Commonwealth of Virginia
Virginia Information Technologies Agency

IRIDIUM 9555 & GLOBALSTAR GSP1700 HANDHELD SATELLITE TELEPHONES AND SERVICE

Date:	April 5, 2011
Contract #:	VA-090413-GFI
Authorized User:	All Public Bodies as Defined by §2.2-4301 and Referenced by §2.2-4304 of the *Code of Virginia*
Contractor:	Globafone Inc. 1950 Lafayette Road Suite 107 Portsmouth, NH 03801
FIN:	02-0505041
Contact Person:	Julie Saucier Voice: 603-433-7232 Fax: 603-436-8152 Email: jsaucier@globafone.com
Term:	April 13, 2011 – April 12, 2012
Delivery Date:	Determined by Individual Orders
Payment:	Net 30 days

For Additional Contract Information, Please Contact:

John Tackley
Acquisitions Specialist
Phone: 804-416-6165
E-Mail: john.tackley@vita.virginia.gov
Fax: 804-416-6361

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

CONTRACT #VA-090413-GFI
EXTRACT CHANGE LOG

Change No.	Description of Change	Effective Date
1	Corrects initial contract term and adds device numbers	4/13/09
2	Updates supplier's address	11/11/09
3	Updates VITA's contact information	2/18/10
4	Corrected contract number on page 1 & updated Supplier's contact number	4/7/10
5	Mod 1 extends the contract term	4/17/10
6	Extends contract term	4/13/11

COMMONWEALTH *of* VIRGINIA

Samuel A. Nixon
CIO
Email: CIO@vita.virginia.gov

VIRGINIA INFORMATION TECHNOLOGIES AGENCY
11751 Meadowville Lane
Chester, VA 23836
(804) 416-6100

TDD VOICE -TEL. NO.
711

March 30, 2011

VIA EMAIL

TO: GlobaFone

RE: VA-090413-GFI

In accordance with Section 3 of the above referenced contract, entitled "Term and Termination," please consider this correspondence your notification of the Commonwealth's extension of the above referenced contract.

The expiration of the agreement is now extended to April 12, 2012.

Regards,

John Tackley, VCO
Strategic Sourcing Specialist, Supply Chain Management
Virginia Information Technologies Agency (VITA)
VITA - Enabling the Business of Government
John.Tackley@vita.virginia.gov
www.vita.virginia.gov
804-416-6165

c: contract file

MODIFICATION # 1
TO
CONTRACT NUMBER VA-090413-GFI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
GLOBAFONE 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 Globafone Inc. hereinafter referred to as "Contractor". This Modification is hereby incorporated into and made an integral part of Contract VA-090413-GFI (the Agreement).

The purpose of this Modification # 1 is to document both parties' agreement to extend the term of this contract from April 17, 2010 through April 16, 2011.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-090413-GFI 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.

GLOBAFONE INC

BY: CEO

NAME: Lou Altman

TITLE: CEO

DATE: 4/7/10

COMMONWEALTH OF VIRGINIA

BY:

NAME: James MacKenzie

TITLE: Sourcing Consultant

DATE: 4/7/10

Virginia Information Technologies Agency

expect the best

COMMONWEALTH of VIRGINIA

VIRGINIA INFORMATION TECHNOLOGIES AGENCY
SUPPLY CHAIN MANAGEMENT
MEADOWVILLE TECHNOLOGY PARK
11751 MEADOWVILLE LANE
CHESTER, VIRGINIA 23836

CONTRACT VA-090413-GFI

IRIDIUM & GLOBALSTAR HANDHELD SATELLITE TELEPHONES & SERVICE

SUPPLIER

COMPANY NAME:	**GlobaFone Inc.**	**SALES CONTACT:**	**Julie Saucier**
ADDRESS:	**2 International Drive**	**TITLE:**	**Business Development Manager**
	Suite 125	**PHONE NO:**	**603-433-7232 ext 201**
CITY/STATE/ZIP:	**Portsmouth, NH 03801**	**FAX:**	**603-436-8152**
FEIN:	**02-0505041**	**E-MAIL ADDRESS:**	**j.saucier@globafone.com**
WEBSITE URL:	**www.globafone.com**		

VITA TERM CONTRACT for Telecommunications Goods and Service

Products and Services:	**Iridium and Globalstar Handheld Satellite Telephones and Service**
Authorized Contract Users:	**Commonwealth of Virginia Agencies, Institutions and Other Public Bodies**
Contract Term:	**One (1) year initial period with three (3) one (1) year renewals**
Pricing:	**See Exhibit "A"**
Service Delivery Intervals:	**See Exhibit "B"**
Additional Discounts:	**None**
Installation:	**See Exhibit "B"**
Orders:	**Standard Order Process: As depicted in Item 4 of the Hardware Terms and Conditions; and depicted in Item 7 of the Services Terms and Conditions.**

