



Commonwealth of Virginia
Virginia Information Technologies Agency

INFORMATION TECHNOLOGY HARDWARE, SOFTWARE & SERVICES
Optional Use

Date: February 2, 2011

Contract #: VA-090202-KSTD

Authorized User: All public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the *Code of Virginia*

Contractor: KST Data Inc.
19672 Player Court
Ashburn, VA 20147

FIN: 33-0416872

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Term: February 2, 2011 – February 1, 2012

Payment: Net 30 days

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Virginia Information Technologies Agency
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NOTES: Individual Commonwealth of Virginia employees are not authorized to purchase equipment or services for their personal use from this Contract.

For updates, please visit our Website at <http://www.vita.virginia.gov/procurement/contracts.cfm>

VIRGINIA INFORMATION TECHNOLOGIES AGENCY (VITA): Prior review and approval by VITA for purchases in excess of \$100,000.00 is required for State Agencies and Institutions only.

**MODIFICATION #1
TO
CONTRACT NUMBER VA-090202-KSTD
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
KST DATA, INC.**

This MODIFICATION #1 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and KST DATA, INC., hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #1 is hereby incorporated into and made an integral part of Contract VA-090202-KSTD (the Agreement), as modified.

Supplier agrees to support VITA's policy and procedure regarding removal of data from hard drives required per COV ITRM Standard SEC514-03 for all Authorized User Product being returned and/or replaced, by not accepting any returned Product until the Authorized User validates to the Supplier that one of the following actions has been taken:

- a.) If the hard drive malfunctions and data can be removed in accordance with the requirements in COV ITRM Standard SEC514-03 the drive may be returned to the Supplier for replacement under warranty or maintenance.
- b.) Hard drives that are inoperable and do not allow data to be removed in accordance with the requirements in COV ITRM Standard SEC514-03 shall be physically destroyed using a method previously outlined.
- c) Hard drives returned due to non-acceptance after installation and acceptance testing or as a result of any Termination action, Infringement consequence or any other action shall have data removed or hard drives destroyed by the same methods prescribed in a) and b) above.

When Product is returned or destroyed due to Termination for Breach or Default by the Supplier, or as a result of Supplier's infringement of any third party's rights, the Supplier is responsible for and will bear all costs for Authorized User performing the required action in accordance with COV ITRM Standard SEC514-03. When Product is returned as a result of any warranty or maintenance-related remedy, the Authorized User is responsible for and will bear all costs for performing the required action in accordance with COV ITRM Standard SEC514-03.

The term of the contract is extended under the same terms for the period beginning February 2, 2011 through February 1, 2012.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-090202-KSTD and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

KST DATA, INC.

BY: 

NAME: Stefan Mandanis

TITLE: Director, Sales

DATE: January 11, 2011

COMMONWEALTH OF VIRGINIA

BY: 

NAME: SAMUEL A. NIXON, JR.

TITLE: CIO OF THE COMMONWEALTH

DATE: 1/31/11



Hardware and Maintenance Contract

between

The Virginia Information Technologies Agency

on behalf of

The Commonwealth of Virginia

and

KST Data, Inc.

**HARDWARE AND MAINTENANCE CONTRACT
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HARDWARE AND MAINTENANCE CONTRACT

THIS HARDWARE AND MAINTENANCE CONTRACT ("Contract") is entered into by and between the Virginia Information Technologies Agency (hereinafter referred to as "VITA"), pursuant to §2.2-2012 of the Code of Virginia and on behalf of the Commonwealth of Virginia, and KST Data, Inc. ("Supplier"), a corporation headquartered at 3699 Wilsire Blvd Los Angeles CA , to be effective as of February 2, 2009 ("Effective Date").

1. PURPOSE

This Contract sets forth the terms and conditions under which Supplier agrees to sell certain of Supplier's Product, and to provide various Services to the Authorized Users.

2. DEFINITIONS

A. Acceptance

Acceptance shall take the form of completed and successful acceptance testing in conformance with the Requirements as determined by the Authorized User.

B. Authorized Users

All Public Bodies, including VITA and all Commonwealth agencies, as defined by §2.2-4301 and referenced by §2.2-4304 of the Code of Virginia.

C. Confidential Information

Any confidential or proprietary information of a Party that is disclosed in any manner, including oral or written, graphic, machine readable or other tangible form, to any other Party in connection with or as a result of discussions related to this Contract or any order issued hereunder, and which at the time of disclosure either (i) is marked as being "Confidential" or "Proprietary", (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the disclosing Party, or (iii) under the circumstances of disclosure should reasonably be considered as confidential or proprietary information of the disclosing Party.

D. Maintenance Level

The parameters of Maintenance Services, including the times during which and time-frames in which Supplier shall respond to a request for Maintenance Services. The available Maintenance Levels shall be as defined in Exhibit D hereto. The actual Maintenance Level for a unit of Product shall be set forth in the executed order for Maintenance of that Product referencing this Contract.

E. Maintenance Coverage Period (MCP)

The term during which Maintenance is to be provided for a unit of Product.

F. Maintenance Services (or Maintenance)

Those Services, preventive and remedial, performed by Supplier at Authorized User's request in order to ensure continued operation of the Product. Maintenance Services shall include support services.

G. Operating Condition

That condition which allows the Product to function in a normal, acceptable working manner, as designed by the Product manufacturer.

H. Party

Supplier, VITA, or any Authorized User.

I. Product

Hardware, peripherals, and any other equipment, including the System Software, all upgrades, all applicable user documentation and related accessories as set forth on Exhibit C provided pursuant to this Contract.

J. Receipt (of Product)

An Authorized User or its Agent has physically received the Product at the correct "ship to" location.

K. Requirements

The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the Product as set forth in the applicable documentation, Exhibit A and such other parameters, characteristics, or performance standards for the Product that may be agreed upon in writing by the Parties. [Note: In case of conflict, see the Entire Contract clause for order of precedence.]]

L. Response Time

The time between Supplier's receipt of Authorized User's request for Maintenance and the time Supplier commences repair of the Product.

M. Service

Any Product-related work performed or service provided, including certain Maintenance Services or other services for the Product and provision to the Authorized User of any deliverable, by Supplier under this Contract.

N. Software Publisher

The licensor of the System Software provided by Supplier under this Contract.

O. Supplier

Means the Supplier and any of its Affiliates (i.e., an entity that controls, is controlled by, or is under common control with Supplier).

P. System Software

The operating system code, including software, firmware and microcode, (object code version) for each Product, including any subsequent revisions, as well as any applicable documentation.

3. TERM AND TERMINATION

A. Contract Term

This Contract is effective and legally binding as of the Effective Date and, unless terminated as provided for in this section, shall continue to be effective and legally binding for a period of two (2) years. VITA, at its sole discretion, may extend this Contract for up to three (3) additional one (1) year periods after the expiration of the initial two (2) year period. VITA will issue a written notification to the Supplier stating the extension period, not less than thirty (30) days prior to the expiration of any current term. Warranty on or Maintenance Services for any Product ordered during the term of the Contract may extend beyond the term of this Contract. Performance of an order or SOW issued during the term of this Contract may survive the expiration of the term of this Contract, in which case all terms and conditions required for the operation of such order or SOW shall remain in full force and effect until the Warranty or Maintenance Services pursuant to such order or SOW have met the final Acceptance criteria of the applicable Authorized User.

B. Termination for Convenience

VITA may terminate this Contract, in whole or in part, or any order issued hereunder, in whole or in part, or an Authorized User may terminate for convenience an order, in whole or in part, upon not less than thirty (30) days prior written notice at any time for any reason.

C. Termination for Breach or Default

VITA shall have the right to terminate this Contract, in whole or in part, or any order issued hereunder, in whole or in part, or an Authorized User may terminate an order, in whole or in part, for breach and/or default of Supplier. Supplier shall be deemed in breach and/or default in the event that Supplier fails to meet any material obligation set forth in this Contract or in any order issued hereunder.

If VITA deems the Supplier to be in breach and/or default, VITA shall provide Supplier with notice of breach and/or default and allow Supplier fifteen (15) days to cure the breach and/or default. If

Supplier fails to cure the breach as noted, VITA may immediately terminate this Contract or any order issued hereunder, in whole or in part. If an Authorized User deems the Supplier to be in breach and/or default of an order, such Authorized User shall provide Supplier with notice of breach and/or default and allow Supplier fifteen (15) days to cure the breach and/or default. If Supplier fails to cure the breach and/or default as noted, such Authorized User may immediately terminate its order, in whole or in part. Any such termination shall be deemed a Termination for Breach or a Termination for Default. In addition, if Supplier is found by a court of competent jurisdiction to be in violation of or to have violated 31 USC 1352 or if Supplier becomes a party excluded from Federal Procurement and Non-procurement Programs, VITA may immediately terminate this Contract, in whole or in part, for breach. VITA shall provide written notice to Supplier of such termination and Supplier shall provide written notice to VITA if Supplier is charged with violation of 31 USC 1352 or if federal debarment proceedings are instituted against Supplier.

D. Termination for Non-Appropriation of Funds

All payment obligations under this Contract are subject to the availability of legislative appropriations at the federal, state, or local level, for this purpose. In the event of non-appropriation of funds, irrespective of the source of funds, for the items under this Contract, VITA may terminate any order, in whole or in part, or an Authorized User may terminate its order, in whole or in part, for those goods or services for which funds have not been appropriated. Written notice will be provided to the Supplier as soon as possible after legislative action is completed.

E. Effect of Termination

Upon termination, neither the Commonwealth, nor VITA, nor any Authorized User shall have any future liability except for Products or certain Maintenance or other Services accepted by the Authorized User prior to the termination date.

In the event of a Termination for Breach or Termination for Default, Supplier shall accept return of any Products or services that were not accepted by the Authorized User(s), and Supplier shall refund any monies paid by any Authorized User for such Product or services, including certain Maintenance Services, and all costs of de-installation and return of the Products shall be borne by Supplier.

F. Transition of Services

Prior to or upon expiration or termination of this Contract and at the request of VITA, Supplier shall provide all assistance as VITA or an Authorized User may reasonably require to transition Product-related Services to any other supplier with whom VITA or such Authorized User contracts for provision of Product-related services. This obligation may extend beyond expiration or termination of the Contract for a period not to exceed six (6) months. In the event of a termination for breach and/or default of Supplier, Supplier shall provide such assistance at no charge or fee to VITA or any Authorized User; otherwise, Supplier shall provide such assistance at the hourly rate or a charge agreed upon by Supplier and VITA or an Authorized User.

G. Contract Kick-Off Meeting

Within 30 days of Contract award, Supplier may be required to attend a contract orientation meeting, along with the VITA contract manager/administrator, the VITA and/or other CoVa Agency project manager(s) or authorized representative(s), technical leads, VITA representatives for SWaM and Sales/IFA reporting, as applicable, and any other significant stakeholders who have a part in the successful performance of this Contract. The purpose of this meeting will be to review all contractual obligations for both parties, all administrative and reporting requirements, and to discuss any other relationship, responsibility, communication and performance criteria set forth in the Contract. The Supplier may be required to have its assigned account manager as specified in Section 6.0 and a representative from its contracts department in attendance. The time and location of this meeting will be coordinated with Supplier and other meeting participants by the VITA contract manager.

H. Contract Closeout

Prior to the contract's expiration date, Supplier may be provided contract close out documentation and shall complete, sign and return to VITA Supply Chain Management within 30

days of receipt. This documentation may include, but not be limited to: Patent/Royalty Certificate, Tangible Property/Asset Certificate, Escrow Certificate, SWaM Reports Completion Certificate, Sales Reports/IFA Payments Completion Certificate, and Final Payment Certificate. Supplier is required to process these as requested to ensure completion of close-out administration and to maintain a positive performance reputation with the Commonwealth of Virginia. Any closeout documentation not received within 30 days of Supplier's receipt of our request will be documented in the contract file as Supplier non-compliance. Supplier's non-compliance may affect any pending payments due the Supplier, including final payment, until the documentation is returned.

4. DELIVERY, INSTALLATION AND ACCEPTANCE

A. Delivery Procedure

Supplier shall deliver all Product F.O.B. destination, with such destination being the "ship to" address specified in the applicable order. For orders for which Supplier is to provide installation of the Product, Supplier shall bear all risk of loss of or damage to the Product until Receipt/Acceptance by the Authorized User. For orders for which Supplier is not to provide installation of the Product, Supplier shall bear all risk of loss or damage to the Product until Receipt. In all cases, Supplier shall arrange and pay for all transportation and insurance sufficient to fully protect the Product while in transit. Each shipment shall include a packing slip indicating this Contract number, the Authorized User's order number, the part number, a description of the Product shipped and the quantity shipped. Each package in any shipment shall be numbered, shall have stenciled on one end and one side a description of the quantity of Product contained therein by part number and description, and shall conspicuously display the number of the package in that shipment which contains the packing slip. If required by the Authorized User, Supplier shall bar code all packages shipped. If any loss to, or damage of, the Product occurs prior to Acceptance by the Authorized User, Supplier shall immediately provide a replacement item. Title to Product, excluding System Software, shall pass upon Acceptance.

Supplier shall make available all appropriate and/or related user documentation at the time of delivery of the first unit of each different Product type. Product delivered without the appropriate and required documentation shall be considered "shipped short" until the applicable documentation has been received.

B. Late Delivery

Supplier hereby acknowledges and agrees that failure to deliver the Product ordered in strict accordance with the agreed upon delivery schedule determined in accordance with this Section shall constitute a material breach of this Contract resulting in damages to the ordering Authorized User, the total sum of which would be impracticable or difficult to ascertain as of the Effective Date of this Contract. As an estimate of the minimum amount of damages such Authorized User will suffer, Supplier agrees to credit the Authorized User an amount equal to one percent (1%) of the total purchase price, for each day that the Product is undelivered or unoperational for a period of thirty (30) days following the agreed upon delivery date. If the delay lasts longer than thirty (30) days, the Authorized User may immediately cancel the order and collect as late delivery damages one percent (1%) of the total purchase price. Any credit due the Authorized User will be applied to the next periodic invoice.

In addition, in the event the Supplier fails for any reason to deliver within thirty (30) days of the agreed upon delivery date set forth in the order/schedule, the ordering Authorized User, at its own discretion, may give Supplier oral or written notice of breach. Once notice by such Authorized User is sent or given, the Authorized User may immediately procure the undelivered items, or items similar thereto, from another source. Once the Authorized User has effected a purchase from an alternate source (in accordance with the Virginia Public Procurement Act, §§ 2.2-4300 et seq. of the Code of Virginia), the Authorized User may charge-back Supplier, in which case Supplier agrees to reimburse the Authorized User for any difference in cost between the original contract price and the Authorized User's cost to cover from the alternate source. In no event shall any Authorized User be held to pay Supplier any costs incurred by Supplier, including but not limited to ordering, marketing, manufacturing, or delivering the item(s) which are

subject of such Authorized User 's notice of breach. Notwithstanding the foregoing, the Authorized User reserves any and all other remedies available at law or in equity.

C. Product Trade-in and Upgrade

(To be determined prior to contract execution)

D. Product Installation

Unless otherwise agreed, Supplier shall provide the initial installation of all Product at no additional charge. Installation shall include: unpacking, removal of all shipping/packing materials, positioning, connecting to internal utility services, testing, related necessary services to allow for Acceptance by the Authorized User.

All Product installations shall comply with building and facilities standards established by the ordering Authorized User. If such Authorized User installs the Product, Supplier shall provide all reasonably necessary telephone assistance at no charge.

E. Product Acceptance

Product shall be deemed accepted when the ordering Authorized User determines that such Product successfully operates in accordance with the Requirements. Such Authorized User shall commence Acceptance testing within fifteen (15) days, or within such other period as set forth in the applicable order, after Receipt/installation of the Product. Acceptance testing will be no longer than fifteen (15) days, or such longer period as may be agreed in writing between Authorized User and Supplier. Supplier agrees to provide to the Authorized User such assistance and advice as the Authorized User may reasonably require, at no additional cost, during such Acceptance testing, other than pre-approved travel expenses incurred which are reimbursable by the Authorized User at the then-current per diem amounts as published by the Virginia Department of Accounts. Any such travel expenses must be pre-approved by the Authorized User and shall be reimbursable by such Authorized User at the then-current per diem amounts as published by the Virginia Department of Accounts (http://www.doa.virginia.gov/Admin_Services/CAPP/CAPP_Topics/20335_Meals_Lodging_102007.pdf, or a successor URL(s)). Authorized User shall provide to Supplier written notice of Acceptance upon successful Acceptance testing. Should Authorized User fail to provide Supplier written notice of successful or unsuccessful Acceptance testing within five (5) days following the Acceptance testing period, the Product(s) shall be deemed Accepted.

F. Cure Period

Supplier shall correct any non-conformities identified during Acceptance testing and re-submit such previously non-conforming Product for re-testing within seven (7) days of written notice of non-conformance, or as otherwise agreed between the Authorized User and Supplier in the applicable order. Should Supplier fail to cure the non-conformity or deliver Product which meets the Requirements, such Authorized User may, in its sole discretion: (i) reject the Product in its entirety and recover amounts previously paid hereunder; (ii) issue a "partial Acceptance" of the Product with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable Product while reserving its right to revoke Acceptance if timely correction is not forthcoming. Failure of a Product to meet, in all material respects, the Requirements after the second set of acceptance tests may constitute a default by Supplier. In the event of such default, the Authorized User may, at its sole discretion, terminate its order, in whole or in part, for the Product and any Services to be provided thereunder by Supplier.

G. Product Discontinuation

During the term of this Contract, if any Product listed on Exhibit C is discontinued and Supplier does not offer a substitute acceptable to VITA, Supplier shall, for each Authorized User who purchased the discontinued Product, continue to meet such Authorized User's needs for the discontinued Product for not less than twelve (12) months. Additionally, Supplier shall make available to the Authorized User maintenance parts for discontinued Product for five (5) years from the date of such discontinuation. In every event, Supplier will provide any Authorized User with 120 days advance written notice of its intent to discontinue any Product type previously ordered by such Authorized User.

5. PRODUCT SUPPORT AND ADDITIONAL SERVICES

A. Authorized User or Third Party Support

1. Documentation and Support Availability

In the event that VITA terminates this Contract, Supplier shall provide all the necessary user and installation documentation and maintenance and repair training reasonably required to enable any Authorized User to maintain and repair the Product itself or to obtain support and maintenance services from a third-party. Supplier shall also provide the documentation and training necessary to allow any Authorized User to self-maintain to the subcomponent level. In addition, Supplier agrees to provide, for a period of five (5) years from the date of the last purchase, spare parts and components at the cost set forth in Exhibit C, including those solely sourced by Supplier, to enable any Authorized User or its designated third-party maintenance provider to provide full maintenance and repair of the Product.

2. Timeliness and Price

Supplier agrees to make the above-referenced documentation, training and spare parts and components available within fifteen (15) days following receipt of a written request, and at a price set forth in Exhibit C, such price not to exceed Supplier's published price list, or the fair market value, but in no event at prices above the lowest price paid by any other customer of Supplier. In addition, Supplier agrees to sell Product, as set forth in Exhibit C attached hereto, to any Authorized User's third-party maintenance provider under contract with such Authorized User, at the prices as set forth in Exhibit C, for the sole purpose of supporting the Authorized User's installed inventory. Supplier agrees to document and provide to all Authorized Users in a timely manner any and all revisions to information and parts and components lists as they are developed or supplied by Supplier.

B. Engineering Changes and Product Modification

For each Authorized User that purchased Product, Supplier agrees to document and provide to such Authorized User any and all planned engineering changes to the Product ninety (90) days prior to incorporation. All engineering changes which affect the safety of the Product ("Safety Changes") or the ability of the Product to meet the published specifications ("Performance Changes"), shall be made at no cost to the Authorized User. Supplier shall install all Safety Changes and Performance Changes within thirty (30) days after issuance of the engineering change order by the Product manufacturer. If such engineering changes affect Product processing or operating capability, they shall be scheduled at the Authorized User's request as to time and at the Authorized User's option. The Authorized User shall have the option to waive/pre-approve all other engineering changes planned by Supplier on the Product delivered or planned for delivery to the Authorized User.

C. Training

The Product purchase price includes all costs for the training of one trainer at the ordering Authorized User's designated location on the use and operation of the Product, including instruction in any necessary conversion of such Authorized User's data for such use. Pursuant to a mutually agreed upon schedule, Supplier shall provide sufficient personnel experienced and qualified to conduct such training. Available optional training, and applicable pricing and discounts, are described in Exhibit C.

D. Parts and Maintenance Support

Supplier agrees to make available new/certifiable as new spare parts and the Maintenance Services identified in the Maintenance Services section herein and Exhibit D hereto for each Product type ordered by an Authorized User, for five (5) years from the expiration of the initial Warranty Period of the last unit of any given Product type provided by Supplier to such Authorized User. Thereafter, Supplier shall advise such Authorized User of its intent to discontinue either certain parts or maintenance services for any Product type ordered by the Authorized User.

Supplier shall notify the Authorized User one (1) year prior to the effective date of any such discontinuance, and shall provide to the Authorized User the opportunity to purchase spare parts

in a quantity adequate to support its installed base. Should Supplier advise the Authorized User of its intent to discontinue certain parts for any Product type ordered by the Authorized User, the Authorized User has the option to request and Supplier has the obligation to provide, all documentation, including source code, required to ensure ongoing support, including full maintenance and repair by the Authorized User or its designated third-party maintenance provider within thirty (30) days prior to the discontinuance date or to replace the unsupported Product with a supported Product at a cost to the Authorized User of no more than the cost delta between the supported Product and the unsupported Product.

E. Inventory Record

Supplier shall maintain, at no additional cost, a record of all units of Product covered under warranty/maintenance by type, quantity and location, including the end date for each unit's Warranty Period or maintenance term ("Inventory Record"). Product quantities and types may vary as Product is added or deleted from coverage, and Authorized User shall notify Supplier in writing of any Product relocated, added, or removed from service. Upon such notification, Supplier shall amend the Inventory Record to reflect such relocation, addition, or deletion of Product. Supplier shall provide, at no additional cost, a copy of the most current Inventory Record to any Authorized User upon request.

F. Product Service Record

Supplier shall maintain, at no additional cost, a Product Service Record for each unit of Product covered under warranty or maintenance. The Product Service Record shall record the following for such unit of Product: (i) installation/ relocation/ removal/ modifications; (ii) remedial actions; (iii) preventive actions; (iv) any additional services not covered by warranty or maintenance. Upon request by the Authorized User, Supplier shall provide, at no additional cost, a copy of the Product Service Record.

G. Additional Services

In addition to any on-site warranty or maintenance service obligations, Supplier shall, upon request of an Authorized User by means of an order issued in accordance with the ordering provisions of this Contract, provide additional on-site services which may include: (i) relocation of previously installed hardware; (ii) assistance to Authorized User's communications department in mutually acceptable duties related to the warranty or maintenance services provided under this Contract; and (iii) cabling, if applicable. The Authorized User shall compensate Supplier for such additional on-site services in accordance with the prices identified in Exhibit C.

Furthermore, Supplier shall, upon request of an Authorized User by means of an order issued in accordance with the ordering provisions of this Contract, provide the following services beyond those identified as warranty or maintenance service offerings: (i) service on equipment not covered by this Contract, (ii) repair of damage or replacement of parts of hardware resulting from changes in the hardware environment, extraordinary use of the hardware, or interconnected devices, or (iii) service outside the applicable hours of service specified in an executed order referencing this Contract. The charge for such services shall be at the hourly rate specified in Exhibit C and shall be inclusive of all expenses. Warranty or maintenance services requested for a unit of hardware within the forty-eight (48) hour period immediately following Remedial Maintenance performed on the same unit of hardware for the same problem, shall not be considered an additional service and shall be provided at no charge. Requests for additional services shall only be approved for payment by the Authorized User when a Product Service Record is included with the applicable invoice.

6. WARRANTY AND REMEDY

A. Supplier

Supplier shall perform its obligations hereunder in accordance with the highest professional duty of care.

B. Ownership

Supplier is the owner of the Product or otherwise has the right to grant to the Commonwealth or any Authorized User title to or the right to use the Product provided hereunder without violating or

infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third-party. Upon receipt of payment, the Commonwealth or the ordering Authorized User, as applicable, shall obtain good and clear title to the Product, excluding the System Software, free and clear of all liens, claims, security interests and encumbrances.

C. Supplier Viability

Supplier warrants that it has the financial capacity to perform and continue to perform its obligations under this Contract, that no legal proceedings have been threatened or brought against Supplier that could materially adversely affect performance of this Contract, and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

D. Compatibility

Supplier warrants that each Product provided hereunder is, and shall continue to be, data, program, and upward compatible with any other Product available or to be available from Supplier within the same family of Products so that data files created for each Product can be utilized without adaptation of the other Products, and so that programs written for the Product shall operate on the next generation of Products, and not result in the need for alteration, emulation, or other loss of efficiency for a period of not less than five (5) years.

E. Product

Supplier warrants the following with respect to the Product:

- i). Product pursuant to a particular Request for Proposal (RFP), quote, or Request for Quote (RFQ), shall be fit for the particular purposes specified by VITA in the RFP and in this Contract and, if applicable, by the authorized User requesting such quote or issuing such RFQ, and Supplier is possessed of superior knowledge with respect to the Product and is aware that Authorized Users are relying on Supplier's skill and judgment in providing the Product;
- ii). The Product shall be free of defects in material, design and workmanship;
- iii). Upon delivery, the Product shall be new and in Operating Condition and shall have all released engineering changes released to date already installed;
- iv). Each Product delivered hereunder shall function in conformance with the Requirements;
- v). No engineering change made to the Product or System Software revisions shall degrade the performance of the Product to a level below that defined in the applicable Request for Proposal, and in the Product manufacturer's published specifications;
- vi). Upon delivery, all System Software shall be at the current release level unless otherwise requested by the ordering Authorized User; and
- vii). The System Software shall not contain any embedded device or code (e.g., time bomb) that is intended to obstruct or prevent any Authorized User's use of the System Software, nor shall Supplier disable any Authorized User's use of such System Software through remote access or otherwise. If the System Software contains authorization codes allowing access to a data base or other software, Supplier warrants that such codes shall be perpetual and non-expiring.

F. Performance Standards and Mean Time Between Failure

For a period of five (5) years following acceptance of the Product by an Authorized User, Supplier warrants that the Product's performance standards and Mean Time Between Failure (MTBF) standards, calculated based upon such Authorized User's installed base of Supplier Product, shall be at least as good as the standards set forth in Exhibit B. If the Product fails to satisfy (i) the MTBF standards or (ii) the performance standards for that Product type as set forth herein, Supplier shall pay for any and all additional repairs, parts and labor required to bring Product to the appropriate level set forth in Exhibit B, including the cost to retrofit the entire installed Product base. If Supplier fails to so modify or replace the Product so as to achieve the MTBF standards within thirty (30) days, the Authorized User may, at its option, return such Product and receive a

full refund during the Product warranty period, or if the warranty has expired, receive a straight line pro-rated refund, by year thereafter for the five (5) year period following installation of the Product.

G. Warranty Services

During the warranty period of one year (1) year, or as specified in the applicable order, Supplier warrants that the Product shall meet or exceed the Requirements. Supplier shall provide warranty services (including unlimited telephonic support and all necessary travel and labor) during the Warranty Period at the prices identified in Exhibit C. Supplier shall correct, at no additional cost to any Authorized User, all errors identified during the warranty period that result in a failure of the Product to meet the Requirements.

Exhibit D provides detailed descriptions of the Supplier's warranty and maintenance offerings and responsibilities as well as remedies available to the Authorized User in the event Supplier fails to perform its warranty and maintenance obligations. Any remedies shall be paid to the Authorized User on a quarterly basis. Exhibit D defines coverage periods, response times, and restore times. If multiple warranty levels are available, an Authorized User may elect, at any time, an alternative warranty level offered by Supplier. Such amendment shall take effect within thirty (30) days following Supplier's receipt of Authorized User's written notice, in the form of a modification to an order.

Authorized User's designated control organization shall have the exclusive authority to request warranty services. Supplier shall not respond to calls for service from any other source without prior written approval of Authorized User's agreement administrator designated on the relevant order.

1. Product Covered

Exhibit C lists all Product types covered under warranty.

2. Preventive Maintenance

Supplier's Preventive Maintenance offerings and responsibilities, and the Authorized User's associated remedies, are described in Exhibit D.

3. Remedial Maintenance

Supplier's Remedial Maintenance offerings and responsibilities, and the Authorized User's associated remedies, are described in Exhibit D.

4. Replacement Parts

Supplier's offerings and responsibilities related to Replacement Parts, and the Authorized User's associated remedies, are described in Exhibit D.

5. Spares

Supplier's offerings and responsibilities related to Spares, and the Authorized User's associated remedies, are described in Exhibit D.

6. Notification and Correction of Defects

Supplier's offerings and responsibilities related to notification and correction of defects, and the Authorized User's associated remedies, are described in Exhibit D.

7. One-year Depot Warranty

Supplier's depot warranty offerings and responsibilities are described in Exhibit D.

8. On-site Warranty

Supplier's on-site warranty offerings and responsibilities are described in Exhibit D.

9. System Software Warranty

As part of the standard warranty offering, for a period of not less than twelve (12) months beginning on the date of Acceptance, Supplier shall provide the following warranty services (including unlimited telephonic support and all necessary travel and labor) without additional

charge to any Authorized User to maintain the System Software in accordance with the Requirements:

a) New Releases

Supplier's responsibilities related to new releases of System Software and Documentation are described in Exhibit D.

b) Coverage

Supplier's offerings and responsibilities related to coverage for telephonic and written consultation in connection with use, problems, and operation of the System Software are described in Exhibit D.

c) Response and Restore Times

Supplier's response and restore times related to use, problems, and operation of the System Software, and Authorized User's associated remedies, are described in Exhibit D.

d) Software Evolution

Should Supplier or Software Publisher merge or splinter the System Software previously provided to any Authorized User, such action on the part of Supplier or Software Publisher shall not in any way result in any Authorized User being charged additional license or support fees in order to receive enhancements, releases, upgrades or support for the System Software.

If Supplier or Software Publisher reduces or replaces functionality contained in a licensed System Software product and provides the same or substantially similar functionality as or within a separate or renamed System Software product, then the Commonwealth or the Authorized User shall be entitled to license such System Software product at no additional license or maintenance fee, and subject to the terms and conditions herein.

If Supplier or Software Publisher releases an option, future System Software product or other release that has substantially the same functionality as the Software products provided under this Contract, and Software Publisher and/or Supplier ceases to provide maintenance for the older System Software product, then Supplier shall offer the Commonwealth or the Authorized User the option to exchange licenses for such replacement System Software product or function at no additional charge.

10. Escalation Procedures

TBD based on Supplier proposal.

11. Remedies

In addition to any remedies described in Exhibit D, if Supplier is unable to make the Product, including System Software, conform, in all material respects to the Requirements, within thirty (30) days following notification by an Authorized User, Supplier shall, at such Authorized User's request, either (i) replace the non-conforming Product or (ii) accept return of the non-conforming Product and return all monies paid by such Authorized User for the returned Product.

Notwithstanding anything to the contrary in this Contract or in any exhibit hereto, VITA and any Authorized User retain all rights and remedies available at law or in equity.

12. Product Maintenance Services and Renewal Options

At least sixty (60) days prior to the expiration of the Warranty Period, Supplier shall notify the Authorized User, and the Authorized User, at its sole discretion, may order from Supplier Maintenance Services, including System Software Maintenance for a period of one (1) year (Maintenance Coverage Period) and for the annual fee identified in Exhibit C. Supplier warrants that it shall make Maintenance Services available for all the Product, including System Software, listed in Exhibit C, or which are components of Products listed in Exhibit C, for a period of at least five (5) years from the expiration of the initial Warranty Period of any

Product provided to an Authorized User pursuant to this Contract. Termination of this Contract or cancellation of Maintenance Services, including System Software Maintenance Services if provided as a separate offering from Supplier, by an Authorized User shall not affect this Contract or the grant of any license pursuant thereto.

THE OBLIGATIONS OF SUPPLIER UNDER THIS WARRANTY AND REMEDY SECTION ARE MATERIAL. SUPPLIER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY CONCERNING MERCHANTABILITY OR FITNESS FOR ANY OTHER PARTICULAR PURPOSE.

7. MAINTENANCE SERVICES

Supplier shall provide Maintenance Services (including unlimited telephonic support and all necessary travel and labor) during the Maintenance Coverage Period (MCP) at the prices identified in [Exhibit C](#) without additional charge to maintain the Product in accordance with the Requirements.

[Exhibit D](#) provides detailed descriptions of the Supplier's warranty and maintenance offerings and responsibilities as well as remedies available to the Authorized User in the event Supplier fails to perform its warranty and maintenance obligations. Any remedies shall be paid to the Authorized User on a quarterly basis. [Exhibit D](#) defines coverage periods, response times, and restore times.

Authorized User's designated control organization shall have the exclusive authority to request maintenance services. Supplier shall not respond to calls for service from any other source without prior written approval of Authorized User's agreement administrator designated on the relevant order.

A. Ordering

An Authorized User may order Maintenance Services for any Product at any time during the term of the Contract, irrespective of whether such Product is covered under warranty or maintenance at the time the order is issued to Supplier. Each order shall identify:

Product and, if applicable, serial number, for which Maintenance Services shall be provided, Maintenance Level to be provided, and MCP for the Product Maintenance.

Authorized User may elect, at any time, an alternative Maintenance Level offered by Supplier. Such amendment shall take effect within thirty (30) days following Supplier's receipt of Authorized User's written notice, in the form of a modification to an order.

Option 1: Unless otherwise agreed to by the Authorized User and Supplier, the MCP for a unit of Product shall be one (1) year from the effective date of any executed order for Maintenance on such Product.

Option 2: Co-termination of MCP, TBD based on Supplier proposal.

B. Renewal

At least sixty (60) days prior to the expiration of the MCP for each unit of Product, Supplier shall notify the Authorized User of such expiration, and the Authorized User, at its sole discretion, may issue an order to Supplier to renew Maintenance Services, including System Software Maintenance Services, for an additional one (1) year period. The annual fee for Maintenance Services shall not exceed the fee charged for the preceding year's Maintenance Services by more than three percent (3%), or the annual change in CPI, as defined in the Purchase Price and Price Protection section, in effect at the time, whichever is less. Termination of this Contract or cancellation of Maintenance Services, including System Software Maintenance Services if provided as a separate offering from Supplier, by an Authorized User shall not affect this Contract or the grant of any license pursuant thereto.

C. Services

Maintenance Services shall be as follows:

1. Product Covered

Exhibit C lists all Product types for which Supplier offers Maintenance Services. No Authorized User is obligated to continue Maintenance Services on Product that has been removed from service, provided Supplier has been notified in writing of such removal.

2. Preventive Maintenance

Supplier's Preventive Maintenance offerings and responsibilities, and the Authorized User's associated remedies, are described in Exhibit D.

3. Remedial Maintenance

Supplier's Remedial Maintenance offerings and responsibilities, and the Authorized User's associated remedies, are described in Exhibit D.

4. Replacement Parts

Supplier's offerings and responsibilities related to Replacement Parts, and the Authorized User's associated remedies, are described in Exhibit D.

5. Spares

Supplier's offerings and responsibilities related to Spares, and the Authorized User's associated remedies, are described in Exhibit D.

6. Notification and Correction of Defects

Supplier's offerings and responsibilities related to notification and correction of defects, and the Authorized User's associated remedies, are described in Exhibit D.

7. Advanced Replacement Services

Supplier's advanced replacement service offerings and responsibilities are described in Exhibit D.

8. On-site Maintenance Services

Supplier's on-site maintenance service offerings and responsibilities are described in Exhibit D.

9. System Software Maintenance

During the MCP and as part of the standard Maintenance Services offering, Supplier shall provide the following Maintenance Services (including unlimited telephonic support and all necessary travel and labor) without additional charge to any Authorized User to maintain the System Software in accordance with the Requirements:

a) New Releases

Supplier's responsibilities related to new releases of System Software and Documentation are described in Exhibit D.

b) Coverage

Supplier's offerings and responsibilities related to coverage for telephonic and written consultation in connection with use, problems, and operation of the System Software are described in Exhibit D.

c) Response and Restore Times

Supplier's response and restore times related to use, problems, and operation of the System Software, and any associated remedies, are described in Exhibit D.

d) Software Evolution

Should Supplier merge or splinter the System Software previously provided to any Authorized User, such action on the part of Supplier shall not in any way result in any Authorized User being charged additional license or Maintenance fees in order to receive enhancements, releases, upgrades or support for the System Software.

If Supplier or Software Publisher reduces or replaces functionality contained in a licensed System Software product and provides the same or substantially similar functionality as or within a separate or renamed System Software product, then the Commonwealth or the Authorized User shall be entitled to license such System Software product at no additional license or maintenance fee, and subject to the terms and conditions herein.

If Supplier or Software Publisher releases an option, future System Software product or other release that has substantially the same functionality as the Software products provided under this Contract, and Software Publisher and/or Supplier ceases to provide maintenance for the older System Software product, then Supplier shall offer the Commonwealth or the Authorized User the option to exchange licenses for such replacement System Software product or function at no additional charge.

10. Escalation Procedures

TBD based on Supplier proposal.

11. Remedies

In addition to any remedies described in Exhibit D, if Supplier is unable to make the Product, including the System Software, conform, in all material respects, to the Requirements within thirty (30) days following notification by an Authorized User, Supplier shall, at such Authorized User's request, either (i) provide a replacement Product at no additional cost to the Authorized User, or (ii) accept return of the Product and return all monies paid by such Authorized User (a) for Maintenance Services for the returned Product, including System Software, pro-rated on a monthly basis as of the date the Authorized User reported the non-conformity and (b) for the Product, including System Software, pro-rated on a monthly basis as of the date the Authorized User reported the non-conformity and based on the average life of the Product.

Notwithstanding anything to the contrary in this Contract or in any exhibit hereto, VITA and any Authorized User retain all rights and remedies available at law or in equity.

8. SCOPE OF USE

Any Authorized User may use the Product, and any software licensed in connection with such Product, on a worldwide basis for the benefit of itself and its agents. Supplier further authorizes use of the Product by third parties who are under contract with an Authorized User to provide outsourcing services, including but not limited to providing application development services, data processing or facilities or infrastructure management services for the benefit of such Authorized User. For Products to which the Commonwealth or an Authorized User takes title, and any System Software which is integral to such Products, under the terms of this Contract, there are no restrictions on subsequent resale or distribution thereof by the Commonwealth or such Authorized User.

9. SOFTWARE LICENSE

If Authorized User is a state agency, board, commission, or other quasi-political entity of the Commonwealth of Virginia or other body referenced in Title 2.2 of the Code of Virginia, the license shall be held by the Commonwealth. If Authorized User is a locality, municipality, school, school system, college, university, local board, local commission, or local quasi-political entity, the license shall be held by that public body.

System Software licensed directly by Supplier

A. License Grant

Supplier hereby grants to the Commonwealth and all Authorized Users a fully paid, perpetual, worldwide, nonexclusive, transferable, irrevocable license to use, and to permit any agent of the Commonwealth or such Authorized User to use, System Software for each Product. Each license granted under this Contract authorizes the Commonwealth or such Authorized User and any agent of the Commonwealth or such Authorized User to use Supplier-licensed programs in machine readable form on any system without limitation. It is expressly understood that

“perpetual” license rights shall commence upon delivery of the System Software to the Authorized User and shall exist in perpetuity unless otherwise terminated in accordance with the applicable provisions of the Contract. The System Software is the property of Supplier, and no title or ownership of the System Software or any of its parts, including documentation, is transferred to the Commonwealth or the Authorized User.

B. Limitations on Copying and Disclosure

The Commonwealth, an Authorized User, or any agent of the Commonwealth or such Authorized User may make a reasonable number of backup, archival, and disaster recovery copies of the System Software. Any copies of the software or documentation made by the Commonwealth or an Authorized User pursuant to this Contract shall bear all copyright, trademark and other proprietary notices included therein by Supplier and, except as expressly authorized, neither the Commonwealth nor the Authorized User shall distribute same to any third-party without Supplier's prior written consent. The Commonwealth may distribute the System Software and documentation if such distribution is incidental to transfer of Product to which it has taken title. Neither the Commonwealth nor any Authorized User may resell the System Software except if such resale is incidental to the resale of Product to which the Commonwealth or such Authorized User has taken title.

C. Business Continuity and Recovery

Authorized User or its Agent may run the System Software concurrently at a back-up site. In the event that all of an Authorized User's copies of the System Software, including all backup copies, are destroyed, irreparably damaged or otherwise lost due to fire, explosion, sabotage, flood or other natural disaster not occasioned by the fault of such Authorized User, Supplier shall provide to the Authorized User, at no additional cost, a replacement copy of the System Software and documentation; provided however, that nothing contained in this Section shall obligate Supplier to replace or assist in the recovery of data lost concurrent with the loss of the System Software.

System Software licensed by Software Publisher] Supplier shall provide System Software for Product. Such System Software is licensed directly from the Software Publisher through the end user licensing agreement (EULA), as amended, attached hereto as Exhibit E. [end Option 2]

The following provisions apply to both Option 1 and Option 2.

D. Authorized User Compliance

Compliance with the terms and conditions of any license granted pursuant to this Contract is solely the responsibility of the Authorized User which purchased such license and not the responsibility of VITA, unless VITA purchased such license on its own behalf.

E. No Subsequent, Unilateral Modification of Terms by Supplier (“Shrink Wrap”)

Notwithstanding any other provision or other unilateral license terms which may be issued by Supplier after the Effective Date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for System Software licensed under this Contract, or the fact that such other agreement may be affixed to or accompany System Software upon delivery (“shrink wrap”), the terms and conditions set forth herein shall supersede and govern licensing and delivery of all products and services hereunder.

10. ORDERS AND COMPENSATION

A. Supplier Quote and Request for Quote

Should an Authorized User determine that a competitive process is required to ensure it receives the best value, such Authorized User may, at its sole discretion, on a case-by-case basis and upon approval by VITA, use a Request for Quote (RFQ) process to obtain product identical or similar to that provided by Supplier pursuant to this Contract. The RFQ process is typically used when an Authorized User requires a complete solution that may be fulfilled by Products and Services herein, but whose complexity or size may result in economies that could not be passed on to the Authorized User within the confines of the established contract catalog discount pricing. When an RFQ is used, the project timing and requirements will be clearly outlined in the RFQ document. In some situations, the Authorized User may not identify the exact specifications

required. If that is the case, the RFQ respondents will be given the opportunity to identify and propose their recommended specifications.

In cases where the RFQ process is invoked, the Authorized User will issue an RFQ describing its requirements to potential suppliers, and suppliers will provide, at their discretion, within the timeframe specified in the RFQ, a detailed Statement of Work (SOW)-based quote. Any quote submitted to the Authorized User as a result of this process shall include (a) a detailed description of each item proposed, at the Exhibit C line item level, (b) the quantity of each such item, (c) the contract price, (d) any additional percentage discount offered, and (e) an extended/total price.

Generally, the Authorized User will select the supplier offering the lowest total cost proposal. However, non-price factors may be included in the evaluation criteria for a given RFQ. Any purchase from Supplier that is a result of the RFQ process shall be subject to the terms and conditions specified and outlined in this Contract and any subsequent modifications. Additional terms and conditions may be requested or mandated within the RFQ document. To the extent that any terms and conditions of the Authorized User are inconsistent with the terms and conditions of this Contract, the terms and conditions of this Contract shall supersede.

B. Orders

Notwithstanding all Authorized User's rights to license or purchase Supplier's products or services under this Contract, an Authorized User is under no obligation to license or purchase from Supplier any of Supplier's products or services. This Contract is optional use and non-exclusive and all Authorized Users may, at their sole discretion, purchase, license or otherwise receive benefits from third party suppliers of products and services similar to, or in competition with, the products and services provided by Supplier.

Supplier is required to accept any order placed by an Authorized User through the eVA electronic procurement website portal ([eVA Home Page](#)). eVA is the Commonwealth of Virginia's e-procurement system. State agencies, as defined in §2.2-2006 of the Code of Virginia, shall order through eVA. All other Authorized Users are encouraged to order through eVA, but may order through the following means:

- viii). Purchase Order (PO): An official PO form issued by an Authorized User.
- ix). Any other order/payment charge or credit card process, such as AMEX, MASTERCARD, or VISA under contract for use by an Authorized User.

This ordering authority is limited to issuing orders for the Products and Services available under this Contract. Under no circumstances shall any Authorized User have the authority to modify this Contract. An order from an Authorized User may contain additional terms and conditions; however, to the extent that the terms and conditions of the Authorized User's order are inconsistent with the terms and conditions of this Contract, the terms of this Contract shall supersede.

Notwithstanding the foregoing, Supplier shall not accept any order from an Authorized User if such order is to be funded, in whole or in part, by federal funds and if, at the time the order is placed, Supplier is not eligible to be the recipient of federal funds as may be noted on any of the Lists of Parties Excluded from Federal Procurement and Non-procurement Programs.

ALL CONTRACTUAL OBLIGATIONS UNDER THIS CONTRACT IN CONNECTION WITH AN ORDER PLACED BY ANY AUTHORIZED USER ARE THE SOLE OBLIGATION OF SUCH AUTHORIZED USER AND NOT THE RESPONSIBILITY OF VITA UNLESS SUCH AUTHORIZED USER IS VITA.

