT120

Offer valid for 60 days only (till May 16, 2017)

Shipping, Crating & Insurance \$580.00 1 \$580.00

Total USD (without FossCare) \$69,522.35

FossCare™ Basic Support Plan-Annual contract price with 2 visits/year

FossCare™ - MSC FT1	Complete and customized 2-year support program for your MilkoScan FT1™ which includes: - 2 On-Site Preventive Maintenance Visits - 2 Year Extended Warranty if PM Basic support <i>Note: FOSS standard warranty applies.</i>	\$3,444.00	2	\$6,888.00
538918	<u>FossCare pricing includes all related travel & expenses</u> Preventive Maintenance Kit MilkoScan FT1	\$685.87	2	\$1,371.74

FossCare Basic Support Plan Total / 2 years \$8,259.74

One-time Discount on Instrument **-\$1,371.74**

Offer valid for 60 days only (till May 16, 2017)

Total USD (with 1 year FossCare) \$76,410.35

Sales Quotation

FOSS North America, Inc.
8091 Wallace Road
Eden Prairie, MN 55344 USA
T: (952) 974-9892 F: (952) 974-9823

FOSS

Existing Applications:

The performance of the listed application(s) will be 1.5 to 2 times the laboratory precision of the AOAC approved reference method. See separate FOSS Application Note(s) for the defined products and parameters.

The Application notes are:

AN61-Cream

AN63-Milk

Custom Applications:

Development of the custom listed applications will require the customer to provide FOSS 30-40 samples, at a minimum, with reference chemistries (AOAC Approved) to develop the starter calibration. FOSS will provide free application support of the agreed application(s) and parameters during the 1st year, as needed.

Sales Quotation

FOSS North America, Inc.
8091 Wallace Road
Eden Prairie, MN 55344 USA
T: (952) 974-9892 F: (952) 974-9823



Quote Number: VM-2017-33803

Note: Installation and training are included and done at each Plant location. Further advanced training is available off site at predetermined times and locations for a nominal fee.

Terms: 30% down due at time of order, terms of balance pending credit approval. Taxes not included. Quoted prices are only valid for orders paid via ACH or check.

Warranty: One year parts/labor, 90 days travel/shipping.

Freight: Freight and packing included in total

A re-stocking fee of 15% will be charged on Foss authorized returns.

Returns: No returns accepted after 30 days.

Trade-ins: Customer is responsible for freight and packing of trade-in units to be returned to FOSS.

This offer is subject to our standard Terms and Conditions, all of which are incorporated herein by reference. If this is an original document, the Terms and Conditions are set forth on the reverse side hereof. If the Terms and Conditions are not set forth on the reverse side (for example, if this is a telecopy), they may be obtained from us by written request. This offer is valid for 60 days, subject to revocation as provided in such terms and conditions.

The undersigned hereby accepts the offer of FNA to sell the products described above according to FNA's standard Terms and Conditions for Sale all of which are incorporated herein by reference.

Signed: _____
Name: _____
Title: _____
Email: _____
Phone: _____

PO#: _____

Please include correct shipping and billing addresses.

Bill To:
Attn: _____

Email: _____

Company Name: _____

Address: _____

Ship To:
Attn: _____

Phone # _____

Company Name: _____

Address: _____

TERMS & CONDITIONS - FOSS NORTH AMERICA, INC.

1. **FNA ACCEPTANCE.** Customer's offer or purchase order shall not be binding upon Foss North America, Inc. (FNA) unless accepted and signed on its behalf by its duly authorized representative. Commencement of performance prior to such acceptance and signature shall not be construed as a waiver by FNA of this requirement. Acceptance by FNA of an offer or order from the Customer is expressly conditioned upon Customer's assent to the terms and conditions contained herein, and FNA hereby expressly objects to any additional or modifying terms or conditions which may be contained in any purchase order, acceptance, acknowledgment or other document sent to FNA by the Customer either before or after the date hereof. The terms and conditions contained herein, and any modifications or additions hereto specifically agreed to in writing and signed by an authorized representative of FNA shall constitute the complete and exclusive agreement between FNA and the Customer concerning the subject matter hereof, and shall supersede all prior communications of any kind whatsoever made by the parties or their representatives, whether written or oral.