VITA SCM Contacts:

Contract Information
Stuart L. Thacker
Voice: (804) 416-6163
Fax: (804) 416-6361
E-mail Address stuart.thacker@vita.virginia.gov

This public body does not discriminate against faith-based organizations in accordance with the Code of Virginia, §2.2-4343.1 or against any Bidder because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

VA-090413-GFI
EXHIBIT A - PRICING

Item No.	DESCRIPTION	QTY	UNIT	PRICE	
	The Virginia Information Technologies Agency (VITA) desires to establish a firm fixed price term contract to purchase handheld portable satellite telephones and service.				
	Handheld Satellite Telephone & Service				
1.	Handheld Satellite Telephone	**1**	**ea**	**$897.00**	
	State Model: **Globalstar**				
	State Model Number: **GSP-1700**				
2.	Basic Monthly Access Fee	**1**	**Month**	**$34.95**	
3.	Account Activation Fee	**1**	**ea**	**N/C**	
4.	Airtime Rate Per Minute (As applicable)				
	a. Iridium to Iridium	**1**	**min**	**N/A**	
	b. Iridium to PSTN	**1**	**min**	**N/A**	
	c. Iridium to Globalstar	**1**	**min**	**N/A**	
	d. Globalstar to Globalstar	**1**	**min**	**N/C**	
	e. Globalstar to Iridium	**1**	**min**	**$3.29**	
	Total Evaluated Price:			**$935.24**	
	Other Costs:				
5.	Early Termination Fee	**1**	**ea**	**N/C**	
6.	Voice Mail Activation Fee	**1**	**ea**	**N/C**	
7.	Data Cable	**1**	**ea**	**$33.00**	
8.	Batteries (Spare)	**1**	**ea**	**$94.00**	
9.	Hardsided Carrying Case for transport of phone accessories **Pelican Custom Foam**	**1**	**ea**	**$87.00**	
10.	Other Miscellaneous Fees/Charges **USF**	**1**	**ea**		
11.	Additional plans (include the monthly access fee and number of minutes included in the plan). Attach separate Price List for other plans.	**1**	**ea**	**See Attached**	
	Note to Bidders: Indicate a price for all items. If the item is included in a base price or at no cost, state so by providing "incl" or "N/C or "N/A in the appropriate blank.				

VA-090413-GFI
EXHIBIT A - PRICING

Item No.	DESCRIPTION	QTY	UNIT	PRICE	
	The Virginia Information Technologies Agency (VITA) desires to establish a firm fixed price term contract to purchase handheld portable satellite telephones and service.				
	Handheld Satellite Telephone & Service				
1.	Handheld Satellite Telephone	**1**	**ea**	**$1,479.00**	
	State Model: **Iridium**				
	State Model Number: **9555 Complete Kit**				
2.	Basic Monthly Access Fee	**1**	**Month**	**$38.00**	
3.	Account Activation Fee	**1**	**ea**	**N/C**	
4.	Airtime Rate Per Minute (As applicable)				
	a. Iridium to Iridium	**1**	**min**	**$.90**	
	b. Iridium to PSTN	**1**	**min**	**$1.27**	
	c. Iridium to Globalstar	**1**	**min**	**$1.27**	
	d. Globalstar to Globalstar	**1**	**min**	**N/A**	
	e. Globalstar to Iridium	**1**	**min**	**N/A**	
	Total Evaluated Price:			**$1,520.44**	
	Other Costs:				
5.	Early Termination Fee	**1**	**ea**	**N/C**	
6.	Voice Mail Activation Fee	**1**	**ea**	**N/C**	
7.	Data Cable	**1**	**ea**	**Incl.**	
8.	Batteries (Spare)	**1**	**ea**	**$89.00**	
9.	Hardsided Carrying Case for transport of phone accessories **Pelican Custom Foam**	**1**	**ea**	**$87.00**	
10.	Other Miscellaneous Fees/Charges	**1**	**ea**	**N/A**	
11.	Additional plans (include the monthly access fee and number of minutes included in the plan). Attach separate Price List for other plans.	**1**	**ea**	**See Attached**	
	Note to Bidders: Indicate a price for all items. If the item is included in a base price or at no cost, state so by providing "incl" or "N/C or "N/A in the appropriate blank.				