C. Purchase Price and Price Protection

Exhibit C sets forth the prices by Product type (including whole units and repairable major components thereof) and for warranty services and Maintenance Services, and the appropriate Commonwealth discounts. Prices for Product shall not increase and the discounts shall not decrease for a period of not less than two (2) years from the Effective Date of this Contract. Thereafter, any increase in price shall be limited to once per twelve (12) month period and shall not exceed the lesser of three percent (3%) or the annual increase in the Consumer Price Index

for All Urban Consumers (CPI-U), U.S. City Average, for the expenditure category "Information technology, hardware and services" as published by the Bureau of Labor Statistics of the Department of Labor (<http://www.bls.gov/>), for the effective date of the increase compared with the same index one (1) year prior. Supplier shall demonstrate the added value for any requested price increase. Any change in price shall be submitted in writing in accordance with the above and shall not become effective for sixty (60) days thereafter. Semi-annually, VITA may check the prices for Product against the CPI-U, as defined above, for the expenditure category "Information technology, hardware and services", and the prices in Exhibit C shall be appropriately reduced to ensure continued price competitiveness, if required. Supplier agrees to offer Product price reductions to ensure compliance with the Competitive Pricing Section.

D. Supplier-Sponsored Product Promotions

The Supplier, at its discretion, may sponsor Product and Service promotions during the Contract term or any extensions thereof. Should Supplier choose to sponsor such a promotion, Supplier shall provide in writing to VITA, at least five (5) days prior to the promotion, the following information: (i) the dates of the promotion or the duration of the promotion to include the commencement date and the ending date; (ii) the exact Products or Services covered in the promotion; and (iii) the pricing or percentage discount offered during the promotion. VITA shall communicate to Supplier in writing its agreement to the promotion.

The Supplier shall be in breach of the Contract in the absence of a written agreement regarding the promotion. In any event wherein the Supplier proposes prices that are different than the Contract prices to any Authorized User without first obtaining VITA's agreement, the Supplier shall be in breach of the Contract, and VITA shall have all remedies available under Contract and law and in equity.

All Supplier-sponsored Product or Service promotions shall be available to all Authorized Users. Should the Supplier request a promotion that would be limiting, either through product configuration or quantities of Products and Services, VITA, at its sole discretion, may not provide a written agreement. VITA and Supplier agree that promotions shall not target any one Authorized User, or a few Authorized Users.

VITA and Authorized Users, at their discretion, may assist in advertising the promotion. This assistance may consist of advertising space on Authorized User web sites, or other assistance at an Authorized User's discretion.

E. Invoice Procedure

Supplier shall remit each invoice to the "bill-to" address provided with the order promptly after all Products or Services have been accepted. Payment for Maintenance Services shall be annually in arrears unless otherwise stated herein. No invoice shall include any costs other than those identified in the executed order, which costs shall be in accordance with Exhibit C. Without limiting the foregoing, all shipping costs are the Supplier's responsibility except to the extent such charges are identified in Exhibit C, or as noted in any executed order referencing this Contract. Invoices issued by the Supplier shall identify at a minimum:

- i). Product or Service type and description
- ii). Product serial number, if any
- iii). Quantity, charge and extended pricing for each Product and/or Service item
- iv). Applicable order date
- v). Ship date
- vi). Ship-to location contact name
- vii). This Contract number and the applicable order number
- viii). Supplier's Federal Employer Identification Number (FEIN).

Supplier shall submit separate invoices for the Maintenance charges (detailing the Product types and quantities by Authorized User site), for billable additional services, and for any installation

services, including the appropriate Product Service Record or other agreed upon written instrument. Additional invoices may be required by Authorized User from time to time detailing charges for Product at affiliate locations by corporate department.

Any terms included on Supplier's invoice shall have no force or effect and will in no way bind VITA or any Authorized User.

F. Purchase Payment Terms

Supplier is responsible for the accuracy of its billing information. Supplier agrees not to issue invoices hereunder until Product has been accepted. Charges for Product or Services accepted more than ninety (90) days prior to receipt of a valid invoice may not be paid. Should Supplier repeatedly over bill Authorized User, Authorized User may assess a one percent (1%) charge for the amount over billed for each month that such over billing continues.

Product shipped without the applicable Documentation may not meet Acceptance criteria, and payment shall not be due until after the required Documentation is provided.

If there are any disputed items, an Authorized User shall pay all undisputed charges and promptly notify Supplier in writing of any disputed amount. Supplier shall thereupon review its records, and, if it does not concur with the Authorized User, provide the Authorized User with documentation to support the charge. If such charges remain in dispute, such dispute shall be resolved in accordance with the Dispute Resolution section of this Contract. In the absence of the Supplier's written evidence identifying the merit of the disputed amounts, Authorized User may not pay the disputed amounts and may consider the matter concerning the specific identified amounts closed. All payment terms are net 30 days after Acceptance.

11. REPORTING

A. Supplier's Report of Sales and Industrial Funding Adjustment

By the 10th day of every month, the Supplier shall submit the "Supplier Monthly Report of Sales". A template showing the format in which the report is to be submitted and contact information for submission is available at

<http://www.vita.virginia.gov/uploadedFiles/SCM/SupplierReportofSalesTemplate.xls>. The report shall be submitted via electronic mail to the VITA IFA Coordinator and shall report total sales (defined for purposes of this report as all invoiced payments received by Supplier from all Authorized Users) for this Contract during the preceding month. Supplier shall be responsible for submitting the monthly report of sales even if Supplier has had no sales (i.e., a \$0.00 total sales value) for the reporting period.

The Supplier shall submit the Industrial Funding Adjustment (IFA) payment for the period covered by such "Supplier Monthly Report of Sales" within thirty (30) days after submitting the "Supplier Monthly Report of Sales". The IFA payment is equal to two percent (2%) of total sales reported during the relevant month.

The IFA payment shall be submitted to VITA, Attention VITA Controller in the form of a check or electronic payment, made payable to the Treasurer of Virginia. The IFA payment shall reference this Contract number, "report amounts", and "report period" and shall be accompanied by a copy of the relevant "Supplier Monthly Report of Sales". Contact information for submission of IFA payments is available at

<http://www.vita.virginia.gov/uploadedFiles/SCM/SupplierReportofSalesTemplate.xls>.

Failure to comply with reporting, payment and distribution requirements of this section may result in default of the Contract.

B. Small Business Participation

Supplier and VITA agree to meet promptly after the Effective Date of this Contract to discuss the participation of Virginia Department of Minority Business Enterprise (DMBE)-certified Small Businesses as subcontractors and second-tier suppliers under this Contract.

Supplier and VITA agree to meet annually thereafter to review small business subcontracting reports and discuss further action with respect to small business subcontracting and spend.

In addition, by the 10th day of every month, Supplier shall submit to VITA the Small Business Subcontracting Monthly Report (template to be provided). The report should specify the amount of such spend provided to small businesses. Supplier shall submit the report to SWaM@vita.virginia.gov.

12. COMPETITIVE PRICING

Supplier warrants and agrees that each of the charges, economic or product terms or warranties granted pursuant to this Contract are comparable to or better than the equivalent charge, economic or product term or warranty offered to any commercial or government customer of Supplier. If Supplier enters into any arrangement with another customer of Supplier or with an Authorized User to provide Software or Services under more favorable prices, as the prices may be indicated on Supplier's current U.S. and International price list or comparable document, then this Contract shall be deemed amended as of the date of such other arrangements to incorporate those more favorable prices, and Supplier shall immediately notify VITA of such change.

13. CONFIDENTIALITY

A. Treatment and Protection

Each Party shall (i) hold in strict confidence all Confidential Information of any other Party, (ii) use the Confidential Information solely to perform or to exercise its rights under this Contract, and (iii) not transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third-party. However, an Authorized User may disclose the Confidential Information as delivered by Supplier to subcontractors, contractors or agents of such Authorized User that are bound by non-disclosure contracts with such Authorized User. Each Party shall take the same measures to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in no event shall such measures be less than reasonable care).

B. Exclusions

The term "Confidential Information" shall not include information that is:

- i). in the public domain through no fault of the receiving Party or of any other person or entity that is similarly contractually or otherwise obligated;
- ii). obtained independently from a third-party without an obligation of confidentiality to the disclosing Party and without breach of this Contract;
- iii). developed independently by the receiving Party without reference to the Confidential Information of the other Party; or
- iv). required to be disclosed under The Virginia Freedom of Information Act (§§2.2-3700 et seq. of the Code of Virginia) or similar laws or pursuant to a court order.

C. Return or Destruction

Authorized User, Supplier shall (i) at its own expense, (a) promptly return to the disclosing Authorized User all tangible Confidential Information (and all copies thereof except the record required by law) of the disclosing Authorized User, or (b) upon written request from the disclosing Authorized User, destroy such Confidential Information and provide the disclosing Authorized User with written certification of such destruction, and (ii) cease all further use of the Authorized User's Confidential Information, whether in tangible or intangible form.

VITA or the Authorized User shall retain and dispose of Supplier's Confidential Information in accordance with the Commonwealth of Virginia's records retention policies or, if Authorized User is not subject to such policies, in accordance with such Authorized User's own records retention policies.

14. INDEMNIFICATION AND LIABILITY

A. Indemnification

Supplier agrees to indemnify, defend and hold harmless the Commonwealth, VITA, any Authorized User, their officers, directors, agents and employees (collectively, "Commonwealth's Indemnified Parties") from and against any and all third party claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, assessments, fines (whether criminal or civil), judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Commonwealth's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any intentional or willful conduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier (iii) breach of any representation, warranty or covenant of Supplier contained herein, (iv) any defect in the Product or Services, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Product or Services. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. For state agencies the applicable laws include §§ 2.2-510 and 2.2-514 of the Code of Virginia. In all cases the selection and approval of counsel and approval of any settlement shall be satisfactory to VITA or the Authorized User against whom the claim has been asserted.

In the event that a Claim is commenced against any of Commonwealth's Indemnified Parties alleging that use of the Product or any Product component or that the provision of Services under this Contract infringes any third party's intellectual property rights and Supplier is of the opinion that the allegations in such Claim in whole or in part are not covered by this indemnification provision, Supplier shall immediately notify VITA and the affected Authorized User(s) in writing, via certified mail, specifying to what extent Supplier believes it is obligated to defend and indemnify under the terms and conditions of this Contract. Supplier shall in such event protect the interests of the Commonwealth's Indemnified Parties and secure a continuance to permit VITA and the affected Authorized User(s) to appear and defend their interests in cooperation with Supplier as is appropriate, including any jurisdictional defenses VITA or the affected Authorized User(s) may have.

In the event of a Claim pursuant to any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Product or Services, and in addition to all other obligations of Supplier in this Section, Supplier shall at its expense, either (a) procure for all Authorized Users the right to continue use of such infringing Product or Services, or any component thereof; or (b) replace or modify such infringing Product or Services, or any component thereof, with non-infringing Products or Services satisfactory to VITA. And in addition, Supplier shall provide any Authorized User with a comparable temporary replacement Product or reimburse VITA or any Authorized User for the reasonable costs incurred by VITA or such Authorized User in obtaining an alternative product in the event such Authorized User cannot use the affected Product. If Supplier cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then Supplier shall accept the return of the infringing component of the Product or Services, along with any other components of any products rendered unusable by any Authorized User as a result of the infringing component, and refund the price paid to Supplier for such components.

B. Liability

Supplier shall have unlimited liability with respect to (i) any intentional or willful misconduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier, (iii) claims for bodily injury, including death, and real and tangible property damage, (iv) Supplier's indemnification obligations, (v) Supplier's confidentiality obligations, and (vi) Supplier's security compliance obligations. Supplier agrees that it is fully responsible for all acts and omissions of its employees, agents, and subcontractors, including their gross negligence or willful misconduct.

FOR ALL OTHER CONTRACTUAL CLAIMS, IN NO EVENT WILL ANY PARTY BE LIABLE TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION) LOSS OF PROFIT, INCOME OR SAVINGS, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, EXCEPT WHEN SUCH DAMAGES ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE PARTY, ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS.

15. SECURITY COMPLIANCE

Supplier agrees to comply with all provisions of the then-current Commonwealth of Virginia security procedures, published by the Virginia Information Technologies Agency (VITA) and which may be found at (<http://www.vita.virginia.gov/library/default.aspx?id=537#securityPSGs>) or a successor URL(s), as are pertinent to Supplier's operation. Supplier further agrees to comply with all provisions of the relevant Authorized User's then-current security procedures as are pertinent to Supplier's operation and which have been supplied to Supplier by such Authorized User. Supplier shall also comply with all applicable federal, state and local laws and regulations. For any individual Authorized User location, security procedures may include but not be limited to: background checks, records verification, photographing, and fingerprinting of Supplier's employees or agents. Supplier may, at any time, be required to execute and complete, for each individual Supplier employee or agent, additional forms which may include non-disclosure agreements to be signed by Supplier's employees or agents acknowledging that all Authorized User information with which such employees and agents come into contact while at the Authorized User site is confidential and proprietary. Any unauthorized release of proprietary information by the Supplier or an employee or agent of Supplier shall constitute a breach of this Contract.

Supplier shall indemnify, defend, and hold the Commonwealth, VITA, the Authorized User, their officers, directors, employees and agents harmless from and against any and all fines, penalties (whether criminal or civil), judgments, damages and assessments, including reasonable expenses suffered by, accrued against, or charged to or recoverable from the Commonwealth, VITA, the Authorized User, their officers, directors, agents or employees, on account of the failure of Supplier to perform its obligations pursuant to this Section.

16. BANKRUPTCY

If Supplier becomes insolvent, takes any step leading to its cessation as a going concern, or ceases business operations for any reason and other than assignment as allowed by this Contract, then VITA may immediately terminate this Contract, and an Authorized User may terminate an order, on notice to Supplier unless Supplier immediately gives VITA or such Authorized User adequate assurance of the future performance of this Contract or the applicable order. If bankruptcy proceedings are commenced with respect to Supplier, and if this Contract has not otherwise terminated, then VITA may suspend all further performance of this Contract until Supplier assumes or rejects this Contract pursuant to Section 365 of the Bankruptcy Code or any similar or successor provision, it being agreed by VITA and Supplier that this is an executory contract. Any such suspension of further performance by VITA pending Supplier's assumption or rejection shall not be a breach of this Contract, and shall not affect the right of VITA or any Authorized User to pursue or enforce any of its rights under this Contract or otherwise.

17. GENERAL PROVISIONS

A. Relationship Between VITA and Authorized User and Supplier

Supplier has no authority to contract for VITA or any Authorized User or in any way to bind or to commit VITA or any Authorized User to any agreement of any kind or to assume any liabilities of any nature in the name of or on behalf of VITA or any Authorized User. Under no circumstances shall Supplier, or any of its employees, hold itself out as or be considered an agent or an employee of VITA or any Authorized User, and neither VITA nor any Authorized User shall have any duty to provide or maintain any insurance or other employee benefits on behalf of Supplier or its employees. Supplier represents and warrants that it is an independent contractor for

purposes of federal, state and local employment taxes and agrees that neither VITA nor any Authorized User is responsible to collect or withhold any federal, state or local employment taxes, including, but not limited to, income tax withholding and social security contributions, for Supplier. Any and all taxes, interest or penalties, including, but not limited to, any federal, state or local withholding or employment taxes, imposed, assessed or levied as a result of this Contract shall be paid or withheld by Supplier or, if assessed against and paid by VITA or any Authorized User, shall be reimbursed by Supplier upon demand by VITA or such Authorized User.

B. Incorporated Contractual Provisions

The then-current contractual provisions at the following URL are mandatory contractual provisions, required by law or by VITA, and that are hereby incorporated by reference:

<http://www.vita.virginia.gov/uploadedFiles/SCM/StatutorilyMandatedTsandCs.pdf>

The contractual claims provision §2.2-4363 of the Code of Virginia and the required eVA provisions at <http://www.vita.virginia.gov/uploadedFiles/SCM/eVATsandCs.pdf> are also incorporated by reference.

The then-current terms and conditions in documents posted to the aforementioned URLs are subject to change pursuant to action by the legislature of the Commonwealth of Virginia, change in VITA policy, or the adoption of revised eVA business requirements. If a change is made to the terms and conditions, a new effective date will be noted in the document title. Supplier is advised to check the URLs periodically.

C. Compliance with the Federal Lobbying Act.

Supplier's signed certification of compliance with 31 USC 1352 (entitled "Limitation on use of appropriated funds to influence certain Federal Contracting and financial transactions") or by the regulations issued from time to time thereunder (together, the "Lobbying Act") is incorporated as Exhibit F hereto.

D. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to that body of law controlling choice of law. Any and all litigation shall be brought in the circuit courts of the Commonwealth of Virginia. The English language version of this Contract prevails when interpreting this Contract. The United Nations Convention on Contracts for the International Sale of Goods and all other laws and international treaties or conventions relating to the sale of goods are expressly disclaimed. UCITA shall apply to this Contract only to the extent required by §59.1-501.15 of the Code of Virginia.

E. Dispute Resolution

In accordance with §2.2-4363 of the Code of Virginia, Contractual claims, whether for money or other relief, shall be submitted in writing to the public body from whom the relief is sought no later than sixty (60) days after final payment; however, written notice of the Supplier's intention to file such claim must be given to such public body at the time of the occurrence or beginning of the work upon which the claim is based. Pendency of claims shall not delay payment of amounts agreed due in the final payment. The relevant public body shall render a final decision in writing within thirty (30) days after its receipt of the Supplier's written claim.

The Supplier may not invoke any available administrative procedure under §2.2-4365 of the Code of Virginia nor institute legal action prior to receipt of the decision of the relevant public body on the claim, unless that public body fails to render its decision within thirty (30) days. The decision of the relevant public body shall be final and conclusive unless the Supplier, within six (6) months of the date of the final decision on the claim, invokes appropriate action under §2.2-4364, Code of Virginia or the administrative procedure authorized by §2.2-4365, Code of Virginia.

Upon request from the public body from whom the relief is sought, Supplier agrees to submit any and all contractual disputes arising from this Contract to such public body's alternative dispute resolution (ADR) procedures. Supplier may invoke such public body's ADR procedures, if any, at any time and concurrently with any other statutory remedies prescribed by the Code of Virginia.

In the event of any breach by a public body, Supplier's remedies shall be limited to claims for damages and Prompt Payment Act interest and, if available and warranted, equitable relief, all

such claims to be processed pursuant to this Section. In no event shall Supplier's remedies include the right to terminate any license or support services hereunder.

F. Advertising and Use of Proprietary Marks

Supplier shall not use the name of VITA or any Authorized User or refer to VITA or any Authorized User, directly or indirectly, in any press release or formal advertisement without receiving prior written consent of VITA or such Authorized User. In no event may Supplier use a proprietary mark of VITA or an Authorized User without receiving the prior written consent of VITA or the Authorized User.

G. Notices

Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the U.S. mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to the addresses shown on the signature page. VITA or Supplier may change its address for notice purposes by giving the other notice of such change in accordance with this Section.

H. No Waiver

Any failure to enforce any terms of this Contract shall not constitute a waiver.

I. Assignment

This Contract shall be binding upon and shall inure to the benefit of the permitted successors and assigns of VITA and Supplier. Supplier may not assign, subcontract, delegate or otherwise convey this Contract, or any of its rights and obligations hereunder, to any entity without the prior written consent of VITA, and any such attempted assignment or subcontracting without consent shall be void. VITA may assign this Contract to any entity, so long as the assignee agrees in writing to be bound by the all the terms and conditions of this Contract.

If any law limits the right of VITA or Supplier to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be thirty (30) days after the Supplier gives VITA prompt written notice of the assignment, signed by authorized representatives of both the Supplier and the assignee. Any payments made prior to receipt of such notification shall not be covered by this assignment.

J. Captions

The captions are for convenience and in no way define, limit or enlarge the scope of this Contract or any of its Sections.

K. Severability

Invalidity of any term of this Contract, in whole or in part, shall not affect the validity of any other term. VITA and Supplier further agree that in the event such provision is an essential part of this Contract, they shall immediately begin negotiations for a suitable replacement provision.

L. Survival

The provisions of this Contract regarding Software License, Warranty, Confidentiality, Liability and Indemnification, and the General Provisions shall survive the expiration or termination of this Contract. In addition, the provisions of this Contract necessary for the use and operation of the Maintenance provisions herein, shall continue in effect through termination of the Maintenance Services ordered pursuant to the Maintenance provisions herein.

M. Force Majeure

No Party shall be responsible for failure to meet its obligations under this Contract if the failure arises from causes beyond the control and without the fault or negligence of the non-performing Party. If any performance date under this Contract is postponed or extended pursuant to this section for longer than thirty (30) calendar days, VITA, by written notice given during the postponement or extension, may terminate Supplier's right to render further performance after the effective date of termination without liability for that termination, and in addition an Authorized User may terminate any order affected by such postponement or delay.

N. Remedies

The remedies set forth in this Contract are intended to be cumulative. In addition to any specific remedy, VITA and all Authorized Users reserve any and all other remedies that may be available at law or in equity.

O. Right to Audit

VITA reserves the right to audit those Supplier records that relate to the Product purchased and Services rendered or the amounts due Supplier for such services under this Contract. VITA's right to audit shall be limited as follows:

- ix). Three (3) years from Service performance date;
- x). Performed at Supplier's premises, during normal business hours at mutually agreed upon times; and
- xi). Excludes access to Supplier cost information.

In no event shall the Supplier have the right to audit, or require to have audited, VITA or any Authorized User.

P. Offers of Employment

During the first twelve (12) months of the Contract, should Supplier hire an employee of VITA who has substantially worked on any project covered by this Contract without prior written consent, the Supplier shall be billed for fifty percent (50%) of the employee's annual salary in effect at the time of termination.

Q. Contract Administration

Supplier agrees that at all times during the term of this Contract an account executive, at Supplier's senior management level, shall be assigned and available to VITA. Roles and responsibilities of the account executive are TBD based on Supplier proposal. Supplier reserves the right to change such account executive upon reasonable advance written notice to VITA.

R. Entire Contract

The following Exhibits, including all subparts thereof, are attached to this Contract and are made a part of this Contract for all purposes:

- Exhibit A Request for Proposal
- Exhibit B N/A
- Exhibit C Prices, Fees, Service Charges and Payment Schedule
- Exhibit D Warranty and Maintenance Descriptions (See Exhibit A)
- Exhibit E Software Publisher's EULA, as amended (for reference only)
- Exhibit F Certification Regarding Lobbying
- Exhibit G Awarded Categories

This Contract, its Exhibits, and any prior non-disclosure agreement constitute the entire agreement between VITA and Supplier and supersedes any and all previous representations, understandings, discussions or agreements between VITA and Supplier as to the subject matter hereof. Any and all terms and conditions contained in, incorporated into or referenced by the Supplier's proposal shall be deemed invalid. The provisions of the Virginia Department of General Services, Division of Purchases and Supply Vendor's Manual shall not apply to this Contract or any order issued hereunder. This Contract may only be amended by an instrument in writing signed by VITA and Supplier. In the event of a conflict, the following order of precedence shall apply: this Contract document, Exhibit C, Exhibit A, Exhibit D, Exhibit E

An Authorized User and Supplier may enter into an ordering agreement pursuant to this Contract. To the extent that such ordering agreement, or order issued hereunder, include any terms and conditions inconsistent with the terms and conditions of this Contract, such terms and conditions shall be of no force and effect.

VITA and Supplier each acknowledge that it has had the opportunity to review this Contract and to obtain appropriate legal review if it so chose.

Executed as of the last date set forth below by the undersigned authorized representatives of VITA and Supplier.

Supplier

By: Stef P. Mandanis

(Signature)

Name: Stefan Mandanis

(Print)

Title: Director, Sales

Date: January 26, 2009

VITA

By: James T. Roberts

(Signature)

Name: James T. Roberts

(Print)

Title: Director Finance & Administration

Date: 2-02-09

Address for Notice:

19672 Player Court

Ashburn, VA 20147

Attention: Armando Tan

Address for Notice:

Attention: Contract Administrator

General KST Data - Computer, Peripherals, COTS Software and Related Services Transmittal.

C.	Requirements	A	B
1.	Can you sell to all locations of all public bodies in the entire Commonwealth of Virginia? Will you be incorporating subcontractors or alliances? Please provide the details of your plan.	y	<p>KST Data Inc. a Small Business and certified Virginia SWaM has a proven record of accomplishment within the Commonwealth of Virginia and other public sector entities across the United States. KST has demonstrated a history of success in supporting State, Local Government and Education across all aspects of Information Technology. KST's strategic relationships with leading-edge partners enable VITA timely access to advanced-technology products and services. In today's fast-moving business environment, success requires delivering on your vision more efficiently than ever before.</p> <p>Our vision for the VITA SCM Program is to provide a common 'market ready' solution with standard business rules, workflow and processes that can be modified, while maintaining customer specific solutions in support of specific program and business unit requirements. We envision an environment that is current in both hardware and software technologies, allowing each agency, business unit or program to deploy advanced technologies in support of their requirements at a moments notice. Many initiatives today require substantial improvements in the infrastructure and we believe that with the focus that the VITA will put in place across the department and agencies, VITA will support the needs of its users in a more cost effective and efficient way. Our bundled solution and pricing approach reduces the up-front investment and infrastructure requirements, allowing VITA to have flexibility in delivering IT</p> <p>Our solution leverages the infrastructure that we have built in the state in supporting our customers; this includes distribution and warehouse locations in Chantilly and Ashland, VA. We have also teamed with established and known small businesses in the Commonwealth, including Planit Technologies to offer a suite of related and optional services to deliver an end-to-end solution to your customers.</p> <p>KST will also be leveraging Planit Technology and other partners to add 'feet on the street' to ensure that all locations across the state get both sales, technical and delivery resources to support them on a day-to-day basis. Upon award of this contract, KST will work with VITA and our partners to understand where we need to focus our resources across the state. We will build a complete team, lead by our Program Director, to ensure that each agency that wants to leverage our contract vehicle gets the appropriate level of support</p>
2.	Can you provide service to all locations of all public bodies in the entire Commonwealth of Virginia? Will you be incorporating subcontractors or alliances? Please provide the details of	y	<p>KST Data is committed to providing the necessary support as requested by VITA, based on the specific customers support strategies and processes'</p> <p>Support Strategies: Technical support and help desk functions are critical to effective life cycle management strategy from Day 1. These functions are a window to the installed base, but their potential often remains untapped or inhibited by ineffective asset management capabilities. Technicians and help desk personnel should have access to an integrated network-based help desk/asset database system to readily determine physical location, analyze hardware/software configurations and expedite problem identification,</p>

your plan.		<p>tracking and resolution. These functions are critical data gathering and filtering points vital to the development and ongoing success of life cycle management.</p> <p>If selected, we will provide VITA with a staffing plan, which includes the appropriate level of field technicians and senior support system analysts. Our solution usually provides one field technician for every 250 – 300 desktops depending on the location and user community. In a typical solution, the user support process is enabled by end user profiles that are maintained in a Consolidated data repository along with asset and configuration data. This data repository will contain the current hardware and software configuration for each end-user and other support information such as the user's location and connectivity requirements. When users contact the Enterprise Help Desk for service, staff will check the user's profile automatically before asking the reason for the call. For the seats or problems identified as eligible for this level of service, problem response within 60 minutes of trouble ticket issuance and problem, resolution (return to service or workaround) within 4 hours will be provided. KST is willing to provide a solution similar to this for VITA and the Commonwealth agencies should that be of interest.</p> <p>The next table summarizes our approach to identifying and resolving potential problems before they impact end users. Our proactive approach has four key objectives:</p> <ul style="list-style-type: none"> - Prevent problems - Detect potential component, system, network, and communications problems and correct them before an actual failure occurs - Identify recurring problems and eliminate their root cause. - Carefully control the timing and manner in which changes are introduced. <p>The maintenance aspects of VITA SCM is being provided and delivered through the KST and partners.</p> <ul style="list-style-type: none"> • QUARTERLY REVIEWS KST will schedule a meeting with the customer on a quarterly basis to discuss changes in the network and any equipment changes to the contract. Modifications to the network will be documented and made available to the customer. • MONTHLY CALL TRACKING REPORTS KST will provide monthly reports of calls placed during that period and status of any open calls. • ON-SITE LABOR The KST Premier Plus Service Plan includes all On-Site labor charges for maintenance on equipment eligible for coverage under this plan. • TRAVEL TIME AND EXPENSES INCLUDED The KST Premier Plus Service Plan includes all travel time and expenses to eligible customer sites covered under this plan. • GUARANTEED SAME DAY RETURN CALL A KST employee will contact the customer prior to 5:00 p.m. local site time the same day a service request is made in order to gather additional
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			<p>information and determine if an On-Site service call is required.</p> <ul style="list-style-type: none"> • GUARANTEED NEXT DAY ON-SITE RESPONSE A KST engineer will be On-Site the next business day after a service request has been made if the problem was unable to be resolved via phone support. • ON-SITE LABOR The KST Basic Service plan includes all On-Site labor charges for maintenance on equipment eligible for coverage under this plan. <p>Our partner, PLANIT currently has support technicians throughout the Commonwealth of Virginia. PLANIT is currently responsible for the installation of desktop computers for the Northrop Grumman/VITA program in approximately 2,000 sites throughout the state. We would continue to utilize the core of the team to support PCs, servers, peripherals, software and any trouble shooting or maintenance requirements.</p>
3.	<p>VITA strongly encourages Suppliers to develop a catalog website that <i>interfaces</i> with eVA. Can your company produce a punch-out catalog website?</p> <p>Refer to: http://www.eva.virginia.gov/vendors/pages/catalogcreation.htm</p> <p>Please provide either screen shots or a link to serve as an example.</p>	Y	<p>KST Data will provide a catalog website that can interface with eVA's Ariba implementation. KST Data already publishes a punch out catalog via Ariba and Commerce One for our current customer base. We are currently processing thousands of transactions a month via our Ariba and Commerce One punch out catalog sites, including strategic customers such as Northrop Grumman, Lockheed Martin, Sony, and University of California system campuses to name a few.</p> <p>We understand that your eVA is based on the Ariba eCommerce engine. We can publish catalogs via CIF 3.0 or cXML. We have reviewed the eVA CIF 3.0 Specification document on the eVA website (http://www.eva.state.va.us/), including the detailed specifications of the eVA CIF file according to the published specifications. KST can provide you with the required testing and production catalogs for validation and testing within 30 days from eVA's date of approval.</p> <p>Our catalog implementation includes full support for the following standards that make it easy for us to develop and implement a full round trip interface.</p> <p><i>cXML</i> -- (Commerce eXtensible Markup Language) is an open standard based on XML. This lightweight version of XML is designed for communicating information related to electronic commerce, such as catalog content, purchase orders, and order status.</p> <p><i>HTTPS</i> -- (Secure HyperText Transfer Protocol) to keep Internet communications secure. HTTPS incorporates RSA Security's Public Key Cryptosystem encryption scheme</p> <p><i>ORMS</i> – (Operating Resource Management System (Ariba ORMS™) <i>Ariba ORMS is ARIBA's business-to-business eCommerce application targeting the Operating Resource Management (ORM) market.</i></p>
4.	<p>Can your firm have a catalog website up, functioning and interfacing with eVA within 30 days of</p>	Y	<p>KST Data has provided a detailed response to this question. KST Data already provides this eCommerce catalog capability to our customers today. We can provide a CIF 3.0 catalog that addresses the agreed upon product standards and services within 30 days from award</p>

	contract award?											
5.	Will your firm have a dedicated account management team on this contract? Please provide details.	y	<p>The KST Data team understands program management, and is part of our core DNA. The KST Data Team has developed a program management methodology that ensures seamless program implementation, adherence to the statement of work, and consistency in service delivery. This methodology is based on the following key criteria:</p> <p>Program Organization The organization for the VITA SCM Program will be structured uniquely to meet the customer needs and program requirements while providing a single point of contact with clear lines of responsibility. This will provide customer visibility and enable VITA to understand and participate in the full scope of program activities including:</p> <div data-bbox="620 661 1326 1081" style="border: 1px solid black; padding: 10px; margin: 10px 0;"> <p style="text-align: center;">Program Management Processes</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> • Planning • Risk Management • Measurement </td> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> • Escalation Management • Change Management • Knowledge Management </td> <td style="width: 33%; vertical-align: top;"> <ul style="list-style-type: none"> • Quality Assurance • Continuous Improvement </td> </tr> </table> <table border="0" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 33%; text-align: center; background-color: #4CAF50; color: white; padding: 5px;">Due Diligence</td> <td style="width: 33%; text-align: center; background-color: #4CAF50; color: white; padding: 5px;">Transition</td> <td style="width: 33%; text-align: center; background-color: #4CAF50; color: white; padding: 5px;">Service Delivery</td> </tr> </table> <table border="0" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="width: 33%; vertical-align: top; background-color: #4CAF50; color: white; padding: 5px;"> <p style="text-align: center;">Leadership</p> <ul style="list-style-type: none"> • Business Case • Statement of Work • Transformation Roadmap </td> <td style="width: 33%; vertical-align: top; background-color: #4CAF50; color: white; padding: 5px;"> <p style="text-align: center;">Relationship</p> <ul style="list-style-type: none"> • Communication • Customer Experience </td> <td style="width: 33%; vertical-align: top; background-color: #4CAF50; color: white; padding: 5px;"> <p style="text-align: center;">Governance</p> <ul style="list-style-type: none"> • Executive • Operational </td> </tr> </table> </div> <p>Single Point of Contact A Program Manager will be assigned as the single point of responsibility directing all activities to ensure contract compliance and program success. This program manager will represent KST Data in all matters relating to the program including contractual, administrative, and technical issues. The program manager will communicate with VITA on requirements and status of activities, allocate the necessary resources, takes required personnel actions, and direct efforts of subcontractors and product suppliers to achieve the customer's goals.</p> <p>Focus on Customer Satisfaction We understand that success depends on satisfying each and every customer. Our program activities will aim at meeting customer requirements and expectations. We will create an atmosphere of teamwork for VITA in which communication is open, honest, and continual, both among the KST Data members and between VITA management and end-users. More than any other single factor, this sustained, frank communication is key to our ability to deliver quality service.</p> <p>Performance Monitoring and Tracking Our Program Manager will use formal procedures and best practices for monitoring program performance. The Program Manager will work closely with VITA to establish program milestones and monitor and track performance. Specific metrics to be tracked will be determined during Transition.</p>	<ul style="list-style-type: none"> • Planning • Risk Management • Measurement 	<ul style="list-style-type: none"> • Escalation Management • Change Management • Knowledge Management 	<ul style="list-style-type: none"> • Quality Assurance • Continuous Improvement 	Due Diligence	Transition	Service Delivery	<p style="text-align: center;">Leadership</p> <ul style="list-style-type: none"> • Business Case • Statement of Work • Transformation Roadmap 	<p style="text-align: center;">Relationship</p> <ul style="list-style-type: none"> • Communication • Customer Experience 	<p style="text-align: center;">Governance</p> <ul style="list-style-type: none"> • Executive • Operational
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Due Diligence	Transition	Service Delivery										
<p style="text-align: center;">Leadership</p> <ul style="list-style-type: none"> • Business Case • Statement of Work • Transformation Roadmap 	<p style="text-align: center;">Relationship</p> <ul style="list-style-type: none"> • Communication • Customer Experience 	<p style="text-align: center;">Governance</p> <ul style="list-style-type: none"> • Executive • Operational 										

			<p>Performance Measurement The KST Data Team believes strongly in measuring performance. Our philosophy is to measure at the required level to achieve optimum results. The KST Data management team will monitor metrics on a daily, weekly, and monthly basis to ensure we catch trends early and identify areas for improvement.</p> <p>Regular Status Reporting KST Data will adhere to the quality management principle of timely communications. Regular status reporting of program activities for the VITA SCM program will be provided. Joint customer program reviews will be conducted on a scheduled basis. These reviews will serve the purpose of formally communicating program status, specific issues, recommended solutions and planned activities. They will also provide visibility and a venue for executive management interaction with program management. We see this opportunity to share information with our “key” customers. We believe these reviews will help keep VITA informed of our metric status and help understand what is going on in the environment.</p>
6.	Will your firm have more than one field account executive on this contract? Please provide details.	y	<p>KST’s Director of East Coast Sales Stefan Mandanis has the lead sales responsibility for VITA. KST Data will provide VITA with named regional sales and service personnel, along with Subject Matter Experts in the specific areas that VITA decides to engage KST, that will be supporting the contract, and also an inside sales and support team that is accessible via a toll free number, supported from 7am – 7pm daily. A more detailed account coverage model can be provided for your consideration.</p> <p>In addition, PLANIT will have a primary account manager (Terry Hucks) and additional account execs as needed. PLANIT has other account executives that currently do business with many state universities and local government organizations.</p>
7.	Does your firm have the marketing ability and resources to promote this contract to schools, universities, local and state agencies? Please provide marketing plan and examples of marketing tools.	y	<p>Our plan is to engage the various OEMs that we have strategic relationships with to develop marketing plans to promote their products, provide marketing support, create and deliver technical solutions to justify, and follow up on customer leads.</p> <p>Our team is committed to providing funding and marketing resources to support this contract. We can provide ‘feet on the street resources’ to meet with the various agencies and organizations, to educate the customer on the advantages of using the contract, and the tools that are available to them on using the contract.</p> <p>KST and PLANIT currently have 15 account executives focusing on Commercial, State, Local and Education across the Commonwealth.</p> <p>e.g.,</p> <ul style="list-style-type: none"> – BAE Systems – Northrop Grumman Newport News Shipyard – Northrop Grumman / VITA – AMSEC

			<ul style="list-style-type: none"> - City of Newport News - City of Virginia Beach - City of Richmond - Colonial Williamsburg - County of Roanoke - Georgetown University - Hampton City Schools - Henrico County - Liberty University - Norfolk State University - Old Dominion University - Pittsylvania County Schools - Prince William County Public Schools - Sussex County Public Schools - University of Virginia - Virginia Commonwealth University - Virginia Community Colleges - Virginia Polytechnic Institute - Washington and Lee University <p>Upon contract award, we will ensure that we have the right team in place to support any agency that would like to leverage the KST model and contract.</p>
8.	Will your proposed product line be compatible with the following operating systems, Microsoft Windows 98, 2000, NT, 2003 Server, XP and Vista?	y	All proposed products will comply to this requirement
9.	Does your firm offer an employee, teacher or student purchase program? Please provide details.	Y	KST Data is pleased to provide this capability to VITA. The HP and Dell Corporate Employee Purchase Programs features over 160000 products such as Desktops, Notebooks, Workstations, printers, scanners, software and services. Other selections include accessories such as cables, paper and ink, special owner privileges, third party complimentary products and financing. As an example of this commitment, we maintain a web site for the University of California campuses that provide the employees with Employee Purchase Prices, that provides the customers with advantageous products and pricing on a wider variety of products available for personal purchase, regardless of whether they are part of the Commonwealth's published and supported standards.

			<p>KST will assist VITA in the initial implementation of the program as well as with ongoing promotion and administration of the program. KST can provide sample-marketing materials to assist VITA with promoting to employees. Some can be tailored to unique solutions like the work at home employees, families with children, employees with college bound children and power users.</p> <p>We can provide operational plans that we have customized and developed for other similar size customers for your review and consideration including financing plans for your employees to encourage them to buy VITA standard equipment for their home use, leveraging the same technology and tools that they use at work. KST will provide a custom web site, leveraging the links through the primary VITA SCM web site to enable your employees to take advantage of the HP and Dell proposed discounts and promotions. With each of the OEMs, they currently offer two primary product lines:</p> <p>Commercial Products – will be accessible, available via the KST Data web site. This will include VITA contract “Buy Price”, product description, complimentary product selections, and will also provide the potential customer with product availability by warehouse location. KST provides a managed web site and an 800 toll free number to VITA employees in support of this RFP</p> <p>Consumer Products – will be linked to the OEM's Storefront via the KST Data web site. Or your end users can login to the OEM Consumer Line storefront to procure this specific product line. Each OEM provides a web site and an 800 toll free number to VITA in support of this RFQ. These are typically not sold through resellers or system integrators. Our solution will provide VITA employees with a minimum of 5 – 12% discount off the standard consumer product prices. These would be the products that VITA do not use today as a standard product. With HP, this is also known and referred to as their Pavilion product line. HP offers a consumer product based program that provides an easy, convenient, and secure shopping environment.</p>												
10.	Does your firm offer any product incentives, credits and or rebate programs? Please provide details.	Y	<p>KST agrees to extend a “Volume Rebate Plan” to encourage active usage of the contract agreement. The parties agree to negotiate details of the Plan within thirty-days (30) of formal award of an Agreement. At a high level, the plan provides the Commonwealth with a credit that may be used towards future purchases of equipment and is based on the following annual pre-tax net purchase schedule:</p> <table border="1" data-bbox="625 1556 1516 1841"> <thead> <tr> <th>PURCHASE LEVEL</th> <th>REBATE PERCENTAGE</th> </tr> </thead> <tbody> <tr> <td>Less than \$4.9 million</td> <td>0%</td> </tr> <tr> <td>\$5 million to \$9.99 million</td> <td>0.5%</td> </tr> <tr> <td>\$10 million to \$14.99 million</td> <td>1.00%</td> </tr> <tr> <td>\$15 million to \$19.99 million</td> <td>1.25%</td> </tr> <tr> <td>\$20 million +</td> <td>1.50%</td> </tr> </tbody> </table>	PURCHASE LEVEL	REBATE PERCENTAGE	Less than \$4.9 million	0%	\$5 million to \$9.99 million	0.5%	\$10 million to \$14.99 million	1.00%	\$15 million to \$19.99 million	1.25%	\$20 million +	1.50%
PURCHASE LEVEL	REBATE PERCENTAGE														
Less than \$4.9 million	0%														
\$5 million to \$9.99 million	0.5%														
\$10 million to \$14.99 million	1.00%														
\$15 million to \$19.99 million	1.25%														
\$20 million +	1.50%														

1.1 B. Reports

Answer:

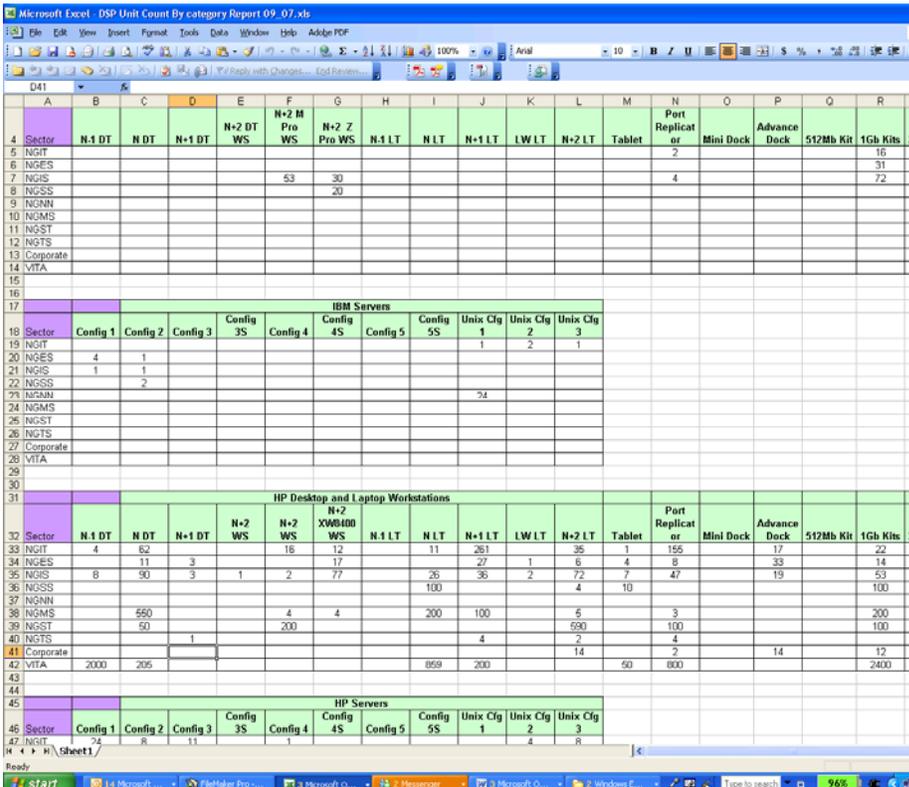
	Requirements	A	B
1.	Can your firm provide reports on request to users detailing products that have been placed in any of their locations? Please provide examples.	Y	<p>The KST Data team will provide delivery and deployment data to VITA on a monthly basis that includes purchase information, types of systems, end user location, asset information (if available), property tag number (if available) on a per sector or location basis. We will work with VITA to prepare a standard template to present the information being requested. KST Data has a standard template, and would be open to work with VITA with any modifications requested.</p> <p>The KST Data team is already familiar with these reports and can provide them to VITA as requested, based on your specified intervals (weekly, monthly, quarterly). Sample copies of the respective reports are attached:</p> <p>Example of Device Count Report –</p> <p>Shows the quantity and specific asset models as delivered, on behalf of each customer in the fulfillment of VITA Pos for the measured period of performance.</p>  <p>The screenshot shows an Excel spreadsheet with the following structure:</p> <ul style="list-style-type: none"> IBM Servers: Columns include Config 1, Config 2, Config 3, Config 3S, Config 4, Config 4S, Config 5, Config 5S, Unix Clg 1, Unix Clg 2, Unix Clg 3. HP Desktop and Laptop Workstations: Columns include N-1 DT, N DT, N+1 DT, N-2 WS, N-2 XWB400 WS, N-1 LT, N LT, N+1 LT, LW LT, N+2 LT, Tablet, Part Replicator, Mini Dock, Advance Dock, 512Mb Kit, 1Gb Kits. HP Servers: Columns include Config 1, Config 2, Config 3, Config 3S, Config 4, Config 4S, Config 5, Config 5S, Unix Clg 1, Unix Clg 2, Unix Clg 3.