2. **PRICING.** Quoted prices are valid for 60 days unless otherwise specified. The quoted price includes installation and training of Customer's personnel deemed necessary by FNA. In addition to the quoted price the Customer shall reimburse and pay FNA all applicable sales, use, excise and valued added taxes, tariff or customs duties, or other taxes or charges imposed by any governmental unit upon or in connection with FNA's sale or shipment of items sold hereunder, excluding taxes on FNA's income.

3. **PAYMENT.** Thirty percent (30%) of the total purchase price for new equipment shall be paid at the time of order. The balance of all amounts due to FNA hereunder shall be paid within 30 days from the date of invoice, unless otherwise specified. Customer shall pay a late payment charge of 1½% per month or, if less, the maximum charge permitted by applicable law on any unpaid amount for each month (or portion thereof) such amount remains unpaid. FNA reserves the right to change its credit terms at any time. If FNA at any time deems itself insecure as to the Customer's financial responsibility, FNA may stop shipment in transit and decline to make further shipment until it receives payment in advance or assurances of payment satisfactory to FNA.

4. **DELIVERY AND INSTALLATION.** Any delivery date stated on the front side hereof is approximate only. Title and risk of loss or damage to the items sold hereunder shall pass to Customer upon shipment thereof to a destination of customer's choice. Customer shall pay all transportation, insurance, and site preparation costs. Identification of the goods to the contract shall occur as each shipment is placed in the hands of the carrier. FNA is not responsible for delays due to customs or clearance. Any prepayment or allowance by FNA for freight shall be for Customer's account, and Customer shall promptly reimburse FNA for any such pre-payment. A suitable, stable, noise-free power supply shall be made available at Customer's expense. All work required for connection of items sold hereunder to other equipment or plant of Customer must be carried out to FNA specifications and be completed and ready for FNA installation engineers, otherwise additional charges may be incurred.

5. **ACCEPTANCE.** Product acceptance will be deemed to occur at the earliest of (i) the time the product satisfactorily performs in compliance with FNA's standard acceptance criteria or alternate acceptance criteria mutually agreed to by Customer and FNA, (ii) the time of any productive use of the product, or (iii) 30 days after delivery.

6. **LIMITED WARRANTY.** (a) Subject to the terms and conditions set forth below, FNA warrants the goods sold hereunder to be free, during the warranty period, from defects in workmanship and material under normal use and service as specified in the Operator's Manual. (b) **THE WARRANTY PERIOD FOR NEW PRODUCTS IS ONE YEAR FROM THE DATE OF ACCEPTANCE. THE WARRANTY COVERS PARTS AND REPAIR LABOR. DURING THE FIRST 90 DAYS OF THE WARRANTY PERIOD FNA WILL PAY FOR ALL CHARGEABLE TRAVEL TIME AND OUT OF POCKET TRAVEL EXPENSES FOR ITS PERSONNEL, OR, AT ITS OPTION, SHIPPING COSTS TO SHIP THE PRODUCT TO FNA FOR REPAIR AND BACK TO CUSTOMER; THEREAFTER, ALL SUCH COSTS SHALL BE CUSTOMER'S RESPONSIBILITY.** The warranty period for spare parts is 180 days from the date of invoice. The warranty period for exchange parts is 30 days from the date of exchange. (c) The liability of FNA under this Warranty is limited to one of the following, as FNA may elect in its sole discretion: replacing (with substantially similar new or refurbished equipment) or repairing, issuing credit for, or refunding the purchase price of, products returned to FNA, adjusted to reflect their age and use.

breach of warranty. To obtain information or assistance, contact FNA at 1-800-547-6275. (ii) Customer must obtain a Return Authorization Number from FNA by calling 1-800-547-6275. (iii) FNA's examination of the products must disclose to its satisfaction that: (1) The products have not been repaired or altered by anyone other than FNA; (2) Any defect has not been caused by misuse, neglect or accident; (3) The products have not been operated under conditions other than normal use; and (4) All prescribed periodic maintenance and services have been performed. All parts or equipment replaced will become the property of FNA. (d) FNA will repair products on site or at FNA's facility, as FNA shall determine in its sole discretion. Shipping charges incurred in replacing spare and/or exchange parts are not covered under this warranty.