IRIDIUM RATE PLANS (9505A/9555)

Item:	Description	Cost (per month)	Overage (per minute)
Iridium Basic	Iridium Basic Service keeps SIM card active	$38.00	$1.27
Iridium 50	Iridium service includes 50 minutes of airtime pooled amongst all active lines under that account *	$94.00	$1.22
Iridium 150	Iridium service that includes 150 minutes of airtime pooled amongst all active lines under that account *	$209.00	$1.19
Iridium 300	Iridium service that includes 300 minutes of airtime pooled amongst all active lines under that account *	$365.00	$1.14
Iridium 600	Iridium service that includes 600 minutes of airtime pooled amongst all active lines under that account *	$728.00	$1.10

*GlobaFone allows users to pool airtime. This means that an agency could put all lines but one on the Iridium Basic Plan and select an inclusive minute rate plan for (1) line and all the lines would pool those allotted minutes each month. This can be a huge cost saver.

GlobaFone Inc. 2 International Drive Portsmouth, NH 03801
V 603-433-7232 F 603-436-8152

GLOBALSTAR RATE PLANS (GSP 1600/ GSP 1700)

Item:	Description	Cost (per month)	Overage (per minute)
Evolution Plan	Globalstar service with **unlimited** airtime and free voicemail.	$34.94	N/C
Unlimited Loyalty Plan	For existing Globalstar clients only - Globalstar service with **unlimited** airtime and free voicemail.	$24.95	N/C
USF	Universal Service Fund- Globalstar charges a Universal Service Fund all accounts (even if tax exempt)	4%	N/C

EXHIBIT B – PRODUCT AND SERVICE REQUIREMENTS

1. PRODUCT REQUIREMENTS

A. Delivery Procedure

Supplier shall deliver the requested Product ready for use within thirty (30) days after receipt of order from an Authorized User, or such shorter time as may be agreed to between Supplier and such Authorized User. Contractor shall deliver Product on an emergency basis at no additional cost to any Authorized User. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.

Supplier shall deliver all Product F.O.B. destination, with such destination being the "ship to" address specified in the applicable order. Supplier shall bear all risk of loss or damage to the Product until Receipt. Additionally, if the Supplier is to provide installation of the Product, Supplier shall bear all risk of loss of or damage to the Product, to the extent that such loss or damage is caused by the Supplier or Supplier's negligence, until Acceptance by the Authorized User/completion of installation. In all cases, Supplier shall arrange and pay for all transportation and insurance sufficient to fully protect the Product while in transit. If any loss to, or damage of, the Product due to any act, omission, or negligence of the Supplier occurs prior to Acceptance by the Authorized User, Supplier shall immediately provide a replacement item.

All Product furnished shall be new and in current production. Clear and unrestricted title to all Product, excluding System Software, purchased under this Contract shall pass to the Authorized User upon payment of the purchase price.

B. Failure to Deliver

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 Contract shall constitute a material default on this Contract. If Product is not delivered within the time specified herein, or as otherwise agreed between Authorized User and Supplier in a particular order, the Authorized User may terminate the applicable order for default without further obligation.

In the event Supplier fails for any reason, other than a Force Majeure event or failure of the Authorized User to provide any required access or support, to deliver in a timely manner or according to Contract terms the Product or Services set forth in the Pricing Exhibit, VITA or the ordering Authorized User, at its own discretion, may give Supplier written notice of default. Once notice is provided to Supplier, VITA or the Authorized User may immediately procure the products or services from another source. In no event shall VITA or the Authorized User be held to pay Supplier any costs incurred by Supplier, including but not limited to ordering, marketing, manufacturing, or delivering the Product(s) or Service(s) which are subject of the notice by VITA or the Authorized User of breach. This remedy is in addition to and not in lieu of any other remedy VITA or the Authorized User may have under this Contract or at law or in equity.

C. Product Acceptance

All Product and Services are subject to inspection and testing by the Authorized User, and any that does not meet or exceed the specifications or other Requirements of the Contract may be rejected. The Supplier shall provide the Authorized User ten (10) days or such longer time period as may be mutually agreed upon by the Parties to an order, ("Evaluation Period") to test, evaluate and accept or reject the Product or Services delivered or furnished under this Contract. The Authorized User, in its sole discretion, may accept the same prior to expiration to the Evaluation Period. 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 Evaluation Period, 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 (http://www.doa.virginia.gov/procedures/adminservices/capp/pdfdocs/20335.pdf, or a successor URL(s)).

Acceptance shall be effective for the purpose of making payment and thus determining title to the Product; however, Acceptance by the Authorized User following testing and evaluation during the Evaluation Period shall not be conclusive that the Product or Services conform in all respects to the Contract specifications and other Requirements. In the event that nonconformance therewith is discovered by the Authorized User after Acceptance and within the Warranty Period, whether due to a latent defect or otherwise, the Supplier shall take whatever action is necessary to conform the Product or Services to the Contract specifications and other Requirements, including but not limited to modification or replacement of the same. The Supplier's failure to do so shall constitute default of Contract for which VITA or the Authorized User may exercise the remedies provided in this Contract, including the Term and Termination section herein, in addition to and not in lieu of any other remedies available at law or in equity.