Figure 2-49 Example Device Count Report –

Example of History of Per Customer / Location Shipment Report (Monthly, Quarterly etc)

Asset Tag No	Serial No	Invoice No	PO	Model No	Description	Altus	Address	City	State
7	ASSET_TAG_NO	SERIAL_NO	INVOICE_NO	PO	MODEL_NO	DESCRIPTION	Altus	Address	City
8	704964	ML642094P	21857	01001	000-201359-01	HP Pavilion D1561 Rack Server	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
9	704963	ML642094P	21857	01001	000-201359-01	HP Pavilion D1561 Rack Server	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
10	704956	ML614037N	21850	01433	19A043A3A	HP DC5100 SFF P4.430 4006 512M	S HELLY #390711ACCT#1904	1610 EAST SAINT ANDREW PL	SANTA ANA
11	704954	ML614037N	21850	01433	19A043A3A	HP DC5100 SFF P4.430 4006 512M	S HELLY #390711ACCT#1904	1610 EAST SAINT ANDREW PL	SANTA ANA
12	704951	ML614037N	21850	01433	19A043A3A	HP DC5100 SFF P4.430 4006 512M	S HELLY #390711ACCT#1904	1610 EAST SAINT ANDREW PL	SANTA ANA
13	704952	ML614037N	21850	01433	19A043A3A	HP DC5100 SFF P4.430 4006 512M	S HELLY #390711ACCT#1904	1610 EAST SAINT ANDREW PL	SANTA ANA
14	703122	04M0201158	21748	01006	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
15	703120	04M0202292	21747	01004	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
16	703119	04M0201158	21748	01006	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
17	703118	04M0201158	21747	01004	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
18	703115	04M0202292	21727	01000	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
19	703114	04M0202292	21727	01000	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
20	703116	04M0202292	21727	01000	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
21	703117	04M0202292	21727	01000	19L777AA	HP L1755 17" LCD Display	S HELLY #390711ACCT#1904	3337 MICHELSON DRIVE ON720	INVINE
22	704663	04M02227C	21674	01002	99615-00001	HP L2355 23MLCD 1001 1200X1200	JOHANNA AT A1W30722ACCT#1148	100 ENTERPRISE DR, STE 110	ROCKAWAY
23	704669	15749733M1A7062	21933	01001	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
24	703118	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
25	703119	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
26	703118	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
27	703119	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
28	703118	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
29	703119	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
30	703118	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
31	703119	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
32	703118	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
33	703119	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
34	703120	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
35	703120	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
36	703120	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
37	703120	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
38	703124	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
39	703124	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
40	703124	15749733M1A7062	20279	01042A	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
41	703127	15749733M1A7062	20674	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
42	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
43	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
44	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
45	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
46	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
47	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
48	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
49	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
50	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
51	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
52	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
53	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE
54	703128	15749733M1A7062	20682	01036	19749733	ThreatPost Fuel Replicator 2	JTRAW #1524M4ACCT#100	3337 MICHELSON DRIVE ON720	INVINE

Figure 2-50 Example Customer Location Shipment Report

Example of Asset Serial Number Query Report (by PO, Ship to & Ship Date)

Serial Number	Ship Date	Description
1 n6430		
2 SERIAL NUMBER		
3 City Ship PO Number	SHIP_DATE	PART_NO
4 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
5 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
6 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
7 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
8 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
9 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
10 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
11 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
12 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
13 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
14 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
15 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
16 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
17 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
18 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
19 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
20 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
21 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
22 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
23 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
24 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
25 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
26 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
27 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
28 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
29 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
30 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
31 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
32 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
33 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
34 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
35 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
36 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
37 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
38 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
39 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
40 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
41 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
42 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
43 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
44 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
45 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
46 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
47 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
48 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
49 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
50 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
51 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
52 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
53 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y
54 1 7250002289	10/1/2007 0:00	CTO-EMF45AV-4Y

Figure 2-51 Example Serial Number Report

Example of Spend by Product –

In this report, we provide VITA with the spend dollars sorted by product, by customer and by each PO as delivered and shipped during the month being measured.

Invoice No.	Item No.	Item Description	Inv Type	Qty	Inv Date	PO No.	Customer Name	Bill To Name	Ship to Name	Address	City	State	Zip	
644070	0419-6	APC POWER EXTENSION CABLE 120000 VITA	IT	25.00	08/17/07	DOI12069-7250	NORTHROP GRUMMAN CHESTER, V	NORTHROP	01171	MEADOWVILLE	CHESTER	VA	23836	
643018	065-7284	Mac OS X 10.4 Server Tiger (Thick-Client)	IS	1.00	08/08/07	DOI12262-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 700 N. DOUGLAS ST	JES	EL SEGUNDO	CA	90245
642722	57042	Man Optical Mouse	VITA	2.00	08/05/07	DOI12193-7250	NORTHROP GRUMMAN CHESTER, V	VITA	CUSTOM 203 GOVERNOR STREET	RICHMOND	VA	23219		
644502	08E81901	IBM Lx-Net Backup Pack UltraCap Slim	IS	1.00	08/27/07	200007400	DME - AMEX	MAIN	NORTHROP	01606 GLOVE ROBERT WAY	IT	EL SEGUNDO	CA	90245
643580	09048723	Lenovo ThinkPad Hard drive 80 GB internal	IT	1.00	08/01/07	AS-311347	DME - AMEX	MAIN	NORTHROP	012101 GATHER ROAD	ROCKVILLE	MD	20850	
642537	00-PDRFPX1C	IBM Type C PDU 200V Input Electrical	IT	1.00	08/01/07	DOI12278-7175	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 2673 CRESCENT DRIVE	LAFAYETTE	CO	80026-2952	
642537	086-1699	PS2 PDU TYPE C BLACK EXTERIOR	IT	1.00	08/01/07	DOI12278-7175	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 2673 CRESCENT DRIVE	LAFAYETTE	CO	80026-2952	
642537	086-1698	Cablest for 20A 200V 3P 4W Max Lgth	IT	24.00	08/01/07	DOI12278-7175	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 2673 CRESCENT DRIVE	LAFAYETTE	CO	80026-2952	
643239	100-50512102	ATI FIRE GL V7200 graphics adapter - 256BIT	IS	2.00	08/08/07	DOI12088-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 5441 LIDCE AVENUE	DUNCLELLAN	CA	95652	
643016	7040998	6PC IBM 6400 High Content Ribbon	IS	5.00	08/05/07	HPSS-8BY378291	HEWLETT PACKARD-IMAIN	NORTHROP	015508 MAIN STREET	MOIST POINT	ME	05663		
642735	70721783	Horton Astoria 2007 CD 3 use	IT	1.00	08/01/07	PC3345	DME PRODUCTS & SV	MAIN	NORTHROP	013036 CONFERENCE CT	CHANTILLY	VA	20151-3822	
642591	71033652	Renewed SYMC BACKUP EXEC AWE	IS	7.00	08/01/07	DOI116240-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 17424 W. HURSEY ROLLINGMILL	MD	21090		
642592	71033632	Renewed SYMC BACKUP EXEC AWE	IS	82	7.00	08/01/07	DOI116240-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 17424 W. HURSEY ROLLINGMILL	MD	21090	
642988	1482599	IBM 6400 CONTROL PANEL	IS	1.00	08/01/07	HPSS-8BY378291	HEWLETT PACKARD-IMAIN	NORTHROP	015508 MAIN STREET	MOIST POINT	ME	05663		
642581	2027-491106	IBM 2027-140 Du 3 Year 7x24 Maint	IT	1.00	08/01/07	DOI107930-7175	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 500 BICCC ROAD	ROLLING MELL	CA	90008	
642593	2027-491106	IBM 2027-140 Du 3 Year 7x24 Maint	ITN	1.00	08/01/07	DOI107930-7175	IBM CREDIT LLC-LEAS MAIN	NORTHROP	01500 BICCC ROAD	ROLLING MELL	CA	90008		
642324	20208403	ADOBEE ACROBAT PROFESSIONAL 4	IS	2.00	08/01/07	AS-223136	NORTHROP GRUMMAN	ALISA FROBER	NORTHROP	01500 BICCC ROAD	ROLLING MELL	CA	90245	
644356	201692-826	HP P45 Channel-1k LC (M) LC (M)	MS	5.00	08/01/07	70000181930	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 1473 DOBBER WAY	DCHARNOVER	MD	21074	
644482	22927224	IBM I/O PC2000 Memory Module for ThinkI2	IT	2.00	08/02/07	2000087498	DME - AMEX	MAIN	NORTHROP	017008 N. DOUGLAS BLVD	EL SEGUNDO	CA	90245	
642877	2425-92E	IBM TOTAL STORAGE (S8000) STORAGE IIT	IT	1.00	08/01/07	DOI112689-7175	IBM CREDIT LLC-LEAS MAIN	NORTHROP	01500 BICCC ROAD	ROLLING MELL	CA	90008		
644486	2204102	ThinkPad Advanced Mini Dock w/ AC Adapter	IS	1.00	08/27/07	MB4109	DME - AMEX	MAIN	NORTHROP	012100 BURBANK BLVD	WOODLAND	CA	91367-4673	
642654	252663-D71	HP PDU - 24A (100-127V) - 32 output connct	IS	2.00	08/02/07	DOI121193-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 5100 REVER ROAD	WHI AVOHDALE	LA	70094	
643864	252663-D71	HP PDU - 24A (100-127V) - 32 output connct	IS	22.00	08/01/07	DOI123667-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 5100 REVER ROAD	WHI AVOHDALE	LA	70094	
642631	252663-D72	High Voltage Modular PDU Module(s) 200 - 2M CC	IS	10.00	08/02/07	AS-221251	NORTHROP GRUMMAN	AVIAT	MOBG NORTHROP	Grunt 4262 ENTRE COURT	BA CHANTILLY	VA	20151	
642643	252663-D72	High Voltage Modular PDU Module(s) 200 - 2M IT	IS	9.00	08/02/07	DOI119956-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 4262 ENTRE COURT	BA CHANTILLY	VA	20151	
644197	252663-D72	MOD PDU 24A 8V N/A/S/R	MS	3.00	08/27/07	7000015102	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 1800 GLENN CURTIS ST	CARBON	CA	90746	
642897	252449-821	HP Rack-shelr - 1U	IT	2.00	08/06/07	DOI119896-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 600 BICCC ROAD	ROLLING MELL	CA	90008	
643692	262287-821	HP VXA Interface Adapter (8 pack)	IS	22.00	08/02/07	DOI123667-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 5100 REVER ROAD	WHI AVOHDALE	LA	70094	
643692	262288-821	HP P22 Interface Adapter - VXA extender - 8ES	IS	1.00	08/01/07	DOI123473-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 17424 W. HURSEY ROLLINGMILL	MD	21090		
642654	263474-823	HP CAT5 cables 12FT (8 per pack)	IS	2.00	08/02/07	DOI121193-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 5100 REVER ROAD	WHI AVOHDALE	LA	70094	
644258	263474-823	HP CAT5 cables 12FT (8 per pack)	IS	22.00	08/01/07	DOI123667-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 5100 REVER ROAD	WHI AVOHDALE	LA	70094	
642644	26688202	ThinkPad T42p 15" 20A Laptop, Win	IS	1.00	08/02/07	LOANER	NORTHROP GRUMMAN	DEBBIE	NORTHROP	01204 N. DOUGLAS BLVD	EL SEGUNDO	CA	90245-2904	
642743	2682-777	IBM 73 40GB 10K 3FF SAS HDD	MS	10.00	08/02/07	7000017773	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 1800 GLENN CURTIS ST	CARBON	CA	90746	
642939	26828990	QLexpR3 40b 3FF Fibre Channel Expansion-c IT	IT	3.00	08/07/07	DOI122625-7175	IBM CREDIT LLC-LEAS MAIN	NORTHROP	01500 BICCC ROAD	ROLLING MELL	CA	90008		
642744	26828990	QLexpR3 40b 3FF Fibre Channel Expansion-c IT	IT	4.00	08/02/07	DOI123478-7175	IBM CREDIT LLC-LEAS MAIN	NORTHROP	01500 BICCC ROAD	ROLLING MELL	CA	90008		
644134	26828990	QLexpR3 40b 3FF Fibre Channel Expansion-c IT	IT	5.00	08/27/07	DOI121894-7175	IBM CREDIT LLC-LEAS MAIN	NORTHROP	01500 BICCC ROAD	ROLLING MELL	CA	90008		
642743	26828990	QLexpR3 40b 3FF Fibre Channel Expansion-c MS	IT	10.00	08/02/07	7000017770	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 1800 GLENN CURTIS ST	CARBON	CA	90746	
642739	273914-821	HP Smart Array 6404256 - Storage controller IT	IT	2.00	08/05/07	DOI119996-1500	NORTHROP GRUMMAN CO	8710 FREEZE	NORTHROP	Grunt 600 BICCC ROAD	ROLLING MELL	CA	90008	
642638	31P14050	IBM 3-Button ScrollPoint USB Mouse	IS	50.00	08/01/07	2000088629	DME - AMEX	MAIN	NORTHROP	017008 N. DOUGLAS BLVD	EL SEGUNDO	CA	90245	
642699	31P14050	IBM 3-Button ScrollPoint USB Mouse	IS	1.00	08/02/07	2000085020	DME - AMEX	MAIN	NORTHROP	017008 N. DOUGLAS BLVD	EL SEGUNDO	CA	90245	
642647	31P14050	IBM 3-Button ScrollPoint USB Mouse	IS	1.00	08/16/07	2000082627	DME - AMEX	MAIN	NORTHROP	017008 N. DOUGLAS BLVD	EL SEGUNDO	CA	90245	
644111	31P14050	IBM 3-Button ScrollPoint USB Mouse	IS	2.00	08/17/07	2000087145	DME - AMEX	MAIN	NORTHROP	017008 N. DOUGLAS BLVD	EL SEGUNDO	CA	90245	
644284	31P14050	IBM 3-Button ScrollPoint USB Mouse	IS	3.00	08/15/07	2000087219	DME - AMEX	MAIN	NORTHROP	017008 N. DOUGLAS BLVD	EL SEGUNDO	CA	90245	
642707	31P14052	IBM 3-Button ScrollPoint USB Mouse	IS	1.00	08/03/07	2000084246	DME - AMEX	MAIN	NORTHROP	017008 GLOVE ROBERT WAY	FL	EL SEGUNDO	CA	90245
642707	31P14052	IBM 3-Button ScrollPoint USB Mouse	IS	5.00	08/03/07	2000084246	DME - AMEX	MAIN	NORTHROP	017008 GLOVE ROBERT WAY	FL	EL SEGUNDO	CA	90245

Figure 2-52 Example Spend by Product

Example of Delivery Activity Report (Shipment Details, Delivery Confirmation and Tracking Info) for PO Receiving Reconciliation

Model	PO Number	Hold Qty	DU	E	F	G	H	I	J	K	L	M	N
DC7760	7250001497	21263941	120738	13778	500	1500	Jul 11 2007 5:40AM	Dynamex	C9900067934	14701344214701288			
DC7760	7250001497	21263941	120738	13623	200		Aug 15 2007 7:05AM	Dynamex	C9900089714 - C9900097723	14701203			
		21263941	120738	13649	2		Aug 28 2007 10:30AM	WIC	C99000995170, C99000995171	C99000995170, C99000995171			
		21263941	120738	13612	11		Sep 24 2007 6:00AM	Dynamex	C99000849373	DE18812			
		21263941	120738	13615	1		Sep 28 2007 9:05AM	Fed Ex	C9900100103	46050803309944			
		21263941	120738	13617	91		Oct 4 2007 9:45AM	Dynamex	C9900119456	0579062			
		21263941	120738	13613	50		Oct 4 2007 7:30AM	Dynamex	C9900126158	0579063			
		21263941	120738	13622	200		Oct 11 2007 5:45AM	Dynamex	C9900108425	0579079			
		21263941	120738	13624	2		Oct 15 2007 7:00AM	Fed Ex	C99001064855, C99001064856	46050803363495			
		21263941	120738	13627	2		Oct 16 2007 2:55PM	Fed Ex	C9900098805, C9900098806	46050803372644			
		21263941	120738	13660	1		Oct 30 2007 12:55PM	Fed Ex	C99001063453	46050803422388			
		21263941	120738	14049	100		Nov 30 2007 10:35AM	Dynamex	C99001109135	SEAL179028			
		21263941	120738	14039	75		Dec 11 2007 4:55AM	Dynamex	C99001133448	14701211			
		21263941	120738	14251	50		Dec 19 2007 5:35AM	Dynamex	C9900113460	14701253			
		21263941	120738	14382	100		Jan 4 2008 9:30AM	Dynamex	C9900113709	14701296			
		21263941	120738	14418	500		Jan 9 2008 8:05AM	Dynamex	C9900113612	14701291			
		21263941	120738	14928	200		Feb 27 2008 6:35AM	Dynamex	C99001151299	14701249			
		21263941	120738	14939	9			Fed Ex	C99001336292	9405403301			
		21263941	120738	14980	8			Fed Ex	C9900147348, C9900147344	46050803821108			
		21263941	120738	15039	200		Mar 6 2008 7:05AM	Dynamex	C99001161426	14701252			
		21263941	120738	15210	5		Mar 20 2008 9:05PM	Fed Ex	C99001140172 - C99001140176	46050803880794			
		21263941	120738	15476	1		Apr 8 2008 7:15AM	Fed Ex	C99001173626, C99001173627	46050803935176			
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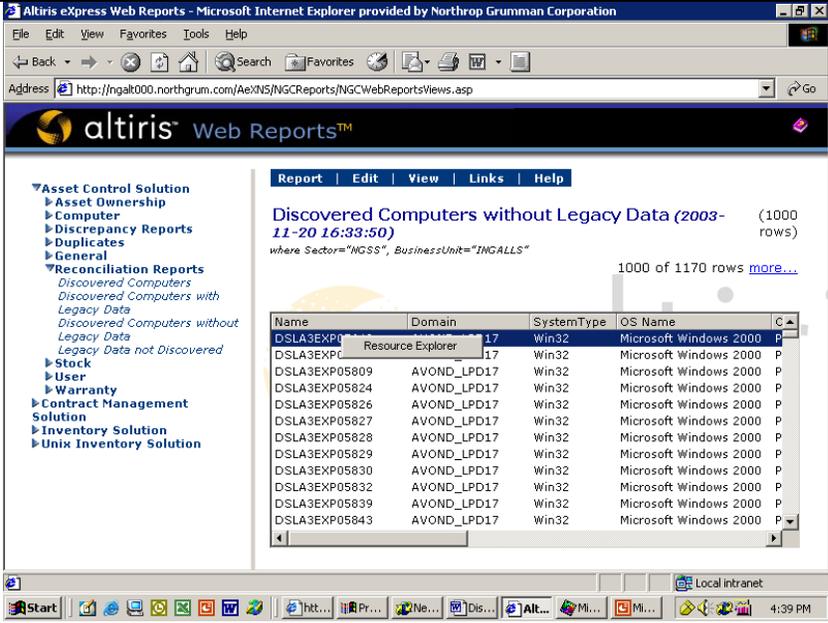
Example of Asset Tag / Serial Number Report by Customer

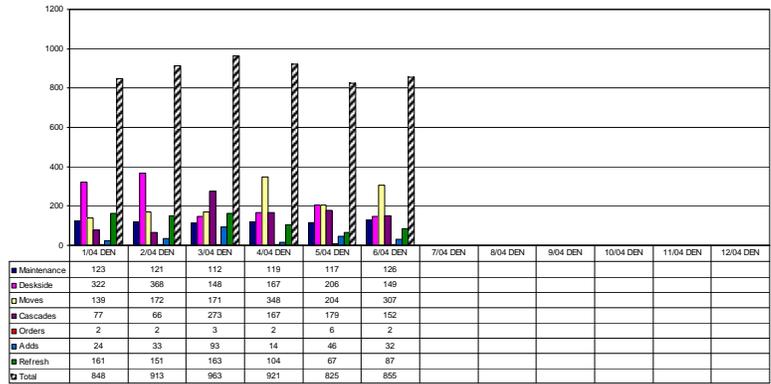
Asset ID	Date	EIP#	Serial Number	Location	Status
43 AX-137979	4/7/2006	EIP21998	142366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
44 AX-137979	4/7/2006	EIP21999	142366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
45 AX-137979	4/7/2006	EIP22000	142366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
46 AX-137979	4/7/2006	EIP22001	142366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
47 AX-137979	4/7/2006	EIP22002	142366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
48 AX-137979	4/7/2006	EIP22004	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
49 AX-137979	4/7/2006	EIP22005	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
50 AX-137979	4/7/2006	EIP22006	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
51 AX-137979	4/7/2006	EIP22007	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
52 AX-137979	4/7/2006	EIP22008	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
53 AX-137979	4/7/2006	EIP22009	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
54 AX-137979	4/7/2006	EIP22010	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
55 AX-137979	4/7/2006	EIP22011	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
56 AX-137979	4/7/2006	EIP22012	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
57 AX-137979	4/7/2006	EIP22013	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
58 AX-137979	4/7/2006	EIP22016	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
59 AX-137979	4/7/2006	EIP22015	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
60 AX-137979	4/7/2006	EIP22017	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
61 AX-137979	4/7/2006	EIP22018	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
62 AX-137979	4/7/2006	EIP22023	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
63 AX-137979	4/7/2006	EIP22022	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
64 AX-137979	4/7/2006	EIP22024	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
65 AX-137979	4/7/2006	EIP22025	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
66 AX-137979	4/7/2006	EIP22027	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
67 AX-137979	4/7/2006	EIP22026	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
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70 AX-137979	4/7/2006	EIP22030	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
71 AX-137979	4/7/2006	EIP22031	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
72 AX-137979	4/7/2006	EIP22032	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
73 AX-137979	4/7/2006	EIP22033	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
74 AX-137979	4/7/2006	EIP22034	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
75 AX-137979	4/7/2006	EIP22035	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
76 AX-137979	4/7/2006	EIP22036	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
77 AX-137979	4/7/2006	EIP22037	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
78 AX-137979	4/7/2006	EIP22038	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
79 AX-137979	4/7/2006	EIP22039	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
80 AX-137979	4/7/2006	EIP22040	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
81 AX-137979	4/7/2006	EIP22041	152366811998vmmj	137979 1 HORNET AVE DEPT K08100W7	EL SEGUINDO
82 AX-137986	4/11/2006	EIP22097	1583072140cm6t7g	137986 700 N. DOUGLAS ST BLDG 902	EL SEGUINDO
83 AX-138729	4/18/2006	EIP22157	1583072140cm6t7g	138729 700 N. DOUGLAS ST BLDG 902	EL SEGUINDO
84 AX-138729	4/18/2006	EIP22158	1583072140cm6t7g	138729 700 N. DOUGLAS ST BLDG 902	EL SEGUINDO
85 AX-138729	4/18/2006	EIP22159	1583072140cm6t7g	138729 700 N. DOUGLAS ST BLDG 902	EL SEGUINDO
86 AX-138638	5/8/2006	EIP22436	152366811998vmmj	138638 700 N. DOUGLAS ST BLDG 902	EL SEGUINDO
87 AX-138641	5/12/2006	EIP22007	1483074140cm6t7g	138641 700 N. DOUGLAS ST BLDG 902	EL SEGUINDO
88 AX-138681	5/12/2006	EIP22011	142366811998vmmj	138681 1 HORNET WAY 9F31AW	EL SEGUINDO
89 AX-138681	5/12/2006	EIP22010	142366811998vmmj	138681 1 HORNET WAY 9F31AW	EL SEGUINDO
90 AX-139952	5/13/2006	EIP22026	1483072140cm6t7g	139952 700 N. DOUGLAS ST BLDG 902	EL SEGUINDO
91 AX-140017	5/14/2006	EIP22040	142366811998vmmj	140017 1 HORNET WAY BLDG 2023COL G4	EL SEGUINDO
92 AX-140117	5/14/2006	EIP22033	142366811998vmmj	140117 1 HORNET WAY BLDG 2023COL G4	EL SEGUINDO

Figure 2-55 Example of Asset Tag Report by Customer

If a VITA customer is interested in assistance with information feeds that can be used to update their internal asset database (i.e. Altiris, Microsoft SMS, Unicenter, Tangram). We can provide them with the regular data feed based on shipments or provide a service to help them deploy and maintain an Altiris xPress Asset Management Database.

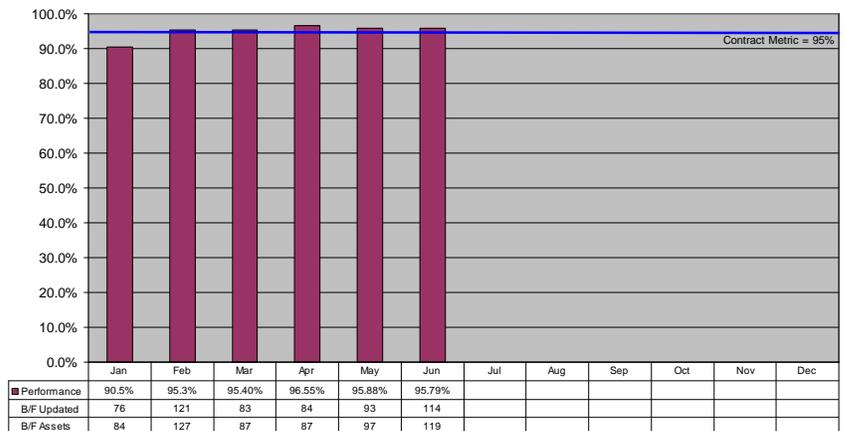
Example of Altiris Asset Inventory Report by Customer

		 <p>The screenshot shows the Altris eXpress Web Reports interface in Microsoft Internet Explorer. The browser address bar shows the URL: http://ingalt000.northgrum.com/Ae:NS/NGCReports/NGCWebReportsViews.asp. The page title is "altris Web Reports™". The main content area displays a report titled "Discovered Computers without Legacy Data (2003-11-20 16:33:50)" with 1000 rows. Below the title is a table with the following columns: Name, Domain, SystemType, and OS Name. The table contains 13 rows of data, all with "Win32" as the SystemType and "Microsoft Windows 2000" as the OS Name. The domain for all entries is "AVOND_LPD17".</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Domain</th> <th>SystemType</th> <th>OS Name</th> </tr> </thead> <tbody> <tr> <td>DSLA3EXP05809</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05824</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05826</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05827</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05828</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05829</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05830</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05832</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05839</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> <tr> <td>DSLA3EXP05843</td> <td>AVOND_LPD17</td> <td>Win32</td> <td>Microsoft Windows 2000</td> </tr> </tbody> </table>	Name	Domain	SystemType	OS Name	DSLA3EXP05809	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05824	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05826	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05827	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05828	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05829	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05830	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05832	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05839	AVOND_LPD17	Win32	Microsoft Windows 2000	DSLA3EXP05843	AVOND_LPD17	Win32	Microsoft Windows 2000
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2.	<p>Does your firm maintain an electronic service log that is available to users on specific computer hardware? Please provide examples.</p>	<p>Y</p> <p>KST Data manages a service log hosted on Microsoft SQL Server for all of the assets that we sell to our customers. This database includes all of the assets and related information as they are captured during the Integration and Configuration stage. It is available to external customers to query based on pre-agreed and pre-defined lookup capabilities. This allows customers to access their own data using standard report tools such as Crystal Reports.</p> <p>KST Data also provides the same capability on all of the Incident and Warranty Service Activities as logged via the KST Help Desk. This allows our customers to review service history, trends, based on their specific assets, trouble tickets, and related reports.</p> <p>KST Services Activity Summary Report (by Location):</p> <p>This report shows all of the contracted services that we are providing to a customer based on the category of services (Installs, Moves, Break Fix, Cascades etc)</p>																																												



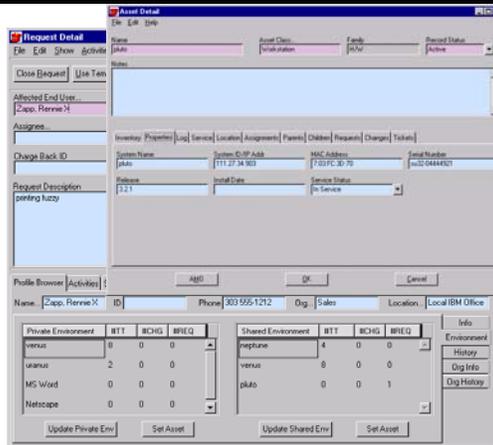
KST Warranty Repair Summary Report (by Location):

This report shows all of the warranty repair services that we are providing to a customer and if they were performed within the agreed service level metrics:

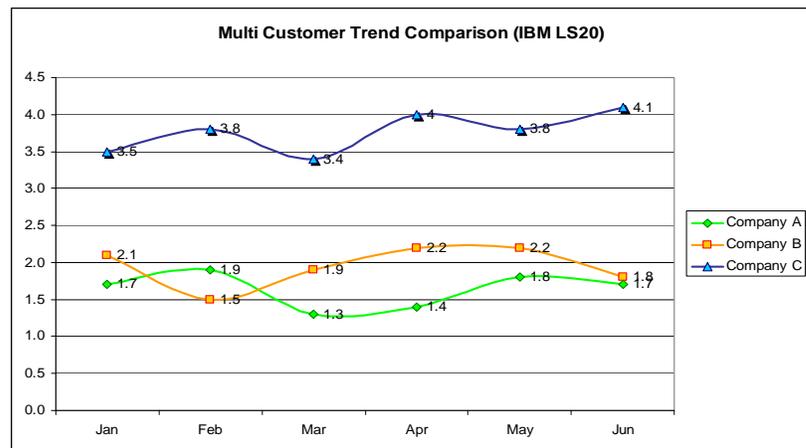


KST Asset Detail Report (by Location)

KST customers can initiate their own queries based on agreed upon access rules for their internal data reconciliation, or the results can be provided as part of a monthly or quarterly report sent to the customer.



KST Data Trend Analysis comparison report from multiple customers



3. Does your firm provide any additional reports that would be an added value to the Commonwealth? Please describe and provide examples.

Y

KST Data manages all of our information via SQL Database. We manage and track all of our activities, transactions and business via one common solution tool from our procurement, accounting, services tracking, customer information management. This allows us with the flexibility to generate standard and custom reports for you based on your data requirements. We can provide you with all of the standard reports that we had previously described, along with design new report queries that certain customers have specific unique requirements. This highly customizable capability allows our customers to measure almost each activity in the lifecycle.

In general, we can classify the reports that we generally provide our customers in the following categories:

- Purchase and Transaction History
- Asset Information (Model, Serial, Configuration, Install Location)
- Services Activity (Installation, De-installation, Moves, Adds)
- Warranty Support Activity
- Trends (Procurement, Services)
- Recommendations on 'Product Standards'

Microsoft Excel - Sample Cost Savings report Template.xls

File Edit View Insert Format Tools Data Window Help Balance PDF

100% Arial

C4 A B C D E F G H I J K L M N O P Q

1 **Savings tracker**

2 Last modified: 12/01/05

3

4 Spend under old pricing \$ -

5 Spend under interim pricing \$ -

6 Spend under current pricing \$ -

7 DSP Alone

8 YTD savings \$ - Servers Add In

9 Non Standard Servers Add In

10 Total Match

11 **Product Pricing Detail**

12

13

14

Product Type	Vendor	Std Config	Other Config	Units purchased							Total 1 yr Total	Total cost (1yr)	Original cost	Post-summit cost
				ES	MS	ST	IS	C	SS	NN				
16 DESKTOP	HP	N-1	0	0	0	0	0	0	0	0	0	\$ -	\$ 640.00	\$ 615.00
17 DESKTOP	HP	N	0	0	0	0	0	0	0	0	0	\$ -	\$ 740.00	\$ 730.00
18 DESKTOP	HP	N+1	0	0	0	0	0	0	0	0	0	\$ -	\$ 875.00	\$ 810.00
19 DESKTOP	HP	N+2	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,029.00	\$ 999.00
20														
21 DESKTOP	IBM	N-1	0	0	0	0	0	0	0	0	0	\$ -	\$ 665.00	\$ 636.00
22 DESKTOP	IBM	N	0	0	0	0	0	0	0	0	0	\$ -	\$ 749.00	\$ 719.00
23 DESKTOP	IBM	N+1	0	0	0	0	0	0	0	0	0	\$ -	\$ 872.00	\$ 837.00
24 DESKTOP	IBM	N+2	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,097.00	\$ 1,051.00
25														
26 DESKTOP	DELL	N-1 G200	0	0	0	0	0	0	0	0	0	\$ -	\$ 672.00	\$ 636.00
27 DESKTOP	HP	MS/ST to HP	0	0	0	0	0	0	0	0	0	\$ -	\$ 672.00	\$ 636.00
28														
29 LCD MONITOR	IBM	17"	0	0	0	0	0	0	0	0	0	\$ -	\$ 395.00	\$ 395.00
30 LCD MONITOR	IBM	19"	0	0	0	0	0	0	0	0	0	\$ -	\$ 531.00	\$ 531.00
31 LCD MONITOR	IBM	20"	0	0	0	0	0	0	0	0	0	\$ -	\$ 669.00	\$ 669.00
32														
33 LCD MONITOR	DELL	19"	0	0	0	0	0	0	0	0	0	\$ -	\$ 535.00	\$ 535.00
34 LCD MONITOR	DELL	20"	0	0	0	0	0	0	0	0	0	\$ -	\$ 784.00	\$ 784.00
35														
36 LCD MONITOR	HP	15"	0	0	0	0	0	0	0	0	0	\$ -	\$ 300.00	\$ 300.00
37 LCD MONITOR	HP	17"	0	0	0	0	0	0	0	0	0	\$ -	\$ 425.00	\$ 425.00
38 LCD MONITOR	HP	19"	0	0	0	0	0	0	0	0	0	\$ -	\$ 625.00	\$ 625.00
39 LCD MONITOR	HP	20"	0	0	0	0	0	0	0	0	0	\$ -	\$ 810.00	\$ 810.00
40														
41 NOTEBOOK	HP	N-1	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,452.00	\$ 1,380.00
42 NOTEBOOK	HP	N	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,552.00	\$ 1,407.00
43 NOTEBOOK	HP	N+1	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,690.00	\$ 1,590.00
44 NOTEBOOK	HP	N+2	0	0	0	0	0	0	0	0	0	\$ -	\$ 2,570.00	\$ 2,540.00
45 NOTEBOOK	HP	LW	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,780.00	\$ 1,540.00
46 NOTEBOOK	HP	Tablet	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,979.00	\$ 1,979.00
47														
48 NOTEBOOK	IBM	N-1	0	0	0	0	0	0	0	0	0	\$ -	\$ 1,427.00	\$ 1,365.00

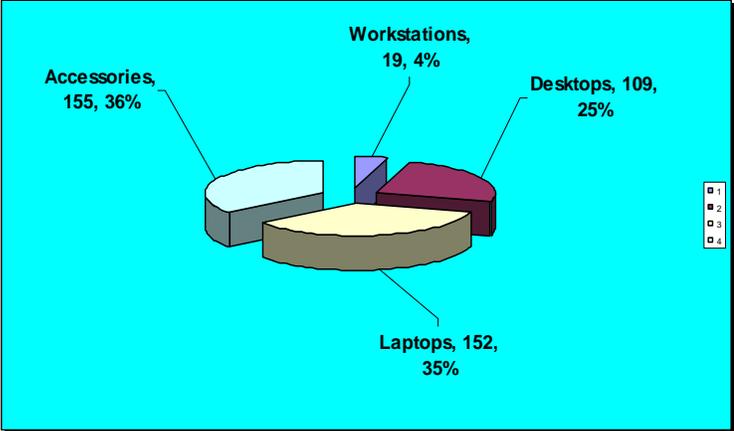
14 Year to Date Summary 12-01-05 to 12-31-05/

Ready

start Windows Explorer Microsoft Word Vista HP K... Internet... My Documents Search Results Microsoft... 100%

1.2 C. Related Services

Answer:

Requirements	A	B																																													
<p>Does your firm have a customer support program? Please describe your firm's ability to keep users informed of new products, changes in technology, advanced specification documentation and other market information.</p>	<p>y</p>	<p>KST Data would assign a dedicated Program Management team to support the VITA customer. The core part of the PM Team's primary responsibility are to meet with the customer on a pre-agreed basis to report on:</p> <p>1. Example of History of Activity (Procurement Info, details)</p> <table border="1" data-bbox="695 600 1398 1213"> <thead> <tr> <th>Intellistation</th> <th>Total</th> <th>169</th> </tr> </thead> <tbody> <tr> <td>621910U (DSP Std)</td> <td>M-Pro</td> <td>79</td> </tr> <tr> <td>621938U</td> <td>M-Pro</td> <td>11</td> </tr> <tr> <td>622138U / 622136U (DSP Std)</td> <td>Z-Pro 2.8</td> <td>52</td> </tr> <tr> <td>6221 Custom</td> <td>Z-Pro 2.8 / 3.0</td> <td>27</td> </tr> <tr> <th>Netvista</th> <th>Total</th> <th>442</th> </tr> <tr> <td>830741U (N-1)</td> <td>P4-2.4 Ghz</td> <td>230</td> </tr> <tr> <td>830761U (N)</td> <td>P4-2.5 Ghz</td> <td>133</td> </tr> <tr> <td>830781U (N+1)</td> <td>P4-2.6 Ghz</td> <td>46</td> </tr> <tr> <td>8307E1U (N+2)</td> <td>P4-3 Ghz</td> <td>33</td> </tr> <tr> <th>ThinkPad</th> <th>Total</th> <th>325</th> </tr> <tr> <td>236681U (N-1)</td> <td>P4-1.8 Ghz</td> <td>51</td> </tr> <tr> <td>236686U (N)</td> <td>P4-2.0 Ghz</td> <td>205</td> </tr> <tr> <td>23737CU (N+1)</td> <td>PM-1.5 Ghz</td> <td>25</td> </tr> <tr> <td>2653R3U (N+2)</td> <td>A31P P4-2.0 Ghz</td> <td>44</td> </tr> </tbody> </table>  <p>2. New Product Transitions</p> <p>We would deliver the new product roadmap from our OEMs based on new offerings that would be available in the next 3 to 6 months, to work with the VITA customer in formulating a plan to test and evaluate the new products based on their applicability to the respective customer. As part of this planning activity, we would</p>	Intellistation	Total	169	621910U (DSP Std)	M-Pro	79	621938U	M-Pro	11	622138U / 622136U (DSP Std)	Z-Pro 2.8	52	6221 Custom	Z-Pro 2.8 / 3.0	27	Netvista	Total	442	830741U (N-1)	P4-2.4 Ghz	230	830761U (N)	P4-2.5 Ghz	133	830781U (N+1)	P4-2.6 Ghz	46	8307E1U (N+2)	P4-3 Ghz	33	ThinkPad	Total	325	236681U (N-1)	P4-1.8 Ghz	51	236686U (N)	P4-2.0 Ghz	205	23737CU (N+1)	PM-1.5 Ghz	25	2653R3U (N+2)	A31P P4-2.0 Ghz	44
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		<p>review refresh plans, imaging and software requirements, support requirements needed to support the products.</p> <p>These meetings are needed so that KST can reserve and maintain the proper level of current and upcoming new models to satisfy the projected requirements of the customers.</p> <p>KST will distribute OEM Transition Planning (TP) documents to assist VITA refresh and IT team leads in preparing for model transitions. This monthly document provides detailed product roadmaps, including planned transitions six months into the future, with product trends nine months out. The documents include product compatibility information, new product highlights, preloads and alliances, as well as channel and promotions.</p> <p>KST's VITA SCM offering will provide "workhorse" models within the OEM's product lines that offer the same system (system board on down to the specific component level) for at least a nine-month period so that valued customers, such as VITA, may realize global product stability. This concept is a key strength for ensuring that a multi -OEM environment can be successful. KST will work with VITA to forecast consistent models with the longest lifecycle possible for VITA's rollout requirements based on market technology information from the OEM and the component manufacturers such as Intel (CPU), Seagate (Drives), etc.,. As faster processors, larger hard drives, and more efficient memory become the industry standard, KST will have to communicate with VITA on plans to refresh its line of computers to ensure our customers always have access to the latest technology.</p> <p>KST understands while these changes are necessary, they also create challenges for VITA. With strictly defined product standards, many of our customers need a crisp picture of where KST, in working with the OEMs, is going with our product lines in order to effectively manage their purchasing strategy. The objectives of our product transition plan process are to:</p> <ul style="list-style-type: none"> - Communicate our future product directions and plans, and - Document roadmaps to show the migration from current platforms to future products. <p>As an example, KST has all of the pre-announcement briefing information from HP and Dell that we have been educating and briefing our customers prior to HP and Dell's product announcements:</p>
--	--	--

2008 HP Business Notebook Roadmap category view

Ultra-Light	Balanced Mobility	Performance
HP 2530p Lighten your laptop • 12.1" diagonal widescreen • 1 or 2 speed 2-in-1 vPro® • Full Magnesium • Adrenal LV™ • 1 or 2 USB or 2.2" drive (no optical) • HP DuraCase • HP Night Light and Business Card Reader • HP Night Light	HP 2730p Productivity with a sleek Smart Command • 12.1" diagonal wide • Intel® Centrino 2 with vPro® • Full Magnesium • Adrenal LV™ • HP DuraCase • Blu-ray LED Display • 2MP Webcam and Business Card Reader • HP Night Light	HP 6530b / 6535b Business Traveler's Smart Command • 14.1" diagonal diagonal wide • Intel® Core 2 and AMD • Upgrade Bay with Dual HDD Support • Optional VGA Webcam • Serial port
HP 6730b / 6735b Tailored for Business Challenge the Status Quo • 15.4" diagonal wide • Intel® Core 2 and AMD • Upgrade Bay with Dual HDD Support • Optional VGA Webcam • Serial port	HP 6930p Corporate Elite • 14.1" diagonal widescreen • Intel® Centrino 2 with vPro® • Full Magnesium • Upgrade Bay with Dual HDD Support and RAID 1, 0 • ATI Discrete Graphics • 2MP Webcam and Business Card Reader • HP DuraCase • HP Night Light	HP 8530pw Power plus Portability Performance • 15.4" diagonal widescreen • Intel® Centrino 2 with vPro® • NVIDIA or ATI graphics • Full Magnesium • Mobile Workstation • Upgrade Bay and RAID 1, 0 • 2MP Webcam and Business Card Reader • HP DuraCase • HP Night Light
HP 8730w Extreme Performance • 17" diagonal widescreen • Intel® Centrino 2 with vPro® • Full Magnesium • Extreme Edition and Dual Core Processors • Mobile Workstation • Upgrade Bay and RAID 1, 0 • 2MP Webcam and Business Card Reader • HP DuraCase • HP Night Light		

8730w - no WLAN support
6730b will be supported on the 2530p, 2730p, 6530b, 6535b, 6730b, 6735b, 6930p, 6935p/v

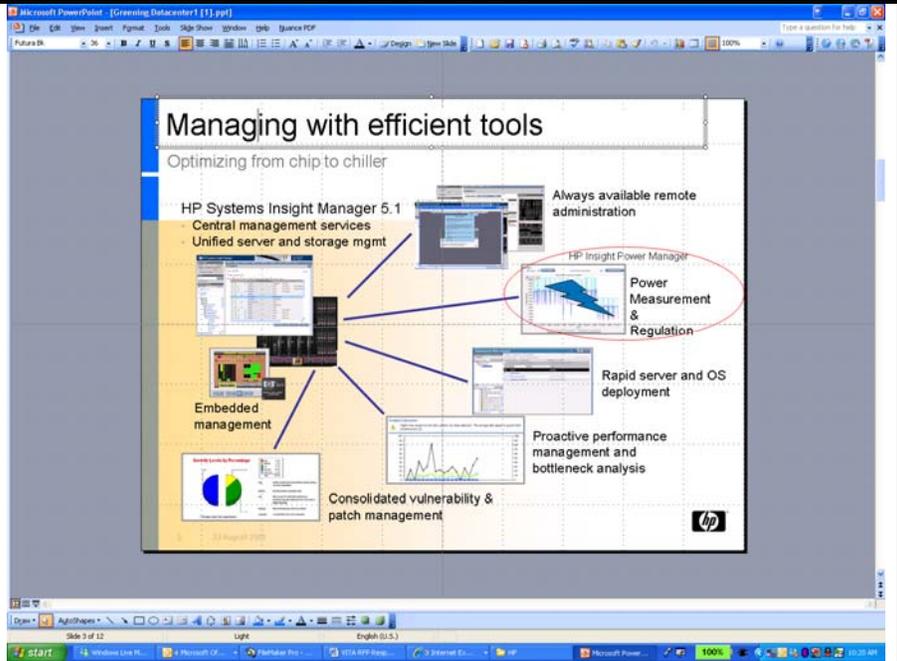
NEW WITH E-FAMILY!