(e) Any modification, unauthorized repair, or use not in conformity with the Operator's Manual immediately voids this warranty. (f) Instruments, parts, supplies, and other products supplied by FNA but not carrying the FOSS brand name, are covered by the original manufacturer's warranty, if any. Consumable items (including, but not limited to, cuvettes, homogenizer, valves, O-rings, gaskets, glassware, lamps, sources and tubing) are not covered by any of the warranties described above. (g) **FNA SHALL HAVE NO LIABILITY FOR ANY INSTRUMENT OR PART FAILURE WHICH FNA DETERMINES, IN ITS SOLE DISCRETION, TO HAVE RESULTED FROM ACCIDENT, IMPROPER INSTALLATION OR SITE PREPARATION BY THE CUSTOMER, UNAUTHORIZED PRODUCT MODIFICATIONS, CUSTOMER-SUPPLIED SOFTWARE OR INTERFACING, INADEQUATE MAINTENANCE, MISUSE, FAILURE TO MAINTAIN PROPER OPERATING ENVIRONMENT, MISAPPLICATION OF THE PRODUCT, INACCURATE CALIBRATION OF EQUIPMENT OR FAILURE TO FOLLOW INSTRUCTIONS SET OUT IN FNA APPLICABLE PRODUCT LITERATURE.** (h) **IT IS THE CUSTOMER'S RESPONSIBILITY TO ENSURE THE ACCURACY OF THE PRODUCT'S CALIBRATION.**

(i) **THIS WARRANTY IS EXCLUSIVE AND FNA MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE.** Any oral or written statement concerning the products that is inconsistent with this Warranty shall be of no force or effect. The sole purpose of this remedy is to provide the Customer with the replacement (with substantially similar new or refurbished equipment) or repair of nonconforming products, or a credit or a refund

purchase price for such products in the manner provided herein. This exclusive remedy shall not be deemed to have failed of its essential purpose so long as FNA is willing and able to repair or replace the non-conforming products or credit or refund a portion of the purchase price thereof in the manner provided herein. (j) This Warranty extends only to Customers purchasing the products directly from FNA. This Warranty applies only to Products installed and operated within the contiguous United States of America and Canada. This Warranty is not transferable. Any legal proceeding against FNA relating to items sold hereunder must be commenced within one year of the expiration of the applicable warranty period.

7. **AVAILABILITY OF CONSUMABLES AND SPARE PARTS.** Consumables and spare parts for Products carrying the FOSS brand name can be delivered until 7 years after production of the Product has stopped. Consumables and spare parts for Products supplied by FNA but not carrying the FOSS brand name are covered by the original manufacturer's policy, if any.

8. **LIMITATION OF DAMAGES.** IN NO EVENT SHALL FNA BE LIABLE TO CUSTOMER OR ANY THIRD PARTY FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR INCIDENTAL DAMAGES, INCLUDING WITHOUT LIMITATION, LOST PROFITS ARISING OUT OF THE USE OF THE PRODUCTS OR CAUSED BY ANY DEFECT, FAILURE OR MALFUNCTION OF THE PRODUCTS WHETHER FOR BREACH OF ANY WARRANTY, FOR NEGLIGENCE, ON THE BASIS OF STRICT LIABILITY, OR OTHERWISE. IN NO EVENT SHALL FNA BE LIABLE TO CUSTOMER FOR MORE THAN THE ORIGINAL PURCHASE PRICE OF THE PRODUCT GIVING RISE TO A WARRANTY CLAIM.

9. **SOFTWARE.** (a) **License.** FNA hereby grants to Customer a non-exclusive, non-transferable, and non-sub licensable license to the FNA software and written documentation supplied hereunder such as operating manuals, preventive maintenance manuals, & drawings (the "Licensed Materials"). Third party software supplied by FNA with the product shall be governed by such third party's terms. The license to the Licensed Materials by FNA does not convey any license separate from the product, other than to use the product in the manner in which it was intended by FNA when it was sold by FNA to Customer. Software supplied by FNA shall be used only on the specific product with which it was supplied. Title to the Licensed Materials shall remain with FNA, notwithstanding anything to the contrary herein. This license does not extend to the use of FNA's patented or otherwise proprietary methods or processes in product not purchased from or supplied by FNA or in any product, which has been substantially altered by Customer or any third party without the prior approval of FNA. Use of the software shall consist either of copying any portion of the program from storage units or media into the CPU, or the processing of data with the program, or both.