D. Cure Period

Supplier shall correct the non-conformities identified hereunder and shall thereafter re-submit such previously non-conforming Product or Service for re-testing within ten (10) days of written notice of non-conformance from an Authorized User, or as otherwise agreed between the Authorized User and Supplier. In the event that Supplier fails to deliver Product or Service which meets the Requirements, such Authorized User may, in its sole discretion: (i) reject the Product or Service in its entirety and recover amounts previously paid hereunder; (ii) issue a “partial Acceptance” of the Product or Service with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable Product or Service while reserving its right to revoke Acceptance if timely correction is not forthcoming.

If the Supplier’s Product or Service fails to meet the Contract specifications or other Requirements, including the specifications of the brand name, if any (see Pricing Exhibit), or those required by the Supplier's or Product manufacturer’s technical documentation, then the same may be rejected and returned to the Supplier. Such rejection will terminate the order for such Product or Services, or the relevant portion thereof, and exempt the Authorized User from all costs incurred by the Supplier related to such Product or Services. Notwithstanding the foregoing, VITA or the Authorized User shall be entitled to pursue any other remedies that are available to it under this Contract and at law or in equity.

E. Product Discontinuation

During the term of this Contract, if any Product listed on the Pricing Exhibit 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 six (6) months. Additionally, Supplier shall make available to the Authorized User maintenance parts for discontinued Product for three (3) years from the date of such discontinuation. In every event, Supplier shall use best efforts to provide any Authorized User with one hundred twenty (120) days advance written notice of its intent to discontinue any Product type previously ordered by such Authorized User.

2. PRODUCT SUPPORT AND ADDITIONAL SERVICES

A. Engineering Changes and Product Modification

Supplier-sponsored modifications and/or engineering changes shall be made with the consent of the Authorized User at no additional charge for a period of one (1) year from the date of installation. The Authorized User reserves the right at all times to schedule these Supplier-sponsored modifications and/or changes to minimize the impact on its daily operations.

B. Training

Supplier shall provide an instructional/maintenance manual with each unit, including accessories provided.

3. WARRANTY AND MAINTENANCE SERVICES

A. Product Covered

The Pricing Exhibit lists all Product types covered under warranty and maintenance. No Authorized User is obligated to continue warranty or maintenance on Product that has been removed from service, provided Supplier has been notified in writing of such removal.

Supplier shall maintain an inventory record ("Inventory Record") of all units of Product covered under warranty or maintenance by type, quantity and location. Inventory Record shall also include the end date for each unit's Warranty Period or, if applicable, the period for which the unit of Product is covered under maintenance. Product quantities and types may vary as Product is added or deleted from coverage. Supplier shall be notified in writing of any Product removed from service, and Supplier shall automatically amend the Inventory Record without further action by Authorized User to reflect the relocation, addition or deletion of Product. Supplier shall provide a copy of the most current Inventory Record to any Authorized User upon request of such Authorized User.

B. Description of Warranty and Maintenance Services

At any time during the Warranty Period, Contractor shall provide, at no additional charge, the Product manufacturer's standard warranty services to any Authorized User who has purchased Product pursuant to this Contract in order to maintain the Product in accordance with the manufacturer's specifications or replace the Product, if required. A description of such standard warranty services is incorporated herein as Exhibit D.

At any time during the Maintenance Period, Contractor shall provide, at the prices identified in the Pricing Schedule, the Product manufacturer's standard maintenance services to any Authorized User who has purchased Product pursuant to this Contract in order to maintain the Product in accordance with the manufacturer's specifications. A description of such standard maintenance services is incorporated herein as Exhibit D.

Notwithstanding the foregoing, Contractor shall, at a minimum, provide the following limited warranty services during the Warranty Period:

Contractor warrants that the Product will perform in accordance with the Product specifications throughout the Warranty Period. In the event that any Authorized User identifies, within the Warranty Period, any design defect or non-conformance to the Requirements, Contractor, at Contractor's sole expense, shall provide all parts, components and services required to correct the design defect and restore such item or shall replace it, so that it functions as warranted. In the event Product must be shipped from Authorized User's site for mechanical repair or replacement purposes, Contractor shall bear all costs associated with return of Product to the Contractor's repair facility. When repair of Product is completed, Contractor shall bear all costs associated with returning such Product to the Authorized User's original point of shipment. Cost of shipping includes but is not limited to, costs of packing, transportation, rigging, drayage and insurance for damage or loss. For all repairs pursuant to this Contract, Contractor shall use new or certifiable as new parts. Any Product or any component part thereof that has been replaced by Contractor shall become the property of the Contractor, and any replacement Product or component part thereof shall become the property of the Authorized User.