ALL DAY COMPUTING*	INSPIRED DESIGN	PEACE OF MIND	TOTAL CONTROL OF OWNERSHIP
• Dell ControlPoint • All Day Battery Mode • Battery Slices • WiMAX™ Ready • USB • Webcams, digital mics	• New Industrial Design • E-Flat Panel Stand • Color Options • Backlit Keyboards • Dell USB PowerShare • Small AC adapters	• Industry-leading hardware security solutions • Dell ControlVault™ • Contactless smart card reader option • FIPS Fingerprint reader option • Remote Data Deletion Service	• Intel® Centrino® w/ vPro™ - mainstream & ultraportable • 4-5 Years of common peripherals • ImagesDirect

Dell Confidential | © Dell EMC. All Rights Reserved

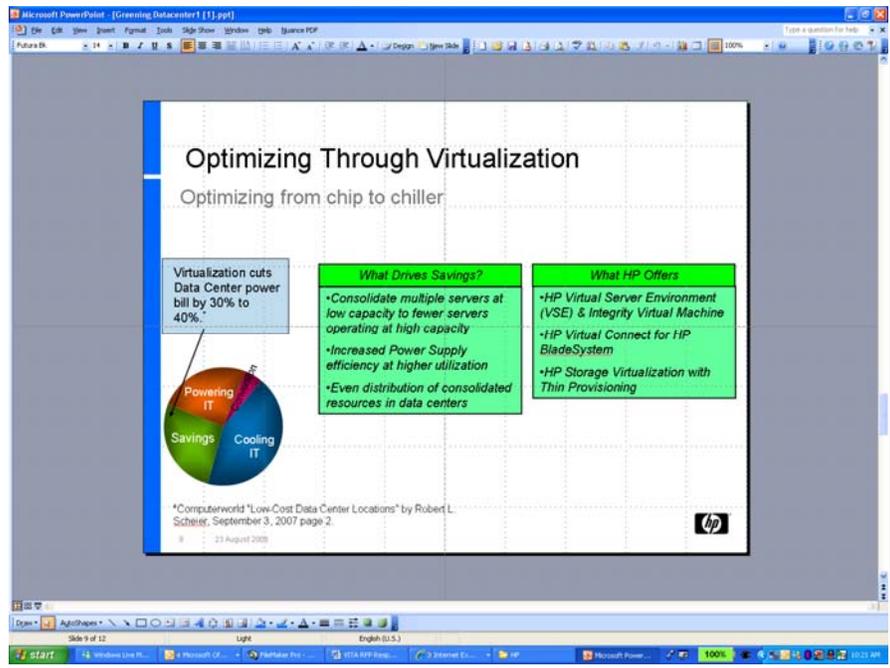
3. OEM Briefings

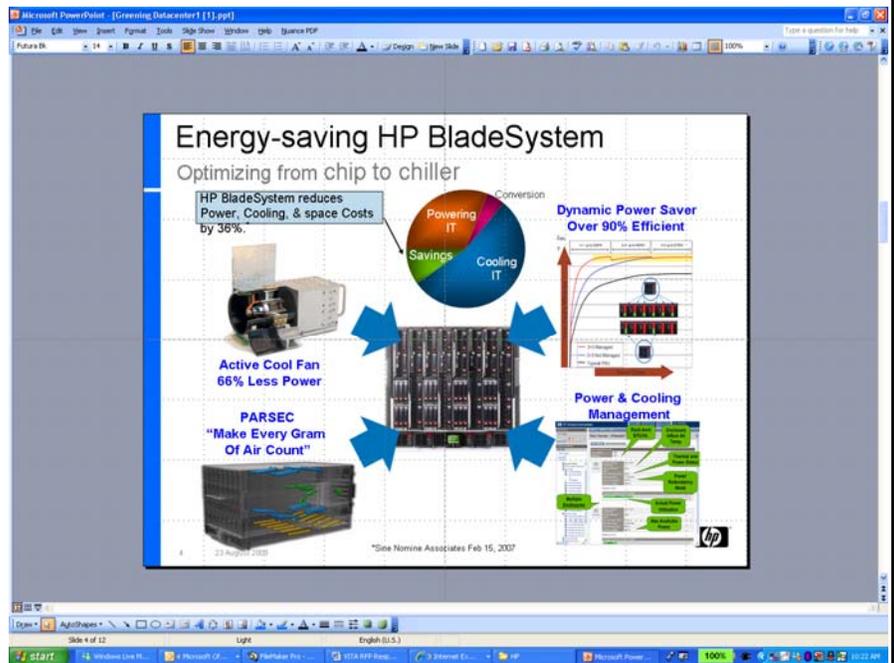
As part of the regular briefings that we present to the customer, we would include new products (complimentary and supplementary) that might be applicable to the customer. This would include product, services, software (i.e. management options) etc that can provide 'incremental' value to the customer in using, managing and maintaining their assets. This can also include training on specific tools, topics of interest



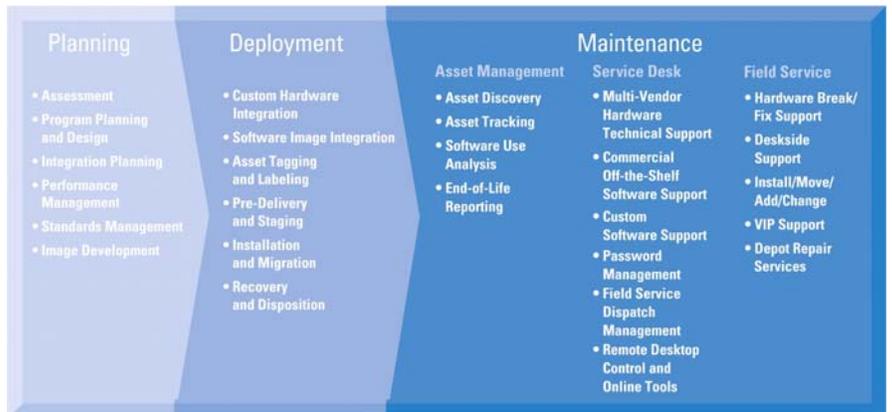
4. Recommended Solutions (Value Add)

As part of the program review and briefing, we would also talk to the customer about new trends, technology, areas of potential cost savings, consolidation adoption, business value that we can provide to the customer:





KST Data is focused on helping our customers in all aspects of the product lifecycle, and can provide the related services that affect each phase of this lifecycle:



2. Does your firm provide installation services? Please provide details.

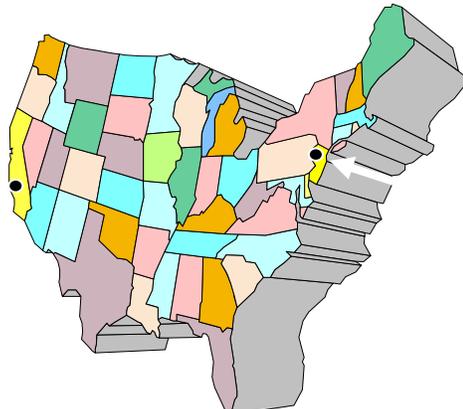
y

KST has a full breadth of services that are available to our clients, based on the specific needs of the organization. KST delivers these services using our own resources along with our strategic partners that we use in providing national geographic presence, based on customer's service requirements. KST is teamed with several services partners that can provide local resources to provide a full end-to-end one-stop solution.

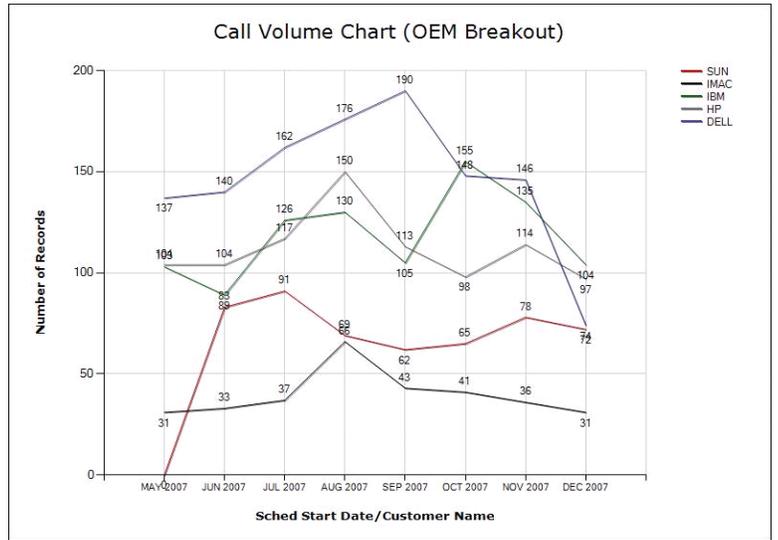
KST services offerings include, but are not limited to the following:

		<p>Desktop Services</p> <ul style="list-style-type: none"> • Acquisition and ongoing support of the desktop environment • Equipment evaluation • Order placement and tracking • Post-support • User training • Desktop strategies • Governance models • Deployment and support of desktop solutions • Personalized ordering portal • Asset Management • Customizable catalogue of offerings • Streamlined web ordering solution • Delivery of a wide range of OEM products • Asset Tagging • Imaging <p>Maintenance Support Services</p> <ul style="list-style-type: none"> • Preventive monitoring and maintenance • Diagnostic and support activities • e-mail, live chat, telephone, and remote delivery • Hot on-site sparing • Remote depot support • Warranty reimbursement <p>Deskside Support Services</p> <ul style="list-style-type: none"> • On-site services • Thorough and accurate diagnosis and resolution of faults • Front line support • Remote software deployment capabilities • <p>Industry Infrastructure Services</p> <ul style="list-style-type: none"> • Lower cost model for managing the infrastructure needs of our industry specific clients • Unique solutions to eliminate waste <p>Network Services</p> <ul style="list-style-type: none"> • Installation • Configuration • VOIP • Adds/Moves/Changes • Asset Management • Off-the-shelf, customized, or 'On Demand' network solutions • Unique financial and flexible service models <p>Server and Storage Solutions</p> <ul style="list-style-type: none"> • Installation • Configuration • Wiring • Deployment • Asset Management • Develop and integrate support models
--	--	--

		<ul style="list-style-type: none"> • Buffer capacity on datacenter floor • "On Demand" offerings • Financial offerings <p>Managed Print Solutions</p> <ul style="list-style-type: none"> • Standardized fleet of printer assets • Remote diagnostic capabilities • Quick access to all major products • Cost effective financial • Dedicated Project Management resource and skilled technicians <p>Installs-Moves-Adds-Changes</p> <ul style="list-style-type: none"> • Transitional and evaluation equipment • Experienced and bonded personnel • Set up, move, integrate, or localize your environment • Planning, monitoring, and implementing large scale refresh projects • Ongoing maintenance and replacement of client assets • Procurement and maintenance to match existing environment • Upgrades to state-of-the-art equipment • Processes to ensure information is transitioned to the new system • Pre-field planning to verify telephony and data capability as well as furniture requirements • Coordination, scheduling, and implementation of a move • Post-support • End-user training for new technology <p>Asset Tracking</p> <ul style="list-style-type: none"> • Discovery auditing • Full and complete asset registry inclusive of chipset details, serial numbers, software versions, model numbers, user information, and asset numbers. • Licensing compliance • Application evaluation and license recovery • Identification and elimination of unauthorized or unused products and software <p>Additionally, PLANIT, as one of our services partner for this response provides full service installation and support. PLANIT has a team of service technicians throughout the Commonwealth of Virginia. PLANIT coordinates all installations using automated tools which schedules and tracks installations from beginning to end.</p> <p>PLANIT has facilitated larger installation projects using a three phased approach:</p> <ul style="list-style-type: none"> • Scouting (discovery phase) • Migration (main installation phase) • Disposition (the secure removal and recycling of the replaced or legacy assets) <p>All installation services are overseen using PLANIT's proven project management methodologies and online, web based tools such as</p>
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			Quickbase.
3.	Is your firm able to respond to a user request for service within eight (8) business hours? Please provide detail on how this will be accomplished.	y	<p>KST can provide a range of service and support options to ensure rapid response and deployment of our support team. We can offer 4 hour, 8 hour and next business day response and return to service, depending on the specific requirements that the client would like us to support.</p> <p>Through our team and our partners, we will provide a full coverage of sales, technical and support resources across the state to ensure that we can provide 4-hour response to any issue, as contracted under our agreement. KST is willing to place technical resources and service parts inventory at the customer site based on customer's service level requirements.</p> <p>Our team is able to provide dedicated and on-site resources to deliver on any 'service level contracts' that we would agree to deliver to the VITA customer. We can manage and provide service resources from 48 Service Office Locations around the Continental United States, coordinated and managed from our west and east coast depot and dispatch centers.</p> 
4.	Is your firm willing to commit to service-level agreements? If so please refer to Appendix C and fill in the yellow shaded areas.	yes	<p>KST Data would be willing to commit to service level agreements that include financial contract award / decrement language to ensure contract compliance. We have edited the table provided in the RFP to outline our recommended SLA's for VITA's consideration. Our support and maintenance support offerings include:</p> <ul style="list-style-type: none"> ➤ 7x24 Service Call Initiation (Call Center) <ul style="list-style-type: none"> ➤ (800) Phone #, Web Based Ticket / Portal Connection ➤ Automated Service Call Escalation <ul style="list-style-type: none"> ➤ Management & CCC notified periodically for unresolved calls ➤ Asset Management <ul style="list-style-type: none"> ➤ Asset tool maintains customer profiles (equipment details, SLA, contacts, locations etc.) ➤ Captures & tracks all service activity data

- Web Based Customer Call tracking
- **Service Call Reporting**
 - SLA and Trend Reports
 - OEM Platform/Product Performance



Primary OEMs that we can provide Service Level Agreements are:

UNIX®	Intel®	NETWORK EQUIPMENT	NETWORK STORAGE
Sun®	HP® (Compaq)	Cisco®	STK®
IBM®	Dell®	Nortel®	Net App®
P Series® RS/6000®	IBM®		EMC Clariion®
HP 9000®			ADIC®
Compaq Alpha® (VAX®)			ATL®

			<p>Your dedicated Technical Services Focal Point will be responsible for:</p> <ul style="list-style-type: none"> ✓ Proactive technical support planning <ul style="list-style-type: none"> ✓ Identify customer hardware, service & support opportunities ✓ Match hp support alternatives with customer needs ✓ Recommend appropriate training to Customer ✓ Facilitate <i>post-sale issues</i> <ul style="list-style-type: none"> ✓ <i>Point of ownership on non-standard support issues</i>
5.	Does your firm offer 8am to 5pm EST hardware and software support? Please provide details.	y	<p>KST is able to provide 8am – 5pm EST Hardware and Software Support programs. There are a number of options that are available to VITA. Customers can procure services on a per incident basis, service contracts, multiple package options including:</p> <p>KST SafeGuard Service Levels Plan Name Plan Features Basic</p> <p>The Basic Service Plan offers support and repair services during normal business hours. This Service Plan is designed to meet the needs of environments that require phone support on an 8/5 basis with next business day on-site services. To maintain network integrity and optimal performance, proactive services can be provided through the Block Hourly Service Plan. Equipment to be covered under this plan, which has not been configured/installed by KST, must first pass a certification by a KST systems engineer prior to being listed for coverage under this plan. Any equipment that is determined to be ineligible for coverage under the Basic Service Plan may be covered separately through the Block Hourly Service Plan. Participants in this plan may discontinue coverage at any time with at least 30 days written notice. Upon notification, billing will be completed through the 30-day term. KST will provide a logical network design drawing of the network for this level of service. This diagram will show all Network equipment under contract as a physical layer drawing.</p> <p>• 9-5 X 5 COVERAGE (9:00 A.M. – 5:00 P.M. X 5 DAYS -MONDAY-FRIDAY) Local site time, excluding KST and manufacturer's holidays with unlimited telephone support via KST's First Call Response Center.</p> <p>• GUARANTEED SAME DAY RETURN CALL A KST employee will contact the customer prior to 5:00 p.m. local site time the same day a service request is made in order to gather additional information and determine if an On-Site service call is required.</p> <p>• GUARANTEED NEXT DAY ON-SITE RESPONSE A KST engineer will be On-Site the next business day after a service request has been made if the problem was unable to be resolved via phone support.</p>

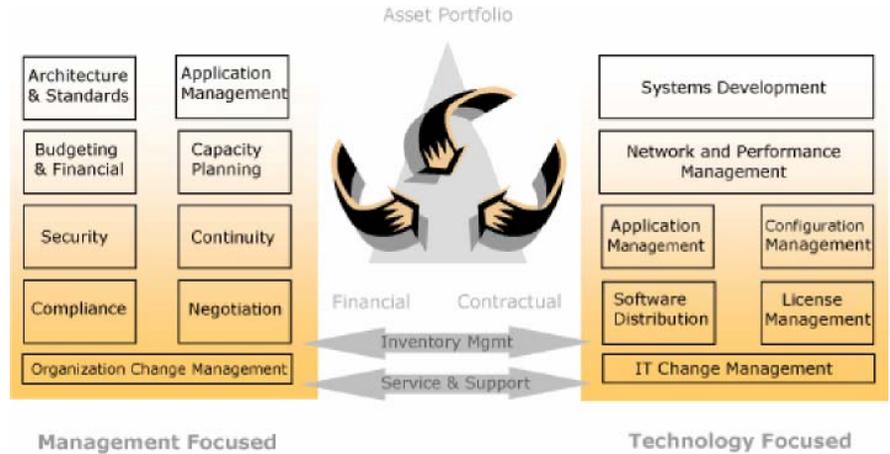
			<p>• ON-SITE LABOR The KST Basic Service plan includes all On-Site labor charges for maintenance on equipment eligible for coverage under this plan.</p> <p>• TRAVEL TIME AND EXPENSES INCLUDED The KST Basic Service plan includes all travel time and expenses to eligible customer sites covered under this plan.</p>
6.	For security reasons, will your firm allow the user to keep a failed hard drive while receiving a new hard drive that is covered under warranty? Please provide details.	y	<p>KST Data is familiar with this requirement. KST can provide and deliver support contract and optional 'uplifts' that will allow customer to keep defective drives that fail during warranty or maintenance contract period. Our drive retention service program is available for all desktops, laptops, workstations and servers. It is available as an uplift per system. Typical price range is between \$20 - \$100 per system for the first 3 years.</p> <p>Defective Media Retention (DMR) allows Customers to maintain possession of a failed disk drive component on which their sensitive data is stored.</p> <p>Customers are responsible for destroying the retained defective disk and/or ensuring that sensitive data is destroyed or remains secure.</p> <p>The customer must provide us with the serial number of the system and defective disk. Our database system will be the source of validation that the equipment was procured with the DMR support uplift.</p>
7.	Does your firm provide custom imaging? Please provide details.	y	<p>KST offers a full suite of imaging services to support our clients specific needs. We will work with each agency to define their specific needs relative to imaging and other ancillary services.</p> <p>Examples of our services and methodologies around imaging include:</p> <p>Image Development</p> <ul style="list-style-type: none"> • Provide FTP accounts for all customers that need to access images • Test and provide prototype of imaged system prior to production • Assist customer with image updates <p>Image Deployment</p> <p>As new desktops and laptops are procured, they will be transferred from the manufacturing site to KST's integration customization centers across the US, where they will be loaded with the appropriate certified image, as specified by VITA or the agency. VITA images can be stored on KST's secured national production network making them ready for immediate access or project implementation across all of KST's Manufacturing and Customization Centers. VITA will have the ability to dial into KST networks via a secured account to submit real time changes, and make modifications, or submit new instructions for images. Not only does this feature allow the opportunity for VITA to "free up" space on their networks,</p>

			<p>but also grants a sense of security, knowing that images are protected. KST responsibilities in this area include:</p> <ul style="list-style-type: none"> • Manage and maintain all production version of images as provided by VITA • Provide a process to track images, updates and production versions • Install Base 0 (Enterprise Level Image) • Install Base 1 (Agency Level Image) • Install Base 2 (Unit Level Image) • Document operating system license and usage <p>Additionally, Planit Technology can be leveraged at their integration facility to perform the imaging services.</p> <p>KST will determine the most cost effective and efficient model for each agency, depending on the specific services requirements.</p>
8.	Does your firm provide in-house quality assurance and testing processes for all hardware? Please provide details.	y	Following the configuration of each device, a rigorous testing process is used to ensure that each device is working as expected. If during the QA process, a device is not working as expected, the device will be removed from the line to determine the necessary corrective action.
9.	Does your firm provide service and repair for warranty and non-warranty maintenance for hardware? Please provide details and time frames.	y	KST Data and our partners provide service and repair for warranty and non-warranty maintenance for hardware. Warranty repairs are based on the Manufacturers brand and the KST Team's warranty authorization certifications. Repair response times vary based on Customer (SLA's) Service Level Agreements.
10.	Do your service and maintenance technicians have and maintain current industry certifications? Please provide details and types of certifications.	y	KST and overall team partners have certified technicians that are required to maintain a variety of industry certifications to include, but are not limited to: A+ Certifications, Microsoft and Cisco Certifications, Hewlett Packard, Lenovo, Dell and IBM Certification to list a few.
11.	Does your firm provide onsite and/or depot warranty and repair? Please provide details.	y	KST team can provide onsite and depot warranty repairs based on our authorized manufactures warranty agreements. We have described this information in the previous sections. The KST team will provide on site technical resources dispatched from our depot locations as well as having them co-located on-site at the customer facilities based on pre-agreed service level arrangements
12.	Does your firm offer the use of spare parts/loaner equipment on both warranty and out of warranty parts? Please provide details.	y	<p>KST will work with each contracted agency to establish a flexible loaner program to support the specific needs. Our objective is to ensure that each agency will have access to all necessary products for test and evaluation purposes at no cost.</p> <p>In addition, we will work with each contracted agency to assess the requirements to stocking of spare parts to support the specific inventory of products installed around the state. KST regularly develops a client specific portfolio of spare parts and spare units to ensure that all SLA's are</p>

			<p>exceeded.</p> <p>PLANIT can provide spare parts/loaner equipment based on PLANIT's authorized manufactures warranty agreements and Customer (SLA'ss) Service Level Agreements.</p>
13.	<p>Does your firm provide asset management and equipment tracking services? Please provide details.</p>	y	<p>KST and our partners can provide a wide array of asset management services to assist each agency based on their specific needs. We can focus on asset tagging and bios updates or we can develop a much more complete set of asset management services for each agency.</p> <p>Organizations install IT systems for the vital business value they provide. Minimizing costs is important, but not the paramount goal.</p> <p>To derive maximum benefits from the organization's asset portfolio, asset management best practices are needed throughout the lifecycle phases. These phases include:</p> <ul style="list-style-type: none"> • Request • Procure • Deploy • Manage • Recycle <p>Applications and related infrastructure exist to deliver business value. Very few business models today could consistently outperform current competitors or new entrants, unless computing agility and efficiency are well-tuned.</p> <p>"Inefficient or nonexistent hardware asset management processes add 7 percent to 10 percent per year to the total cost of ownership. This can be \$560 to \$800 per user annually," said Bill Kirwin, vice president and research director for Gartner. According to Gartner, the inefficiencies of poor software asset management are even greater.</p> <p>Active asset management can squeeze top value from existing and future IT investments through better planning, allocation, and productivity of assets.</p> <p>Active asset management works with client management systems and server provisioning systems to centralize asset control across the enterprise throughout the lifecycle. Architected properly, these three areas are very complementary. The overall payback includes:</p> <ul style="list-style-type: none"> • Up-to-date application distribution • Reliable computing performance and availability • Productive and responsive system administrators

- Fewer desk-side interruptions by IT support staff
- Empowered end users
- Substantial cost savings

KST and our partners can work with VITA to develop a complete asset management capability and provide a focus on assets as identified below:



The diagram above depicts relationships among the concurrent management and technology focus connected by active inventory and service management. The asset lifecycle is an ongoing cradle-to-grave discipline, with recycling/retiring of assets. A diverse portfolio of asset relationships are managed to optimize asset productivity and total cost of ownership (TCO).

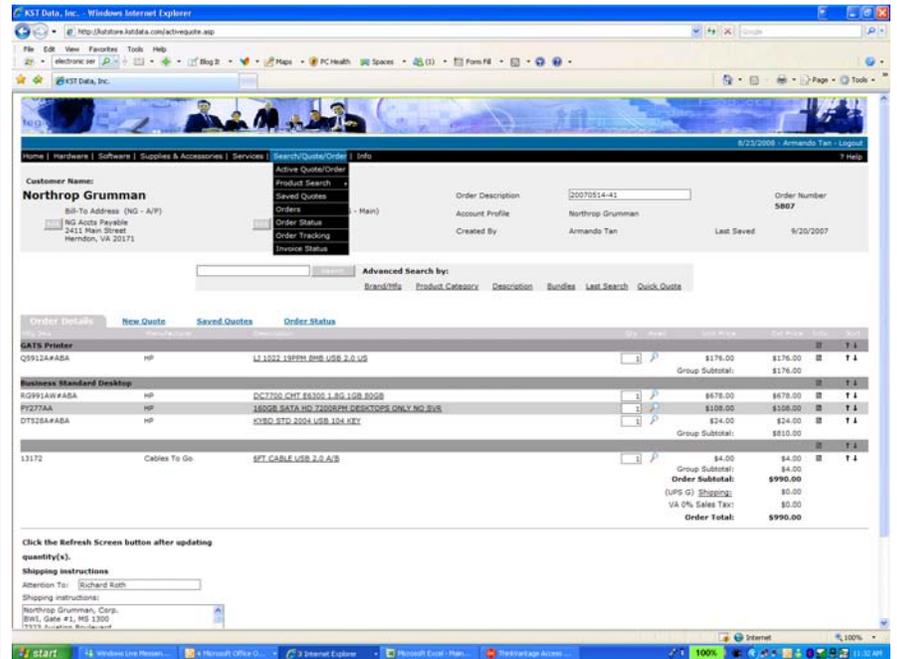
14. Does your firm ship all in stock orders same day? Please list all shipping timelines and include caveats for delay, etc..

y Yes we can commit to same day shipout from our warehouse for COTS and retail boxed equipment, assuming that we do not have to perform any imaging or special handling services., Our order tool will pick the product from the warehouse that is closest to the destination based on zip code information. KST can ship stock orders same day. Within the Northrop Grumman / VITA Program, the KST team has agreed to a 5 day SLA commitment which includes begins upon receipt of the order. The requested items are then asset tagged, imaged, and shipped to any location in Virginia. Non standard, non-forecasted items as well as custom configurations will ship based on OEM lead time requirements, which range from a few days to as much as 20 business days, depending on where the products ship from. As an example, custom boxes from HP are often manufactured and shipped from China which can take as long as 20 business days. As we work with the agencies, we will help them to understand the differences between a standard solution and a custom solution so that lead times can be minimized. KST will establish inventory levels for standard solutions to support a quick turnaround.

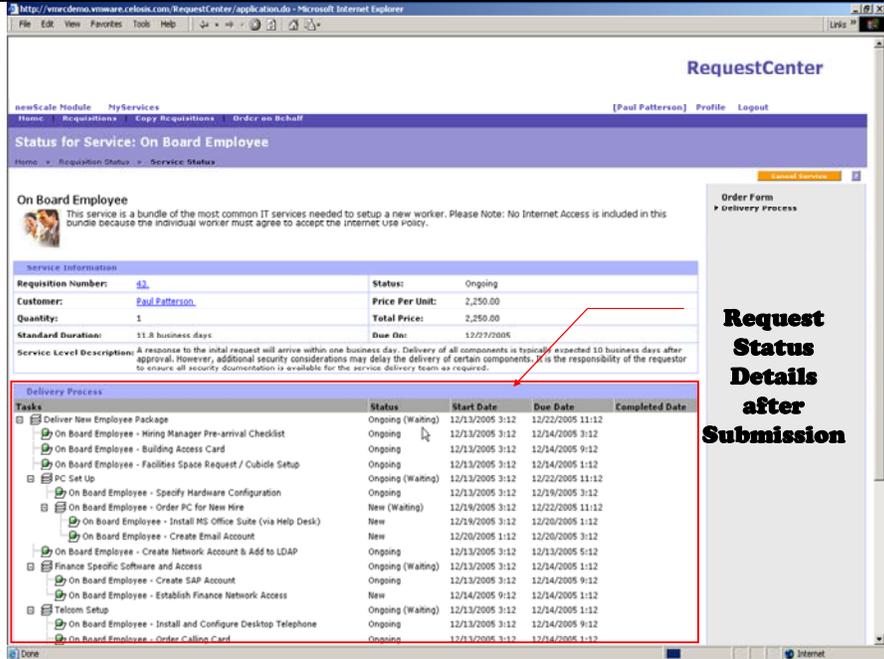
15. Does your firm have an in-house order tracking system that can be accessed 24 x7 by a user? Please provide details.

Y

Yes. KST Data has the capability to allow all customers that place their orders via our on line web catalog to check the status on their orders, and obtain associated tracking information. The order details web page will include tracking and link to the carrier for all orders that have shipped. Orders that have not shipped will show a projected ETA ship date.



Dell orders placed via KST will be linked to the Dell Web Order Status Page for product delivery status:

		 <p>The screenshot shows a web browser window displaying the 'RequestCenter' application. The page title is 'RequestCenter' and the user is logged in as 'Paul Patterson'. The main heading is 'Status for Service: On Board Employee'. Below this, there is a section for 'On Board Employee' with a description: 'This service is a bundle of the most common IT services needed to setup a new worker. Please Note: No Internet Access is included in this bundle because the individual worker must agree to accept the internet use policy.' A 'Service Information' table shows: Requisition Number: 43, Status: Ongoing, Customer: Paul Patterson, Price Per Unit: 2,250.00, Quantity: 1, Total Price: 2,250.00, Standard Duration: 11.8 business days, and Due On: 12/27/2005. A 'Service Level Description' note states: 'A response to the initial request will arrive within one business day. Delivery of all components is typically expected 10 business days after approval. However, additional security considerations may delay the delivery of certain components. It is the responsibility of the requester to ensure all security documentation is available for the service delivery team as required.' A 'Delivery Process' table lists various tasks with their status, start dates, due dates, and completed dates. A red box highlights the 'Delivery Process' table, and a red arrow points from the text 'Request Status Details after Submission' to the 'Status' column of the table.</p> <p>Request Status Details after Submission</p> <table border="1"> <thead> <tr> <th>Tasks</th> <th>Status</th> <th>Start Date</th> <th>Due Date</th> <th>Completed Date</th> </tr> </thead> <tbody> <tr> <td>Deliver New Employee Package</td> <td>Ongoing (Waiting)</td> <td>12/13/2005 3:12</td> <td>12/22/2005 11:12</td> <td></td> </tr> <tr> <td>On Board Employee - Hiring Manager Pre-arrival Checklist</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/14/2005 3:12</td> <td></td> </tr> <tr> <td>On Board Employee - Building Access Card</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/14/2005 9:12</td> <td></td> </tr> <tr> <td>On Board Employee - Facilities Space Request / Cubicle Setup</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/14/2005 1:12</td> <td></td> </tr> <tr> <td>PC Set Up</td> <td>Ongoing (Waiting)</td> <td>12/13/2005 3:12</td> <td>12/22/2005 11:12</td> <td></td> </tr> <tr> <td>On Board Employee - Specify Hardware Configuration</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/19/2005 3:12</td> <td></td> </tr> <tr> <td>On Board Employee - Order PC for New Hire</td> <td>New (Waiting)</td> <td>12/19/2005 3:12</td> <td>12/22/2005 11:12</td> <td></td> </tr> <tr> <td>On Board Employee - Install MS Office Suite (via Help Desk)</td> <td>New</td> <td>12/19/2005 3:12</td> <td>12/20/2005 1:12</td> <td></td> </tr> <tr> <td>On Board Employee - Create Email Account</td> <td>New</td> <td>12/20/2005 1:12</td> <td>12/20/2005 3:12</td> <td></td> </tr> <tr> <td>On Board Employee - Create Network Account & Add to LDAP</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/13/2005 5:12</td> <td></td> </tr> <tr> <td>Finance Specific Software and Access</td> <td>Ongoing (Waiting)</td> <td>12/13/2005 3:12</td> <td>12/14/2005 1:12</td> <td></td> </tr> <tr> <td>On Board Employee - Create SAP Account</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/14/2005 9:12</td> <td></td> </tr> <tr> <td>On Board Employee - Establish Finance Network Access</td> <td>New</td> <td>12/14/2005 9:12</td> <td>12/14/2005 1:12</td> <td></td> </tr> <tr> <td>Telcom Setup</td> <td>Ongoing (Waiting)</td> <td>12/13/2005 3:12</td> <td>12/14/2005 1:12</td> <td></td> </tr> <tr> <td>On Board Employee - Install and Configure Desktop Telephone</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/14/2005 9:12</td> <td></td> </tr> <tr> <td>On Board Employee - Order Calling Card</td> <td>Ongoing</td> <td>12/13/2005 3:12</td> <td>12/14/2005 1:12</td> <td></td> </tr> </tbody> </table>	Tasks	Status	Start Date	Due Date	Completed Date	Deliver New Employee Package	Ongoing (Waiting)	12/13/2005 3:12	12/22/2005 11:12		On Board Employee - Hiring Manager Pre-arrival Checklist	Ongoing	12/13/2005 3:12	12/14/2005 3:12		On Board Employee - Building Access Card	Ongoing	12/13/2005 3:12	12/14/2005 9:12		On Board Employee - Facilities Space Request / Cubicle Setup	Ongoing	12/13/2005 3:12	12/14/2005 1:12		PC Set Up	Ongoing (Waiting)	12/13/2005 3:12	12/22/2005 11:12		On Board Employee - Specify Hardware Configuration	Ongoing	12/13/2005 3:12	12/19/2005 3:12		On Board Employee - Order PC for New Hire	New (Waiting)	12/19/2005 3:12	12/22/2005 11:12		On Board Employee - Install MS Office Suite (via Help Desk)	New	12/19/2005 3:12	12/20/2005 1:12		On Board Employee - Create Email Account	New	12/20/2005 1:12	12/20/2005 3:12		On Board Employee - Create Network Account & Add to LDAP	Ongoing	12/13/2005 3:12	12/13/2005 5:12		Finance Specific Software and Access	Ongoing (Waiting)	12/13/2005 3:12	12/14/2005 1:12		On Board Employee - Create SAP Account	Ongoing	12/13/2005 3:12	12/14/2005 9:12		On Board Employee - Establish Finance Network Access	New	12/14/2005 9:12	12/14/2005 1:12		Telcom Setup	Ongoing (Waiting)	12/13/2005 3:12	12/14/2005 1:12		On Board Employee - Install and Configure Desktop Telephone	Ongoing	12/13/2005 3:12	12/14/2005 9:12		On Board Employee - Order Calling Card	Ongoing	12/13/2005 3:12	12/14/2005 1:12	
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16.	Does your firm have the ability to deliver large quantities of equipment to multiple locations? Please describe your firm's process and experience including delivery time and scheduling procedures.	<p>Y</p> <p>KST Data, in conjunction with our service providers has its own trucks and can deliver large quantities of equipment within a matter of days to any location in Virginia. KST currently manages a substantial inventory of assets in our Virginia based warehouses, and can ensure that pre-forecasted or requirements that have defined needed dates are available and staged in our VA based warehouses, that can be delivered to multiple locations. We have an ongoing contract with a local truck delivery provider (Dynamex www.dynamex.com) that maintains a fleet of over trucks in the VA corridor to deliver for us within VA.</p> <p>KST Data's have full access to staging product inventory in several warehouses in Virginia. These warehouses include 100,000 square foot facility in Chantilly and also a smaller one in Virginia Beach Orders placed with processed and scheduled for delivery in our automated order entry system. Delivery times and scheduling is determined and outlined in our Customer (SLA's) Service Level Agreements. Typical delivery service for products in stock is 1 – 2 business days from order placement.</p>																																																																																					
17.	Does your firm have a return policy? Please provide details?	<p>Y</p> <p>KST Data offers a standard returns policy which is not specific to any one manufacturer. Please see the following "KST Data Returns Policy" that covers the stock balancing process. Basically, you may return product (up to 30 days from purchase) that is in restockable condition, but not to exceed a pre-negotiated percentage of your monthly purchase volume.</p> <p>A copy of our standard return policy is provided for your review. Please note that we also customize and create custom return policy based on the products that VITA is standardized on as it relates to the OEMs and product standards that the customers purchase, to reflect better return privileges that might be available to VITA.</p>																																																																																					

			 <p>KST Standard Return Policy</p> <p>PLANIT Has an RMA (Return Materials Process. A return authorization number is issued to a customer and the materials are either pickup up via our company trucks or by a common carrier issued call tag. Once received at PLANIT all RMA equipment and materials are processed in our Order Entry system and a replacement or a credit is issued to the customer depending on the order requirements.</p>
18.	Does your firm charge a restocking fee on returned equipment? Please provide details.	Y	KST has provided the information on our response to the previous question on Return Policy. Additional information and details can be provided as it relates to specific OEM's return policies, as they might be slightly different..
19.	Does your firm offer IT equipment disposal and recycling services? Please provide details.	Y	<p>The KST Data team, including our partners (Dell, HP, IBM, Planit and Maintech Volt) offer a robust suite of asset disposition services. These solution that we refer to as 'Asset Recovery Solutions' include buyback and disposal options for your retired IT and other electronics equipment, such as PC's, monitors, printers, fax machines, MFPs, and servers. Our methods ensure safe and proper disposition of retired equipment. You can benefit from efficiencies in our documented processes developed from more than twenty (20) years of experience reselling and disposing of our own leasing portfolio as well as several OEM's retired IT equipment.</p> <p>We have years of global experience in refurbishment, remarketing and disposition of IT equipment, coupled with our financial strength and contractual protections, will ensure your disposition goals are met. As a team, we have focused its energies over the years in not only exceeding all global environmental regulations, but in minimizing the cost of asset disposition. This two pronged approach leads to our low cost and fully compliant offerings that utilize the OEM's best practices to achieve efficiencies and reduce the hassle commonly associated with asset disposition. A successful disposition strategy requires the flexibility to respond to various situations based on factors such as the age and type of device requiring disposition. In response to this our team offers our clients several disposition options including;</p> <ul style="list-style-type: none"> ▪ Fixed Price Buyback ▪ Pre-negotiated asset values based on date of return to one of our facilities. ▪ Receive payment for assets within 45 days while we shoulder the risk of reselling. ▪ Revenue Sharing Agreements ▪ Employee Surplus Re-purchase programs ▪ Consignment arrangement allows clients to take advantage of IBM's remarketing and service capabilities. ▪ Flat Fee Value Program ▪ Further reduces the hassle of disposition by providing a simple per asset fee for buyback, disk overwrite and logistics services.

		<ul style="list-style-type: none"> ▪ Certified Destruction based on an agreed upon compliance process ▪ Provides environmentally sound disposal for assets that no longer have value. <p><u>Optional Value Added Services:</u></p> <ul style="list-style-type: none"> • Certified Data Destruction - We will provide disk overwrite on hard disk drives in compliance with Department of Defense 5220.22-M 3 pass standards. • Higher levels of disk overwrite also available. • Packaging and secure transportation services. • Moving existing surplus equipment at one site, and being able to move / migrate it to another NGC site that might still have use for the equipment. • Government regulation compliant asset retirement and disposal services. <p>KST Data has been actively involved in performing similar services in public sector and government customers such as our IT Services work with JPL, NASA, Lockheed Martin, University of California, County of Los Angeles. In these contracts, we had to deliver processes that comply with the government property management and disposal requirements.</p> <p>KST also has existing teaming agreements that allow us to work with third-party ITAD (IT Asset Disposal) providers such as IBM Global Asset Recovery Services and Dell Solutions Group if we need more advanced data security services while European companies rate requirements or to meet certain regulatory mandates, such as the Waste Electrical and Electronic Equipment Directive (WEEE).</p> <p>Our team is familiar and have created our asset tracking and disposal processes that reflect and comply with Government regulation 52.245-1 where it defines and specifies how we account and provide for the incorporation of the right Policies and procedures for providing Government property to contractors, contractors' use and management of Government property, and reporting, redistributing, and disposing of contractor inventory.</p> <p>"Government-furnished property" means property in the possession of, or directly acquired by, the Government and subsequently furnished to the Contractor for performance of a contract.</p> <p>"Government property" means all property owned or leased by the Government. Government property includes both Government-furnished and Contractor-acquired property.</p>
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			<p>KST Data has been proactively developing our practice, reviewing and being up to date on government mandates and regulations in this area. We are continuously monitoring and improving our practice based on emerging and changing government standards. Our solution ARC center are ISO 9001 and 14001 certified and the site managers area required to have attended the National Property Management Association training, and subsequent refresher courses. As part of our practice, we have designed our program practice to support and be in compliance with:</p> <ul style="list-style-type: none"> - End-of-life goals as established under E.O. 13101, "Greening the Government" - Department of Defense Specification 5220-22-M Data Wipe Destruction <p>Some of the standard documentation that we provide our customers include:</p> <ul style="list-style-type: none"> • Certificates of Erasure • Certificates of Destruction (Department of Defense Specification 5220-22-M) • Certificates of Recycling
20.	Does your firm adhere to Energy Star 4.0 energy efficiency standards for computer hardware products? Please provide list of qualified products.	Y	<p>KST Data is committed to offering only Energy Star 4.0 compliance products as part of our recommended product standards to the VITA customer. Our current policy is to provide EPEAT Gold Certified products for Desktops and Workstations, and EPEAT Silver Certified products for notebooks and tablets.</p> <p>This is the current list of Energy Star systems that we would offer from the various OEMs that we are authorized to resale and support.</p> <div style="text-align: center;">  <p>Energy Star computers_prod_list.:</p> </div>

PC

Intel or AMD Based

<i>Minimum Configurations</i>	Unit Price	Discount %	Unit Discounted Price
A. Standard Desktop Offering	\$853.00	25%	\$646.00
2.4 Ghz Core 2 Duo E6600/ 2 Ghz Athlon 64 X2 3800+ or equivalent			
Graphics Media Accelerator (256mb RAM minimum)			
2GB RAM or greater			
80GB SATA drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Two Front Facing USB Ports or greater			
17" LCD Monitor (minimum)			
Two button optical mouse with scroll wheel			
Keyboard with 103 keys			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

	Unit Price	Discount %	Unit Discounted Price
B. Premium Desktop Offering	\$1,188.00	25%	\$902.00
3-GHz Core 2 Duo E6850 or equivalent			
Discrete Graphics Media Accelerator (256mb RAM minimum)			
2GB RAM or greater			
120GB SATA drive or greater			
CDRW/ DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Two Front Facing USB Ports or greater			
21" LCD Monitor			
Two button optical mouse with scroll wheel			
Keyboard with 103 keys			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

Units above are base offerings.

AMD processors must be at least equivalent to listed Intel processors

<http://ftpbox.us.dell.com/slg/weekly/dellpricereport.pdf>

"Dell reserves the right to price specific opportunities greater than the discount range listed above. This pricing will be strictly limited to the specific purchase in question, and will not impact or change the discount range offered by Dell."

Dell's discount is product line dependent, which is why we provided a minimum discount percentage discount off List/Web Price KST and Dell expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

The specific configuration details of what we priced are:

A. Standard Desktop Offering - Dell	
Base Unit:	OptiPlex 740 Desktop, Athlon 64 X2 4400+ (2.3GHz,512KBX2) (223-5962)
Processor:	NTFS File System,Factory Install (420-3699)
Memory:	2GB,Non-ECC,667MHZ DDR2,2X1GB Dell OptiPlex 740 and 330 (311-6444)
Keyboard:	Dell USB Keyboard,No Hot Keys English,Black,Optiplex (310-8010)
Monitor:	Dell E178FP,Wide,17 Inch Flat Panel 17.0 Inch Viewable ImageSize,OptiPlex,Precision and Latitude (320-5786)
Video Card:	Integrated NVIDIA Quadro NVS 210S Graphics,Dell OptiPlex 740 (320-5170)
Hard Drive:	80GB SATA,7200 RPM Hard Drive with Data Burst Cache,Dell OptiPlex 740 (341-3999)
Floppy Disk Drive:	No Floppy Drive with Optical Filler Panel,Dell OptiPlex 740Desktop (341-4003)
Operating System:	Vista Home Basic Service Pack 1,with Media,32 Bit English Dell Optiplex (420-8464)
Mouse:	Dell USB 2 Button Optical Mouse with Scroll,Black OptiPlex (310-9627)

TBU:	R0HS Compliant Lead Free Chassis and Motherboard,Dell OptiPlex (464-1131)
CD-ROM or DVD-ROM Drive:	16X DVD+-RW,SATA,Roxio Creator Dell Edition,Dell OptiPlex740 Desktop or Minitower (313-4972)

B. Premium Desktop Offering - Dell

Base Unit:	OptiPlex 755 Desktop,Core 2 Duo E8400/3.0GHz,6M,VT,1333FSB (223-7079)
Processor:	NTFS File System,Factory Install (420-3699)
Memory:	2GB,Non-ECC,667MHZ DDR2,2X1GB OptiPlex 740 (311-7440)
Keyboard:	Dell USB Keyboard,No Hot Keys English,Black,Optiplex (310-8010)
Monitor:	Dell E228FP,Wide 22 Inch Flat Panel,22.0 Inch Viewable ImageSize,OptiPlex,Precision and Latitude (320-5204)
Video Card:	256MB ATI RADEON HD 2400 Pro Single Monitor Graphics w/DVI and TV Out,Low Profile,Dell OptiPlex (320-5740)
Hard Drive:	160GB SATA 3.0GB/s and 8MB Data Burst Cache,Dell OptiPlex755 (341-5473)
Floppy Disk Drive:	No Floppy Drive with Optical Enhanced Filter Panel,Dell OptiPlex 745 and 755 Desktop (341-4072)
Operating System:	Vista Home Basic Service Pack 1,with Media,32 Bit English Dell Optiplex (420-8464)
Mouse:	Dell USB 2 Button Optical Mouse with Scroll,Black OptiPlex (310-9627)
TBU:	ASF Basic Hardware Enabled Systems Management (No Upgrade to vPro/iAMT) Dell OptiPlex (310-9492)
CD-ROM or DVD-ROM Drive:	16X DVD+-RW,SATA,Dell OptiPlex 755 Desktop or Minitower (313-5426)

Notebook

Intel/ AMD Based

<i>Minimum Configurations</i>	Unit Price	Discount %	Unit Discounted Price
A. Standard Notebook Offering	\$1,045.00	15%	\$883.00
2 GHz Core 2 Duo T7300 or equivalent			
Integrated Graphics Media Accelerator (256mb RAM min)			
1GB RAM or greater			
80GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (optional)			
802.11a/b/g/draft-n intergrated wireless			
14.1 inch screen or greater			

Warranty is three years on-site. Additionally, you may offer depot.