Customer agrees to comply with any other restrictions on use of the software, which may be promulgated by FNA and provided with the software. (b) **Restrictions on Use.** Without limiting the generality of the foregoing, Customer shall not and shall not authorize any other person to (i) attempt to reverse engineer, decompile or disassemble the software or any portion thereof, (ii) otherwise attempt to determine underlying source code for the software, (iii) use the software to operate the products in connection with any attempt to (1) discover and/or replicate the functional characteristics, qualities or capabilities of the products or the software or (2) compare the products to any competing products, (iv) use the software except to operate the products in accordance with their intended use, or (v) use the software to operate the product if the product has been materially altered. (c) **Limitation of License.** No licenses or rights are granted except as set forth herein or in any separate FNA software or program license agreement. Any license to use FNA supplied software and the software may not be assigned by Customer, without FNA's prior written consent. (d) **Copies.** Except for backup purposes, Customer shall not copy or duplicate, or permit anyone else to copy or duplicate, in any manner, any physical or magnetic version of FNA supplied machine-readable software. Customer shall not copy or duplicate any printed materials related to and furnished with FNA supplied machine-readable software. Customer shall secure and protect the software, and each copy thereof, from unauthorized copying or disclosure. (e) **Limited Warranty and Disclaimer regarding Software; Remedies.** Software provided hereunder (exclusive of upgrades) is warranted for the same period of time as the standard warranty period for the product to which the software relates so long as it and the related product are operated in accordance with applicable specifications and under normal use. FNA DOES NOT WARRANT THAT ANY SOFTWARE IS FREE OF ERRORS OR "BUGS". FNA MAKES NO WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SOFTWARE AND SPECIFICALLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. In the event any software fails to

warranty set forth in this section, FNA's sole obligation, and Customer's sole remedy, shall be for FNA to exert commercially reasonable efforts to correct any such defect and to supply Customer with a corrected version within a reasonable time after Customer notifies FNA in writing of the defect.

10. **PRODUCT SPECIFICATIONS.** Customer should refer to the applicable FNA product literature for detailed specifications for the item(s) sold hereunder. FNA may at any time change the specifications and descriptions of any items without notice to Customer, but will endeavor to complete all accepted purchase orders in accordance with the specifications prevailing at the time Customer's order was accepted.

11. **PROPRIETARY RIGHTS CONFLICTS.** FNA may discontinue deliveries of any instrument or part the manufacture, sale, and/or use of which, in FNA's opinion, could infringe upon a patent, trade secret or other proprietary right to which FNA does not have a valid license.

12. **SECURITY INTEREST.** Customer hereby grants FNA a security interest in the products to secure Customer's obligations under this agreement.

13. **FORCE MAJEURE.** FNA shall not be responsible for delay or failure of delivery due to war, unavailability of freight carriers, acts of God, labor disruptions or other circumstances beyond its reasonable control.

14. **ENFORCEMENT EXPENSES.** If Customer refuses to accept the items sold hereunder, defaults in payment, or otherwise defaults, Customer shall pay all attorney fees, court costs, and other out-of-pocket expenses incurred by FNA to enforce its rights hereunder.

15. **MISCELLANEOUS.** This transaction and all terms and conditions herein shall be governed by the internal laws of the State of Minnesota. All changes in the terms and conditions of this agreement shall be in writing and signed by duly authorized representatives of both parties. Customer shall not assign any portion of its interest herein. Customer and FNA agree that the sale of goods to which these terms apply shall not be governed by the United Nations Convention on Contracts for the International Sale of Goods. This Agreement shall not be modified, supplemented, qualified, or interpreted by any trade usage or prior course of dealing not made a part of this Agreement by its express terms.

All terms and conditions shall be binding upon and insure to the benefit of the parties, their respective employees, agents, and successors. If any portion of this agreement is held to be either unlawful or unenforceable in any respect, such portion of the agreement shall not affect other provisions or applications, which can be given effect, and the parties' agreement, shall be construed as if the unlawful or unenforceable portion of the agreement had not been contained herein. FNA's remedies expressed herein shall be cumulative and in addition to any other remedies available at law, in equity or otherwise.

Sales Quotation

FOSS North America, Inc.
8091 Wallace Road
Eden Prairie, MN 55344 USA
T: (952) 974-9892 F: (952) 974-9823



FossCare Terms and Conditions

PREVENTIVE MAINTENANCE AGREEMENT

FOSS NORTH AMERICA, INC. (FOSS) shall provide labor to perform regularly scheduled visits on the products covered throughout the term of this Agreement. Maintenance under this Agreement will consist of the necessary labor involved with regularly scheduled maintenance calls.