Contractor shall repair the non-conforming unit of Product or provide an interim replacement product, within seventy-two (72) hours of notification by the Authorized User that a malfunction exists. Any interim product(s) shall be provided at no additional cost to such Authorized User, until the original unit of Product is returned, in Operating Condition. If Contractor is unable to make the defective Product conform within twenty (20) days following notification by such Authorized User, Contractor shall, at the Authorized User's request, accept return of such Product(s), and return all monies paid for the failed units.

NOTWITHSTANDING ANY PROVISION TO THE CONTRARY, THE COST OF ALL WARRANTIES AND MAINTENANCE SERVICES / SUPPORT PLANS SHALL INCLUDE SERVICES AND SUPPORT FOR ALL SYSTEM SOFTWARE. ALL WARRANTIES AND MAINTENANCE SERVICES ARE CONSIDERED PERFORMANCE-BASED AND THEREFORE THE CONTRACTOR IS RESPONSIBLE FOR ANY REPORTED FAILURE OF THE PRODUCT DURING ANY WARRANTY PERIOD OR THE TERM OF ANY MAINTENANCE SERVICES / SUPPORT PLAN ORDERED BY ANY AUTHORIZED USER PURSUANT TO THIS CONTRACT.

C. Product Maintenance Services and Renewal Options

Upon expiration of the Warranty Period set forth herein, or at such earlier or later time as may be requested by the Authorized User, the Supplier, at the sole discretion of the relevant

Authorized User, shall provide additional one (1) year periods of maintenance services, including labor, parts and travel, at the prices identified in the Pricing Exhibit and shall keep the Product and System Software in good Operating Condition. Maintenance services shall not include electrical work external to the Supplier's Product or repair of damage resulting from accident, transportation by the Commonwealth between Commonwealth sites, negligence on the part of Commonwealth personnel, or causes other than ordinary use in the production environment in which the Product is installed. Notwithstanding the foregoing, an Authorized User may purchase maintenance services at any time. The Maintenance Period shall commence upon Authorized User's purchase of maintenance services from Supplier.

Supplier shall notify Authorized User sixty (60) days prior to expiration of the Warranty Period or Maintenance Period for each Product. Should the Authorized User, at its sole discretion, choose to continue maintenance for a unit of Product, such Authorized User shall issue an order to the Supplier for each twelve (12) month period that maintenance services are required after the initial Warranty Period and or subsequent Maintenance Period, in accordance with the Supplier's pricing, as set forth in Exhibit D.

Supplier warrants that it shall make Product Maintenance Services available for all the Product, including System Software, listed in the Pricing Exhibit, or which are components of Products listed in the Pricing Exhibit, for a period of not less than five (5) years from the date of the last purchase at the cost set forth on the Pricing Exhibit. Cancellation of Product Maintenance Services, including System Software Maintenance Services, by an Authorized User shall not affect this Contract or the grant of any license by Supplier.

Supplier shall make best efforts to notify the Authorized User one (1) year prior to the effective date of any discontinuance of maintenance services. Should Supplier advise the Authorized User of its intent to discontinue certain maintenance services 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 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 replace the unsupported Product with a supported Product at no more than the cost delta between the supported Product and the unsupported Product.

D. Certification of Product

At the end of the Warranty Period or upon termination of this Contract or any order for Product Maintenance Services, the Supplier must ensure that the equipment covered under the contract is certified for maintenance by the Product Manufacturer. Supplier shall provide all appropriate documentation. All expenses for any recertification process shall be borne by the Supplier.

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

4. AIRTIME SERVICE REQUIREMENTS

A. Service Commencement Date

The Supplier shall begin delivery of Services in accordance with the Installation and Service Delivery Intervals or on the date requested by VITA or the Authorized User and agreed to by the Supplier in an order. An Authorized User may delay the Service commencement date by notifying the Supplier at least ten (10) days before the scheduled Service commencement date.

VITA requires that Supplier provide delivery equal to or better than that provided its commercial and retail customers. Failure to comply with this provision may be considered grounds for termination of this Contract.

B. Service Delivery Intervals

Once initial installation Services have been performed by Supplier and accepted by the Authorized User specified on the applicable order, the Authorized User may issue a new order for the performance of additional Services. Upon receipt of such order, Supplier shall deliver the Services specified therein, which may include making changes to existing services or de-installation or disconnecting of existing services.

Upon receipt of an order of an order from an Authorized User for Service contained in Exhibit B, the Supplier shall deliver the Service within thirty (30) calendar days.