	Unit Price	Discount %	Unit Discounted Price
B. Premium Notebook Offering	\$1,595.00	15%	\$1,344.00
2.4 GHz Core 2 Duo T7700 or equivalent			
Discreet Graphics Media Accelerator (256mb RAM min)			
2GB RAM or greater			
120GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (Optional)			
802.11a/b/g/draft-n intergrated wireless			
17 inch screen or greater			
10/100/1000 RJ45			

Warranty is three years on-site. Additionally, you may offer depot.

Tablet

Intel/ AMD Based

	Unit Price	Discount %	Unit Discounted Price
C. Tablet Offering	\$2,694.00	15%	\$2,300.00
1.6-GHz Core 2 Duo L7500 or equivalent			
Discreet Graphics Media Accelerator (256mb RAM min)			
2GB RAM or greater			
80 GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive (external ok)			
Microsoft Vista Business Capable			
Integrated fingerprint reader (optional)			
802.11a/b/g/draft-n intergrated wireless			
12 inch screen or greater			
10/100/1000 RJ-45			

The processor in the Dell Tablet is a Core 2 Duo U7700 1.33GHz Ultra Low Voltage(ULV) This processor is designed to run at speeds lower the 1.6GHz, which reduces heat and provides increased battery life.

In addition, the Dell Tablet uses the ATI integrated Graphics Radeon Xpress X1250 instead a discrete graphics card to reduce heat and provide increased battery life. In addition, it provides equivalent performance to the graphics specification

Warranty is three years on-site. Additionally, you may offer depot.

AMD processors must be at least equivalent to listed Intel processors

Units above are base offerings.

<http://ftpbox.us.dell.com/slg/weekly/dellpricereport.pdf>

"Dell reserves the right to price specific opportunities greater than the discount range listed above. This pricing will be strictly limited to the specific purchase in question, and will not impact or change the discount range offered by Dell."

Dell's discount is product line dependent, which is why we provided a minimum discount percentage discount off List/Web Price KST and Dell expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

The specific configuration details of what we priced are:

A. Standard Notebook Offering- Dell

Base Unit:	Vostro 1510, Intel Core 2 Duo T8100, 2.1GHz, 800MHz FSB, 3M L2 Cache (223-7548)
Processor:	15.4 inch Widescreen WXGA LCD for Vostro 1510 (320-6437)
Memory:	1GB, DDR2, 667MHz 2 DIMM (311-8548)
Video Card:	Intel Integrated Graphics Media Accelerator X3100 (320-6435)
Hard Drive:	80G 5400RPM SATA Hard Drive (341-6596)
Hard Drive Controller:	No UPEK Fingerprint Reader (311-8593)
Operating System:	Genuine Windows Vista Home Basic SP1 (420-8708)
Operating System:	CyberLink PowerDVD 8.0 DVD Playback (313-6183)
Operating System:	Image Restore,Vista,Dell OptiPlex,Precision and Latitude (420-6581)
Operating System:	Dell Icon Consolidation (420-7293)
Operating System:	Dell Support Center 2.0 for Dell Vostro (420-7658)
Modem:	No Modem is required (313-6194)
TBU:	Adobe Reader 8.1 (410-1100)
CD-ROM or DVD-ROM Drive:	8X DVD+/-RW with double-layer DVD+/-R write capability, withRoxio (313-6192)
Processor Cable:	Dell Wireless 1505 Wireless-N Mini-card (430-2889)
Documentation Diskette:	No Built in Camera and DigitalMicrophone (313-6184)
Bundled Software:	Intel Core 2 Duo Processor (310-8319)
Controller Option:	No Personalization LCD Back (313-6187)
Factory Installed Software:	No Anti-Virus/ Security Software requested (410-1054)
Feature	6-cell Lithium Ion Primary Battery, for Vostro 1510 (312-0685)

B. Premium Notebook Offering - Dell

Base Unit:	Vostro 1710, Intel Core 2 Duo T8300, 2.4GHz, 800MHz FSB, 3M L2 Cache (223-8030)
Processor:	17.0 Inch Widescreen WXGA+ LCDAnti-glare for Vostro 1710 (320-6526)

Memory:	2GB, DDR2, 667MHz 2 DIMM (311-8637)
Video Card:	256MB NVIDIA GeForce 8600M GS Graphics (320-6525)
Hard Drive:	160G 5400RPM SATA Hard Drive (341-6718)
Hard Drive Controller:	No UPEKM Fingerprint Reader (311-8640)
Operating System:	Genuine Windows Vista Home Basic SP1 (420-8708)
Operating System:	Dell Resource Cd Media vostro 1710 (330-1030)
Operating System:	Dell Icon Consolidation (420-7293)
Operating System:	Dell Support Center 2.0 for Dell Vostro (420-7658)
Operating System:	Image Restore,Vista,Dell OptiPlex,Precision and Latitude (420-6581)
Operating System:	CyberLink PowerDVD 8.0 DVD Playback (313-6183)
Modem:	No Modem is required (313-6246)
CD-ROM or DVD-ROM Drive:	8X DVD+/-RW with double-layer DVD+/-R write capability (313-6244)
CD-ROM or DVD-ROM Drive:	Roxio Creator Dell Edition 9.0for Dell Vostro (313-6191)
Sound Card:	Integrated High Definition Audio 2.0 (313-4783)
Processor Cable:	Dell Wireless 1505 Wireless-N Mini-card (430-2950)
Documentation Diskette:	No Built in Camera and DigitalMicrophone 1710 (313-6240)
Bundled Software:	No software package (412-0379)
Controller Option:	No Personalization LCD Back (313-6242)
Factory Installed Software:	No Anti-Virus/ Security Software requested (410-1054)
Feature	6-cell Lithium Ion Primary Battery, for Vostro 1710 (312-0703)

C. Tablet Offering - Dell

Base Unit:	Latitude XT, Core2 Duo U7700 1.33GHz ULV, 533Mhz, 2M L2 Cache, 12.1 inch WXGA DLV LCD (223-7955)
Memory:	2.0GB DDR2-667, SDRAM, 2 Dimms(1GB Integrated) Latitude XT (311-7719)
Keyboard:	Internal English Keyboard for Latitude XT Notebooks (310-9579)
Video Card:	ATI Integrated Graphics RadeonXpress X1250, Latitude XT (320-6133)
Hard Drive:	80GB Hard Drive, 8MM, 4200RPM for Latitude XT (341-5407)
Floppy Disk Drive:	No Floppy Drive for Latitude D-Family Notebooks (340-8854)
Operating System:	Vista Business Service Pack 1 with media, English, Latitude (420-8734)

TBU:	45 Watt AC Adpater with 3 Power Cord, Latitude XT (310-9586)
CD-ROM or DVD-ROM Drive:	D/BAY 8X DVD+/-RW for Latitude XT (313-6161)
CD-ROM or DVD-ROM Drive:	Cyberlink Power DVD 8.0 Playback Software WITH Media Dell Latitude/Mobile Precision (420-8667)
CD-ROM or DVD-ROM Drive:	Roxio Creator Dell Edition,9.0Dell Latitude/Mobile Precision (420-8010)
Processor Cable:	Dell Wireless 1505 Draft 802.11n WLAN Mini Card Latitude XT (430-2605)
Factory Installed Software:	Resource DVD with Diagnostics and Drivers for Vista LatitudeX1 Notebook (310-9584)
Feature	4-Cell/28 WHr Primary Battery for Dell Latitude XT (312-0605)



Hardware Configuration Center

Menu of Services with Pricing

VITA New
Price

Comments

Base Cost with image/configuration

Bundle A

Project Management	\$11.50	
Receiving and Staging all Hardware Equipment	\$9.20	Cost if being Imaged or Installed
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$10.35	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)
Image blast - hard drive blasting	\$10.35	Layer 0 or 1 Install
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.15	per serialized component per system
Custom ship/box label with reporting	\$5.75	
Custom packing slip with reporting	\$5.75	
	\$59.80	

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Base Cost with NO image or any configuration

Bundle B

Project Management	\$11.50	
Receiving and Staging all Hardware Equipment	\$9.20	If Asset is NOT Being Imaged or Installed by KST
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.15	per serialized component per system
Custom ship/box label with reporting	\$5.75	
	\$33.35	

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Warehouse

Receiving / Staging

Receiving and Staging all Hardware Equipment	\$11.50	Cost if HW being Imaged or Installed does not qualify for bundle savings
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Notes:

- 1) Prices are priced individually, Required bundle pricing may apply. With quantity a special rate may be negotiated
 - 2) Hardware is defined as: PC Bundle (CPU and Monitor with associated peripherals) or Laptop with Peripherals, scanner, plotter or printer.
- Each hardware device stands alone and require Receiving/Staging rates. With or with out configuration

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Depot/Configuration Center

PC, Notebook and Printer Integration

Project Management	\$13.80	
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$13.80	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)

Hard Drive Imaging (at KST / Staging Area)

Image blast - hard drive blasting	\$12.65	Layer 0 or 1 Install
Gold Master CD duplication	\$5.75	Recovery CD (to include with systems)
Custom image download via CD, DVD or network download (single load no drivers)	\$17.25	Using tools such as Altiris
Hand Loading of software package like Symantec, Veritas, Trend	\$5.75	Hand Load Apps Per Title
MS Office download	\$17.25	If Not on Std Image

Operating System Loading (Instead of Blasting Image)

Microsoft OS	\$40.25	
Linux	\$40.25	

Miscellaneous Setup

Raid set-up	\$11.50	
BIOS update and modification	\$5.75	includes adding asset information to the BIOS
Firmware update	\$5.75	Server or Printer Microcode update
Customer setup fee for consigned parts	\$23.00	one time fee per part to setup in inventory system
Customer setup fee to be set up as a vendor on our system	\$23.00	one time fee period

Asset Tagging

Custom asset tagging with reporting	\$8.05	End User Specific Instructions
Customer supplied asset tag with reporting	\$5.75	

Shipping - Required with all Orders

Custom Packaging and Labeling - Consolidation

Custom ship/box label with reporting	\$8.05	
Custom packing slip with reporting	\$8.05	

Normal Shipping - Inside Delivery to user Desk

24-72 hour turnaround	\$35.00	
Same day turn around	\$70.00	

Normal Shipping - Delivery to user Dock or Front Desk

24 hour turnaround	\$25.00	
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Same day turn around	\$50.00
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Bulk Shipping/Dock Only

Consolidation and Bulk Pack	\$7.00	Per Box Price. Includes Shrink-wrap and Pallet Service (Per System) Minimum weights apply
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Expediting Orders (Priority Service Turnaround, Does not include actual freight cost)

24 hour turnaround	\$23.00
Same day turn around	\$57.50

Time and Material rate

Out of scope general T&M rate	\$57.50
Other rates will be based on SOW provided by NGC/VITA	

Notes:

- 1) Prices are priced individually, Required bundle pricing may apply. With quantity a special rate may be negotiated
- 2) Hardware is defined as: PC Bundle (CPU and Monitor with associated peripherals) or Laptop with Peripherals, scanner, plotter or printer.

Optional Value-Add Services

Integration Services

Base Cost with image, configuration, in-side delivery, on-site installation, data transfer, apps and peripherals

Bundle C

Receiving and Staging all Hardware Equipment	\$9.20	Cost if being Imaged or Installed
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$11.50	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)
Image blast - hard drive blasting	\$17.25	Layer 0 or 1 Install
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.73	per serialized component per system
Custom ship label with reporting	\$5.75	
Custom packing slip with reporting	\$5.75	
Deskside Delivery and New System Installation	\$57.50	With Data Migration and Apps
	\$114.43	

Mode of Shipping/Delivery needs to be selected and added to above total

Deskside / On Site Installation

Deskside Delivery and New System connection to network	\$60.00	No Data Migration-Basic Install of imaged unit. No other services
Printer Delivery and Installation	\$45.00	Local and Workgroup Devices (not Enterprise or Mainframe)
Printer Delivery and Installation	\$89.00	Enterprise Devices (not Mainframe)

Deskside Software Installation

Deskside Application Installation	\$79.35	Data, Apps, and Bookmarks/personality transfer from automation tools such as Altiris, Application load count up to 5. Apps are exempt from cap
Deskside Application Installation	\$51.75	Applications in Excess of 5 and up to 10

Deskside / On Site Cascade

Deskside Cascade Basic Setup/Install	\$92.00	Complete Cascade
Deskside Cascade Basic Setup/Full Install	\$184.00	Complete Cascade
Printer Cascade	\$80.50	Local and Workgroup Devices (not Enterprise or Mainframe)

MAC

Field Technician Engineer (FTE) Hourly Rate	\$57.50
Field Technician Equivalent (FTE) Monthly Rate	\$11,040.00

Asset Disposition

Disconnect / Deinstall / Disposition of Existing System	\$12.65
Data Drive Wipe (Govt Standards) - Data Destruction	\$9.20 per drive or asset to wipe

AV-VTC

Field Engineer Equivalent (FTE) Hourly Rate	\$97.75
Field Engineer Equivalent (FTE) Monthly Rate	\$14,720.00

PC Pool

Field Technician Equivalent (FTE) Hourly Rate	\$57.50
Field Technician Equivalent (FTE) Monthly Rate	\$11,040.00

Rack Server and Component Insertion into Cabinets

Server installation into cabinet	\$18.40
Other hardware insertions into cabinet	\$18.40
Cabling - (requires explicit instructions-based on time study)	\$0.00 varies due to complexity and time
Rack level testing-(requires TPI - based on time study)	\$0.00 varies due to complexity and time

Time and Material rate

Out of scope general T&M rate	\$57.50
Field Technician Equivalent (FTE) Hourly Rate	\$57.50
Other rates will be based on SOW provided by NGC/VITA	

Image Management

Field Engineer Equivalent (FTE) Monthly Rate	\$14,720.00
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Dell provides services that can be customized based on a customer's needs and requirements. The services are scoped with a customer and custom statements of work are developed based on each opportunity. Each project can be determined as fixed fee/fixed deliverable, time & materials, or price per asset. This category includes any and all services that Dell offers. "Services" are broadly classed as installation/de-installation, maintenance, support, training, migration, management, optimization of products offered, supplied, or related technology. These types of services may include, but are not limited to: warranty services, maintenance, installation, installation of software, de-installation, factory integration (software or equipment components), asset management, recycling/disposal, training and certification, pre-implementation design, disaster recovery planning and support, service desk/helpdesk, assessment, implementation, and any other directly related technical support service required for the effective operation of a product/technology offered or supplied.

All Services have a minimum of 0% discount. This category also includes any and all 3rd party services that Dell offers

Below is a list of sample services and sample prices. Each engagement requires to be scoped appropriately. The services listed below are representative services and are not all inclusive of the services Dell can provide. Please see your Dell sales representative for assistance on scoping a services engagement.

Category	Short Description	Price
Desktop Installation Services	Desktop Installation	\$56.00
	Desktop Deinstallation	\$11.00
	New Periperral Install (during Basic installation)	\$16.00
	Hard Drive Removal (during Basic Installation)	\$11.00
	Asset tagging (during basic installation)	\$4.50
	Peer to peer data migration (during basic installation)	\$28.00
	attended imaging via CD (during basic installation)	\$27.00
Asset recovery services	Additional GB Migration (during basic installation)	\$6.50
	Asset Recovery Services: 1 piece DHL Maile	\$28.00
	Asset Recovery Services: 1 piece Box & DHL Maile	\$53.00
	Asset Return Services: Lease Return Transportation plus Datawipe and Settlement Report	\$60.00
	Asset Return Services: Lease Return Transportation only	\$30.00
	Asset Return Services: Data wipe 21-50	\$16.25
Factory Services	Asset Return Services: Data wipe less than 51-200	\$15.75
	Asset Return Services: Data wipe less than 201+	\$13.25
	Factory Asset Tag	\$7.00
	Factory Image Load	\$25.00
Server Installation Services	Factory based project setup	\$20.00
	Server Installation of Windows Operating System on 1 Dell Server	\$399.00
	Server Installation of Windows Operating System on 2+ Dell Serve	\$299.00
	Server Onsite Installation, PowerEdge Hardware and Windows OS insta	\$299.00
	Remote Configuration of a Dell PowerEdge SC Series Serve	\$179.00
	Installation, Migration and Deinstallation of an Existing Server to a PowerEdge Server (1-5)	\$1,599.00
	Installation, Migration and Deinstallation of an Existing Server to a PowerEdge Server (6+)	\$1,999.00
Technology Services	Remote Migration of a Server to a New Server and Operating System	\$1,599.00
	Microsoft Office SharePoint Server Requirements Discovery	\$19,170.00
	Oracle Migration Readiness Assessment, Small 1 database	\$24,000.00
	Oracle Migration Readiness Assessment, Medium 2 databases	\$44,100.00
	Oracle Migration Readiness Assessment, Large 3 databases	\$65,500.00
	Energy Smart Data Center Assessment Mini, up to 500 sq ft	\$11,950.00
	Energy Smart Data Center Assessment Small, 501-1000 sq ft	\$17,500.00
	Energy Smart Data Center Assessment Medium, 1001-1500 sq ft	\$22,500.00
	Energy Smart Data Center Assessment Large, 1501-2500 sq ft	\$31,500.00
	Exchange 2007 Readiness Assessment	\$10,750.00
Netware to OES Assessment and Travel, 1-50 servers	\$12,500.00	

	Netware to OES Assessment and Travel, 50-100 servers	\$25,000.00
	Windows Server Technology Workshop	\$10,499.00
	Backup Restore Archive Assessment, Entry	\$13,800.00
	Backup Restore Archive Assessment, Standard	\$17,200.00
	Backup Restore Archive Assessment, Large	\$24,200.00
	Data Mgmt and Storage Tech Assessment, Entry	\$10,900.00
	Data Mgmt and Storage Tech Assessment, Standard	\$14,300.00
	Data Mgmt and Storage Tech Assessment, Large	\$21,300.00
	Storage For Server Virtualization Assessment, Entry	\$10,900.00
	Storage For Server Virtualization Assessment, Standard	\$14,300.00
	Storage For Server Virtualization Assessment, Large	\$21,300.00
	Dell File Simplification Assessment	\$6,000.00
	DPS-INF Unified Communication Technology Workshop Session	\$10,964.00
	IT Simplification Assessment, Mini	\$58,000.00
	IT Simplification Assessment, Small	\$110,000.00
	IT Simplification Assessment, Medium	\$162,000.00
	IT Simplification Assessment, Large	\$216,000.00
	Backup Monitoring Setup, Enterprise(176-250 Hosts)	\$34,500.00
	Backup Monitoring Annual, Enterprise(176-250 Hosts)	\$179,800.00
	Managed Backup Setup, Entry(up to 50 Hosts)	\$34,200.00
	Managed Backup Annual, Entry(up to 50 Hosts)	\$178,000.00
	Tiered Storage Design, Entry (up to 50 Hosts)	\$20,350.00
	Tiered Storage Design, Standard (51-100 Hosts)	\$34,250.00
	Tiered Storage Design, Enterprise (101-250 Hosts)	\$54,250.00
	Disaster Recovery Design,Std(Upto 2 Data Cntr,4 rem offc,2 appl or 4 recvry svcs)	\$137,600.00
	Citrix Xen Server Technology Introduction (2 XenServer + 1 XenCenter)	\$12,200.00
	VIRTUALIZATION READINESS ASSESSMENT UP TO 25 SERVERS	\$9,900.00
	Virtualization Readiness Assessment, up to 75 servers	\$16,500.00
	Virtualization Readiness Assessment - Medium	\$22,200.00
	Virtualization Readiness Assessment - Large	\$32,000.00
	VMWare P2V Migrations Workshop Consulting Service	\$8,200.00
	VMware Infrastructure Upgrade Workshop	\$11,200.00
	Virtual Infrastructure Health Check	\$11,200.00
	VMWare Combined ESX and Virtual Center Workshop Consulting Service	\$12,200.00
	VMware Combined ESX, Virtual Center and P2V Workshop Consulting Service	\$15,700.00
	Unified Communication Technology Workshop Session	\$10,964.00
	DMS Application Management Packaging/ Virtualization per package	\$850.00
	DMS Life Cycle Assessment	\$80,000.00
	DMS Window Vista Readiness Assessment	\$25,000.00
	DMS Window Office 2007 Assessment	\$35,000.00
	DMS Image Management X Image (for XP SP2 or 1 OS)	\$20,000.00
	DMS Dell Automated Deployment Basic	\$29,000.00
	DMS Dell Automated Deployment Standard	\$49,000.00
	DMS Dell Automated Deployment Advanced	\$100,000.00
	DMS Dell Automated Deployment Enterprise	\$182,000.00
	DMS Flex Computing Assessment Lite	\$20,000.00
	DMS Flex Computing Assessment Standard	\$44,493.00
Training	Vmware Installation, Configuration and Management: Open Enrollment	\$2,995.00
	Introduction to PC 90 day Access (Online)	\$10.00

	Microsoft Office 2007 Starter Pack with Live Tutor (Online)	\$20.00
	Windows Vista Strater Pack with Live Tutor (Online)	\$15.00
	Windows Vista and Office 2007 Starter Pack with Live Tutor (Online)	\$25.00
	Complete eLearning Pack with Live Tutor (Online)	\$99.00
	Office Corporate Starter Pack (Online)	\$10.00
	PowerEdge Configuration and Troubleshooting {Austin}	\$1,395.00
	PowerEdge Configuration and Troubleshooting {Customer's Site}	\$7,995.00
	Dell Hardware Maintenance - Client (Portables, Desktops, Workstations) {Austin}	\$995.00
	Dell Hardware Maintenance - Client (Portables, Desktops, Workstations) {Customer's site}	\$6,995.00
	DCSE Exam (online with basic self-study material)	\$179.00

Peripherals

Minimum Configurations

A. Flash Drives	Unit Price	Discount %	Unit Discounted Price
2 GB	10.99	10.00%	\$9.89
4 GB	18.99	10.00%	\$17.09
8 GB	37.99	10.00%	\$34.19

B. Monitors (<i>wide aspect</i>)	Unit Price	Discount %	Unit Discounted Price
17" LCD	199	10.00%	\$179.10
19" LCD	244	10.00%	\$219.60
21" LCD	279	10.00%	\$251.10

C. Docking Station	Unit Price	Discount %	Unit Discounted Price
Ethernet- RJ45	85.99	10.00%	\$77.39
Audio Line In/Out			
Video- 15 Pin High Density			
Keyboard USB			
Mouse USB			

D. Port Replicator	Unit Price	Discount %	Unit Discounted Price
Audio Headpnone	89.99	10.00%	\$80.99
Audio RCA Digital Coax			
Ethernet- RJ45			
Video- S-Video			
Video- RCA Composite			
Serial- 9 Pin D-Shell			
Serial- RJ 11 Mod			

The port relpicator meets all the specifications except for Audio RCA Digital Coax, Video- S-Video and Video-RCA Composite.

E. External USB Floppy Drive	Unit Price	Discount %	Unit Discounted Price
1.44MB	32.99	10.00%	\$29.69

F. Network Interface Cards	Unit Price	Discount %	Unit Discounted Price
10/100/1000 BASE-T (RJ 45)	49.99	10.00%	\$44.99

G. Mouse	Unit Price	Discount %	Unit Discounted Price
Optical Scroll Mouse- PS/2	10.99	10.00%	\$9.89
Optical Scroll Mouse- USB	17.99	10.00%	\$16.19

H. Keyboard	Unit Price	Discount %	Unit Discounted Price
Standard Keyboard- PS/2	10.99	10.00%	\$9.89
Standard Keyboard- USB	22.99	10.00%	\$20.69

I. Battery Back Up Unit	Unit Price	Discount %	Unit Discounted Price
Outout Capacity- 865Watts/ 1440VA	497.95	10.00%	\$448.16
Nominal Output/Input Voltage- 120V			
Output Connection Type- (6) NEMA 5-15R			
Half Load Run Time- 20 minutes			
Full Load Run Time- 7 minutes			
Rackmount/Tower			

Warranty is manufacturer's warranty

Units above are base offerings.

<http://ftpbox.us.dell.com/slg/weekly/dellpricereport.pdf>

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Dell's discount is product line dependent, which is why we provided a minimum discount percentage discount off List/Web Price KST and Dell expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

Rugged Notebooks

Intel/ AMD Based

Partial Mil Spec 810.F (shock, vibration, etc)

<i>Minimum Configurations</i>	Unit Price	Discount %	Unit Discounted Price
A. Standard Rugged Notebook Offering	\$2,250.00	15%	\$1,899.00
2 GHz Core 2 Duo T7300 or equivalent			
Integrated Graphics Media Accelerator (256mb RAM min)			
1GB RAM or greater			
80GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (optional)			
802.11a/b/g/draft-n intergrated wireless			
12 inch screen or greater			
10/100/1000 RJ45			
56K RJ-11			

Warranty is three years on-site. Additionally, you may offer depot.

	Unit Price	Discount %	Unit Discounted Price
B. Premium Rugged Notebook Offering	\$2,315.00	15%	\$1,955.00
2.4 GHz Core 2 Duo T7700 or equivalent			
Discreet Graphics Media Accelerator (256mb RAM min)			
2GB RAM or greater			
120GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (Optional)			
802.11a/b/g/draft-n intergrated wireless			
14 inch screen or greater			
10/100/1000 RJ-45			

56K RJ-11

Warranty is three years on-site. Additionally, you may offer depot.

Units above are base offerings.

AMD processors must be at least equivalent to listed Intel processors

<http://ftpbox.us.dell.com/slg/weekly/dellpricereport.pdf>

"Dell reserves the right to price specific opportunities greater than the discount range listed above. This pricing will be strictly limited to the specific purchase in question, and will not impact or change the discount range offered by Dell."

Dell's discount is product line dependent, which is why we provided a minimum discount percentage discount off List/Web Price

KST and Dell expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

The specific configuration details of what we priced are:

A. Standard Rugged Notebook Offering - Dell

Base Unit:	Latitude ATG D630, Intel Core 2 Duo T7500, 2.20GHz, 800MHz 4M L2 Cache, Dual Core (222-9601)
Processor:	14.1 Inch Wide Screen WXGA RGLCD for Latitude ATG D630 (320-5548)
Memory:	1.0GB, DDR2-667 SDRAM, 2 DIMM for Dell Latitude Notebooks (311-5685)
Keyboard:	Internal English Keyboard for Latitude Notebooks (310-8768)
Video Card:	Intel Integrated Graphics Media Accelerator X3100 Latitude ATG D630 (320-5549)
Hard Drive:	80GB Hard Drive 9.5MM, 5400RPM for Latitude ATG D630 (341- 4873)
Hard Drive Controller:	Standard Touchpad for LatitudeD630 (310-8792)
Floppy Disk Drive:	No Floppy Drive for Latitude D-Family Notebooks (340-8854)
Operating System:	Vista Home Basic Service Pack 1, with media, English Latitude (420-8732)
TBU:	65W AC Adapter for Latitude D-Family (310-7283)
CD-ROM or DVD-ROM Drive:	8X DVD+/-RW for Latitude D-Family (313-5638)

CD-ROM or DVD-ROM Drive:	Cyberlink Power DVD 8.0 Playback Software WITH Media Dell Latitude/Mobile Precision (420-8667)
CD-ROM or DVD-ROM Drive:	Roxio Creator Dell Edition, 9.0 Dell Latitude/Mobile Precision (420-8010)
Processor Cable:	Intel 4965 WLAN (802.11a/g/n) mini Card Latitude, Factory Install (430-2375)
Factory Installed Software:	Resource DVD with Diagnostics and Drivers for Vista Latitude D630 Notebook (310-9096)
Feature	6-Cell/56 WHr Primary Battery Latitude D630 (312-0484)

B. Premium Rugged Notebook Offering - Dell

Base Unit:	Latitude ATG D630, Intel Core 2 Duo T8300, 2.40GHz, 800Mhz 3M L2 Cache, Dual Core (223-5649)
Processor:	14.1 Inch Wide Screen WXGA RGB LCD for Latitude ATG D630 (320-5548)
Memory:	2.0GB, DDR2-667 SDRAM, 2 DIMM for Dell Latitude Notebooks (311-5687)
Keyboard:	Internal English Keyboard for Latitude Notebooks (310-8768)
Video Card:	Intel Integrated Graphics Media Accelerator X3100 Latitude ATG D630 (320-5549)
Hard Drive:	120GB Hard Drive 9.5MM 5400RPM for Latitude ATG D630 (341-4875)
Hard Drive Controller:	Standard Touchpad for Latitude D630 (310-8792)
Floppy Disk Drive:	No Floppy Drive for Latitude D-Family Notebooks (340-8854)
Operating System:	Vista Home Basic Service Pack 1, with media, English Latitude (420-8732)
TBU:	65W AC Adapter for Latitude D-Family (310-7283)
CD-ROM or DVD-ROM Drive:	8X DVD+/-RW for Latitude D-Family (313-5638)
CD-ROM or DVD-ROM Drive:	Cyberlink Power DVD 8.0 Playback Software WITH Media Dell Latitude/Mobile Precision (420-8667)
CD-ROM or DVD-ROM Drive:	Roxio Creator Dell Edition, 9.0 Dell Latitude/Mobile Precision (420-8010)
Processor Cable:	Intel 4965 WLAN (802.11a/g/n) mini Card Latitude, Factory Install (430-2375)
Factory Installed Software:	Resource DVD with Diagnostics and Drivers for Vista Latitude D630 Notebook (310-9096)
Feature	6-Cell/56 WHr Primary Battery Latitude D630 (312-0484)

Below is a list of sample services and sample prices. Each engagement requires to be scoped appropriately. The services listed below are representative services and are not all inclusive of the services that KST can provide. These services are available

Labor Category	Experience	Standard Business Hourly Rate	After Hours, Holiday and Weekend Hourly Rate
Business Applications Administrator	3 years	\$80/hr	\$80/hr
Software Developer (VB, ASP, C#, .Net)	3 years	\$80/hr	\$80/hr
Senior Software Developer (VB, ASP, C#, .Net)	5 years	\$95/hr	\$95/hr
Web Administrator (IIS)	3 years	\$65/hr	\$65/hr
Web Systems Engineer	3-5 years	\$75/hr	\$75/hr
Business Analyst	5 years	\$70/hr	\$70/hr
Senior Business Analyst	10 years	\$90/hr	\$90/hr
Network Security Administrator	4 years	\$98/hr	\$98/hr
Systems Administrator (Windows Server)	3 years	\$85/hr	\$85/hr
Senior Systems Administrator (Windows Server)	5 years	\$90/hr	\$90/hr
Systems Administrator (UNIX)	3 years	\$85/hr	\$85/hr
Network Engineer	3 years	\$90/hr	\$90/hr
Senior Network Engineer	5 years	\$105/hr	\$105/hr
PC Support Analyst	2 years	\$55/hr	\$55/hr
Senior PC Support Analyst	5 years	\$60/hr	\$60/hr

Project Manager	5 years	\$85/hr	\$85/hr
Senior Project Manager	10 years	\$105/hr	\$105/hr
Technical Writer	3 years	\$65/hr	\$65/hr
Database Administrator (SQL Server)	2 years	\$75/hr	\$75/hr
Senior Database Administrator (SQL Sever)	6 years	\$99/hr	\$99/hr
Data Architect	3 years	\$99/hr	\$99/hr
ETL Developer	2 years	\$99/hr	\$99/hr
Infrastructure Architect	4 years	\$90/hr	\$90/hr
Firewall Administration (Checkpoint, PIX, NetScreen)	3-5 years	\$97/hr	\$97/hr
Security Threat/Risk Assessment Engineer (Anti-virus, IDS Sensor & Application)	3-5 years	\$115/hr	\$115/hr
VPN	3 years	\$75/hr	\$75/hr
Windows Application Administration	4 years	\$65/hr	\$65/hr
Network/Citrix Administration	5 years	\$71/hr	\$71/hr
IPT (Cisco Telephony)	2 years	\$115/hr	\$115/hr
Cisco Call Manager	2 years	\$99/hr	\$99/hr
WAN Engineer (MPLS, ATM, Frame Relay, PPP, ISDN)	5 years	\$99/hr	\$99/hr
Active Directory Engineer	4 years	\$85/hr	\$85/hr
Exchange Engineer	4 years	\$75/hr	\$75/hr
Help Desk Analyst	2 years	\$50/hr	\$50/hr
Senior Help Desk Analyst	5 years	\$65/hr	\$65/hr
Support Magic Administration	3-5 years	\$80/hr	\$80/hr
VB.Net Developer	3 years	\$90/hr	\$90/hr
VB Programmer Analyst	3-5 years	\$75/hr	\$75/hr
ASP Programmer	4 years	\$85/hr	\$85/hr
Java Developer	3 years	\$90/hr	\$90/hr
QA Analyst	2-3 years	\$65/hr	\$65/hr

QA Tester	4-5 years	\$85/hr	\$85/hr
Cognos Report Writer	5 years	\$65/hr	\$65/hr
Stored Procedure Writer	5 years	\$65/hr	\$65/hr
Project Coordinator	1-3 years	\$40/hr	\$40/hr
Project Facilitator	3 years	\$50/hr	\$50/hr
Resource Development Manager	5 years	\$75/hr	\$75/hr
Modeling and Network Architecture	7-10 years	\$142/hr	\$142/hr
Security, Application or Information Architecture	7-10 years	\$150/hr	\$150/hr
Data Analyst	5 years	\$70/hr	\$70/hr
Senior Data Analyst	10 years	\$85/hr	\$85/hr

PC

Intel or AMD Based

<i>Minimum Configurations</i>	Unit Price	Addl VITA Discount %	Unit Discounted Price
A. Standard Desktop Offering	\$905.00	42%	\$525.00
2 Ghz Athlon 64 X2 3800+ or equivalent			
Graphics Media Accelerator (256mb RAM minimum)			
2GB RAM or greater			
80GB SATA drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Two Front Facing USB Ports or greater			
17" LCD Monitor (minimum)			
Two button optical mouse with scroll wheel			
Keyboard with 103 keys			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

<i>Minimum Configurations</i>	Unit Price	Addl VITA Discount %	Unit Discounted Price
A. Alternate Standard Desktop Offering	\$1,069.00	42%	\$619.00
2.4 Ghz Core 2 Duo E6600			
Graphics Media Accelerator (256mb RAM minimum)			
2GB RAM or greater			
80GB SATA drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Two Front Facing USB Ports or greater			
17" LCD Monitor (minimum)			
Two button optical mouse with scroll wheel			
Keyboard with 103 keys			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

	Unit Price	Addl VITA Discount %	Unit Discounted Price
B. Premium Desktop Offering	\$1,475.00	42%	\$855.00
3-GHz Core 2 Duo E6850 or equivalent			
Discrete Graphics Media Accelerator (256mb RAM minimum)			
2GB RAM or greater			
120GB SATA drive or greater			
CDRW/ DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Two Front Facing USB Ports or greater			
21" LCD Monitor			
Two button optical mouse with scroll wheel			
Keyboard with 103 keys			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

Units above are base offerings.

AMD processors must be at least equivalent to listed Intel processors

http://government.hp.com/products.asp?prodid=492&agencyid=136&state=CA&jumpid=re_r33_PSG_hed_prodlst_home

"HP reserves the right to price specific opportunities greater than the discount range listed above. This pricing will be strictly limited to the specific purchase in question, and will not impact or change the discount range offered by HP."

HP's discount is product line dependent, which is why we provided a minimum discount percentage discount off List Price

HP's discount is product line specific, the minimum discount off List/Web Price applies to the quoted product line / product family only.

KST and HP expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

The specific configuration details of what we priced are:

A. Standard Desktop Offering - HP	OEM P/N
HP Compaq dc5850 PC	AJ456AV
*Intel® Q33 Express chipset / Integrated Intel 82566DM Gigabit Network Connec	GX024AV#ABA
Standard PS - dc5 Ch	AJ471AV
HP dc5850 Country Kit	GX018AV#ABA
AMD Athlon® 4450B processor	AK499AV
2GB PC2-6400 (DDR2-800) 2x1GB	GX081AV
ATI Radeon HD 2400XT DH 256Mb (PCIe)	KJ030AV
80GB SATA NCQ HDD SMART IV 1st	GW059AV
SATA 48X/32X Combo 1st Drive	GX059AV
HP USB 2-Button Optical Scroll Mouse	GW366AV
HP USB Standard Keyboard	KH872AV#ABA
3-year (parts/labor/next business day on-site) limited warranty	GX194AV#ABA

A. Alternate Standard Desktop Offering - HP	OEM P/N
HP Compaq dc5800 Small Factor Factor	AJ411AV
*Intel® Q33 Express chipset / Integrated Intel 82566DM Gigabit Network Connec	GX024AV#ABA
Standard PS - dc5 SFF Ch	AJ417AV
HP dc5800 Country Kit	GX015AV#ABA
Intel® Core 2 Duo E6750 processor	AJ425AV
2GB PC2-6400 (DDR2-800) 2x1GB	GW343AV
ATI Radeon HD 2400XT DH 256Mb (PCIe)	KJ269AV
80GB SATA NCQ HDD SMART IV 1st	GW298AV
SATA 16X SuperMulti LightScribe - 1st	GW317AV
HP USB 2-Button Optical Scroll Mouse	GW366AV
HP USB Standard Keyboard	GX020AV#ABA
HP Parallel Port Adapter (This module is not allowed if all of the PCI and PCIe slots are occupied)	AJ407AV
3-year (parts/labor/next business day on-site) limited warranty - SFF	GX160AV#ABA

HP w17e 17-inch Widescreen LCD Monitor GV537A8#ABA Note: Monitor is priced separately, in the peripherals tab

B. Premium Desktop Offering - HP	OEM P/N
HP Compaq dc5800 Small Factor Factor	AJ411AV
*Intel® Q33 Express chipset / Integrated Intel 82566DM Gigabit Network Connec	GX024AV#ABA
Standard Power Supply - dc5 SFF Ch	AJ417AV
HP dc5800 Country Kit	GX015AV#ABA

Intel® Core 2 Duo E8300 processor	AL572AV
2GB PC2-6400 (DDR2-800) 2x1GB	GW343AV
ATI Radeon HD 2400XT DH 256Mb (PCIe)	KJ269AV
160GB SATA NCQ HDD SMART IV 1st	GW293AV
SATA 16X SuperMulti LightScribe - 1st	GW317AV
HP USB 2-Button Optical Scroll Mouse	GW366AV
HP USB Standard Keyboard	GX020AV#ABA
HP Parallel Port Adapter (This module is not allowed if all of the PCI and PCIe slots are populated)	AJ407AV
3-year (parts/labor/next business day on-site) limited warranty - SFF	GX160AV#ABA
HP L2208w 22-inch Widescreen LCD Monitor	GX007A8#ABA

Note: Monitor is priced separately, in the peripherals tab

Notebook

Intel/ AMD Based

<i>Minimum Configurations</i>	Unit Price	Discount %	Unit Discounted Price
A. Standard Notebook Offering	\$1,499.00	42%	\$870.00
2 GHz Core 2 Duo T7300 or equivalent			
Integrated Graphics Media Accelerator (256mb RAM min)			
1GB RAM or greater			
80GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (optional)			
802.11a/b/g/draft-n intergrated wireless			
14.1 inch screen or greater			

Warranty is three years on-site. Additionally, you may offer depot.

	Unit Price	Discount %	Unit Discounted Price
B. Premium Notebook Offering	\$2,289.00	42%	\$1,325.00
2.4 GHz Core 2 Duo T7700 or equivalent			
Discreet Graphics Media Accelerator (256mb RAM min)			
2GB RAM or greater			
120GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (Optional)			
802.11a/b/g/draft-n intergrated wireless			
17 inch screen or greater			
10/100/1000 RJ45			

Warranty is three years on-site. Additionally, you may offer depot.

Tablet

Intel/ AMD Based

Unit Price	Discount %	Unit Discounted Price
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C. Tablet Offering	\$2,489.00	42%	\$1,440.00
1.6-GHz Core 2 Duo L7500 or equivalent			
Discreet Graphics Media Accelerator (256mb RAM min)			
2GB RAM or greater			
80 GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive (external ok)			
Microsoft Vista Business Capable			
Integrated fingerprint reader (optional)			
802.11a/b/g/draft-n intergrated wireless			
12 inch screen or greater			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

AMD processors must be at least equivalent to listed Intel processors

Units above are base offerings.

<http://ftpbox.us.HP.com/sg/weekly/HPpricereport.pdf>

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HP's discount is product line dependent, which is why we provided a minimum discount percentage discount off List Price

HP's discount is product line specific, the minimum discount off List/Web Price applies to the quoted product line / product family only.

KST and HP expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

The specific configuration details of what we priced are:

A. Standard Notebook Offering- HP	OEM P/N
HP Compaq 6930p Notebook PC	KK082AV-CTO
Core 2 Duo P8400 2.26 GHz (2.26 Ghz, 1066 Mhz FSB)	
Mobile Intel Graphics Media Accelerator X4500MHD (up to 384M Shared Ram)	
1 GB (installed) / 8 GB (max) - DDR2 SDRAM - 800 MHz (1 x 1 GB)	
80 GB - Serial ATA-150 - 5400 rpm	
8x DVD/24x CD-RW Combo Drive	
SD Memory Card, Memory Stick, Memory Stick PRO, MultiMediaCard, xD-Picture Card	
Intel WiFi Link 5100	
14" Display, 1280 x 800 (WXGA)	

B. Premium Notebook Offering - HP	OEM P/N
HP Compaq 6830 Notebook PC Core 2 Duo T9300 2.5Ghz - 17" TFT, Mobile Intel PM45 Express ATI Mobility Radeon HD 3430 - 256 MB 2 GB (installed) / 8 GB (max) - DDR2 SDRAM - 800 MHz (1 x 2 GB) 120 GB - Serial ATA-150 - 5400 rpm DVD±RW (+R DL) / DVD-RAM SD Memory Card, Memory Stick, Memory Stick PRO, MultiMediaCard, xD-Picture Card Intel WiFi Link 5100 17" Display, 1440 x 900 (WXGA+)	KE977AV-CTO

C. Tablet Offering	OEM P/N
HP Compaq 2710p Notebook PC / Intel® Core™2 Duo Processor U7600	GD188AV-CTO
*Mobile Intel® Graphics Media Accelerator X3100, up to 384 MB of shared memory	RU207AV#ABA
Genuine Windows Vista® Premium Logo	RQ047AV
Intel® Centrino™ Duo Label	GA914AV
12.1 inch diagonal Illumi-Lite, WXGA, anti-glare (1280 x 800)	RU183AV
2048MB 667 MHz DDR2 SDRAM (2 DIMM)	RU189AV
120 GB 5400rpm PATA Hard Drive	KP758AV
Full-sized keyboard, Pointstick, Digital eraser pen	RU224AV#ABA
Intel PRO/Wireless 4965ABG Network Connection	RZ002AV#ABA
HP Integrated Module with Bluetooth® Wireless Technology	RU180AV
56K v.92 modem	RU161AV
Integrated Smart Card Reader	RU196AV
65W Smart AC Adapter	RU225AV#ABA
6-cell (44 WHr) Lithium-Ion battery	RU195AV
Limited 3 year standard parts and labor warranty	RZ010AV#ABA
HP 2700 Series Ultra-Slim Expansion Base w/ 7-mm DVD+/-RW SuperMulti Drive	GD229AA#ABA

Peripherals

Minimum Configurations

Part No	A. Flash Drives	Unit Price	Addl VITA Discount %	Unit Discounted Price
	2 GB	10.99	12.00%	\$9.67
	4 GB	18.99	12.00%	\$16.71
	8 GB	37.99	12.00%	\$33.43

Part No	B. Monitors (wide aspect)	Unit Price	Addl VITA Discount %	Unit Discounted Price
GV537AA#ABA	w17e 17-inch Widescreen LCD Mon US	219	15.00%	\$186.15
GG458AA#ABA	HP w19 19" LCD Monitor US	251	15.00%	\$213.35
GP536AA#ABA	HP L1908w 19" Wide LCD Monitor US	230	15.00%	\$196.00
RD125AA#ABA	HP L2045w 20" LCD Monitor	329	15.00%	\$279.00
GX007AA#ABA	HP L2208w 22" LCD Monitor US	283	15.00%	\$240.55

Part No	C. Docking Station	Unit Price	Addl VITA Discount %	Unit Discounted Price
EN488AA#ABA	HP Docking Station 1.1 US	179	37.00%	\$112.77
EN489AA#ABA	HP Advncd Dock Station 1.1 US	289	40.00%	\$174.00
KP081AA#ABA	HP Advanced Docking Station w/ 150W	289	40.00%	\$174.00

Part No	D. Port Replicator	Unit Price	Addl VITA Discount %	Unit Discounted Price
EQ773AA#ABA	HP 2400 Series Docking Station US	129	23.00%	\$99.33
GD229AA#ABA	HP 2710p Series Docking Station US	349	36.00%	\$223.36
KP080AA#ABA	HP Basic Docking Station 120W	179	37.00%	\$112.77
AK155AA	HP Mobile Port Replicator	58	23.00%	\$44.98

Part No	E. External USB Floppy Drive	Unit Price	Addl VITA Discount %	Unit Discounted Price
DC361B	USB Floppy Drive	29	19.00%	\$23.49
FE477AA	HP 250GB Pocket Media Drive	148	19.00%	\$119.88

Part No	F. Network Interface Cards	Unit Price	Addl VITA Discount %	Unit Discounted Price
RT052AA#ABA	HP wWAN Cingular mini-card kit US	244	23.00%	\$187.88

RT081AA#ABA	WLAN Intel 4965 802.11abgn Pro/Wireless MiniCard	79	23.00%	\$60.83
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Part No	G. Mouse	Unit Price	Addl VITA Discount %	Unit Discounted Price
DC369A	USB / PS2 Optical Mouse	16	30.00%	\$11.20
RH304AA	HP USB Optical Travel Mouse	19	30.00%	\$13.30

Part No	H. Keyboard	Unit Price	Addl VITA Discount %	Unit Discounted Price
RC464AA#ABA	HP PS/2 Keyboard/Mouse Bundle US	39	29.00%	\$27.00
RC465AA#ABA	HP USB Keyboard/Mouse Bundle US	39	29.00%	\$27.00

Part No	I. Battery Back Up Unit	Unit Price	Addl VITA Discount %	Unit Discounted Price
AF403A	HP T1000 5-15P NA USB Serial UPS	387	15.00%	\$329.04
AF406A	HP T1500 5-15P NA USB Serial UPS	475	15.00%	\$404.01
AF409A	HP R/T2200,5-20P NA USB Serial UPS	832	15.00%	\$707.22
AF412A	HP R/T2200 2-U ERM Opt	440	15.00%	\$374.02

Warranty is manufacturer's warranty

Units above are base offerings.