ELIGIBILITY

Only equipment, which has not been modified and is in normal operating condition, is eligible for coverage under this Agreement. If, in the opinion of FOSS, an overhaul of any equipment is necessary because ordinary maintenance service or parts replacement cannot keep the equipment in normal operating condition, FOSS will offer to perform such overhaul work so that the instrument can be covered by this Agreement. Such overhaul work will be invoiced separately at FOSS standard rates.

PERIOD OF COVERAGE

The maintenance provided under this Agreement shall be available during regular FOSS business hours, 8:00am to 5:00pm CST, Monday thru Friday. Legal holidays and holidays observed by FOSS are excluded from the period of coverage. Labor and travel provided for the Customer's convenience outside these hours will be invoiced separately at standard rates.

TERM OF AGREEMENT

After the initial term of this Agreement, this Agreement shall continue unless terminated by either party. The two (or more) inspections must be performed during the one-year period following the date of the initial Agreement and subsequent renewal addendums. If the inspections are not completed within fourteen (14) months from the initial or renewal dates, this Agreement will be void.

NOTICES

Any notice required to be given under this Agreement shall be given in writing: (1) to FOSS, at 8091 Wallace Road, Eden Prairie, MN 55344, and (2) to Customer, or such other address as either party may substitute by written notice to the other.

ASSIGNMENT

This agreement is not assignable by Customer to any other party including without limitation subsequent purchasers of the equipment.

RESPONSIBILITY OF FOSS NORTH AMERICA, INC.

FOSS agrees to provide:

- Labor and Travel Expenses – Labor required performing preventative maintenance on the equipment covered, at the frequencies and rates stated on the Renewal Addendum or Quote. Any parts, other than those included in the contract, used on equipment during the visit will be chargeable at the FOSS standard prices.
- Instruction - FOSS will endeavor, to the best of its abilities, to update the operator on general care and maintenance of the equipment at the time of the maintenance visits.

CONDITIONS OF SERVICE

The obligation of FOSS under this Agreement is contingent upon the proper use of the products by the Customer. FOSS shall be under no obligation to furnish maintenance service if requested repairs are required due to causes other than proper and ordinary use and maintenance of the equipment as authorized or specified by FOSS. Unauthorized use of the equipment shall relieve FOSS of its obligation under this Agreement.

FOSS also shall be under no obligation to furnish maintenance service under this Agreement if repairs are required as a result of (a) natural disaster, such as flood or earthquake; (b) strikes, riots, acts of war, or nuclear disaster; (c) repairs, maintenance or modifications made by other than FOSS personnel without FOSS supervision or approval; and (d) unusual shock damage during transportation by the customer or any other improper use. Improper use includes, but is not limited to, line voltage outside specified limits, improperly grounded power receptacles and ambient temperature outside guaranteed operating limits.

In no event shall FOSS BE LIABLE OR RESPONSIBLE FOR ANY SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING WITHOUT LIMITATION ANY LOST PROFIT.

EXCLUSIONS

Sales Quotation

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Maintenance service supplied by FOSS under this Agreement does not include:

- Operating supplies or consumable items (including, but not limited to, cuvettes, homogenizer valves, o-rings, gaskets, glassware, lamps, sources or tubing);
- Refinishing the equipment or furnishing materials for such refinishing;
- Electrical work external to equipment;
- Maintenance of any accessories, attachments, or products not listed on the Renewal Addendum or Quote.

RESPONSIBILITIES OF THE CUSTOMER

Customer agrees to:

- Provide FOSS access to the equipment as may be necessary to perform maintenance service;
- Provide FOSS adequate working space and facilities within reasonable distance from the equipment;
- Maintain the equipment as specified in the applicable Installation and Operating Manuals;
- Schedule maintenance visits at least two weeks in advance so as to prevent schedule conflicts.

RELOCATION OF EQUIPMENT

- Customer shall give FOSS written notice of any relocation of equipment from the address specified the Renewal Addendum or Quote.
- Equipment moved to a location less than fifty miles from the location originally specified on the Renewal Addendum or Quote shall continue to be covered under this Agreement.
- Equipment moved to a location more than fifty miles from the location originally specified on the Renewal Addendum or Quote, shall be maintained at the sole discretion of FOSS. The cost and terms of such maintenance to be agreed upon by FOSS and the Customer.
- Customer shall be responsible for any loss or damage to the equipment as a result of relocation.