Supplier shall deliver Services on an emergency basis at no additional costs.

Supplier's failure to comply with the above identified time frame shall be deemed a default, and VITA or the affected Authorized User may, at its sole discretion and in addition to all other available remedies, exercise its rights pursuant to the Term and Termination section of this Contract. Supplier shall not be deemed in default if its failure to comply is a result of the failure of the public body which is to receive Supplier's Services to support the desired service.

C. Acceptance

Service(s) shall be accepted when VITA or the Authorized User determines that the Services ordered meet the requirements or written criteria set forth in Exhibit B hereto and/or the applicable order. VITA or the Authorized User shall commence Acceptance testing within a reasonable time period after performance of the Service or within such longer time period mutually agreed upon by the Parties to the order. The Authorized User shall have seventy-two (72) hours, or such longer period as may be agreed upon between Supplier and VITA or the Authorized User in an order, from completion of Services to evaluate and accept the Services ("Evaluation Period"), provided that VITA or the Authorized User, in its sole discretion, may accept the same prior to expiration of the Evaluation Period. If the Supplier's Services fail to meet the specifications or requirements of the Contract or the applicable order, or those required by the Supplier's own technical documentation, then the Authorized User may require the Supplier to re-perform such Services.

Supplier agrees to provide to the Authorized User such assistance and advice as such Authorized User may reasonably require, at no additional cost, during such Acceptance testing. Any travel expenses not included in the fixed price of an order must be pre-approved by the Authorized User and shall be reimbursable by the Authorized User at the then-current per diem amounts as published by the Virginia Department of Accounts (http://www.doa.virginia.gov/procedures/adminservices/capp/pdfdocs/20335.pdf, or a successor URL(s)).

Acceptance shall be effective for the purpose of making payment for Services, as applicable, provided, however, Acceptance by the Authorized User following the evaluation period shall not be conclusive that the Services conform in all respects to the specifications and requirements of the Contract or the applicable order. In the event that nonconformance therewith is discovered by the Authorized User after Acceptance, whether due to a latent defect or otherwise, the Supplier shall take whatever action is necessary, including but not limited to re-performance of Services, to conform the Services to the specifications and requirements of the Contract or the applicable order. The Supplier's failure to do so shall constitute a default on the Contract for which VITA or Authorized User may exercise the remedies provided in the section herein entitled "Termination

for Breach or Default," in addition to and not in lieu of any other remedies available at law or in equity.

D. Cure Period

Supplier shall correct the non-conformities identified hereunder and shall thereafter commence re-performance of Services, within fifteen (15) days of written notice of non-conformance by the Authorized User, or as otherwise agreed between the Authorized User and Supplier. In the event that Supplier fails to deliver a Service which meets the Requirements, the Authorized User may, in its sole discretion: (i) reject the Service in its entirety and recover amounts previously paid hereunder; (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. Rejection will terminate the individual order issued under this Contract. Notwithstanding the foregoing, VITA or the Authorized User shall be entitled to pursue any other remedies that are available to it under this Contract and at law or in equity.

E. Service Performance Standard

Following acceptance of the initial installation Services, the Supplier shall continue to provide the same level of Services pursuant to the individual order and shall maintain such Services at the same availability and quality levels for the term of such order. The procedures utilized for acceptance shall be used during the entire term of this Contract by the Authorized User for monitoring performance levels.

F. Service Levels and Remedies

Supplier shall provide a Single Point of Contact (SPOC) for the reporting of service problems encountered by the Authorized User, or other public body which is the recipient of Supplier’s Services while using the Services. The SPOC shall be staffed and available twenty-four (24) hours per day, seven (7) days a week, including weekends and holidays.

Authorized User shall be rebated, or credited, a prorated hourly portion of the applicable monthly service charges for each occurrence during which the public body which is the recipient of Supplier’s Services is denied use of the Service due to Service failures and disruptions for four (4) or more hours during any single twenty-four (24) hour period. The rebate shall apply to the initial four (4) hours and all additional hours, or portions thereof, during which VITA or the public body which is the recipient of Supplier’s Services is denied access to the Service.

In addition, Authorized User shall be rebated, or credited, a prorated hourly portion of the applicable monthly service charges for each occurrence during which such Authorized User is denied use of the Service for eight (8) hours or more during any consecutive thirty (30) day period. The rebate shall apply to the initial eight (8) hours and all additional hours, or portions thereof, during which such Authorized User is denied access to the Service.

Credits and rebates are remedies available to all Authorized Users in addition to, and not in lieu of, any other remedies available pursuant to this Contract or at law or in equity.

G. Training and Documentation

Any training or documentation necessary for public body recipient of the Service to have full benefit of such Service shall be deemed included in the scope of the order unless expressly excluded.