HP Government Price is Available at:

<http://gem.compaq.com/gemstore/home.asp?oi=E9CED>

KST and HP expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

HP's discount is product line specific, the minimum discount off List/Web Price applies to the quoted product line / product family only.



Hardware Configuration Center

Menu of Services with Pricing

VITA New
Price

Comments

Base Cost with image/configuration

Bundle A

Project Management	\$11.50	
Receiving and Staging all Hardware Equipment	\$9.20	Cost if being Imaged or Installed
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$10.35	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)
Image blast - hard drive blasting	\$10.35	Layer 0 or 1 Install
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.15	per serialized component per system
Custom ship/box label with reporting	\$5.75	
Custom packing slip with reporting	\$5.75	
	\$59.80	

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Base Cost with NO image or any configuration

Bundle B

Project Management	\$11.50	
Receiving and Staging all Hardware Equipment	\$9.20	If Asset is NOT Being Imaged or Installed by KST
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.15	per serialized component per system
Custom ship/box label with reporting	\$5.75	
	\$33.35	

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Warehouse

Receiving / Staging

Receiving and Staging all Hardware Equipment	\$11.50	Cost if HW being Imaged or Installed does not qualify for bundle savings
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Notes:

- 1) Prices are priced individually, Required bundle pricing may apply. With quantity a special rate may be negotiated
 - 2) Hardware is defined as: PC Bundle (CPU and Monitor with associated peripherals) or Laptop with Peripherals, scanner, plotter or printer.
- Each hardware device stands alone and require Receiving/Staging rates. With or with out configuration

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Depot/Configuration Center

PC, Notebook and Printer Integration

Project Management	\$13.80	
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$13.80	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)

Hard Drive Imaging (at KST / Staging Area)

Image blast - hard drive blasting	\$12.65	Layer 0 or 1 Install
Gold Master CD duplication	\$5.75	Recovery CD (to include with systems)
Custom image download via CD, DVD or network download (single load no drivers)	\$17.25	Using tools such as Altiris
Hand Loading of software package like Symantec, Veritas, Trend	\$5.75	Hand Load Apps Per Title
MS Office download	\$17.25	If Not on Std Image

Operating System Loading (Instead of Blasting Image)

Microsoft OS	\$40.25	
Linux	\$40.25	

Miscellaneous Setup

Raid set-up	\$11.50	
BIOS update and modification	\$5.75	includes adding asset information to the BIOS
Firmware update	\$5.75	Server or Printer Microcode update
Customer setup fee for consigned parts	\$23.00	one time fee per part to setup in inventory system
Customer setup fee to be set up as a vendor on our system	\$23.00	one time fee period

Asset Tagging

Custom asset tagging with reporting	\$8.05	End User Specific Instructions
Customer supplied asset tag with reporting	\$5.75	

Shipping - Required with all Orders

Custom Packaging and Labeling - Consolidation

Custom ship/box label with reporting	\$8.05	
Custom packing slip with reporting	\$8.05	

Normal Shipping - Inside Delivery to user Desk

24-72 hour turnaround	\$35.00	
Same day turn around	\$70.00	

Normal Shipping - Delivery to user Dock or Front Desk

24 hour turnaround	\$25.00	
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Same day turn around	\$50.00
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Bulk Shipping/Dock Only

Consolidation and Bulk Pack	\$7.00	Per Box Price. Includes Shrink-wrap and Pallet Service (Per System) Minimum weights apply
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Expediting Orders (Priority Service Turnaround, Does not include actual freight cost)

24 hour turnaround	\$23.00
Same day turn around	\$57.50

Time and Material rate

Out of scope general T&M rate	\$57.50
Other rates will be based on SOW provided by NGC/VITA	

Notes:

- 1) Prices are priced individually, Required bundle pricing may apply. With quantity a special rate may be negotiated
- 2) Hardware is defined as: PC Bundle (CPU and Monitor with associated peripherals) or Laptop with Peripherals, scanner, plotter or printer.

Optional Value-Add Services

Integration Services

Base Cost with image, configuration, in-side delivery, on-site installation, data transfer, apps and peripherals

Bundle C

Receiving and Staging all Hardware Equipment	\$9.20	Cost if being Imaged or Installed
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$11.50	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)
Image blast - hard drive blasting	\$17.25	Layer 0 or 1 Install
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.73	per serialized component per system
Custom ship label with reporting	\$5.75	
Custom packing slip with reporting	\$5.75	
Deskside Delivery and New System Installation	\$57.50	With Data Migration and Apps
	\$114.43	

Mode of Shipping/Delivery needs to be selected and added to above total

Deskside / On Site Installation

Deskside Delivery and New System connection to network	\$60.00	No Data Migration-Basic Install of imaged unit. No other services
Printer Delivery and Installation	\$45.00	Local and Workgroup Devices (not Enterprise or Mainframe)
Printer Delivery and Installation	\$89.00	Enterprise Devices (not Mainframe)

Deskside Software Installation

Deskside Application Installation	\$79.35	Data, Apps, and Bookmarks/personality transfer from automation tools such as Altiris, Application load count up to 5. Apps are exempt from cap
Deskside Application Installation	\$51.75	Applications in Excess of 5 and up to 10

Deskside / On Site Cascade

Deskside Cascade Basic Setup/Install	\$92.00	Complete Cascade
Deskside Cascade Basic Setup/Full Install	\$184.00	Complete Cascade
Printer Cascade	\$80.50	Local and Workgroup Devices (not Enterprise or Mainframe)

MAC

Field Technician Engineer (FTE) Hourly Rate	\$57.50
Field Technician Equivalent (FTE) Monthly Rate	\$11,040.00

Asset Disposition

Disconnect / Deinstall / Disposition of Existing System	\$12.65
Data Drive Wipe (Govt Standards) - Data Destruction	\$9.20 per drive or asset to wipe

AV-VTC

Field Engineer Equivalent (FTE) Hourly Rate	\$97.75
Field Engineer Equivalent (FTE) Monthly Rate	\$14,720.00

PC Pool

Field Technician Equivalent (FTE) Hourly Rate	\$57.50
Field Technician Equivalent (FTE) Monthly Rate	\$11,040.00

Rack Server and Component Insertion into Cabinets

Server installation into cabinet	\$18.40
Other hardware insertions into cabinet	\$18.40
Cabling - (requires explicit instructions-based on time study)	\$0.00 varies due to complexity and time
Rack level testing-(requires TPI - based on time study)	\$0.00 varies due to complexity and time

Time and Material rate

Out of scope general T&M rate	\$57.50
Field Technician Equivalent (FTE) Hourly Rate	\$57.50
Other rates will be based on SOW provided by NGC/VITA	

Image Management

Field Engineer Equivalent (FTE) Monthly Rate	\$14,720.00
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Below is a list of sample services and sample prices. Each engagement requires to be scoped appropriately. The services listed below are representative services and are not all inclusive of the services that KST can provide. These services are available

Labor Category	Experience	Standard Business Hourly Rate	After Hours, Holiday and Weekend Hourly Rate
Business Applications Administrator	3 years	\$80/hr	\$80/hr
Software Developer (VB, ASP, C#, .Net)	3 years	\$80/hr	\$80/hr
Senior Software Developer (VB, ASP, C#, .Net)	5 years	\$95/hr	\$95/hr
Web Administrator (IIS)	3 years	\$65/hr	\$65/hr
Web Systems Engineer	3-5 years	\$75/hr	\$75/hr
Business Analyst	5 years	\$70/hr	\$70/hr
Senior Business Analyst	10 years	\$90/hr	\$90/hr
Network Security Administrator	4 years	\$98/hr	\$98/hr
Systems Administrator (Windows Server)	3 years	\$85/hr	\$85/hr
Senior Systems Administrator (Windows Server)	5 years	\$90/hr	\$90/hr
Systems Administrator (UNIX)	3 years	\$85/hr	\$85/hr
Network Engineer	3 years	\$90/hr	\$90/hr
Senior Network Engineer	5 years	\$105/hr	\$105/hr
PC Support Analyst	2 years	\$55/hr	\$55/hr
Senior PC Support Analyst	5 years	\$60/hr	\$60/hr

Project Manager	5 years	\$85/hr	\$85/hr
Senior Project Manager	10 years	\$105/hr	\$105/hr
Technical Writer	3 years	\$65/hr	\$65/hr
Database Administrator (SQL Server)	2 years	\$75/hr	\$75/hr
Senior Database Administrator (SQL Sever)	6 years	\$99/hr	\$99/hr
Data Architect	3 years	\$99/hr	\$99/hr
ETL Developer	2 years	\$99/hr	\$99/hr
Infrastructure Architect	4 years	\$90/hr	\$90/hr
Firewall Administration (Checkpoint, PIX, NetScreen)	3-5 years	\$97/hr	\$97/hr
Security Threat/Risk Assessment Engineer (Anti-virus, IDS Sensor & Application)	3-5 years	\$115/hr	\$115/hr
VPN	3 years	\$75/hr	\$75/hr
Windows Application Administration	4 years	\$65/hr	\$65/hr
Network/Citrix Administration	5 years	\$71/hr	\$71/hr
IPT (Cisco Telephony)	2 years	\$115/hr	\$115/hr
Cisco Call Manager	2 years	\$99/hr	\$99/hr
WAN Engineer (MPLS, ATM, Frame Relay, PPP, ISDN)	5 years	\$99/hr	\$99/hr
Active Directory Engineer	4 years	\$85/hr	\$85/hr
Exchange Engineer	4 years	\$75/hr	\$75/hr
Help Desk Analyst	2 years	\$50/hr	\$50/hr
Senior Help Desk Analyst	5 years	\$65/hr	\$65/hr
Support Magic Administration	3-5 years	\$80/hr	\$80/hr
VB.Net Developer	3 years	\$90/hr	\$90/hr
VB Programmer Analyst	3-5 years	\$75/hr	\$75/hr
ASP Programmer	4 years	\$85/hr	\$85/hr
Java Developer	3 years	\$90/hr	\$90/hr
QA Analyst	2-3 years	\$65/hr	\$65/hr

QA Tester	4-5 years	\$85/hr	\$85/hr
Cognos Report Writer	5 years	\$65/hr	\$65/hr
Stored Procedure Writer	5 years	\$65/hr	\$65/hr
Project Coordinator	1-3 years	\$40/hr	\$40/hr
Project Facilitator	3 years	\$50/hr	\$50/hr
Resource Development Manager	5 years	\$75/hr	\$75/hr
Modeling and Network Architecture	7-10 years	\$142/hr	\$142/hr
Security, Application or Information Architecture	7-10 years	\$150/hr	\$150/hr
Data Analyst	5 years	\$70/hr	\$70/hr
Senior Data Analyst	10 years	\$85/hr	\$85/hr

PC

Intel or AMD Based

<i>Minimum Configurations</i>	Unit Price	Addl VITA Discount %	Unit Discounted Price
A. Standard Desktop Offering	\$879.00	25%	\$655.00
2.4 Ghz Core 2 Duo E6600/ 2 Ghz Athlon 64 X2 3800+ or equivalent			
Graphics Media Accelerator (256mb RAM minimum)			
2GB RAM or greater			
80GB SATA drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Two Front Facing USB Ports or greater			
17" LCD Monitor (minimum)			
Two button optical mouse with scroll wheel			
Keyboard with 103 keys			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

	Unit Price	Addl VITA Discount %	Unit Discounted Price
B. Premium Desktop Offering	\$1,289.00	25%	\$960.00
3-GHz Core 2 Duo E6850 or equivalent			
Discrete Graphics Media Accelerator (256mb RAM minimum)			
2GB RAM or greater			
120GB SATA drive or greater			
CDRW/ DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Two Front Facing USB Ports or greater			
21" LCD Monitor			
Two button optical mouse with scroll wheel			
Keyboard with 103 keys			
10/100/1000 RJ-45			

Warranty is three years on-site. Additionally, you may offer depot.

Units above are base offerings.

AMD processors must be at least equivalent to listed Intel processors

http://government.Lenovo.com/products.asp?prodid=492&agencyid=136&state=CA&iumpid=re_r33_PSG_hed_prodlst_home

"Lenovo reserves the right to price specific opportunities greater than the discount range listed above. This pricing will be strictly limited to the specific purchase in question, and will not impact or change the discount range offered by Lenovo."

Lenovo's discount is product line dependent, which is why we provided a minimum discount percentage discount off List/Web Price KST and Lenovo expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

The specific configuration details of what we priced are:

A. Standard Desktop Offering - Lenovo	OEM P/N
ThinkCentre M57e Series - 3 Years Parts / 3 Years Labor On Site Warrant	9439CTO
Processor: Intel® Core™ 2 Duo E6750 Processor (2.66GHz 1333MHz 4MB L2)	
Operating System: Genuine Windows Vista Home Basic	
Total memory: 2GB PC2-5300 SDRAM (2 DIMMs)	
Video adapter: ATI Radeon HD 2400XT 256MB 64BIT DMS59 ATX	
Hard Drive: 80GB Hard Disk Drive, 7200RPM SATA II	
Optical device: DVD Recordable (With DVD Playback/Burner Software) for Vista	
Keyboard: Lenovo Preferred Pro USB Full Size Keyboard - US English	
Pointing Device: Lenovo Optical Wheel Mouse - USB	
Lenovo ThinkVision L171p 17in Digital/Analog LCD Monitor	

B. Premium Desktop Offering - Lenovo	OEM P/N
ThinkCentre M57e Series - 3 Years Parts / 3 Years Labor On Site Warrant	9439CTO
Processor: Intel® Core™ 2 Duo E8500 Processor (3.16GHz 1333MHz 6MB L2)	
Operating System: Genuine Windows Vista Home Basic	
Total memory: 2GB PC2-5300 SDRAM (2 DIMMs)	

Video adapter: ATI Radeon HD 2400XT 256MB 64BIT DMS59 ATX

Hard Drive: 160GB Hard Disk Drive, 7200RPM SATA II

Optical device: DVD Recordable (With DVD Playback/Burner Software) for Vista

Keyboard: Lenovo Preferred Pro USB Full Size Keyboard - US English

Pointing Device: Lenovo Optical Wheel Mouse - USB

Lenovo ThinkVision L220X 22in Wide Digital/Analog LCD Monitor

Notebook

Intel/ AMD Based

<i>Minimum Configurations</i>	Unit Price	Discount %	Unit Discounted Price
A. Standard Notebook Offering	\$1,049.00	25%	\$757.00
2 GHz Core 2 Duo T7300 or equivalent			
Integrated Graphics Media Accelerator (256mb RAM min)			
1GB RAM or greater			
80GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (optional)			
802.11a/b/g/draft-n intergrated wireless			
14.1 inch screen or greater			

Warranty is three years on-site. Additionally, you may offer depot.

	Unit Price	Discount %	Unit Discounted Price
B. Premium Notebook Offering	\$2,889.00	25%	\$2,160.00
2.4 GHz Core 2 Duo T7700 or equivalent			
Discreet Graphics Media Accelerator (256mb RAM min)			
2GB RAM or greater			
120GB SATA hard drive or greater			
CDRW/DVD+/-RW Combo Drive			
Microsoft Vista Business Capable			
Integrated fingerprint reader (Optional)			
802.11a/b/g/draft-n intergrated wireless			
17 inch screen or greater			
10/100/1000 RJ45			

Warranty is three years on-site. Additionally, you may offer depot.

Tablet

Intel/ AMD Based

	Unit Price	Discount %	Unit Discounted Price
C. Tablet Offering	\$2,029.00	25%	\$1,511.00

1.6-GHz Core 2 Duo L7500 or equivalent
Discreet Graphics Media Accelerator (256mb RAM min)
2GB RAM or greater
80 GB SATA hard drive or greater
CDRW/DVD+/-RW Combo Drive (external ok)
Microsoft Vista Business Capable
Integrated fingerprint reader (optional)
802.11a/b/g/draft-n intergrated wireless
12 inch screen or greater
10/100/1000 RJ-45

Warranty is three years on-site. Additionally, you may offer depot.

AMD processors must be at least equivalent to listed Intel processors

Units above are base offerings.

https://www.directlenovo.com/public/index.cfm?vcid=%27%29NSCU%3C%3C%2BQ%40%20%20ccc.rrr&maxid=ca&establish_cookie=true

"Lenovo reserves the right to price specific opportunities greater than the discount range listed above. This pricing will be strictly limited to the specific purchase in question, and will not impact or change the discount range offered by Lenovo."

Lenovo's discount is product line dependent, which is why we provided a minimum discount percentage discount off List/Web Price KST and Lenovo expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations

The specific configuration details of what we priced are:

A. Standard Notebook Offering- Lenovo	OEM P/N
<p>ThinkPad R400</p> <p>Processor: Intel® Core™ 2 Duo processor P8400 (2.26GHz - 1066 Mhz)</p> <p>Graphics: Intel GMA 4500MHD</p> <p>memory: 1 GB PC3-8500 DDR3 SDRAM 1067MHz SODIMM Memory (1 DIMM)</p> <p>Primary Hard Drive: Non-RAID HDD, 80 GB Hard Disk Drive</p> <p>Optical device: 24x CD-RW / 8x DVD-ROM combo - removable plug-in module</p> <p>Pointing Device: UltrNAV + Trackpoint</p> <p>Integrated WiFi wireless LAN adapters : Intel WiFi Link 5100 (IEEE 802.11 a/b/g/n draft)</p> <p>Display type: 14.1" WXGA LCD 1280x800</p>	<p>R400-7440-CTO</p>
B. Premium Notebook Offering - Lenovo	OEM P/N
<p>ThinkPad W700</p> <p>Processor: Intel® Core™ 2 Duo processor T9400 (2.53GHz 1066MHz 6MBL2)</p> <p>Graphics: NVIDIA Quadro FX-2700 (DVI-DL+DisplayPort+ST) 512MB</p> <p>memory: 2 GB PC3-8500 DDR3 SDRAM 1067MHz SODIMM Memory (1 DIMM)</p>	<p>2757CTO</p>

Peripherals

Minimum Configurations

Part No	A. Flash Drives	Unit Price	Add VITA Discount %	Unit Discounted Price
41U5119	2 GB	39	23.00%	30
41U5120	4 GB	59	23.00%	44
45J7905	8 GB	65	23.00%	49

Part No	B. Monitors (<i>wide aspect</i>)	Unit Price	Add VITA Discount %	Unit Discounted Price
4434HE1	Lenovo L197 19" W LCD Monitor	240	23.00%	185
4438HB6	Lenovo L200p 20" W LCD Monitor	270	23.00%	210
6622HB1	Lenovo L2240p 22" Wide LCD Monitor	350	23.00%	275

Part No	C. Docking Station	Unit Price	Add VITA Discount %	Unit Discounted Price

Part No	D. Port Replicator	Unit Price	Add VITA Discount %	Unit Discounted Price
250510W	THINKPAD ESSENTIAL PORT REPLICATOR	180	23.00%	140
250410U	THINKPAD ADVANCED MINI-DOCK - PORT REPLICATOR	220	23.00%	170

Part No	E. External USB Floppy Drive	Unit Price	Add VITA Discount %	Unit Discounted Price

Part No	F. Network Interface Cards	Unit Price	Add VITA Discount %	Unit Discounted Price

Part No	G. Mouse	Unit Price	Addl VITA Discount %	Unit Discounted Price
31P7405	LENOVO OPTICAL SCROLL MOUSE	24	23.00%	19
31P7410	LENOVO TRAVEL MOUSE	27	23.00%	19

Part No	H. Keyboard	Unit Price	Addl VITA Discount %	Unit Discounted Price
73P5220	PREFERRED PRO USB KEYBOARD US ENGLISH	30	23.00%	\$23.00

Part No	I. Battery Back Up Unit	Unit Price	Addl VITA Discount %	Unit Discounted Price

Warranty is manufacturer's warranty

Units above are base offerings.

HP Government Price is Available at:

<http://gem.compaq.com/gemstore/home.asp?oi=E9CED>

KST and HP expect to provide even more aggressive pricing every quarter as part of our 'Sweet Spot' recommendations



Hardware Configuration Center

Menu of Services with Pricing

VITA New
Price

Comments

Base Cost with image/configuration

Bundle A

Project Management	\$11.50	
Receiving and Staging all Hardware Equipment	\$9.20	Cost if being Imaged or Installed
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$10.35	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)
Image blast - hard drive blasting	\$10.35	Layer 0 or 1 Install
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.15	per serialized component per system
Custom ship/box label with reporting	\$5.75	
Custom packing slip with reporting	\$5.75	
	\$59.80	

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Base Cost with NO image or any configuration

Bundle B

Project Management	\$11.50	
Receiving and Staging all Hardware Equipment	\$9.20	If Asset is NOT Being Imaged or Installed by KST
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.15	per serialized component per system
Custom ship/box label with reporting	\$5.75	
	\$33.35	

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Warehouse

Receiving / Staging

Receiving and Staging all Hardware Equipment	\$11.50	Cost if HW being Imaged or Installed does not qualify for bundle savings
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Notes:

- 1) Prices are priced individually, Required bundle pricing may apply. With quantity a special rate may be negotiated
 - 2) Hardware is defined as: PC Bundle (CPU and Monitor with associated peripherals) or Laptop with Peripherals, scanner, plotter or printer.
- Each hardware device stands alone and require Receiving/Staging rates. With or with out configuration

Mode of Shipping/Delivery needs to be selected and added to ALL transactions

Depot/Configuration Center

PC, Notebook and Printer Integration

Project Management	\$13.80	
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$13.80	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)

Hard Drive Imaging (at KST / Staging Area)

Image blast - hard drive blasting	\$12.65	Layer 0 or 1 Install
Gold Master CD duplication	\$5.75	Recovery CD (to include with systems)
Custom image download via CD, DVD or network download (single load no drivers)	\$17.25	Using tools such as Altiris
Hand Loading of software package like Symantec, Veritas, Trend	\$5.75	Hand Load Apps Per Title
MS Office download	\$17.25	If Not on Std Image

Operating System Loading (Instead of Blasting Image)

Microsoft OS	\$40.25	
Linux	\$40.25	

Miscellaneous Setup

Raid set-up	\$11.50	
BIOS update and modification	\$5.75	includes adding asset information to the BIOS
Firmware update	\$5.75	Server or Printer Microcode update
Customer setup fee for consigned parts	\$23.00	one time fee per part to setup in inventory system
Customer setup fee to be set up as a vendor on our system	\$23.00	one time fee period

Asset Tagging

Custom asset tagging with reporting	\$8.05	End User Specific Instructions
Customer supplied asset tag with reporting	\$5.75	

Shipping - Required with all Orders

Custom Packaging and Labeling - Consolidation

Custom ship/box label with reporting	\$8.05	
Custom packing slip with reporting	\$8.05	

Normal Shipping - Inside Delivery to user Desk

24-72 hour turnaround	\$35.00	
Same day turn around	\$70.00	

Normal Shipping - Delivery to user Dock or Front Desk

24 hour turnaround	\$25.00	
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Same day turn around	\$50.00
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Bulk Shipping/Dock Only

Consolidation and Bulk Pack	\$7.00	Per Box Price. Includes Shrink-wrap and Pallet Service (Per System) Minimum weights apply
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Expediting Orders (Priority Service Turnaround, Does not include actual freight cost)

24 hour turnaround	\$23.00
Same day turn around	\$57.50

Time and Material rate

Out of scope general T&M rate	\$57.50
Other rates will be based on SOW provided by NGC/VITA	

Notes:

- 1) Prices are priced individually, Required bundle pricing may apply. With quantity a special rate may be negotiated
- 2) Hardware is defined as: PC Bundle (CPU and Monitor with associated peripherals) or Laptop with Peripherals, scanner, plotter or printer.

Optional Value-Add Services

Integration Services

Base Cost with image, configuration, inside delivery, on-site installation, data transfer, apps and peripherals

Bundle C

Receiving and Staging all Hardware Equipment	\$9.20	Cost if being Imaged or Installed
Hardware preparation, box opened, insertion and removal. Includes board level components like RAID cards, memory and hdd's. (Billed Per System)	\$11.50	Price Per System - Adding extra options at staging area that is not factory installed (i.e. third party options and upgrades)
Image blast - hard drive blasting	\$17.25	Layer 0 or 1 Install
Custom asset tagging with reporting	\$5.75	End User Specific Instructions
Component serial number capture, tracking and reporting	\$1.73	per serialized component per system
Custom ship label with reporting	\$5.75	
Custom packing slip with reporting	\$5.75	
Deskside Delivery and New System Installation	\$57.50	With Data Migration and Apps
	\$114.43	

Mode of Shipping/Delivery needs to be selected and added to above total

Deskside / On Site Installation

Deskside Delivery and New System connection to network	\$60.00	No Data Migration-Basic Install of imaged unit. No other services
Printer Delivery and Installation	\$45.00	Local and Workgroup Devices (not Enterprise or Mainframe)
Printer Delivery and Installation	\$89.00	Enterprise Devices (not Mainframe)

Deskside Software Installation

Deskside Application Installation	\$79.35	Data, Apps, and Bookmarks/personality transfer from automation tools such as Altiris, Application load count up to 5. Apps are exempt from cap
Deskside Application Installation	\$51.75	Applications in Excess of 5 and up to 10

Deskside / On Site Cascade

Deskside Cascade Basic Setup/Install	\$92.00	Complete Cascade
Deskside Cascade Basic Setup/Full Install	\$184.00	Complete Cascade
Printer Cascade	\$80.50	Local and Workgroup Devices (not Enterprise or Mainframe)

MAC

Field Technician Engineer (FTE) Hourly Rate	\$57.50
Field Technician Equivalent (FTE) Monthly Rate	\$11,040.00

Asset Disposition

Disconnect / Deinstall / Disposition of Existing System	\$12.65
Data Drive Wipe (Govt Standards) - Data Destruction	\$9.20 per drive or asset to wipe

AV-VTC

Field Engineer Equivalent (FTE) Hourly Rate	\$97.75
Field Engineer Equivalent (FTE) Monthly Rate	\$14,720.00

PC Pool

Field Technician Equivalent (FTE) Hourly Rate	\$57.50
Field Technician Equivalent (FTE) Monthly Rate	\$11,040.00

Rack Server and Component Insertion into Cabinets

Server installation into cabinet	\$18.40
Other hardware insertions into cabinet	\$18.40
Cabling - (requires explicit instructions-based on time study)	\$0.00 varies due to complexity and time
Rack level testing-(requires TPI - based on time study)	\$0.00 varies due to complexity and time

Time and Material rate

Out of scope general T&M rate	\$57.50
Field Technician Equivalent (FTE) Hourly Rate	\$57.50
Other rates will be based on SOW provided by NGC/VITA	

Image Management

Field Engineer Equivalent (FTE) Monthly Rate	\$14,720.00
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Below is a list of sample services and sample prices. Each engagement requires to be scoped appropriately. The services listed below are representative services and are not all inclusive of the services that KST can provide. These services are available

Labor Category	Experience	Standard Business Hourly Rate	After Hours, Holiday and Weekend Hourly Rate
Business Applications Administrator	3 years	\$80/hr	\$80/hr
Software Developer (VB, ASP, C#, .Net)	3 years	\$80/hr	\$80/hr
Senior Software Developer (VB, ASP, C#, .Net)	5 years	\$95/hr	\$95/hr
Web Administrator (IIS)	3 years	\$65/hr	\$65/hr
Web Systems Engineer	3-5 years	\$75/hr	\$75/hr
Business Analyst	5 years	\$70/hr	\$70/hr
Senior Business Analyst	10 years	\$90/hr	\$90/hr
Network Security Administrator	4 years	\$98/hr	\$98/hr
Systems Administrator (Windows Server)	3 years	\$85/hr	\$85/hr
Senior Systems Administrator (Windows Server)	5 years	\$90/hr	\$90/hr
Systems Administrator (UNIX)	3 years	\$85/hr	\$85/hr
Network Engineer	3 years	\$90/hr	\$90/hr
Senior Network Engineer	5 years	\$105/hr	\$105/hr
PC Support Analyst	2 years	\$55/hr	\$55/hr
Senior PC Support Analyst	5 years	\$60/hr	\$60/hr

Project Manager	5 years	\$85/hr	\$85/hr
Senior Project Manager	10 years	\$105/hr	\$105/hr
Technical Writer	3 years	\$65/hr	\$65/hr
Database Administrator (SQL Server)	2 years	\$75/hr	\$75/hr
Senior Database Administrator (SQL Sever)	6 years	\$99/hr	\$99/hr
Data Architect	3 years	\$99/hr	\$99/hr
ETL Developer	2 years	\$99/hr	\$99/hr
Infrastructure Architect	4 years	\$90/hr	\$90/hr
Firewall Administration (Checkpoint, PIX, NetScreen)	3-5 years	\$97/hr	\$97/hr
Security Threat/Risk Assessment Engineer (Anti-virus, IDS Sensor & Application)	3-5 years	\$115/hr	\$115/hr
VPN	3 years	\$75/hr	\$75/hr
Windows Application Administration	4 years	\$65/hr	\$65/hr
Network/Citrix Administration	5 years	\$71/hr	\$71/hr
IPT (Cisco Telephony)	2 years	\$115/hr	\$115/hr
Cisco Call Manager	2 years	\$99/hr	\$99/hr
WAN Engineer (MPLS, ATM, Frame Relay, PPP, ISDN)	5 years	\$99/hr	\$99/hr
Active Directory Engineer	4 years	\$85/hr	\$85/hr
Exchange Engineer	4 years	\$75/hr	\$75/hr
Help Desk Analyst	2 years	\$50/hr	\$50/hr
Senior Help Desk Analyst	5 years	\$65/hr	\$65/hr
Support Magic Administration	3-5 years	\$80/hr	\$80/hr
VB.Net Developer	3 years	\$90/hr	\$90/hr
VB Programmer Analyst	3-5 years	\$75/hr	\$75/hr
ASP Programmer	4 years	\$85/hr	\$85/hr
Java Developer	3 years	\$90/hr	\$90/hr
QA Analyst	2-3 years	\$65/hr	\$65/hr

QA Tester	4-5 years	\$85/hr	\$85/hr
Cognos Report Writer	5 years	\$65/hr	\$65/hr
Stored Procedure Writer	5 years	\$65/hr	\$65/hr
Project Coordinator	1-3 years	\$40/hr	\$40/hr
Project Facilitator	3 years	\$50/hr	\$50/hr
Resource Development Manager	5 years	\$75/hr	\$75/hr
Modeling and Network Architecture	7-10 years	\$142/hr	\$142/hr
Security, Application or Information Architecture	7-10 years	\$150/hr	\$150/hr
Data Analyst	5 years	\$70/hr	\$70/hr
Senior Data Analyst	10 years	\$85/hr	\$85/hr

login name: **KST@VA.gov** and password: **kstprice**

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Gov't Pricing

Title	Price
Adobe Acrobat Professional Version 9 Windows	242.01
Adobe Photoshop CS4 Windows	667.65
Autodesk Sketchbook 2009 Pro	167.92
McAfee Active Virus Defense	15.18
Symantec Norton Antivirus 2009	35.08
Symantec Backup Exec 12.5 for Windows Servers	495.90

**PRICE FOR ABOVE TITLES SHOULD BE
QUOTED FOR PURCHASE OF ONE (1) COPY**

Academic Pricing

Title	Price
Adobe Acrobat Professional Version 9 Windows	133.77
Adobe Photoshop CS4 Windows	282.22
Autodesk Sketchbook 2009 Pro	167.92
McAfee Active Virus Defense	15.18
Symantec Norton Antivirus 2009	35.08
Symantec Backup Exec 12.5 for Windows Servers	495.90

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LICENSE AND MEDIA**

EXHIBIT G

AWARDED CATEGORIES

- DESKTOP (DELL, HP, LENOVO)
- NOTEBOOK (DELL, HP, LENOVO)
- RUGGED (DELL)
- PERIPHALS
- COTS



Software License Contract

between

The Virginia Information Technologies Agency

on behalf of

The Commonwealth of Virginia

and

KST Data, Inc.

**SOFTWARE LICENSE CONTRACT
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SOFTWARE LICENSE CONTRACT

THIS SOFTWARE LICENSE CONTRACT ("Contract") is entered into by and between the Virginia Information Technologies Agency (VITA) pursuant to §2.2-2012 of the Code of Virginia and on behalf of the Commonwealth of Virginia, (hereinafter referred to as "VITA") and KST Data, Inc. ("Supplier"), a corporation headquartered at 3699 Wilsire Blvd Los Angeles Ca, to be effective as of February 2, 2009 ("Effective Date").

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which Supplier agrees to grant a license to use certain Software, and to provide various Services to the Authorized Users.

2. DEFINITIONS

A. Acceptance

Acceptance shall take the form of successful delivery or completed and successful Acceptance testing in conformance with the Requirements as determined by the Authorized User in the applicable order.

B. Agent

Any third party independent agent of any Authorized User.

C. Authorized Users

All public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the Code of Virginia.

D. Computer Virus

Any malicious code, program, or other internal component (e.g., computer virus, computer worm, computer time bomb, or similar component), which could damage, destroy, alter or disrupt any computer program, firmware, or hardware or which could, in any manner, reveal, damage, destroy, alter or disrupt any data or other information accessed through or processed by such software in any manner.

E. Confidential Information

Any confidential or proprietary information of a Party that is disclosed in any manner, including oral or written, graphic, machine readable or other tangible form, to any other Party in connection with or as a result of discussions related to this Contract or any order issued hereunder, and which at the time of disclosure either (i) is marked as being "Confidential" or "Proprietary", (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the disclosing Party, or (iii) under the circumstances of disclosure should reasonably be considered as confidential or proprietary information of the disclosing Party.

F. Documentation

Those materials detailing the information and instructions needed in order to allow any Authorized User and its Agents to install, implement, and make productive use of the Software.

G. Electronic Self-Help

Any use of electronic means to exercise Supplier's license termination rights, if available pursuant to the Software License section of this Contract, upon breach or cancellation, termination or expiration of this Contract or any order issued hereunder.

H. Maintenance Level

The parameters of Maintenance Services, including the times during which and time-frames in which Supplier shall respond to a request for Maintenance Services. The available Maintenance

Levels shall be as defined in Exhibit C hereto. The actual Maintenance Level for a unit of Software shall be set forth in the executed order for Maintenance of that Software referencing this Contract.

I. Maintenance Period

The term during which Maintenance is to be provided for a unit of Software.

J. Maintenance Services (or Maintenance)

Those Services, preventive and remedial, provided by Supplier at Authorized User's request in order to ensure continued operation of the Software. Maintenance Services shall include support services.

K. Party

Supplier, VITA, or any Authorized User.

L. Requirements

The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the product as set forth in the applicable documentation, Exhibit A and such other parameters, characteristics, or performance standards for the product that may be agreed upon in writing by VITA and Supplier or the Parties to an order issued hereunder. [Note: In case of conflict, see the Entire Contract clause for order of precedence.]

M. Services

Any services, including installation, Software configuration, maintenance, support and training provided by Supplier under this Contract.

N. Software

The programs and code, and any subsequent releases, provided by Supplier under this Contract as set forth in Exhibit A or as described on Supplier's US and International price lists in effect at time of order placement.

O. Software Publisher

The licensor of the Software provided by Supplier under this Contract.

P. Supplier

Means the Supplier and any of its Affiliates (i.e., an entity that controls, is controlled by, or is under common control with Supplier).

3. TERM AND TERMINATION

A. Contract Term

This Contract is effective and legally binding as of the Effective Date and, unless terminated as provided for in this section, shall continue to be effective and legally binding for a period of two (2) years. VITA, in its sole discretion, may extend this Contract for up to three (3) additional one (1) year periods after the expiration of the initial two (2) year period. VITA will issue a written notification to the Supplier stating the extension period, not less than thirty (30) days prior to the expiration of any current term. Warranty on or Maintenance Services for any Software ordered during the term of the Contract may extend beyond the term of this Contract. Performance of an order or SOW issued during the term of this Contract may survive the expiration of the term of this Contract, in which case all terms and conditions required for the operation of such order or SOW shall remain in full force and effect until Services pursuant to such order or SOW have met the final Acceptance criteria of the applicable Authorized User.

B. Termination for Convenience

VITA may terminate this Contract, in whole or in part, or any order issued hereunder, in whole or in part, or an Authorized User may terminate an order, in whole or in part, upon not less than thirty (30) days prior written notice at any time for any reason.

C. Termination for Breach or Default

VITA shall have the right to terminate this Contract, in whole or in part, or any order issued hereunder, in whole or in part, or an Authorized User may terminate an order, in whole or in part, for breach and/or default of Supplier. Supplier shall be deemed in breach and/or default in the event that Supplier fails to meet any material obligation set forth in this Contract or in any order issued hereunder.

If VITA deems the Supplier to be in breach and/or default, VITA shall provide Supplier with notice of breach and/or default and allow Supplier fifteen (15) days to cure the breach and/or default. If Supplier fails to cure the breach as noted, VITA may immediately terminate this Contract or any order issued hereunder, in whole or in part.

If an Authorized User deems the Supplier to be in breach and/or default of an order, such Authorized User shall provide Supplier with notice of breach and/or default and allow Supplier fifteen (15) days to cure the breach and/or default. If Supplier fails to cure the breach and/or default as noted, such Authorized User may immediately terminate its order, in whole or in part.

Any such termination shall be deemed a Termination for Breach or a Termination for Default. In addition, if Supplier is found by a court of competent jurisdiction to be in violation of or to have violated 31 USC 1352, or if Supplier becomes a party excluded from Federal Procurement and Nonprocurement Programs, VITA may immediately terminate this Contract, in whole or in part, for breach. VITA shall provide written notice to Supplier of such termination, and Supplier shall provide prompt written notice to VITA if Supplier is charged with violation of 31 USC 1352 or if federal debarment proceedings are instituted against Supplier.

D. Termination for Non-Appropriation of Funds

All payment obligations under this Contract are subject to the availability of legislative appropriations at the federal, state, or local level, for this purpose. In the event of non-appropriation of funds, irrespective of the source of funds, for the items under this Contract, VITA may terminate any order, in whole or in part, or an Authorized User may terminate its order, in whole or in part, for those goods or services for which funds have not been appropriated. Written notice will be provided to the Supplier as soon as possible after legislative action is completed.

E. Effect of Termination

Upon termination, the Commonwealth shall have no future liability except for Software accepted or Services rendered by Supplier prior to the termination date.

In the event of a Termination for Breach or Termination for Default, Supplier shall accept return of any Software or Services that were not accepted by the Authorized User(s), and Supplier shall refund any monies paid by any Authorized User for such Software or Services, and all costs of de-installation and return of such Software or Services shall be borne by Supplier.

F. Transition of Services

Prior to or upon expiration or termination of this Contract and at the request of VITA, Supplier shall provide all assistance as VITA or an Authorized User may reasonably require to transition Services to any other supplier with whom VITA or such Authorized User contracts for provision of Software-related services. This obligation may extend beyond expiration or termination of the Contract for a period not to exceed six (6) months. In the event of a termination for breach and/or default of Supplier, Supplier shall provide such assistance at no charge or fee to VITA or any Authorized User; otherwise, Supplier shall provide such assistance at a reasonable hourly rate or a charge agreed upon by Supplier and VITA or an Authorized User.

G. Contract Kick-Off Meeting

Within 30 days of Contract award, Supplier may be required to attend a contract orientation meeting, along with the VITA contract manager/administrator, the VITA and/or other CoVa Agency project manager(s) or authorized representative(s), technical leads, VITA representatives for SWaM and Sales/IFA reporting, as applicable, and any other significant stakeholders who have a part in the successful performance of this Contract. The purpose of this meeting will be to review all contractual obligations for both parties, all administrative and reporting requirements, and to discuss any other relationship, responsibility, communication and performance criteria set forth in the Contract. The Supplier may be required to have its assigned account manager as specified in Section 6.0 and a representative from its contracts department in attendance. The time and location of this meeting will be coordinated with Supplier and other meeting participants by the VITA contract manager.

H. Contract Closeout

Prior to the contract's expiration date, Supplier may be provided contract close out documentation and shall complete, sign and return to VITA Supply Chain Management within 30 days of receipt. This documentation may include, but not be limited to: Patent/Royalty Certificate, Tangible Property/Asset Certificate, Escrow Certificate, SWaM Reports Completion Certificate, Sales Reports/IFA Payments Completion Certificate, and Final Payment Certificate. Supplier is required to process these as requested to ensure completion of close-out administration and to maintain a positive performance reputation with the Commonwealth of Virginia. Any closeout documentation not received within 30 days of Supplier's receipt of our request will be documented in the contract file as Supplier non-compliance. Supplier's non-compliance may affect any pending payments due the Supplier, including final payment, until the documentation is returned.

4. SOFTWARE LICENSE

If Authorized User is a state agency, board, commission, or other quasi-political entity of the Commonwealth of Virginia or other body referenced in Title 2.2 of the Code of Virginia, the license shall be held by the Commonwealth. If Authorized User is a locality, municipality, school, school system, college, university, local board, local commission, or local quasi-political entity, the license shall be held by that public body.

A. License Grant

Software licensed by Supplier

- i). Supplier grants to the Commonwealth and all Authorized Users a fully paid, perpetual, worldwide, nonexclusive, transferable, irrevocable object code license to use, copy, modify, transmit and distribute the Software and Documentation including any subsequent revisions, in accordance with the terms and conditions set forth herein and subject only to the limitations and/or restrictions explicitly set forth in this Contract. It is expressly understood that "perpetual" license rights shall commence upon delivery of the Software to the Authorized User and shall exist in perpetuity unless otherwise terminated in accordance with the applicable provisions of the Contract. The Software is the property of Supplier and/or its licensors, and no title or ownership of the Software or any of its parts, including Documentation, shall transfer to the Commonwealth or any Authorized User.
- ii). The Commonwealth and all Authorized Users shall have the right to use, copy, modify, transmit and distribute the Software for their benefit, for government use and purposes, and for the benefit of their Agents, including internal and third-party information processing.
- iii). The Commonwealth is further granted the right to sublicense and distribute the Software or to contract with third parties to market and distribute on behalf of the Commonwealth subject to and under similar licensing terms and restrictions contained in this Contract.

- iv). The Commonwealth and any Authorized User may allow access to the Software by third party vendors who are under contract with an Authorized User to provide services to or on behalf of such Authorized User, or by other entities as required for conducting the business of government. Access includes loading or executing the Software on behalf of such Authorized User or its Agents.
- v). The license fee includes a test system copy, which consists of the right to use the Software for non-production test purposes, including but not limited to, problem/defect identification, remediation, and resolution, debugging, new version evaluation, Software interface testing, and disaster recovery technique analysis and implementation.
- vi). In the event that all of an Authorized User's copies of the Software, including all backup copies, are destroyed, irreparably damaged or otherwise lost due to fire, explosion, sabotage, flood or other disaster, Supplier shall provide to such Authorized User, at no additional cost, replacement copies of the Software and Documentation. Nothing contained in this Section shall obligate Supplier to replace or assist in the recovery of data lost concurrent with the loss of the Software.
- vii). An Authorized User may make a reasonable number of copies of the Software and Documentation for use in training, support, demonstrations, backup, archiving, disaster recovery and development and may run the Software concurrently at a back-up site for no additional license fees or costs. Such Authorized User agrees that any copies of the Software or Documentation that it makes under this Contract shall bear all copyright, trademark and other proprietary notices included therein by Supplier.
- viii). Except as expressly authorized, an Authorized User shall not distribute the Software to any third party without Supplier's prior written consent.
- ix). Except as provided or allowed by law, no Party shall reverse engineer, decompile, disassemble, or otherwise attempt to derive source code or other trade secrets from any software or other intellectual property of any other Party.

Software licensed by Software Publisher Supplier shall provide Software which is licensed directly from the Software Publisher through the end user licensing agreement (EULA) attached hereto as Exhibit D. If the EULA provides for a "perpetual" license, it is expressly understood that "perpetual" license rights shall commence upon delivery of the Software and shall exist in perpetuity unless otherwise terminated in accordance with the applicable provisions of the Contract.

Nothing contained herein shall be construed to restrict or limit an Authorized User 's rights to use any technical data which such Authorized User may already possess or acquire under proper authorization from other sources.

Compliance with the terms and conditions of any license granted pursuant to this Contract is solely the responsibility of the Authorized User which purchased such license and not the responsibility of VITA, unless VITA purchased such license on its own behalf.

B. License Type

All licenses granted, regardless of the type, include all uses set forth above. License type may vary by Software product and shall be set forth in Exhibit B and identified on any order issued pursuant to this Contract

Designated CPU License

The license(s) granted under this Section authorizes use of the Software only on the number of CPU(s) listed on Exhibit B. An Authorized User may transfer the Software to a different machine to the extent that the license price for such new CPU(s) is equivalent to the CPU(s) initially licensed. If the licensed CPU is inoperative because of (i) malfunction, (ii) performance of maintenance, or (iii) modification to the licensed CPU, or (iv) because the Software is being

transferred to another CPU, such Authorized User may use the Software on a replacement CPU as long as required by the mentioned conditions.