PAYMENT

The total annual charge for service indicated on the Renewal Addendum or Quote shall be paid by Customer in advance. Payment for all other charges, including, but not limited to the charges provided for in Section entitled **RELOCATION OF EQUIPMENT**, shall be made as incurred. Payment Terms are Due Upon Receipt of Invoice, unless otherwise stated.

MODIFICATIONS

FOSS may, at its sole option and at no charge to the Customer, make modifications to improve the operation or reliability of the equipment.

CHARGES

- The annual charges specified on the Renewal Addendum or Quote are those currently in effect. Such charges are subject to change by FOSS upon the renewal of this Agreement.
- Charges for service performed outside the specified periods of coverage, and for services not covered by the Agreement, will be invoiced separately at FOSS standard rates.
- Unless otherwise stated, all charges do not include federal, state or local taxes, now or hereafter enacted, which apply to the charges, the Agreement, the service rendered, or the parts supplied. Such taxes, if applicable, shall be paid by Customer and will appear as separate items on the FOSS invoice.

SCHEDULING OF VISITS

- Two (2) visits per year at approximately six (6) month intervals, unless an agreement is made to the contrary.
- All visits *must* be scheduled at least two (2) weeks in advance.
- Visits may be subject to rescheduling. *Emergency visits take first priority.*

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- Parts and/or PM Kits are not included in the annual cost of FossCare Basic.
- Additional parts may be needed, such as lamps, etc., and will be replaced if needed to make the equipment function properly.
- Calibration will be checked if standard samples are made available by the Customer.

CHECKLISTS OF DIFFERENT CONTRACTS

Please see following FossCare Checklist for the different contracts offered by FOSS for your equipment.



FossCare™ Support Agreements

MilkoScan™ FT1/FT120



FossCare Features	FossCare Premium*	FossCare Standard	FossCare Basic	Description
Extended Warranty*	4 years**	2 Years	2 Years	When purchasing a FOSS instrument FossCare extends the instrument warranty from the standard 1 year to 2 or 4 years (conditioned that the instrument is under FossCare contract for the full 2 or 4 year warranty period)
Preventive Maintenance Visits per year	2	2	2	Trained service technician will perform maintenance in order to ensure up-time and keep your instrument running at optimal performance. Replacing parts and cleaning agents, performance validation and making adjustments
Travel Expenses	✓	✓	✓	All Travel Expenses related to the PM visits are included (zone charge may apply)
Preventive Maintenance Kit Included	✓	✓		Preventive Maintenance Kit consisting of parts required to perform factory standard maintenance
RINA/Mosaic Networking Software	✓	✓		Internet based networking software providing a monthly instrument performance report and options for advanced surveillance, monitoring, calibration updates, etc.
Buy Back Guarantee	✓	✓		Guaranteed buy back of your instrument when you decide to trade-in or upgrade to a new FOSS instrument
Priority Emergency On-site Response	48 hours	48 hours	Priority	Highest priority service, ensuring a service technician on-site within 48 hours
Calibration and Application				Phone support optimizing your applications and

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Calibration and Application Phone Support	✓	✓		Phone support optimizing your applications and calibrations
24/7 Phone Support	✓	✓		24/7 phone access to a dedicated FOSS support technician (Unlimited calls during office hours, and 4 calls outside of office hours)

FossCare Features	FossCare Premium*	FossCare Standard	FossCare Basic	Description
Remote Web-based Support	✓	✓		Remote web based support on request in order to validate performance, diagnose, or solve any potential issues (6 hours free of charge)
Instrument Safety Check	✓	✓	✓	Checked and tested for compliance with factory installed safety features ensuring trouble free operation
Savings on Certified Maintenance Training	✓	✓		Training programs offered at a 10% discount. Please visit www.foss.us/education , or request a FossCare training guide for course descriptions and dates
Savings on Consumables and Reagents	✓	✓		Select consumables and reagents needed to sustain your instrument will be offered at a 10% discount
Savings on Emergency Visits Parts and Labor	✓	✓		In case of an unexpected emergency, additional visits are offered at a 10% discount
Savings on Calibration Development Support	✓	✓		Application engineers will provide their expertise at a 10% discounted rate to help you develop new applications
Savings on Advanced Calibration Development Training	✓	✓		Calibration development training courses are available at a 10% discount. Please visit www.foss.us/education for course descriptions and dates
Savings on Software Upgrades	✓	✓		Option to upgrade your software at a 10% discount, securing consistent high performance of your instrument
Additional PM Visits	Optional	Optional	Optional	Extra visits in conjunction with any type of service contract can be added

*Extended Warranty is applicable for new instruments only (must be purchased within the first 90 days of installation).