Supplier shall be responsible for providing hands-on training on the use of the Service(s) for all Commonwealth end users. Supplier shall coordinate scheduling for all training directly with such public body. In conjunction with verbal explanations of the system features and configuration, Supplier shall supply documentation including operations manuals, instruction cards, and other materials as necessary for each Service. Training and training materials shall be provided at no additional cost to VITA or any Authorized User or other public body which is the recipient of Supplier’s Services.

H. Failure to Deliver

In the event the Supplier fails for any reason, other than a Force Majeure event or the failure of the public body which is to receive Supplier’s Services to provide any necessary access or

support as identified in the applicable order, to deliver in a timely manner or according to Contract terms the Services set forth in the Pricing Exhibit, VITA or the Authorized User, at its sole discretion, may give Supplier written notice of default. Once notice by VITA or Authorized User is sent or given, VITA or the Authorized User may, if allowable pursuant to applicable law and regulation, immediately procure services from another source. Once VITA or 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 parties agree that VITA or the Authorized User may charge-back Supplier, in which case Supplier agrees to reimburse VITA or the Authorized User for any difference in cost between the original Contract price and cost to VITA or the Authorized User to cover from the alternate source. In no event shall VITA or the 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 notice of default by VITA or the Authorized User. This remedy is in addition to and not in lieu of any other remedy VITA or the Authorized User may have under this Contract or at law or in equity.

EXHIBIT C – CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief, that:

i). No Federal appropriated funds have been paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee or an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.

ii). If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

iii). The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: Lev Altman

Printed Name: Lev Altman

Organization: GlobaFone

Date: 4/6/09

EXHIBIT D

IRIDIUM WARRANTY

Iridium Limited Warranty for Satellite Subscriber Radiotelephone Products

1. Coverage and Duration

Iridium warrants that its new satellite subscriber radiotelephone products and accessories (the "Product") shall be free from defects in materials and workmanship for a period of twelve (12) months from the date such Product is delivered to the first end user purchaser or first lessee (the "Purchaser"), or the date such Products are first placed into satellite subscriber service, whichever occurs earliest.

Iridium, at its option, shall at no charge to Purchaser, either repair or replace the Product, or refund the purchase price of a Product that does not conform to this warranty, provided the Product is returned in accordance with the instructions set out below and within the warranty period. These remedies are Purchaser's exclusive remedies under this warranty. Repair may include the replacement of parts or boards with functionally equivalent reconditioned or new parts or boards. A product that has been repaired or replaced is warranted for the balance of the original warranty period. A Product for which a replacement has been provided shall become Iridium's property.

This warranty is made by Iridium to the Purchaser of the Products only, and it is not assignable or transferable by the Purchaser. This is Iridium's sole and complete warranty for the Products. Iridium assumes no obligation or liability for additions or modifications to this warranty unless made in writing and signed by an officer of Iridium. Iridium does not warrant any installation, maintenance, or service of the Products not performed by Iridium.

2. Conditions Not Covered By This Warranty

a. Products that are integrated, installed, maintained, or serviced in any manner other than in accordance with the Iridium user documentation furnished with or applicable to the Product.

b. Product damage caused by the use of ancillary equipment not furnished Iridium, including accessories and peripherals.

c. Problems where the Product is used in a combination with ancillary equipment not furnished by Iridium, and it is determined by Iridium there is no fault with the Product.

d. Ancillary equipment not furnished by Iridium which is attached to or used in connection with the Products is not the responsibility of Iridium, and all such equipment is expressly excluded from this warranty. Furthermore, Iridium does not warrant the integrated operation of the combination of the Products with any ancillary equipment not furnished by Iridium.

e. Defects or damage resulting from: use of the Product in any manner not normal or customary; misuse, accident or neglect including but not limited to dropping the Product onto hard surfaces, immersion in or exposure to water, rain or extreme humidity, immersion in or

exposure to sand, dirt or other particulates, exposure to extreme heat, spills of food or liquid; improper testing, operation, maintenance, installation, adjustment; or any alteration or modification of any kind.

f. Batteries manufactured by Iridium and sold with Products whose capacity exceeds 80% of rated capacity are not covered. Batteries whose capacity falls below 80% of rated capacity, or that develop leakage, shall be considered nonconforming. This warranty is voided for batteries if: a) such batteries are charged by other than the Iridium-approved battery charger specified for charging such batteries; b) any seals on such batteries are broken or show evidence of tampering; or c) such batteries are used in equipment other than the Product for which they are specified; or d) such batteries are charged and stored at temperatures greater than 60 degrees centigrade.

g. Breakage or damage to antennas, or scratches or other damage to plastic surfaces or other externally exposed parts caused by Purchaser's use.

h. Products disassembled or repaired in such a manner as to adversely affect performance or prevent adequate inspection and testing to verify any warranty claim.

i. Products on which serial numbers or date tags have been removed, altered or obliterated.

j. Coil cords that are stretched or on which the modular tab is broken; leather cases, which are covered under separate manufacturers' warranties;

k. Products rented on a month-to-month basis.

l. Normal wear and tear.