Concurrent Use license

The license(s) granted under this Section authorizes use of the Software on any system based on the total number of Concurrent Users. The number of "Concurrent Users" is defined as the maximum number of concurrent Sessions connected at a given point in time. A "Session" is defined as an active user executing the Software. The Authorized User shall specify an initial number of Concurrent User licenses in its initial order pursuant to this Contract. An Authorized User may increase the number of Concurrent User licenses upon issuing an order for additional Concurrent User licenses. The license fee for additional Concurrent User licenses and payment of the license fee is set forth on Exhibit B.

Site License

The license(s) granted under this Section authorizes use of the Software on any system located at the "Site" as such term is defined in the applicable order.

Project Specific License

The Project Specific License authorizes use of the Software on any CPU, on any system, and by any user, without limitation as to quantity or location.

Enterprise Wide License

The Enterprise Wide License authorizes use of the Software on any CPU, on any system, and by any user within the "Enterprise", as such term is defined in the applicable order, without limitation as to the quantity or location or project.

C. No Subsequent, Unilateral Modification of Terms by Supplier ("Shrink Wrap")

Notwithstanding any other provision or other unilateral license terms which may be issued by Supplier after the Effective Date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for Software licensed under this Contract, or the fact that such other agreement may be affixed to or accompany Software upon delivery ("shrink wrap"), the terms and conditions set forth herein shall supersede and govern licensing and delivery of all products and services hereunder.

5. DELIVERY AND INSTALLATION

A. Scheduling

Supplier shall deliver Software and perform the Services according to the delivery dates set forth on the appropriate order.

B. Installation of Software

1. Supplier Installation of Software

The Software license fee includes initial installation. Supplier is required to install the Software in accordance with the installation schedule set forth on the order. Supplier shall conduct its standard appropriate diagnostic evaluation at the Authorized User's user site to determine that the Software is properly installed and fully ready for productive use, and shall supply the Authorized User with a copy of the results of the diagnostic evaluation promptly after completion of installation.

Supplier agrees that failure to install the Software in accordance with the delivery schedule in the applicable order shall constitute a material breach of this Contract resulting in damages to the Authorized User. As an estimate of the damages such Authorized User shall suffer, Supplier agrees to credit such Authorized User an amount equal to one percent (1%) of the total license fee, for each day of undelivered or delivered but non-operational Software for a period of thirty (30) days following the agreed upon delivery date. If the delay lasts longer

than thirty (30) days, such Authorized User may immediately cancel the order and collect the damages for that period of late delivery. Such Authorized User reserves any and all other remedies available at law or in equity for delays lasting longer than thirty (30) days or for non-delivery.

2. Authorized User Installation of Software

If an Authorized User elects to install the Software itself or to contract with a third party to perform installation services, the Software shall be deemed to be installed when all programs, program libraries and user interfaces are copied to and initialized on the appropriate equipment as executable by having the ordering Authorized User, its Agent, or its third party installer invoke the primary function of each major component of the Software or when Acceptance criteria have been met. Authorized User shall provide to Supplier written notice of Acceptance upon completion of installation and successful Acceptance testing.

C. Documentation of Software Configuration

If the Services include configuration of Software by Supplier, Supplier shall provide to the appropriate Authorized User documentation containing a description of the configuration. Such documentation shall be sufficiently detailed such that any appropriately trained employee or Agent of any Authorized User may reconstruct the configuration of the Software.

6. ACCEPTANCE AND CURE PERIOD

A. Acceptance

Software shall be deemed accepted when the Authorized User determines that such Software successfully operates in accordance with the Requirements. Such Authorized User agrees to commence Acceptance testing within fifteen(15) days after receipt of the Software, or within such other period as set forth in the applicable order, after receipt of the Software. Acceptance testing will be no longer than fifteen(15) days, or such longer period as may be agreed in writing between Authorized User and Supplier, for the first instance of each product type set forth in Exhibit B. Supplier agrees to provide to such Authorized User such assistance and advice as such Authorized User may reasonably require, at no additional cost, during such Acceptance testing, other than travel expenses pre-approved by the Authorized User which will be reimbursable by such Authorized User at the then-current per diem amounts as published by the Virginia Department of Accounts (http://www.doa.virginia.gov/Admin_Services/CAPP/CAPP_Topics/20335_Meals_Lodging_10200_7.pdf, or a successor URL(s)). Authorized User shall provide to Supplier written notice of Acceptance upon completion of successful Acceptance testing. Should Authorized User fail to provide Supplier written notice of successful or unsuccessful Acceptance testing within five (5) days following the Acceptance testing period, the Software shall be deemed Accepted.

B. Cure Period

Supplier shall correct any non-conformities identified during Acceptance testing and re-submit such non-conforming Software for re-testing within seven (7) days of the appropriate Authorized User's written notice of non-conformance, or as otherwise agreed between such Authorized User and Supplier in the applicable order. Should Supplier fail to cure the non-conformity or deliver Software which meets the Requirements, such Authorized User may, in its sole discretion: (i) reject the Software in its entirety and recover amounts previously paid hereunder; (ii) issue a "partial Acceptance" of the Software with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable Software while reserving its right to revoke Acceptance if timely correction is not forthcoming. Failure of the Software to meet, in all material respects, the Requirements after the second set of acceptance tests may constitute a default by Supplier. In the event of such default, the Authorized User may, at its sole discretion, terminate its order, in whole or in part, for the Software and Services to be provided thereunder by Supplier.

7. WARRANTY SERVICES

At any time during the Warranty Period of one(1) year after Acceptance, Supplier shall provide the following warranty services (including unlimited telephonic support and all necessary travel and labor) without additional charge to any Authorized User to maintain the Software in accordance with the Requirements:

A. Known Defects

Promptly notify all Authorized Users of any defects or malfunctions in the Software or Documentation of which it learns from any source other than an Authorized User and provide to all Authorized Users a correction of any such defects or malfunctions, or a work around until a correction is available, within five (5) days of Supplier's knowledge of such defect or malfunction.

B. Coverage

Monday through Friday, 8 a.m. to 5 p.m., excluding Commonwealth holidays, provide to any Authorized Users all reasonably necessary telephone or written consultation requested by such Authorized Users in connection with use, problems and operation of the Software.

C. Service Levels

Respond to problems with the Software identified by an Authorized User in no more than two (2) hours after notification. Resolve all problems according to the following:

- i). Priority 1 (Software inoperable) within six (6) hours
- ii). Priority 2 (certain processing interrupted or malfunctioning but Software able to process) within twenty four (24) hours
- iii). Priority 3 (minor intermittent malfunctioning, Software able to process data) within three (3) days.

The level of severity (e.g., 1, 2, 3), shall be defined by such Authorized User.

D. Remedies

If Supplier is unable to make the Software conform, in all material respects, to the Requirements within thirty (30) days following written notification by an Authorized User, Supplier shall, at such Authorized User's request, cancel the license to such Software, accept return of such Software and Documentation, if applicable, rendered unusable, and return all monies paid by such Authorized User for the non-conforming Software and Documentation and such other related Service(s) rendered unusable.

8. MAINTENANCE SERVICES

Supplier shall provide Maintenance Services during the Maintenance Period at the prices identified in Exhibit B without additional charge to maintain the Software in accordance with the Requirements and to provide upgrades, updates, and new releases as they are made generally available.

The prices identified in Exhibit B are inclusive of all necessary labor and, unless otherwise provided therein, all necessary travel. Should travel not be included in the prices identified in Exhibit B, any travel expense must be pre-approved by the Authorized User and shall be reimbursed in accordance with the then-current per diem rates established by the Virginia Department of Accounts (http://www.doa.virginia.gov/Admin_Services/CAPP/CAPP_Topics/20335_Meals_Lodging_102007.pdf, or a successor URL(s)).

In addition to the minimum Maintenance Services described in this section, Exhibit C provides detailed descriptions of Supplier's additional maintenance offerings, if any, and Supplier's associated responsibilities as well as remedies available to the Authorized User in the event Supplier fails to perform its maintenance obligations. Any monetary remedies shall be paid to the Authorized User on a quarterly basis. Exhibit C defines coverage periods, response times, and restore times.

A. Ordering

An Authorized User may order Maintenance Services for any Software at any time during the term of the Contract, irrespective of whether such Software is covered under warranty or maintenance at the time the order is issued to Supplier. Each order shall identify:

Software product and number of units for which Maintenance Services shall be provided,

Maintenance Level to be provided, and

Maintenance Period for Software Maintenance.

Authorized User may elect, at any time, an alternate Maintenance Level offered by Supplier. Such amendment shall take effect within thirty (30) days following Supplier's receipt of Authorized User's written notice, in the form of a modification to an order.

Unless otherwise agreed by the Authorized User and Supplier, the Maintenance Period for a unit of Software shall be one (1) year from the effective date of any executed order for Maintenance on such Software product.

B. Renewal

Not less than sixty (60) days prior to the expiration of the Maintenance Period for each unit of Software, Supplier shall notify the Authorized User of such expiration, and the Authorized User, at its sole discretion, may issue an order to Supplier to renew Maintenance Services for an additional one (1) year period. The annual fee for Maintenance Services shall not exceed the fee charged for the preceding year's Maintenance Services by more than three percent (3%), or the annual change in CPI, as defined in the Fees and Charges section, in effect at the time, whichever is less. Termination of this Contract or cancellation of Maintenance Services by an Authorized User shall not affect this Contract or the grant of any license.

C. Services

At a minimum, Maintenance Services shall include the following:

1. Known Defects

Supplier's offerings and responsibilities related to known defects in the Software are described in Exhibit C.

2. New Releases

Supplier's offerings and responsibilities related to new releases of the Software are described in Exhibit C.

3. Coverage

Supplier's offerings and responsibilities related to coverage for telephonic and written consultation in connection with use, problems, and operation of the Software are described in Exhibit C.

4. Service Levels

Supplier's offerings and responsibilities related to response and restore times for any problems with the Software identified by an Authorized User, and any associated remedies are described in Exhibit C.

5. Additional Maintenance Services

Supplier's additional Maintenance Service offerings are described in Exhibit C.

D. Software Evolution

Should Supplier or Software Publisher merge or splinter the Software previously provided to any Authorized User, such action on the part of Supplier or Software Publisher shall not in any way result in any Authorized User being charged additional license or support fees in order to receive enhancements, releases, upgrade or support for the Software.

If Supplier or Software Publisher reduces or replaces functionality contained in a licensed Software product and provides the same or substantially similar functionality as or within a separate or renamed Software product, then the Commonwealth or the Authorized User shall be entitled to license such Software product at no additional license or maintenance fee, and subject to the terms and conditions herein.

If Supplier or Software Publisher releases an option, future Software product or other release that has substantially the same functionality as the Software products provided under this Contract, and Software Publisher and/or Supplier ceases to provide maintenance for the older Software product, then Supplier shall offer the Commonwealth or the Authorized User the option to exchange licenses for such replacement Software product or function at no additional charge.

E. Escalation Procedures

F. Remedies

In addition to any remedies described in Exhibit C, if Supplier is unable to make the Software conform, in all material respects, to the Requirements within thirty (30) days following notification by an Authorized User, Supplier shall, at such Authorized User's request, accept cancellation of the license to such non-conforming software and (i) return all monies paid by such Authorized User for the cancelled license, pro-rated using the straight-line method for an estimated software life cycle of five (5) years, or, if a term license, shall return the prorated license fee for the remainder of the license term; and (ii) return the prorated maintenance charge for the remainder of the maintenance term. The prorated amount due an Authorized User shall be calculated from the date on which the Software ceased operating in accordance with the Requirements.

9. GENERAL WARRANTY

Supplier warrants and represents to VITA the Software described in Exhibit A as follows:

A. Ownership

Supplier is the owner of the Software or otherwise has the right to grant the license to use the Software granted hereunder without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.

B. Software and Documentation

Supplier warrants the following with respect to the Software:

- i). The Software is pursuant to a particular Request for Proposal ("RFP"), and therefore, such Software shall be fit for the particular purposes specified by VITA, and Supplier is possessed of superior knowledge with respect to the Software and is aware that all Authorized Users are relying on Supplier's skill and judgment in providing the Software;
- ii). If the RFP specified or Exhibit A specifies the hardware equipment an Authorized User shall use to run the Software, then Supplier warrants the Software, and any subsequent release, is compatible with and shall perform as stated with such hardware for a period of five (5) years of the Effective Date. However Supplier will in no event be liable for the failure of Software if such failure is due to changes in the hardware or use of third party software by an Authorized User.
- iii). If an order issued by an Authorized User pursuant to this Contract specified the hardware equipment such Authorized User shall use to run the Software, then Supplier warrants the Software, and any subsequent release, is compatible with and shall perform as stated with such hardware for a period of five (5) years of the date of such order. However Supplier will in no event be liable for the failure of Software if such failure is due to changes in the hardware or use of third party software by such Authorized User.

- iv). The Software provided hereunder is at the current release level unless an Authorized User specifies an older version in its order, in which case item (iii) shall not apply and the older version of the Software, and any subsequent release, is compatible with and shall perform as stated with any hardware specified in the applicable order for a period of five(5) years of the date of such order;
- v). No corrections, work-arounds or future Software releases provided by Supplier under the warranty provisions or under maintenance or support services shall degrade the Software, cause any other warranty to be breached, or require an Authorized User to acquire additional hardware equipment or software;
- vi). Supplier warrants that the Documentation and all modifications or amendments thereto which Supplier is required to provide under this Contract shall be sufficient in detail and content to allow an Authorized User to load/use/operate the Software without reference to any other materials or information.

C. Limited Warranty

During the warranty period of one (1) year, or as specified in the applicable order, Supplier warrants that the Software shall meet or exceed the Requirements. Supplier shall correct, at no additional cost to any Authorized User, all errors identified during the warranty period that result in a failure of the Software to meet the Requirements.

D. Malicious Code

Supplier has used its best efforts through quality assurance procedures to ensure that there are no Computer Viruses or undocumented features in the Software at the time of delivery to an Authorized User. Supplier warrants that the Software does not contain any embedded device or code (e.g., time bomb) that is intended to obstruct or prevent any Authorized User's use of the Software. Notwithstanding any rights granted under this Contract or at law, Supplier hereby waives under any and all circumstances any right it may have or may hereafter have to exercise Electronic Self-Help. Supplier agrees an Authorized User may pursue all remedies provided under law in the event of a breach or threatened breach of this Section, including injunctive or other equitable relief.

E. Open Source

Supplier will notify all Authorized Users if the Software contains any Open Source code and identify the specific Open Source License that applies to any embedded code dependent on Open Source code, provided by Supplier under this contract.

F. Supplier's Viability

Supplier warrants that it has the financial capacity to perform and continue to perform its obligations under this Contract; that Supplier has no constructive or actual knowledge of a potential legal proceeding being brought against Supplier that could materially adversely affect performance of this Contract and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

G. Supplier's Past Experience

Supplier warrants that the Software has been installed and is operating in a production environment in a non-related third party's facility without significant problems due to the Software or Supplier.

THE OBLIGATIONS OF SUPPLIER UNDER THIS GENERAL WARRANTY SECTION ARE MATERIAL. SUPPLIER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY CONCERNING MERCHANTABILITY OR FITNESS FOR ANY OTHER PARTICULAR PURPOSE.

10. TRAINING AND DOCUMENTATION

The license fee includes all costs for the training of one Authorized User trainer at such Authorized User's designated location on the use and operation of the Software, including instruction in any necessary conversion of Authorized User's data for such use. Pursuant to a mutually agreed upon schedule, Supplier shall provide personnel sufficiently experienced and qualified to conduct such training. Available optional training, and applicable pricing and discounts, are described in Exhibit B.

Supplier shall deliver to the Authorized User, complete hard copies or electronic media of Documentation, as requested by such Authorized User. Authorized User shall have the right, as part of the license granted herein, to make as many additional copies of the Documentation, in whole or in part, for its own use as required. This Documentation shall include, but not be limited to, overview descriptions of all major functions, detailed step-by-step installation and operating procedures for each screen and activity, and technical reference manuals. Authorized User shall have the right, as part of the license granted herein, at its own discretion, to take all or portions of the Documentation, modify or completely customize it in support of the authorized use of the Software and may duplicate such Documentation and include it in an Authorized User document or platform. Authorized User shall continue to include Supplier's copyright notice.

11. FEES, ORDERING AND PAYMENT PROCEDURE

A. Fees and Charges

As consideration for the Software license(s) and Services provided herein, an Authorized User shall pay Supplier the fee(s) set forth on Exhibit B, which lists any and all fees and charges. The fees and any associated discounts shall be applicable throughout the term of this Contract; provided, however, that in the event the fees or discounts apply for any period less than the entire term, Supplier agrees that it shall not increase the fees more than once during any twelve (12) month period, commencing at the end of year one (1). No such increase shall exceed the lesser of three percent (3%) or the annual increase in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items, Not Seasonally Adjusted, as published by the Bureau of Labor Statistics of the Department of Labor (<http://www.bls.gov/cpi/home.htm>), for the effective date of the increase compared with the same index one (1) year prior. Any such change in price shall be submitted in writing in accordance with the above and shall not become effective for sixty (60) days thereafter. Supplier agrees to offer price reductions to ensure compliance with the Competitive Pricing Section.

B. Reproduction Rights

At an Authorized User's request, Supplier shall provide the Authorized User with a reproducible media if requested. Such Authorized User shall be responsible for making copies and distributing the Software as required. Within thirty (30) days of the end of each calendar quarter, such Authorized User shall provide to Supplier a report of the net number of additional copies of the Software deployed during the quarter. Supplier shall invoice such Authorized User for the net number of new licenses reported as deployed.

C. Evaluation Copy of Software

Supplier shall make available to any Authorized User Software for evaluation purposes at no charge. The evaluation period will be determined by the complexity of testing but will be a period not less than thirty (30) days. Each new project is entitled to an evaluation copy regardless of whether an Authorized User has previously purchased the Software.

D. Ordering

Notwithstanding all Authorized User's rights to purchase or license Supplier's products or services under this Contract, an Authorized User is under no obligation to purchase or license from Supplier any of Supplier's products or services. This Contract is optional use and non-exclusive and all Authorized Users may, at their sole discretion, purchase, license or otherwise receive benefits from third party suppliers of products and services similar to, or in competition with, the products and services provided by Supplier.

Supplier is required to accept any order placed by an Authorized User through the eVA electronic procurement website portal ([eVA Home Page](#)). eVA is the Commonwealth of Virginia's e-procurement system. State agencies, as defined in §2.2-2006 of the [Code of Virginia](#), shall order through eVA. All other Authorized Users are encouraged to order through eVA, but may order through the following means:

- i). Purchase Order (PO): An official PO form issued by an Authorized User.
- ii). Any other order/payment charge or credit card process, such as AMEX, MASTERCARD, or VISA under contract for use by an Authorized User.

This ordering authority is limited to issuing orders for the Software and Services available under this Contract. Under no circumstances shall any Authorized User have the authority to modify this Contract. An order from an Authorized User may contain additional terms and conditions; however, to the extent that the terms and conditions of the Authorized User's order are inconsistent with the terms and conditions of this Contract, the terms of this Contract shall supersede.

Notwithstanding the foregoing, Supplier shall not accept any order from an Authorized User if such order is to be funded, in whole or in part, by federal funds and if, at the time the order is placed, Supplier is not eligible to be the recipient of federal funds as may be noted on any of the Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs.

ALL CONTRACTUAL OBLIGATIONS UNDER THIS CONTRACT IN CONNECTION WITH AN ORDER PLACED BY ANY AUTHORIZED USER ARE THE SOLE OBLIGATION OF SUCH AUTHORIZED USER AND NOT THE RESPONSIBILITY OF VITA UNLESS VITA IS THE AUTHORIZED USER.

E. Invoice Procedures

Supplier shall remit each invoice to the "bill to" address provided with the order promptly after all Software or Services have been accepted. Payment for Software support Services, including Maintenance, shall be annually in arrears unless otherwise stated herein, or in any order referencing this Contract. No invoice shall include any costs other than those identified in the executed order, which costs shall be in accordance with [Exhibit B](#). Without limiting the foregoing, all shipping costs are the Supplier's responsibility except to the extent such charges are identified in [Exhibit B](#), or as noted in any executed order referencing this Contract. Invoices issued by the Supplier shall identify at a minimum:

- i). Software or Service type and description
- ii). Quantity, charge and extended pricing for each Software and/or Service item
- iii). Applicable order date
- iv). This Contract number and the applicable order number
- v). Supplier's Federal Employer Identification Number (FEIN).

Any terms included on Supplier's invoice shall have no force or effect and will in no way bind VITA or any Authorized User.

F. Purchase Payment Terms

Supplier is responsible for the accuracy of its billing information. Supplier agrees not to issue invoices hereunder until Software has been accepted. Charges for Software or Services accepted more than ninety (90) days prior to receipt of a valid invoice may not be paid. Should Supplier repeatedly over bill Authorized User, Authorized User may assess a one percent (1%) charge for the amount over billed for each month that such over billing continues.

In the event Software is shipped without the applicable Documentation, payment shall not be due until the required Documentation is provided.

If there are any disputed items, an Authorized User shall pay all undisputed charges and promptly notify Supplier in writing of any disputed amount. Supplier shall thereupon review its records, and, if it does not concur with the Authorized User, provide the Authorized User with documentation to support the charge. If such charges remain in dispute, such dispute shall be resolved in accordance with the Dispute Resolution section of this Contract. In the absence of the Supplier's written evidence identifying the merit of the disputed amounts, Authorized User may not pay the disputed amounts and may consider the matter concerning the specific identified amounts closed. All payment terms are net 30 days after Acceptance.

G. Alternate Channel Participation (Resellers/Distributors)

It is the intention of VITA to allow Resellers (including Value Added Resellers (VARs), distributors and dealers) to participate as alternate distribution sources for Supplier under the following conditions:

- i). Supplier shall provide to VITA the names and applicable contact information of its authorized Resellers. VITA may, at its sole discretion, issue a solicitation in accordance with the Virginia Public Procurement Act (VPPA), §§ 2.2-4300 et seq. of the Code of Virginia, for the participation of such Resellers as alternate distribution sources for Supplier.
- ii). Once a Reseller is issued a contract in accordance with the VPPA, an Authorized User may issue an order directly to such Reseller, in accordance with the VPPA and/or other applicable statutes or regulations. Reseller shall ship and bill Authorized Users directly in accordance with the terms of its contract with VITA, on behalf of the Commonwealth of Virginia.
- iii). Orders placed with Resellers pursuant to a contract awarded in accordance with items (i) and (ii) above may contain only Software previously approved for license under this Contract.
- iv). Reseller may invoice and will be paid in accordance with the terms of its contract with VITA.
- v). Supplier agrees that all licenses for the Software acquired by Authorized User through a Reseller shall be governed by the terms and conditions of this Contract in lieu of VITA's execution of a sublicense agreement with Reseller, regardless of whether such Authorized User referenced this Contract in its order.
- vi). As to all Software acquired through Resellers, Supplier warrants and represents that all warranties and indemnities set forth in the Contract will be honored by Supplier as to such Software, regardless of whether the ordering Authorized User referenced this Contract in its order.

12. REPORTING

A. Supplier's Report of Sales and Industrial Funding Adjustment

By the 10th day of every month, the Supplier shall submit the "Supplier Monthly Report of Sales". A template showing the format in which the report is to be submitted and contact information for submission is available at <http://www.vita.virginia.gov/uploadedFiles/SCM/SupplierReportofSalesTemplate.xls>. The report shall be submitted via electronic mail to the VITA IFA Coordinator and shall report total sales (defined for purposes of this report as all invoiced payments received by Supplier from all Authorized Users) for this Contract during the preceding month. Supplier shall be responsible for submitting the monthly report of sales even if Supplier has had no sales (i.e., a \$0.00 total sales value) for the reporting period.

The Supplier shall submit the Industrial Funding Adjustment (IFA) payment for the period covered by such "Supplier Monthly Report of Sales" within thirty (30) days after submitting the "Supplier Monthly Report of Sales". The IFA payment is equal to two percent (2%) of total sales reported during the relevant month.

The IFA payment shall be submitted to VITA, Attention VITA Controller in the form of a check or electronic payment, made payable to the Treasurer of Virginia. The IFA payment shall reference

this Contract number, "report amounts", and "report period" and shall be accompanied by a copy of the relevant "Supplier Monthly Report of Sales". Contact information for submission of IFA payments is available at <http://www.vita.virginia.gov/uploadedFiles/SCM/SupplierReportofSalesTemplate.xls>.

Failure to comply with reporting, payment and distribution requirements of this section may result in default of the Contract.

B. Small Business Participation

Supplier and VITA agree to meet promptly after the Effective Date of this Contract to discuss the participation of Virginia Department of Minority Business Enterprise (DMBE)-certified Small Businesses as subcontractors and second-tier suppliers under this Contract.

Supplier and VITA agree to meet annually thereafter to review small business subcontracting reports and discuss further action with respect to small business subcontracting and spend.

In addition, by the 10th day of every month, Supplier shall submit to VITA the Small Business Subcontracting Monthly Report (template to be provided). Supplier's report should include spend on all Supplier's contracts with second-tier suppliers which provide products or services under this Contract. The report should specify the amount of such spend provided to small businesses. Supplier shall submit the report to SWaM@vita.virginia.gov.

Subject to the information and materials listed on Attachment A of the Escrow Agreement being released to the Commonwealth pursuant to the terms of the Escrow Agreement, which is an agreement supplementary hereto, Supplier hereby grants to the Commonwealth a royalty-free, perpetual, irrevocable license, that permits disclosure to a third party support-vendor of a complete and accurate copy of then-current source code for the Software licensed hereunder, along with all related documentation.

Any Authorized User which is not a state agency, board, commission, or other quasi-political entity of the Commonwealth of Virginia or other body referenced in Title 2.2 of the Code of Virginia may require Supplier to execute an additional escrow agreement subject to the same requirements and binding Supplier to the same obligations as described above but naming such Authorized User as the beneficiary of the escrow agreement. Subject to the information and materials listed in such escrow agreement being released to such Authorized User, Supplier hereby grants to such Authorized User a royalty-free, perpetual, irrevocable license, that permits disclosure to a third party support-vendor of a complete and accurate copy of then-current source code for the Software licensed to such Authorized User, along with all related documentation.

13. COMPETITIVE PRICING

Supplier warrants and agrees that each of the charges, economic or product terms or warranties granted pursuant to this Contract are comparable to or better than the equivalent charge, economic or product term or warranty being offered to commercial or government customer of Supplier. If Supplier enters into any arrangements with another customer of Supplier or with an Authorized User to provide Software or Services under more favorable prices, as the prices may be indicated on Supplier's current U.S. and International price list or comparable document, then this Contract shall be deemed amended as of the date of such other arrangements to incorporate those more favorable prices, and Supplier shall immediately notify VITA of such change.

14. CONFIDENTIALITY

A. Treatment and Protection

Each Party shall (i) hold in strict confidence all Confidential Information of any other Party, (ii) use the Confidential Information solely to perform or to exercise its rights under this Contract, and (iii) not transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third-party. However, an Authorized User may disclose the Confidential Information as delivered by Supplier to subcontractors, contractors or agents of such

Authorized User that are bound by non-disclosure contracts with such Authorized User. Each Party shall take the same measures to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in no event shall such measures be less than reasonable care).

B. Exclusions

The term "Confidential Information" shall not include information that is:

- i). in the public domain through no fault of the receiving Party or of any other person or entity that is similarly contractually or otherwise obligated;
- ii). obtained independently from a third-party without an obligation of confidentiality to the disclosing Party and without breach of this Contract;
- iii). developed independently by the receiving Party without reference to the Confidential Information of the other Party; or
- iv). required to be disclosed under The Virginia Freedom of Information Act (§§2.2-3700 et seq. of the Code of Virginia) or similar laws or pursuant to a court order.

C. Return or Destruction

Authorized User, Supplier shall (i) at its own expense, (a) promptly return to the disclosing Authorized User all tangible Confidential Information (and all copies thereof except the record required by law) of the disclosing Authorized User, or (b) upon written request from the disclosing Authorized User, destroy such Confidential Information and provide the disclosing Authorized User with written certification of such destruction, and (ii) cease all further use of the Authorized User's Confidential Information, whether in tangible or intangible form.

VITA or the Authorized User shall retain and dispose of Supplier's Confidential Information in accordance with the Commonwealth of Virginia's records retention policies or, if Authorized User is not subject to such policies, in accordance with such Authorized User's own records retention policies.

15. INDEMNIFICATION AND LIABILITY

A. Indemnification

Supplier agrees to indemnify, defend and hold harmless the Commonwealth, VITA, any Authorized User, their officers, directors, agents and employees (collectively, "Commonwealth's Indemnified Parties") from and against any and all third party claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, assessments, fines, penalties (whether criminal or civil), judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Commonwealth's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any intentional or willful conduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier, (iii) breach of any representation, warranty or covenant of Supplier contained herein, (iv) any defect in the Software or the Services, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Software or Services. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. For state agencies the applicable laws include §§ 2.2-510 and 2.2-514 of the Code of Virginia. In all cases the selection and approval of counsel and approval of any settlement shall be satisfactory to VITA or the Authorized User against whom the claim has been asserted.

In the event that a Claim is commenced against any of Commonwealth's Indemnified Parties alleging that use of the Software or that the provision of Services under this Contract infringes any third party's intellectual property rights and Supplier is of the opinion that the allegations in

such Claim in whole or in part are not covered by this indemnification provision, Supplier shall immediately notify VITA and the affected Authorized User(s) in writing, via certified mail, specifying to what extent Supplier believes it is obligated to defend and indemnify under the terms and conditions of this Contract. Supplier shall in such event protect the interests of the Commonwealth's Indemnified Parties and secure a continuance to permit VITA and the affected Authorized User(s) to appear and defend their interests in cooperation with Supplier as is appropriate, including any jurisdictional defenses VITA or the affected Authorized User(s) may have.

In the event of a Claim pursuant to any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Software or Services, and in addition to all other obligations of Supplier in this Section, Supplier shall at its expense, either (a) procure for all Authorized Users the right to continue use of such infringing Software or Services, or any component thereof; or (b) replace or modify such infringing Software or Services, or any component thereof, with non-infringing products or services satisfactory to VITA. And in addition, Supplier shall provide any Authorized User with a comparable temporary replacement Software or reimburse VITA or any Authorized User for the reasonable costs incurred by VITA or such Authorized User in obtaining an alternative product in the event such Authorized User cannot use the affected Software. If Supplier cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then Supplier shall accept the return of the infringing component of the Software or Services, along with any other components of any products rendered unusable by any Authorized User as a result of the infringing component, and refund the price paid to Supplier for such components.

B. Liability

Supplier shall have unlimited liability with respect to (i) any intentional or willful misconduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier, (iii) claims for bodily injury, including death, and real and tangible property damage, (iv) Supplier's indemnification obligations, (v) Supplier's confidentiality obligations, and (vi) Supplier's security compliance obligations. Supplier agrees that it is fully responsible for all acts and omissions of its employees, agents, and subcontractors, including their gross negligence or willful misconduct

FOR ALL OTHER CONTRACTUAL CLAIMS, IN NO EVENT WILL ANY PARTY BE LIABLE TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION) LOSS OF PROFIT, INCOME OR SAVINGS, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, EXCEPT WHEN SUCH DAMAGES ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE PARTY, ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS.

16. SECURITY COMPLIANCE

Supplier agrees to comply with all provisions of the then-current Commonwealth of Virginia security procedures, published by the Virginia Information Technologies Agency (VITA) and which may be found at (<http://www.vita.virginia.gov/library/default.aspx?id=537#securityPSGs>) or a successor URL(s), as are pertinent to Supplier's operation. Supplier further agrees to comply with all provisions of the relevant Authorized User's then-current security procedures as are pertinent to Supplier's operation and which have been supplied to Supplier by such Authorized User. Supplier shall also comply with all applicable federal, state and local laws and regulations. For any individual Authorized User location, security procedures may include but not be limited to: background checks, records verification, photographing, and fingerprinting of Supplier's employees or agents. Supplier may, at any time, be required to execute and complete, for each individual Supplier employee or agent, additional forms which may include non-disclosure agreements to be signed by Supplier's employees or agents acknowledging that all Authorized User information with which such employees and agents come into contact while at the Authorized User site is confidential and proprietary. Any unauthorized release of proprietary information by the Supplier or an employee or agent of Supplier shall constitute a breach of this Contract.

Supplier shall indemnify, defend, and hold the Commonwealth, VITA, the Authorized User, their officers, directors, employees and agents harmless from and against any and all fines, penalties (whether criminal or civil), judgments, damages and assessments, including reasonable expenses suffered by, accrued against, or charged to or recoverable from the Commonwealth, VITA, the Authorized User, their officers, directors, agents or employees, on account of the failure of Supplier to perform obligations pursuant to this Section.

17. BANKRUPTCY

If Supplier becomes insolvent, takes any step leading to its cessation as a going concern, fails to pay its debts as they become due, or ceases business operations continuously for longer than fifteen (15) business days, then VITA may immediately terminate this Contract, or an Authorized User may terminate an order, on notice to Supplier unless Supplier immediately gives VITA or such Authorized User adequate assurance of the future performance of this Contract or the applicable order. If bankruptcy proceedings are commenced with respect to Supplier, and if this Contract has not otherwise terminated, then VITA may suspend all further performance of this Contract until Supplier assumes this Contract and provides adequate assurance of performance thereof or rejects this Contract pursuant to Section 365 of the Bankruptcy Code or any similar or successor provision, it being agreed by VITA and Supplier that this is an executory contract. Any such suspension of further performance by VITA pending Supplier's assumption or rejection shall not be a breach of this Contract, and shall not affect the right of VITA or any Authorized User to pursue or enforce any of its rights under this Contract or otherwise.

18. GENERAL PROVISIONS

A. Relationship between VITA, Authorized User, and Supplier

Supplier has no authority to contract for VITA or any Authorized User or in any way to bind, to commit VITA or any Authorized User to any agreement of any kind, or to assume any liabilities of any nature in the name of or on behalf of VITA or any Authorized User. Under no circumstances shall Supplier, or any of its employees, hold itself out as or be considered an agent or an employee of VITA or any Authorized User, and neither VITA nor any Authorized User shall have any duty to provide or maintain any insurance or other employee benefits on behalf of Supplier or its employees. Supplier represents and warrants that it is an independent contractor for purposes of federal, state and local employment taxes and agrees that neither VITA nor any Authorized User is responsible to collect or withhold any federal, state or local employment taxes, including, but not limited to, income tax withholding and social security contributions, for Supplier. Any and all taxes, interest or penalties, including, but not limited to, any federal, state or local withholding or employment taxes, imposed, assessed or levied as a result of this Contract shall be paid or withheld by Supplier or, if assessed against and paid by VITA or any Authorized User, shall be reimbursed by Supplier upon demand by VITA or such Authorized User.

B. Incorporated Contractual Provisions

The then-current contractual provisions at the following URL are mandatory contractual provisions, required by law or by VITA, that are hereby incorporated by reference:
<http://www.vita.virginia.gov/uploadedFiles/SCM/StatutorilyMandatedTsandCs.pdf>

The contractual claims provision §2.2-4363 of the Code of Virginia and the required eVA provisions at <http://www.vita.virginia.gov/uploadedFiles/SCM/eVATsandCs.pdf> are also incorporated by reference.

The then-current terms and conditions in documents posted to the aforementioned URLs are subject to change pursuant to action by the legislature of the Commonwealth of Virginia, change in VITA policy, or the adoption of revised eVA business requirements. If a change is made to the terms and conditions, a new effective date will be noted in the document title. Supplier is advised to check the URLs periodically.

C. Compliance with the Federal Lobbying Act

Supplier's signed certification of compliance with 31 USC 1352 (entitled "Limitation on use of appropriated funds to influence certain Federal Contracting and financial transactions") or by the regulations issued from time to time thereunder (together, the "Lobbying Act") is incorporated as Exhibit F hereto.

D. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to that body of law controlling choice of law. Any and all litigation shall be brought in the circuit courts of the Commonwealth of Virginia. The English language version of this Contract prevails when interpreting this Contract. The United Nations Convention on Contracts for the International Sale of Goods and all other laws and international treaties or conventions relating to the sale of goods are expressly disclaimed. UCITA shall apply to this Contract only to the extent required by §59.1-501.15 of the Code of Virginia.

E. Dispute Resolution

In accordance with §2.2-4363 of the Code of Virginia, Contractual claims, whether for money or other relief, shall be submitted in writing to the public body from whom the relief is sought no later than sixty (60) days after final payment; however, written notice of the Supplier's intention to file such claim must be given to such public body at the time of the occurrence or beginning of the work upon which the claim is based. Pendency of claims shall not delay payment of amounts agreed due in the final payment. The relevant public body shall render a final decision in writing within thirty (30) days after its receipt of the Supplier's written claim.

The Supplier may not invoke any available administrative procedure under §2.2-4365 of the Code of Virginia nor institute legal action prior to receipt of the decision of the relevant public body on the claim, unless that public body fails to render its decision within thirty (30) days. The decision of the relevant public body shall be final and conclusive unless the Supplier, within six (6) months of the date of the final decision on the claim, invokes appropriate action under §2.2-4364, Code of Virginia or the administrative procedure authorized by §2.2-4365, Code of Virginia.

Upon request from the public body from whom the relief is sought, Supplier agrees to submit any and all contractual disputes arising from this Contract to such public body's alternative dispute resolution (ADR) procedures. Supplier may invoke such public body's ADR procedures, if any, at any time and concurrently with any other statutory remedies prescribed by the Code of Virginia.

In the event of any breach by a public body, Supplier's remedies shall be limited to claims for damages and Prompt Payment Act interest and, if available and warranted, equitable relief, all such claims to be processed pursuant to this Section. In no event shall Supplier's remedies include the right to terminate any license or support services hereunder.

F. Advertising and Use of Proprietary Marks

Supplier shall not use the name of VITA or any Authorized User or refer to VITA or any Authorized User, directly or indirectly, in any press release or formal advertisement without receiving prior written consent of VITA or such Authorized User. In no event may Supplier use a proprietary mark of VITA or an Authorized User without receiving the prior written consent of VITA or such Authorized User.

G. Notices

Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the US mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to the addresses shown on the signature page. VITA or Supplier may change its address for notice purposes by giving the other notice of such change in accordance with this Section.

H. No Waiver

Any failure to enforce any terms of this Contract shall not constitute a waiver.

I. Assignment

This Contract shall be binding upon and shall inure to the benefit of the permitted successors and assigns of VITA and Supplier. Supplier may not assign, subcontract, delegate or otherwise convey this Contract, or any of its rights and obligations hereunder, to any entity without the prior written consent of VITA, and any such attempted assignment or subcontracting without consent shall be void. VITA may assign this Contract to any entity, so long as the assignee agrees in writing to be bound by the all the terms and conditions of this Contract.

If any law limits the right of VITA or Supplier to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be thirty (30) days after the Supplier gives VITA prompt written notice of the assignment, signed by authorized representatives of both the Supplier and the assignee. Any payments made prior to receipt of such notification shall not be covered by this assignment.

J. Captions

The captions are for convenience and in no way define, limit or enlarge the scope of this Contract or any of its Sections.

K. Severability

Invalidity of any term of this Contract, in whole or in part, shall not affect the validity of any other term. VITA and Supplier further agree that in the event such provision is an essential part of this Contract, they shall immediately begin negotiations for a suitable replacement provision.

L. Survival

The provisions of this Contract regarding Software License, Warranty, Escrow, Confidentiality, Liability and Indemnification, and the General Provisions shall survive the expiration or termination of this Contract.

M. Force Majeure

No Party shall be responsible for failure to meet its obligations under this Contract if the failure arises from causes beyond the control and without the fault or negligence of the non-performing Party. If any performance date under this Contract is postponed or extended pursuant to this section for longer than thirty (30) calendar days, VITA, by written notice given during the postponement or extension, may terminate Supplier's right to render further performance after the effective date of termination without liability for that termination, and in addition an Authorized User may terminate any order affected by such postponement or delay.

N. Remedies

The remedies set forth in this Contract are intended to be cumulative. In addition to any specific remedy, VITA and all Authorized Users reserve any and all other remedies that may be available at law or in equity.

O. Right to Audit

VITA reserves the right to audit those Supplier records that relate to the Software purchased and Services rendered or the amounts due Supplier for such services under this Contract. VITA's right to audit shall be limited as follows:

- i). Three (3) years from Software delivery or Service performance date;
- ii). Performed at Supplier's premises, during normal business hours at mutually agreed upon times; and
- iii). Excludes access to Supplier cost information.

In no event shall Supplier have the right to audit, or require to have audited, VITA or any Authorized User.

P. Offers of Employment

During the first twelve (12) months of the Contract, should Supplier hire an employee of an Authorized User who has substantially worked on any project covered by this Contract without prior written consent, the Supplier shall be billed for fifty percent (50%) of the employee's annual salary in effect at the time of termination.

Q. Contract Administration

Supplier agrees that at all times during the term of this Contract an account executive, at Supplier's senior management level, shall be assigned and available to VITA. Supplier reserves the right to change such account executive upon reasonable advance written notice to VITA.

R. Entire Contract

The following Exhibits, including all subparts thereof, are attached to this Contract and are made a part of this Contract for all purposes:

- a). Exhibit A Software Functional Requirements
- b). Exhibit B Software Product List, Software License Fee, Service Charges and Payment Schedule
- c). Exhibit C Software Maintenance Services description
- d). Exhibit D End User Licensing Agreement (for reference only)
- e). Exhibit E Escrow Agreement
- f). Exhibit F Certification Regarding Lobbying

This Contract, its Exhibits, and any prior non-disclosure agreement constitute the entire agreement between VITA and Supplier and supersede any and all previous representations, understandings, discussions or agreements between VITA and Supplier as to the subject matter hereof. Any and all terms and conditions contained in, incorporated into, or referenced by the Supplier's Proposal shall be deemed invalid. The provisions of the Virginia Department of General Services, Division of Purchases and Supply Vendor's Manual shall not apply to this Contract or any order issued hereunder. This Contract may only be amended by an instrument in writing signed by VITA and Supplier. In the event of a conflict, the following order of precedence shall apply: this Contract document, Exhibit A, any individual order, Exhibit D.

An Authorized User and Supplier may enter into an ordering agreement pursuant to this Contract. To the extent that such ordering agreement, or any order issued hereunder, include any terms and conditions inconsistent with the terms and conditions of this Contract, such terms and conditions shall be of no force and effect.

VITA and Supplier each acknowledge that it has had the opportunity to review this Contract and to obtain appropriate legal review if it so chose.

Executed as of the last date set forth below by the undersigned authorized representatives of VITA and Supplier.

Supplier

By: Stefan P. Mandanis

(Signature)

Name: Stefan Mandanis

(Print)

Title: Director, Sales

Date: January 28, 2009

VITA

By: James T. Roberts

(Signature)

Name: James T. Roberts

(Print)

Title: Director Finance & Administration

Date: 2-02-09

Address for Notice:

19672 Player Court

Player Court, Ashburn, VA 20147

Attention: Armando Tan

Address for Notice:

Attention: Contract Administrator

login name: **KST@VA.gov** and password: **kstprice**

l,

Gov't Pricing

Title	Price
Adobe Acrobat Professional Version 9 Windows	242.01
Adobe Photoshop CS4 Windows	667.65
Autodesk Sketchbook 2009 Pro	167.92
McAfee Active Virus Defense	15.18
Symantec Norton Antivirus 2009	35.08
Symantec Backup Exec 12.5 for Windows Servers	495.90

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Academic Pricing

Title	Price
Adobe Acrobat Professional Version 9 Windows	133.77
Adobe Photoshop CS4 Windows	282.22
Autodesk Sketchbook 2009 Pro	167.92
McAfee Active Virus Defense	15.18
Symantec Norton Antivirus 2009	35.08
Symantec Backup Exec 12.5 for Windows Servers	495.90

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Information Technology Services Contract

Between

The Virginia Information Technologies Agency

on behalf of

The Commonwealth of Virginia

and

KST Data, Inc.

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INFORMATION TECHNOLOGY SERVICES CONTRACT

THIS INFORMATION TECHNOLOGY SERVICES CONTRACT ("Contract") is entered into by and between the Virginia Information Technologies Agency (VITA) pursuant to §2.2-2012 of the Code of Virginia and on behalf of the Commonwealth of Virginia (hereinafter referred to as "VITA"), and KST Data, Inc. ("Supplier"), a corporation headquartered at 3699 Wilshire Blvd Los Angeles CA to be effective as of February 2, 2009 ("Effective Date").

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which Supplier shall provide services ("Services") to the Authorized Users.

2. DEFINITIONS

A. Acceptance

Successful performance of the Services at the location designated in the applicable Statement of Work, or completed and successful Acceptance testing in conformance with the Requirements as determined by the Authorized User in the applicable Statement of Work.

B. Agent

Any third party independent agent of any Authorized User.

C. Authorized Users

All public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the Code of Virginia.

D. Confidential Information

Any confidential or proprietary information of a Party that is disclosed in any manner, including oral or written, graphic, machine readable or other tangible form, to any other Party in connection with or as a result of discussions related to this Contract or any order or SOW issued hereunder, and which at the time of disclosure either (i) is marked as being "Confidential" or "Proprietary", (ii) is otherwise reasonably identifiable as the confidential or proprietary information of the disclosing Party, or (iii) under the circumstances of disclosure should reasonably be considered as confidential or proprietary information of the disclosing Party.

E. Deliverable

The tangible embodiment of the Services, including the development or creation of Work Product, performed or provided by Supplier as identified in the applicable Statement of Work.

F. Party

Supplier, VITA, or any Authorized User.