** Year 3 and 4 are Limited Parts Warranty



Board of Livestock Meeting

Agenda Request Form

From: Chad Lee		Division/Program: Milk Control Bureau			Meeting Date: 4/6/2017		
<u>Agenda Item:</u> Milk Control Bureau update							
Background Info: General Updates							
Recommendation:							
Time needed: 10 minutes	Attachments:	Yes	No <input checked="" type="checkbox"/>	Board vote required?	Yes	No <input checked="" type="checkbox"/>	
<u>Agenda Item:</u>							
Background Info:							
Recommendation:							
Time needed:	Attachments:	Yes	No	Board vote required	Yes	No	
<u>Agenda Item:</u>							
Background Info:							
Recommendation:							
Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No	
<u>Agenda Item:</u>							
Background Info:							
Recommendation:							
Time needed:	Attachments:	Yes	No	Board vote required:	Yes	No	



Board of Livestock Meeting

Agenda Request Form

From: George Harris		Division/Program: Centralized Services			Date: April 6, 2017 Board Meeting		
<u>Agenda Item:</u> Per Capita Fee Collection Update – Tax Year 2017 – FY 2018 Revenue							
Background Info: George will update the Board on the Department of Revenue’s per capita collection efforts for Tax year 2017. He will comment on billing dates, revenues received and invested to date and respond to any questions.							
Recommendation:							
Time needed: 10-15 minutes	Attachments:	Yes	No x	Board vote required?	Yes	No X	
<u>Agenda Item:</u> State Special Revenue Collection Comparison FY 2016 with FY 2017 Actuals							
Background Info: George will present the FY 2017 state special revenue collections through February 28, 2017 compared to the same period last fiscal year. He will also comment on the brand revenue shortfall issue anticipated in FY 2021.							
Recommendation:							
Time needed: 10 minutes	Attachments:	Yes	No	Board vote required:	Yes	No x	
<u>Agenda Item:</u> FY 2017 Expenditure Projections to Fiscal Year End (FYE) 2017							
Background Info: George will go over the expenditure projections to FYE 2017 by program and respond to any questions.							
Recommendation:							
Time needed: 20 minutes	Attachments:	Yes	No	Board vote required:	Yes	No X	
<u>Agenda Item:</u> Budget Status Through November 2016							
Background Info: The budget status reports submitted to the Board will be included in the CSD report. The reports will include FY 2017 budget compared to FY 2017 actual expenses through February 2017 and compared to expenses through February 2016. George will respond to any questions on the budget status report.							
Recommendation:							
Time needed: 10 minutes	Attachments:	Yes	No X	Board vote required:	Yes	No X	
<u>Agenda Item:</u> FY 2017 Cash Balance Projection: (Per Capita, Brand Fees and Lab Fees)							
Background Info: George will update the Board on the projected cash balance in the Per Capita, Brands and Lab Fees by Fiscal Year End 2017. He will also update the Board on per capita fee collections to date for tax year 2017.							
Recommendation:							
Time needed: 5 minutes	Attachments:	Yes	No	Board vote required:	Yes	No X	
<u>Agenda Item:</u> CSD – General Update and Upcoming Objectives							
Background Info: George will update the Board on current division activity. He will brief the Board Information Technology efforts, cooperative agreements, and position description updates and performance reviews. He will comment on upcoming activity in the division							
Recommendation:							
Time needed: 5 minutes	Attachments:	Yes	No	Board vote required:	Yes	No X	