G. Requirements

The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the Service(s) and Deliverables as set forth in Exhibit A and the applicable Statement of Work and such other parameters, characteristics, or performance standards that may be agreed upon in writing by the Parties.

H. Service

Any work performed or service provided, including provision to the Authorized User of any Deliverable, by Supplier under this Contract. Service includes the discovery, creation, or development of Work Product, if any.

I. Statement of Work (SOW)

Any document in substantially the form of Exhibit B (describing the deliverables, due dates, assignment duration and payment obligations for a specific project, engagement, or assignment for which Supplier shall be providing Services to an Authorized User), which, upon signing by both Parties, shall be deemed a part of this Contract.

J. Supplier

Means the Supplier and any of its Affiliates (i.e., an entity that controls, is controlled by, or is under common control with Supplier).

K. Work Product

Inventions, combinations, machines, methods, formulae, techniques, processes, improvements, software designs, computer programs, strategies, specific computer-related know-how, data and original works of authorship (collectively, the "Work Product") discovered, created, or developed by Supplier, or jointly by Supplier and an Authorized User(s) in the performance of this Contract. Work Product shall not include configuration of software.

3. TERM AND TERMINATION

A. Contract Term

This Contract is effective and legally binding as of the Effective Date and, unless terminated as provided for in this section, shall continue to be effective and legally binding for a period of two (2) years. VITA, in its sole discretion, may extend this Contract for up to three (3) additional one (1) year periods after the expiration of the initial two (2) year period. VITA will issue a written notification to the Supplier stating the extension period, not less than thirty (30) days prior to the expiration of any current term. Performance of an order or SOW issued during the term of this Contract may survive the expiration of the term of this Contract, in which case all terms and conditions required for the operation of such order or SOW shall remain in full force and effect until Services pursuant to such order or SOW have met the final Acceptance criteria of the applicable Authorized User.

B. Termination for Convenience

VITA may terminate this Contract, in whole or in part, or any order or SOW issued hereunder, in whole or in part, or an Authorized User may terminate an order or SOW, in whole or in part, upon not less than thirty (30) days prior written notice at any time for any reason.

C. Termination for Breach or Default

VITA shall have the right to terminate this Contract, in whole or in part, or any order or SOW issued hereunder, in whole or in part, or an Authorized User may terminate an order or SOW, in whole or in part, for breach and/or default of Supplier. Supplier shall be deemed in breach and/or default in the event that Supplier fails to meet any material obligation set forth in this Contract or in any order or SOW issued hereunder.

If VITA deems the Supplier to be in breach and/or default, VITA shall provide Supplier with notice of breach and/or default and allow Supplier fifteen (15) days to cure the breach and/or default. If Supplier fails to cure the breach as noted, VITA may immediately terminate this Contract or any order or SOW issued hereunder, in whole or in part. If an Authorized User deems the Supplier to be in breach and/or default of an order or SOW, such Authorized User shall provide Supplier with notice of breach and/or default and allow Supplier fifteen (15) days to cure the breach and/or default. If Supplier fails to cure the breach and/or default as noted, such Authorized User may immediately terminate its order or SOW, in whole or in part. Any such termination shall be deemed a Termination for Breach or a Termination for Default. In addition, if Supplier is found by a court of competent jurisdiction to be in violation of or to have violated 31 USC 1352 or if Supplier becomes a party excluded from Federal Procurement and Non-procurement Programs, VITA may immediately terminate this Contract, in whole or in part, for breach. VITA shall provide written notice to Supplier of such termination and Supplier shall provide written notice to VITA if Supplier is charged with violation of 31 USC 1352 or if federal debarment proceedings are instituted against Supplier.

D. Termination for Non-Appropriation of Funds

All payment obligations under this Contract are subject to the availability of legislative appropriations at the federal, state, or local level, for this purpose. In the event of non-appropriation of funds, irrespective of the source of funds, for the items under this Contract, VITA may terminate any order or SOW, in whole or in part, or an Authorized User may terminate its order or SOW, in whole or in part, for those goods or services for which funds have not been

appropriated. Written notice will be provided to the Supplier as soon as possible after legislative action is completed.

E. Effect of Termination

Upon termination, neither the Commonwealth, nor VITA, nor any Authorized User shall have any future liability except for Deliverables accepted by the Authorized User or Services rendered by Supplier and accepted by the Authorized User prior to the termination date.

In the event of a Termination for Breach or Termination for Default, Supplier shall accept return of any Deliverable that was not accepted by the Authorized User(s), and Supplier shall refund any monies paid by any Authorized User for such Deliverable, and all costs of de-installation and return of Deliverables shall be borne by Supplier.

F. Transition of Services

Prior to or upon expiration or termination of this Contract and at the request of VITA, Supplier shall provide all assistance as VITA or an Authorized User may reasonably require to transition Services to any other supplier with whom VITA or such Authorized User contracts for provision of services identical or similar to the Services provided by Supplier pursuant to this Contract. This obligation may extend beyond expiration or termination of the Contract for a period not to exceed six (6) months. In the event of a termination for breach and/or default of Supplier, Supplier shall provide such assistance at no charge or fee to VITA or any Authorized User; otherwise, Supplier shall provide such assistance at the hourly rate or a charge agreed upon by Supplier and VITA or an Authorized User.

G. Contract Kick-Off Meeting

Within 30 days of Contract award, Supplier may be required to attend a contract orientation meeting, along with the VITA contract manager/administrator, the VITA and/or other CoVa Agency project manager(s) or authorized representative(s), technical leads, VITA representatives for SWaM and Sales/IFA reporting, as applicable, and any other significant stakeholders who have a part in the successful performance of this Contract. The purpose of this meeting will be to review all contractual obligations for both parties, all administrative and reporting requirements, and to discuss any other relationship, responsibility, communication and performance criteria set forth in the Contract. The Supplier may be required to have its assigned account manager as specified in Section 6.0 and a representative from its contracts department in attendance. The time and location of this meeting will be coordinated with Supplier and other meeting participants by the VITA contract manager.

H. Contract Closeout

Prior to the contract's expiration date, Supplier may be provided contract close out documentation and shall complete, sign and return to VITA Supply Chain Management within 30 days of receipt. This documentation may include, but not be limited to: Patent/Royalty Certificate, Tangible Property/Asset Certificate, Escrow Certificate, SWaM Reports Completion Certificate, Sales Reports/IFA Payments Completion Certificate, and Final Payment Certificate. Supplier is required to process these as requested to ensure completion of close-out administration and to maintain a positive performance reputation with the Commonwealth of Virginia. Any closeout documentation not received within 30 days of Supplier's receipt of our request will be documented in the contract file as Supplier non-compliance. Supplier's non-compliance may affect any pending payments due the Supplier, including final payment, until the documentation is returned.

4. SERVICES

A. Nature of Services and Engagement

This Contract is optional use and non-exclusive and all Authorized Users may, at their sole discretion, receive benefits from third party suppliers of services similar to, or in competition with, services provided by Supplier.

By operation of this Contract, any SOW resulting in a commitment of any individual employee or contractor of Supplier, whether employed by Supplier or a contractor or subcontractor of Supplier, for more than one thousand (1,000) hours of work during any six (6) month period or of any such individual employee or contractor for more than eight (8) months in any twelve (12) month period shall be voidable by VITA, in its sole discretion. If an SOW is voided by VITA, such SOW shall no longer be binding on either Party and all obligations with respect to such SOW shall expire.

B. Statement of Work (SOW)

All Services shall be performed at the times and locations set forth in the applicable SOW and at the rates set forth in Exhibit D herein. Unless VITA issues a written authorization for a time and materials type SOW, any SOW shall be of a fixed price type but may, with the written approval of VITA, contain a cost-reimbursable line item(s) for pre-approved travel expenses. For time and materials type SOWs, Supplier personnel shall maintain daily time records of hours and tasks performed, which shall be submitted or made available for inspection by the Authorized User upon forty-eight (48) hours advance written notice.

C. Change Orders

All changes to the Services to be provided pursuant to any given SOW must be described in a written change request (template provided as Exhibit C), which includes any appropriate adjustments to the SOW. Either Party to an SOW may issue a change request that will be subject to written approval of the other Party before it becomes part of this Contract. In no event shall any SOW or any modification thereto require the Supplier to perform any work beyond the scope of this Contract as such scope is defined in Exhibit A hereto.

D. Acceptance

Service(s) shall be deemed accepted when the Authorized User determines that such Service(s) meets the Requirements set forth in the applicable SOW. If applicable, Supplier shall be responsible for ensuring that any individual Deliverable functions properly with any other Deliverable provided pursuant to the SOW. Should a previously Accepted Deliverable require further modification in order to work properly with any other Deliverable, Supplier shall be responsible for all costs associated with such modification.

Authorized User shall commence Acceptance testing within fifteen (15) days, or within such other period as set forth in the applicable SOW, after receipt of the Service. Acceptance testing will be no longer than fifteen (15) days, or such longer period as may be agreed in writing between Authorized User and Supplier, for each Deliverable or for the first instance of each Service type set forth in Exhibit B. Supplier agrees to provide to the Authorized User such assistance and advice as the Authorized User may reasonably require, at no additional cost, during such Acceptance testing. Authorized User shall provide to Supplier written notice of Acceptance upon completion of installation and successful Acceptance testing. Should Authorized User fail to provide Supplier written notice of successful or unsuccessful Acceptance testing within five (5) days following the Acceptance testing period, the Service shall be deemed Accepted.

E. Cure Period

Supplier shall correct any non-conformities identified during Acceptance testing and re-submit such non-conforming Service for re-testing within seven (7) days of the appropriate Authorized User's written notice of non-conformance, or as otherwise agreed between such Authorized User and Supplier in the applicable SOW. Should Supplier fail to cure the non-conformity or deliver a Service which meets the Requirements, the Authorized User may, in its sole discretion: (i) reject the Service in its entirety, and any Service rendered unusable due to the non-conforming Service, and recover amounts previously paid hereunder for all such Services; (ii) issue a "partial Acceptance" of the Service with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable Service while reserving its right to revoke Acceptance if timely correction is not forthcoming. Failure of a Service to meet, in all material respects, the Requirements after the second set of acceptance tests may constitute a default by Supplier. In the event of such default, the Authorized User may, at its sole discretion, terminate its order or SOW, in whole or in part, for the Services to be provided thereunder by Supplier.

5. RIGHTS TO WORK PRODUCT

If Authorized User is a state agency, board, commission, or other quasi-political entity of the Commonwealth of Virginia or other body referenced in Title 2.2 of the Code of Virginia, any license to pre-existing work shall be held by, and all rights in, title to, and ownership of Work Product shall vest with the Commonwealth. If Authorized User is a locality, municipality, school, school system, college, university, local board, local commission, or local quasi-political entity, any license to pre-existing work shall be held by, and all rights in, title to, and ownership of Work Product shall vest with that public body.

A. Work Product

VITA and Supplier each acknowledge that performance of this Contract may result in Work Product. The Parties shall document all Work Product specifications and such specifications shall be made an incorporated exhibit to this Contract. Supplier agrees that it shall promptly and fully disclose to the Commonwealth or the Authorized User any and all Work Product generated, conceived, reduced to practice or learned by Supplier or any of its employees, either solely or jointly with others, during the term or performance of this Contract, which in any way relates to the business of the Commonwealth, VITA, or any Authorized User. Supplier further agrees that neither Supplier nor any of Supplier's employees, contractors, agents or subcontractors, nor any party claiming through Supplier or Supplier's employees, shall, other than in the performance of this Contract, make use of or disclose to others any proprietary information relating to the Work Product. All Services performed hereunder shall include delivery of all Work Product source code, object code, executables, and documentation. Supplier shall at no time deny access to the Work Product, regardless of form, by the Commonwealth or the Authorized User.

B. Ownership

Supplier agrees that, whether or not the Services are considered "works made for hire" or an employment to invent, all Work Product discovered, created or developed under this Contract shall be and shall remain the sole and exclusive property of the Commonwealth of Virginia and its assigns or the Authorized User and its assigns. Except as specifically set forth in writing and signed by both VITA and Supplier, or Authorized User and Supplier, Supplier agrees that the Commonwealth or the Authorized User shall have all rights with respect to any Work Product discovered, created or developed under this Contract without regard to the origin of the Work Product.

If and to the extent that Supplier may, under applicable law, be entitled to claim any ownership interest in the Work Product, Supplier hereby irrevocably transfers, grants, conveys, assigns and relinquishes exclusively to the Commonwealth or the Authorized User any and all right, title and interest it now has or may hereafter acquire in and to the Work Product under patent, copyright, trade secret and trademark law in perpetuity or for the longest period otherwise permitted by law. If any moral rights are created, Supplier waives such rights in the Work Product. Supplier further agrees as to the Work Product to assist the Commonwealth or the Authorized User in every reasonable way to obtain and, from time to time, enforce patents, copyrights, and other rights and protection, and in protecting trade secrets, with respect to such Work Product, and to that end, Supplier and its employees shall execute all documents for use in applying for and obtaining such patents, copyrights, and other rights and protection with respect to such Work Product, as the Commonwealth or the Authorized User may reasonably request, together with any assignments thereof to the Commonwealth or the Authorized User or entities designated by the Commonwealth or the Authorized User.

C. Pre-existing Work

If and to the extent that any pre-existing rights are embodied or reflected in the Service Deliverables, Supplier hereby grants to the Commonwealth or the Authorized User an irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license to (i) use, modify, transmit, execute, reproduce, display, perform, distribute copies of and prepare derivative works based upon such pre-existing rights and any derivative works thereof, and (ii) authorize others to do any or all of the foregoing. It is expressly understood that "perpetual" license rights shall commence upon delivery of the Service Deliverables and shall exist in perpetuity unless otherwise terminated in accordance with the applicable provisions of the Contract.

D. Return of Materials

Upon termination of this Contract, Supplier shall immediately return to VITA or the appropriate Authorized User all copies, in whatever form, of any and all Confidential Information, Work Product and other properties provided by VITA or such Authorized User, which are in Supplier's possession, custody or control.

6. SUPPLIER PERSONNEL

A. Selection and Management of Supplier Personnel

Supplier shall take such steps as may be necessary to ensure that all Supplier personnel performing Services under this Contract are competent and knowledgeable of the contractual arrangements and the applicable SOW between Authorized User and Supplier. Supplier shall be solely responsible for the conduct of its employees, agents, and subcontractors, including all acts and omissions of such employees, agents, and subcontractors, and shall ensure that such employees and subcontractors comply with the appropriate Authorized User's site security, information security and personnel conduct rules, as well as applicable federal, state and local laws, including export regulations. Authorized User reserves the right to require the immediate removal from such Authorized User's premises of any employee, subcontractor or agent of Supplier whom such Authorized User believes has failed to comply or whose conduct or behavior is unacceptable or unprofessional or results in a security or safety breach.

B. Supplier Personnel Supervision

Supplier acknowledges that Supplier or any of its agents, contractors, or subcontractors, is and shall be the employer of Supplier personnel, and shall have sole responsibility to supervise, counsel, discipline, review, evaluate, set the pay rates of and terminate the employment of Supplier personnel.

C. Key Personnel

An SOW may designate certain of Supplier's personnel as Key Personnel or Project Managers. Supplier's obligations with respect to Key Personnel and Project Managers shall be described in the applicable SOW. Failure of Supplier to perform in accordance with such obligations may be deemed a default of this Contract or of the applicable SOW.

D. Subcontractors

Supplier shall not use subcontractors to perform the Services unless specifically authorized in writing to do so by the Authorized User. If an order or SOW issued pursuant to this Contract is supported in whole or in part with federal funds, Supplier shall not subcontract any Services pursuant to such order or SOW to any subcontractor that is a party excluded from Federal Procurement and Non-procurement Programs. In no event shall Supplier subcontract any Services to any subcontractor which is debarred by the Commonwealth of Virginia or which owes back taxes to the Commonwealth and has not made arrangements with the Commonwealth for payment of such back taxes.

7. GENERAL WARRANTY

With respect to the Services provided by Supplier, Supplier represents and warrants the following:

A. Ownership

Supplier has the right to provide the Services, including Deliverables, without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.

B. Supplier's Viability

Supplier warrants that it has the financial capacity to perform and continue to perform its obligations under this Contract; that Supplier has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Supplier that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

C. Supplier's Past Experience

Supplier warrants that the Services have been successfully performed for a non-related third-party without significant problems due to the Services or Supplier.

D. Performance

- i). All Services shall be performed with care, skill and diligence, consistent with or above applicable professional standards currently recognized in its profession, and Supplier shall be responsible for the professional quality, technical accuracy, completeness and coordination of all plans, information, specifications, Deliverables and Services furnished under this Contract;
- ii). Services pursuant to a particular Request for Proposal ("RFP"), quote, or Request for Quote (RFQ), and any associated Deliverables shall be fit for the particular purposes specified by VITA in the RFP and in this Contract and, if applicable, by the Authorized User requesting such quote or issuing such RFQ, and Supplier is possessed of superior knowledge with respect to the Services and Deliverables and is aware that all Authorized Users are relying on Supplier's skill and judgment in providing the Services and Deliverables;
- iii). The Services and Deliverables shall meet or exceed the Requirements;
- iv). The documentation which Supplier is required to provide under this Contract shall be sufficient in detail and content to allow a user/programmer to understand and fully utilize the Deliverables without reference to any other materials or information.

E. Malicious Code

Supplier has used its best efforts through quality assurance procedures to ensure that there are no computer viruses or undocumented features in any of the media or means used to deliver the Services. Supplier has used the best available means to scan any media on which Deliverables are provided to the Authorized User.

F. Limited Warranty Period and Remedy

During the warranty period of one (1) year, or as specified in the applicable SOW, Supplier warrants that the Services shall meet or exceed the Requirements. Supplier shall correct, at no additional cost to any Authorized User, all errors identified during the warranty period that result in a failure of the Services to meet the Requirements. If Supplier is unable to make the Service/Deliverable conform, in all material respects, to the Requirements within ten (10) days following written notification by an Authorized User, Supplier shall, at such Authorized User's request, accept return of such Deliverable and any other related Deliverable(s) rendered unusable, and return all monies paid by such Authorized User for the non-conforming Services and Deliverable and such other related Deliverable(s) rendered unusable.

THE OBLIGATIONS OF SUPPLIER UNDER THIS GENERAL WARRANTY SECTION ARE MATERIAL. SUPPLIER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY CONCERNING MERCHANTABILITY OR FITNESS FOR ANY OTHER PARTICULAR PURPOSE.

8. TRAINING AND DOCUMENTATION

Any training or documentation necessary for an Authorized User to have full benefit of the Service shall be deemed included in the scope of the applicable SOW unless expressly excluded.

9. ORDERS AND COMPENSATION

A. Request for Quote

Authorized Users of this Contract, depending on the complexity of services required and/or each supplier's available resources have the option to select one or more suppliers to provide type of services. In addition, an Authorized User may determine that a competitive process is required to ensure it receives the best value. In either or both of such circumstances, the Authorized User may, at its sole discretion, use a Request for Quote (RFQ) process to obtain services identical or similar to those provided by Supplier pursuant to this Contract.

Supplier shall respond to the RFQ by providing a quote, including an estimated total price, and, if requested by the Authorized User, a proposal and documentation of the qualifications of the individual(s) proposed for providing services to the Authorized User. In no event shall Supplier's quote exceed Supplier's Contract pricing. Should Supplier be unable to respond to the RFQ due, for example, to resource constraints, Supplier shall notify Authorized User in writing of its inability to perform the work requested by such Authorized User, and provide the reasons for such inability to perform, prior to the due date for the submission of quotes in response to the RFQ. Supplier's repeated failure to provide a quote in response to an RFQ may be grounds for termination of this Contract.

B. Order

Supplier is required to accept any order placed by an Authorized User through the eVA electronic procurement website portal ([eVA Home Page](#)). eVA is the Commonwealth of Virginia's e-procurement system. State agencies, as defined in §2.2-2006 of the Code of Virginia, shall order through eVA. All other Authorized Users are encouraged to order through eVA, but may order through the following means:

- i). Purchase Order (PO): An official PO form issued by an Authorized User.
- ii). Any other order/payment charge or credit card process, such as AMEX, MASTERCARD, or VISA under contract for use by an Authorized User.

This ordering authority is limited to issuing orders for the Services available under this Contract. Under no circumstances shall any Authorized User have the authority to modify this Contract. An order from an Authorized User may contain additional terms and conditions; however, to the extent that the terms and conditions of the Authorized User's order are inconsistent with the terms and conditions of this Contract, the terms of this Contract shall supersede.

Notwithstanding the foregoing, Supplier shall not accept any order from an Authorized User if such order is to be funded, in whole or in part, by federal funds and if, at the time the order is placed, Supplier is not eligible to be the recipient of federal funds as may be noted on any of the Lists of Parties Excluded from Federal Procurement and Non-procurement Programs.

ALL CONTRACTUAL OBLIGATIONS UNDER THIS CONTRACT IN CONNECTION WITH AN ORDER PLACED BY ANY AUTHORIZED USER ARE THE SOLE OBLIGATION OF SUCH AUTHORIZED USER AND NOT THE RESPONSIBILITY OF VITA UNLESS SUCH AUTHORIZED USER IS VITA.

C. Purchase Price and Price Protection

Exhibit D sets forth the fees and the appropriate Commonwealth discounts. Fees shall not increase and discounts shall not decrease for a period of not less than two (2) years from the Effective Date. No such increase shall exceed the lesser of three percent (3%) or the annual increase in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items, not seasonally adjusted, as published by the Bureau of Labor Statistics of the Department of Labor (<http://www.bls.gov/cpi/home.htm>), for the effective date of the increase compared with the same index one (1) year prior. Any such change in price shall be submitted in writing in accordance with the above and shall not become effective for sixty (60) days thereafter. Supplier agrees to offer price reductions to ensure compliance with the Competitive Pricing Section.

D. Invoice Procedures

For an order with a period of performance not expected to exceed one (1) month, Supplier shall remit each invoice to the "bill-to" address provided with the order promptly after all Deliverables or Services have been accepted and in accordance with the milestone payment schedule, if any, in the applicable order. For a time and materials type SOW with a period of performance expected to exceed one (1) month, Supplier shall submit invoices to the ordering Authorized User monthly in arrears, unless otherwise specified in such SOW. For a fixed price type SOW, Supplier shall invoice in accordance with the milestone payment schedule, if any, in the applicable SOW; if such SOW does not include a milestone payment schedule, Supplier shall invoice after all Deliverables or Services have been accepted by the ordering Authorized User. No invoice shall include any costs other than those identified in the executed order or SOW, which costs shall be in

accordance with Exhibit D. Without limiting the foregoing, all shipping costs are the Supplier's responsibility except to the extent such charges are identified in Exhibit D, or as noted in any executed order or SOW referencing this Contract. Any cost reimbursable work performed or expenses incurred by Supplier prior to the effective date of the order shall not be billed to or reimbursed by the Authorized User. Invoices issued by the Supplier shall identify at a minimum:

- i). Deliverable or Service type, or project milestone, and description
- ii). Quantity, charge and extended pricing for each Deliverable and/or Service item or milestone; or, for a time and materials type order or SOW, the name(s) of the assigned employee(s), the hourly rate(s), and the number of hours worked;
- iii). Applicable order date or SOW date
- iv). This Contract number and the applicable order number
- v). Supplier's Federal Employer Identification Number (FEIN).

Any terms included on Supplier's invoice shall have no force or effect and will in no way bind VITA or any Authorized User.

E. Purchase Payment Terms

Supplier is responsible for the accuracy of its billing information. Supplier agrees not to issue invoices hereunder until Services have been performed or milestones have met Acceptance criteria. Charges for Services accepted more than ninety (90) days prior to receipt of a valid invoice may not be paid, except in accordance with a milestone payment schedule. Should Supplier repeatedly over bill Authorized User, Authorized User may assess a one percent (1%) charge for the amount over billed for each month that such over billing continues.

If there are any disputed items, the appropriate Authorized User shall pay all undisputed charges and promptly notify Supplier in writing of any disputed amount. Supplier shall thereupon review its records, and, if it does not concur with such Authorized User, provide such Authorized User with documentation to support the charge. If such charges remain in dispute, such dispute shall be resolved in accordance with the Dispute Resolution section of this Contract. In the absence of the Supplier's written evidence identifying the merit of the disputed amounts, Authorized User may not pay the disputed amounts and may consider the matter concerning the specific identified amounts closed. All payment terms are net 30 days after Acceptance.

F. Reimbursement of Expenses

If allowable pursuant to an Authorized User's SOW, such Authorized User shall pay, or reimburse Supplier, for all reasonable and actual travel-related expenses for greater than thirty (30) miles from portal to portal incurred by Supplier during the relevant period; provided, however, that such Authorized User shall only be liable to pay for Supplier's travel-related expenses, including transportation, meals, lodging and incidental expenses, that have been authorized by such Authorized User in advance and which will be reimbursable by such Authorized User at the then-current per diem amounts as published by the Virginia Department of Accounts (http://www.doa.virginia.gov/Admin_Services/CAPP/CAPP_Topics/20335_Meals_Lodging_102007.pdf, or a successor URL(s)).

All reimbursed expenses will be billed to the Authorized User on a pass-through basis without any markup by Supplier. At Authorized User's request, Supplier shall provide copies of receipts for all travel expenses over US\$30.00.

10. REPORTING

A. Supplier's Report of Sales and Industrial Funding Adjustment

By the 10th day of every month, the Supplier shall submit the "Supplier Monthly Report of Sales". A template showing the format in which the report is to be submitted and contact information for submission is available at [VITA:Supplier / Vendor Reporting Requirements](#). The report shall be submitted via electronic mail to the VITA IFA Coordinator and shall report total sales (defined for purposes of this report as all invoiced payments received by Supplier from all Authorized Users) for this Contract during the preceding month. Supplier shall be responsible for submitting the

monthly report of sales even if Supplier has had no sales (i.e., a \$0.00 total sales value) for the reporting period.

The Supplier shall submit the Industrial Funding Adjustment (IFA) payment for the period covered by such "Supplier Monthly Report of Sales" within thirty (30) days after submitting the "Supplier Monthly Report of Sales". The IFA payment is equal to two percent (2%) of total sales reported during the relevant month.

The IFA payment shall be submitted to VITA, Attention VITA Controller in the form of a check or electronic payment, made payable to the Treasurer of Virginia. The IFA payment shall reference this Contract number, "report amounts", and "report period" and shall be accompanied by a copy of the relevant "Supplier Monthly Report of Sales". Contact information for submission of IFA payments is available at [VITA:Supplier / Vendor Reporting Requirements](#).

Failure to comply with reporting, payment and distribution requirements of this section may result in default of the Contract.

B. Small Business Participation

Supplier and VITA agree to meet promptly after the Effective Date of this Contract to discuss the participation of Virginia Department of Minority Business Enterprise (DMBE)-certified Small Businesses as subcontractors and second-tier suppliers under this Contract.

Supplier and VITA agree to meet annually thereafter to review small business subcontracting reports and discuss further action with respect to small business subcontracting and spend.

In addition, by the 10th day of every month, Supplier shall submit to VITA the Small Business Subcontracting Monthly Report (template to be provided). Supplier's report should include spend on all Supplier's contracts with second-tier suppliers which provide products or services under this Contract. The report should specify the amount of such spend provided to small businesses. Supplier shall submit the report to SWaM@vita.virginia.gov.

11. STEERING COMMITTEE

In order to facilitate mutually beneficial contractual relationships with suppliers, VITA has procedures for establishing a steering committee ("Steering Committee"), consisting of senior management personnel, including personnel involved in the contractual relationship, from VITA and Supplier.

Roles of the Steering Committee include but are not limited to a) identifying potential issues which may arise during the performance of a contract, b) discussing and assigning roles and responsibilities, c) establishing methods for quickly resolving potential disputes, d) setting rules for communication and decision making, e) monitoring and measuring the business relationship between the parties, and f) acting as a final decision board for escalated problems.

A meeting of the Steering Committee is intended to be a forum for brainstorming and sharing ideas, emphasizing respect, cooperation, and access, with the end goal of developing relationships to avoid conflict. A facilitator may, but is not required to, conduct a meeting of the Steering Committee.

A Steering Committee for this Contract will be formed at VITA's option. Meetings may be held at any time during the Contract term, should VITA, at its sole discretion, determine that a meeting(s) would be beneficial to the contractual relationship, and Supplier agrees to participate in such meeting(s). In addition, Supplier may at any time submit a written request to VITA for a meeting of the Steering Committee, which VITA will not unreasonably deny.

Supplier shall ensure the availability of the appropriate personnel to meet with the VITA contract management team. Additional Steering Committee meetings involving representatives from VITA, the Supplier, and an Authorized User may be required prior to or during performance on any specific Statement of Work issued pursuant to this Contract.

12. COMPETITIVE PRICING

Supplier warrants and agrees that each of the charges, economic or product terms or warranties granted pursuant to this Contract are comparable to or better than the equivalent charge, economic or product term or warranty being offered to any commercial or government customer of Supplier. If

Supplier enters into any arrangements with another customer of Supplier to provide Services under more favorable prices, as the prices may be indicated on Supplier's current U.S. and International price list or comparable document, then this Contract shall be deemed amended as of the date of such other arrangements to incorporate those more favorable prices, and Supplier shall immediately notify VITA of such change.

13. CONFIDENTIALITY

A. Treatment and Protection

Each Party shall (i) hold in strict confidence all Confidential Information of any other Party, (ii) use the Confidential Information solely to perform or to exercise its rights under this Contract, and (iii) not transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any third-party. However, an Authorized User may disclose the Confidential Information as delivered by Supplier to subcontractors, contractors or agents of such Authorized User that are bound by non-disclosure contracts with such Authorized User. Each Party shall take the same measures to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in no event shall such measures be less than reasonable care).

B. Exclusions

The term "Confidential Information" shall not include information that is:

- i). in the public domain through no fault of the receiving Party or of any other person or entity that is similarly contractually or otherwise obligated;
- ii). obtained independently from a third-party without an obligation of confidentiality to the disclosing Party and without breach of this Contract;
- iii). developed independently by the receiving Party without reference to the Confidential Information of the other Party; or
- iv). required to be disclosed under The Virginia Freedom of Information Act (§§2.2-3700 et seq. of the Code of Virginia) or similar laws or pursuant to a court order.

C. Return or Destruction

Upon the termination or expiration of this Contract or upon the earlier request of the disclosing Authorized User, Supplier shall (i) at its own expense, (a) promptly return to the disclosing Authorized User all tangible Confidential Information (and all copies thereof except the record required by law) of the disclosing Authorized User, or (b) upon written request from the disclosing Authorized User, destroy such Confidential Information and provide the disclosing Authorized User with written certification of such destruction, and (ii) cease all further use of the Authorized User's Confidential Information, whether in tangible or intangible form.

VITA or the Authorized User shall retain and dispose of Supplier's Confidential Information in accordance with the Commonwealth of Virginia's records retention policies or, if Authorized User is not subject to such policies, in accordance with such Authorized User's own records retention policies.

D. Confidentiality Statement

All Supplier personnel, contractors, agents, and subcontractors performing Services pursuant to this Contract shall be required to sign a confidentiality statement or non-disclosure agreement. Any violation of such statement or agreement shall be deemed a breach of this Contract and may result in termination of the Contract or any order or SOW issued hereunder.

14. INDEMNIFICATION AND LIABILITY

A. Indemnification

Supplier agrees to indemnify, defend and hold harmless the Commonwealth, VITA, or any Authorized User, their officers, directors, agents and employees (collectively, "Commonwealth's Indemnified Parties") from and against any and all third party claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, assessments, fines,

penalties (whether criminal or civil), judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Commonwealth's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any intentional or willful misconduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier, (iii) breach of any representation, warranty or covenant of Supplier contained herein, (iv) any defect in the Services or Deliverables provided by Supplier, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Services or Deliverables. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. For state agencies the applicable laws include §§ 2.2-510 and 2.2-514 of the Code of Virginia. In all cases the selection and approval of counsel and approval of any settlement shall be satisfactory to VITA or the Authorized User against whom the claim has been asserted.

In the event that a Claim is commenced against any of Commonwealth's Indemnified Parties alleging that use of any Deliverable or that the provision of Services under this Contract infringes any third party's intellectual property rights and Supplier is of the opinion that the allegations in such Claim in whole or in part are not covered by this indemnification provision, Supplier shall immediately notify VITA and the affected Authorized User(s) in writing, via certified mail, specifying to what extent Supplier believes it is obligated to defend and indemnify under the terms and conditions of this Contract. Supplier shall in such event protect the interests of the Commonwealth's Indemnified Parties and secure a continuance to permit VITA and the affected Authorized User(s) to appear and defend their interests in cooperation with Supplier as is appropriate, including any jurisdictional defenses VITA or the affected Authorized User(s) may have.

In the event of a Claim pursuant to any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Services or Deliverables, and in addition to all other obligations of Supplier in this Section, Supplier shall at its expense, either (a) procure for all Authorized Users the right to continue use of such infringing Services or Deliverables, or any component thereof; or (b) replace or modify such infringing Services or Deliverables, or any component thereof, with non-infringing products or services satisfactory to VITA. And in addition, Supplier shall provide any Authorized User with comparable temporary replacement deliverables and services, or reimburse VITA or any Authorized User for the reasonable costs incurred by VITA or such Authorized User in obtaining alternative products and services in the event such Authorized User cannot use the affected Deliverable or benefit from the affected Services. If Supplier cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then Supplier shall accept the return of the infringing component of the Services or Deliverable, along with any other components of any products rendered unusable by any Authorized User as a result of the infringing component, and refund the price paid to Supplier for such components.

B. Liability

Supplier shall have unlimited liability with respect to (i) any intentional or willful misconduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier, (iii) claims for bodily injury, including death, and real and tangible property damage, (iv) Supplier's indemnification obligations, (v) Supplier's confidentiality obligations, and (vi) Supplier's security compliance obligations. Supplier agrees that it is fully responsible for all acts and omissions of its employees, agents, and subcontractors, including their gross negligence or willful misconduct.

FOR ALL OTHER CONTRACTUAL CLAIMS, IN NO EVENT WILL ANY PARTY BE LIABLE TO ANY OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING (WITHOUT LIMITATION) LOSS OF PROFIT, INCOME OR SAVINGS, EVEN IF ADVISED OF THE POSSIBILITY THEREOF, EXCEPT WHEN SUCH DAMAGES ARE CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE PARTY, ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS.

15. SECURITY COMPLIANCE

Supplier agrees to comply with all provisions of the then-current Commonwealth of Virginia security procedures, published by the Virginia Information Technologies Agency (VITA) and which may be found at (<http://www.vita.virginia.gov/library/default.aspx?id=537#securityPSGs>) or a successor URL(s), as are pertinent to Supplier's operation. Supplier further agrees to comply with all provisions of the relevant Authorized User's then-current security procedures as are pertinent to Supplier's operation and which have been supplied to Supplier by such Authorized User. Supplier shall also comply with all applicable federal, state and local laws and regulations. For any individual Authorized User location, security procedures may include but not be limited to: background checks, records verification, photographing, and fingerprinting of Supplier's employees or agents. Supplier may, at any time, be required to execute and complete, for each individual Supplier employee or agent, additional forms which may include non-disclosure agreements to be signed by Supplier's employees or agents acknowledging that all Authorized User information with which such employees and agents come into contact while at the Authorized User site is confidential and proprietary. Any unauthorized release of proprietary information by the Supplier or an employee or agent of Supplier shall constitute a breach of this Contract.

Supplier shall indemnify, defend, and hold the Commonwealth, VITA, the Authorized User, their officers, directors, employees and agents harmless from and against any and all fines, penalties (whether criminal or civil), judgments, damages and assessments, including reasonable expenses suffered by, accrued against, or charged to or recoverable from the Commonwealth, VITA, the Authorized User, their officers, directors, agents or employees, on account of the failure of Supplier to perform its obligations pursuant this Section.

16. IMPORT/EXPORT

In addition to compliance by Supplier with all export laws and regulations, VITA requires that any data deemed "restricted" or "sensitive" by either federal or state authorities, must only be collected, developed, analyzed, or otherwise used or obtained by persons or entities working within the boundaries of the United States.

17. GENERAL PROVISIONS

A. Relationship Between VITA and Authorized User and Supplier

Supplier has no authority to contract for VITA or any Authorized User or in any way to bind, to commit VITA or any Authorized User to any agreement of any kind, or to assume any liabilities of any nature in the name of or on behalf of VITA or any Authorized User. Under no circumstances shall Supplier, or any of its employees, hold itself out as or be considered an agent or an employee of VITA or any Authorized User, and neither VITA nor any Authorized User shall have any duty to provide or maintain any insurance or other employee benefits on behalf of Supplier or its employees. Supplier represents and warrants that it is an independent contractor for purposes of federal, state and local employment taxes and agrees that neither VITA nor any Authorized User is responsible to collect or withhold any federal, state or local employment taxes, including, but not limited to, income tax withholding and social security contributions, for Supplier. Any and all taxes, interest or penalties, including, but not limited to, any federal, state or local withholding or employment taxes, imposed, assessed or levied as a result of this Contract shall be paid or withheld by Supplier or, if assessed against and paid by VITA or any Authorized User, shall be reimbursed by Supplier upon demand by VITA or such Authorized User.

B. Incorporated Contractual Provisions

The then-current contractual provisions at the following URL are mandatory contractual provisions, required by law or by VITA, and that are hereby incorporated by reference:

<http://www.vita.virginia.gov/uploadedFiles/SCM/StatutorilyMandatedTsandCs.pdf>

The contractual claims provision §2.2-4363 of the Code of Virginia and the required eVA provisions at <http://www.vita.virginia.gov/uploadedFiles/SCM/eVATsandCs.pdf> are also incorporated by reference.

The then-current terms and conditions in documents posted to the aforementioned URLs are subject to change pursuant to action by the legislature of the Commonwealth of Virginia, change in VITA policy, or the adoption of revised eVA business requirements. If a change is made to the terms and conditions, a new effective date will be noted in the document title. Supplier is advised to check the URLs periodically.

C. Compliance with the Federal Lobbying Act

Supplier's signed certification of compliance with 31 USC 1352 (entitled "Limitation on use of appropriated funds to influence certain Federal Contracting and financial transactions") or by the regulations issued from time to time thereunder (together, the "Lobbying Act") is incorporated as Exhibit E hereto.

D. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to that body of law controlling choice of law. Any and all litigation shall be brought in the circuit courts of the Commonwealth of Virginia. The English language version of this Contract prevails when interpreting this Contract. The United Nations Convention on Contracts for the International Sale of Goods and all other laws and international treaties or conventions relating to the sale of goods are expressly disclaimed. UCITA shall apply to this Contract only to the extent required by §59.1-501.15 of the Code of Virginia.

E. Dispute Resolution

In accordance with §2.2-4363 of the Code of Virginia, Contractual claims, whether for money or other relief, shall be submitted in writing to the public body from whom the relief is sought no later than sixty (60) days after final payment; however, written notice of the Supplier's intention to file such claim must be given to such public body at the time of the occurrence or beginning of the work upon which the claim is based. Pendency of claims shall not delay payment of amounts agreed due in the final payment. The relevant public body shall render a final decision in writing within thirty (30) days after its receipt of the Supplier's written claim.

The Supplier may not invoke any available administrative procedure under §2.2-4365 of the Code of Virginia nor institute legal action prior to receipt of the decision of the relevant public body on the claim, unless that public body fails to render its decision within thirty (30) days. The decision of the relevant public body shall be final and conclusive unless the Supplier, within six (6) months of the date of the final decision on the claim, invokes appropriate action under §2.2-4364, Code of Virginia or the administrative procedure authorized by §2.2-4365, Code of Virginia.

Upon request from the public body from whom the relief is sought, Supplier agrees to submit any and all contractual disputes arising from this Contract to such public body's alternative dispute resolution (ADR) procedures, if any. Supplier may invoke such public body's ADR procedures at any time and concurrently with any other statutory remedies prescribed by the Code of Virginia.

In the event of any breach by a public body, Supplier's remedies shall be limited to claims for damages and Prompt Payment Act interest and, if available and warranted, equitable relief, all such claims to be processed pursuant to this Section. In no event shall Supplier's remedies include the right to terminate any license or support services hereunder.

F. Advertising and Use of Proprietary Marks

Supplier shall not use the name of VITA or any Authorized User's name or refer to VITA or any Authorized User, directly or indirectly, in any press release or formal advertisement without receiving prior written consent of VITA or such Authorized User. In no event may Supplier use a proprietary mark of VITA or an Authorized User without receiving the prior written consent of VITA or the Authorized User.

G. Notices

Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the US mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to the addresses shown on the signature page. VITA or Supplier may change its address for notice purposes by giving the other Party notice of such change in accordance with this Section.

H. No Waiver

Any failure to enforce any terms of this Contract shall not constitute a waiver.

I. Assignment

This Contract shall be binding upon and shall inure to the benefit of the permitted successors and assigns of VITA and Supplier. Supplier may not assign, subcontract, delegate or otherwise convey this Contract or any of its rights and obligations hereunder, to any entity without the prior written consent of VITA, and any such attempted assignment or subcontracting without consent shall be void. VITA may assign this Contract to any entity, so long as the assignee agrees in writing to be bound by the all the terms and conditions of this Contract.

If any law limits the right of VITA or Supplier to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be thirty (30) days after the Supplier gives VITA prompt written notice of the assignment, signed by authorized representatives of both the Supplier and the assignee. Any payments made prior to receipt of such notification shall not be covered by this assignment.

J. Captions

The captions are for convenience and in no way define, limit or enlarge the scope of this Contract or any of its Sections.

K. Severability

Invalidity of any term of this Contract, in whole or in part, shall not affect the validity of any other term. VITA and Supplier further agree that in the event such provision is an essential part of this Contract, they shall immediately begin negotiations for a suitable replacement provision.

L. Survival

The provisions of this Contract regarding License, Rights To Work Products, Warranty, Confidentiality, Liability and Indemnification, and the General Provisions shall survive the expiration or termination of this Contract.

M. Force Majeure

No Party shall be responsible for failure to meet its obligations under this Contract if the failure arises from causes beyond the control and without the fault or negligence of the non-performing Party. If any performance date under this Contract is postponed or extended pursuant to this section for longer than thirty (30) calendar days, VITA, by written notice given during the postponement or extension, may terminate Supplier's right to render further performance after the effective date of termination without liability for that termination, and in addition an Authorized User may terminate any order or SOW affected by such postponement or delay.

N. Remedies

The remedies set forth in this Contract are intended to be cumulative. In addition to any specific remedy, VITA and all Authorized Users reserve any and all other remedies that may be available at law or in equity.

O. Right to Audit

VITA reserves the right to audit those Supplier records that relate to the Services rendered or the amounts due Supplier for such Services under this Contract. VITA's right to audit shall be limited as follows:

- i). Three (3) years from Service performance date;
- ii). Performed at Supplier's premises, during normal business hours at mutually agreed upon times; and
- iii). Excludes access to Supplier cost information.

The Supplier shall not have the right to audit, or require to have audited, VITA or any Authorized User.

P. Offers of Employment

During the first twelve (12) months of the Contract, should Supplier hire an employee of an Authorized User who has substantially worked on any project covered by this Contract without

prior written consent, the Supplier shall be billed for fifty percent (50%) of the employee's annual salary in effect at the time of termination.

Q. Contract Administration

Supplier agrees that at all times during the term of this Contract an account executive, at Supplier's senior management level, shall be assigned and available to VITA. Supplier reserves the right to change such account executive upon reasonable advance written notice to VITA.

R. Entire Contract

The following Exhibits, including all subparts thereof, are attached to this Contract and are made a part of this Contract for all purposes:

- i). Exhibit A Service Requirements
- ii). Exhibit B Statement of Work (SOW) Template
- iii). Exhibit C Change Order Template
- iv). Exhibit D Service Fees
- v). Exhibit E Certification Regarding Lobbying

This Contract, its Exhibits, and any prior non-disclosure agreement constitute the entire agreement between VITA and Supplier and supersede any and all previous representations, understandings, discussions or agreements between VITA and Supplier as to the subject matter hereof. Any and all terms and conditions contained in, incorporated into, or referenced by the Supplier's Proposal shall be deemed invalid. The provisions of the Virginia Department of General Services, Division of Purchases and Supply Vendor's Manual shall not apply to this Contract or any order or SOW issued hereunder. This Contract may only be amended by an instrument in writing signed by VITA and Supplier. In the event of a conflict, the following order of precedence shall apply: this Contract document, Exhibit A, any individual SOW, Exhibit D.

Any modification to an SOW that extends the period of performance beyond one (1) year or increases the value of such SOW above US\$100,000 shall, absent the prior written approval of VITA, be voidable by VITA, in its sole discretion. If an SOW is voided by VITA, such SOW shall no longer be binding on either Party and all obligations with respect to such SOW shall expire.

An Authorized User and Supplier may enter into an ordering agreement pursuant to this Contract. To the extent that such ordering agreement, or any order or SOW issued hereunder, include any terms and conditions inconsistent with the terms and conditions of this Contract, such terms and conditions shall be of no force and effect.

VITA and Supplier each acknowledge that it has had the opportunity to review this Contract and to obtain appropriate legal review if it so chose.

Executed as of the last date set forth below by the undersigned authorized representatives of VITA and Supplier.

Supplier

By: Stefan Mandanis

(Signature)

Name: Stefan Mandanis

(Print)

Title: Director, Sales

Date: January 27, 2009

Address for Notice:

19672 Player Court

Ashburn, VA 20147

Attention: Armando Tan

VITA

By: James T. Roberts

(Signature)

Name: James T. Roberts

(Print)

Title: Director Finance & Administration

Date: 2-02-09

Address for Notice:

Attention: Contract Administrator