Board of Livestock Meeting

Agenda Request Form

From: M. Zaluski/E. Liska		Division/Program: Animal Health		Meeting Date: April 6, 2017	
<u>Agenda Item: Out of State Travel Request - Wyoming Governors Brucellosis Coordination team meeting</u>					
<p>The Wyoming BCT meets two times per year and a Montana representative is requested each time to present a State brucellosis update. The BCT has requested an update on Montana's latest brucellosis quarantined herd, our live elk capture, bison quarantine and other brucellosis related. The Wyoming Fish and Game department will give an update on their elk collaring study in the Bighorn Mountains. The upcoming meeting is on April 18, 2017 in Pinedale, WY. Travel expenses would be paid with federal cooperative agreement travel funds.</p> <p>Travel estimates are as follows: 800 miles x \$.25/mile= \$200 Hotel 1 night=\$119 Per diem (\$46) x 2=\$92 Total \$411</p> <p>Recommendation:</p>					
Time needed: 10 MIN		Attachments: NO		Board vote required? YES	
From: M. Zaluski/T. Szymanski		Division/Program: Animal Health		Meeting Date: April 6, 2017	
<u>Agenda Item: Board update: South Dakota bovine tuberculosis epidemiologic investigation-Impact on Montana</u>					
<p>As of 03.21.17: Animal Health Division continues to work with South Dakota and Montana producers on traces from the TB infected herd in SD. Currently, DOL has received 6 traces and has quarantined 3 herds with approximately 1800 animals. Testing on one of the three herds will start the week of 03.20. A second herd will test after calving in May. A third herd is in the process of removing all animals purchased from the SD infected herd and submitting the animals for sampling.</p>					
Time needed: 20 MIN		Attachments: NO		Board vote required No	
<u>Agenda Item:</u>					
Background Info:					
Recommendation:					
Time needed:		Attachments: Yes No		Board vote required: Yes No	
<u>Agenda Item:</u>					
Background Info:					
Recommendation:					
Time needed:		Attachments: Yes No		Board vote required: Yes No	
<u>Agenda Item:</u>					
Background Info:					
Recommendation:					
Time needed:		Attachments: Yes No		Board vote required: Yes No	

Department of Livestock

1) Division
Animal Health**2) Employees Traveling**

Eric Liska, DVM

3) Justification

Wyoming Governor's Brucellosis Coordination Team, meeting on April 18th. The agenda includes an update on the current brucellosis cases in Wyoming (1 herd currently under quarantine), Montana and Idaho updates, brucellosis research updates, Wyoming Game and Fish Department (WGFD) elk brucellosis surveillance and research updates.

Montana representation and attendance at this meeting helps keep DOL up to date on brucellosis issues in the three GYA states as well as new research and information.

Cost of travel estimate:

800 miles x \$.25/mile=\$200

hotel 1 night = \$119

per diem(\$46) x 2= \$92

Total \$411

4) Itinerary

April 17 drive to Pinedale, WY (400 miles)

April 18 meeting and return travel.

5) Submitted By

Requested By
Eric Liska

Title
Program veterinarian

Date
4/6/2017

Approval - to be Completed by Agency Authorized Personnel

Date Approved by Board

Board Chair / EO

Date

NOTE: A travel expense voucher form must be filed within three months after incurring the travel expenses, otherwise the right to reimbursement will be waived.

Department of Livestock

1) Division
Animal Health**2) Employees Traveling**

Dr. Marty Zaluski

3) Justification

As a member of the Executive Committee of the USAHA, Dr. Zaluski is requested to participate in the summer meeting of the Executive Committee. In the last year, the committee has redesigned the logo and updated the website. We are also in the process of reorganizing the committee structure to consolidate the time that an attendee needs to spend at the annual conference.

The summer meeting is scheduled to take place on August 1-2, 2017 in St. Joseph, Missouri

Budget:

Travel (estimated airfare)	\$ 750
Lodging (\$200/night)	\$ 200
Per Diem (\$43/day x 2 days)	\$ 90

Total Budget	\$1040 (Animal Health Funds)
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4) Itinerary

Travel to St. Joseph

Monday, 8/1: Travel day and EC meeting half day.

Tuesday 8/2: EC meeting half day and return travel

5) Submitted ByRequested By
Dr. ZaluskiTitle
MT State VeterinarianDate
4/4/2017**Approval - to be Completed by Agency Authorized Personnel**

Date Approved by Board

Board Chair / EO

Date

NOTE: A travel expense voucher form must be filed within three months after incurring the travel expenses, otherwise the right to reimbursement will be waived.