EXHIBIT D

GLOBALSTAR WARRANTY:

Globalstar USA, LLC. ("GUSA") offers you a limited warranty valid only in the USA that the enclosed product (the "Product") will be free from defects in material and workmanship under normal use and service for a time specified below from the date of sale of the Product to you, provided that you are the original end-user purchaser of the Product and provided that your purchase was made from a GUSA authorized supplier. Transfer or resale of a product will automatically terminate warranty coverage with respect to that Product. This limited warranty is not transferable to any third party, including but not limited to any subsequent purchaser or owner of the Product. The warranty time period for the Product is as follows:

- Portable Phone: one (1) year
- Fixed Phone: one (1) year after installation*
- Batteries: 6 months
- Car Kits: ninety (90) days after installation*
- Accessories: ninety (90) days
- Carrying cases: Defect free at time of shipment

*Installation will be deemed to be no later than thirty (30) days from the date of the sale of the Product to you.

GUSA shall, at its sole absolute discretion, either repair or replace a Product with a new or a rebuilt unit (which unit may include new and/or reconditions parts or boards of similar quality and functionality) if found by GUSA to be defective in material or workmanship, or if GUSA determines that it is unable to repair or replace such Product, provided that the subject Product (I) is returned to a GUSA authorized service center within the warranty period, and (ii) is accompanied by a proof of purchase in the form of a bill of sale or receipted invoice which evidences that the subject Product is within the warranty period (Proof of Purchase). After the warranty period, you must pay all shipping, parts and labor charges. All replaced or refunded Products or parts will become the property of GUSA.

This limited warranty does not cover and is voice with respect to the following: (I) a product which has been improperly installed, repaired, maintained or modified; (ii) a Product which has been subject to misuse (including a Product used in conjunction with hardware electrically or mechanically incompatible or used with accessories not supplied or approved by GUSA), abuse, accident, physical damage, abnormal operation or operation contrary to furnished instructions or warnings, improper handling, neglect, exposure to fire, water or excessive moisture or dampness or extreme changes in climate or temperature; (iii) Products operated outside published maximum ratings; (iv) cosmetic damage; (v) damage to antennas unless caused directly to defects in materials or workmanship;(vi) coil cords and control cables that are stretched, pinched, or have the modular tab broken; (vii) Products on which warranty stickers or Product serial numbers have been removed, altered or rendered illegible; (viii)

customer instruction; (ix) cost of installation, removal or reinstallation; (x) signal reception problems (unless caused by defects in materials or workmanship); (xi) damage as a result of fire, flood, or other acts of God or other acts which are not the fault of GUSA and which the Product is not specified to tolerate, including but not limited to damage caused by mishandling, shipping or blown fuses; (xii) consumables (such as fuses); or (xiii) any Products which have been opened, repaired, modified or altered by anyone other than GUSA or a GUSA authorized service center.

USE WITH ACCESSORIES NOT SUPPLIED BY GUSA OR OTHERWISE NOT EXPRESSLY AUTHORIZED BY GUSA MAY BE DANGEROUS AND MAY VOID THE PRODUCT WARRANTY.

GUSA SPECIFICALLY DISCLAIMS LIABILITY FOR ANY AND ALL DIRECT, INDIRECT, SPECIAL, GENERAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR ANTICIPATED PROFITS ARISING OUT OF USE OF OR INABILITY TO USE ANY PRODUCT (FOR EXAMPLE, EXTRA AIRTIME CHARGES DUE TO THE MALFUNCTION OF A PRODUCT).

REPAIR, REPLACEMENT OR REFUND, AS PROVIDED UNDER THE WARRANTY IS YOUR SOLE AND EXCLUSIVE REMEDY FOR BREACH OF THE LIMITED WARRANTY. EXCEPT TO THE EXTENT PROHIBITED BY APPLICABLE LAW, ANY IMPLIED WARRANTY OF MERCHANTIBILITY OR FITNESS FOR A PARTICULAR PURPOSE ON THESE PRODUCTS IS LIMITED IN DURATION TO THE DURATION OF THIS WARRANTY. TO THE EXTENT PERMITTED BY APPLICABLE LAW, GUSA MAKES NO OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AGAINST INFRINGEMENT.

Some States do not allow the exclusion of limitation of incidental or consequential damages or allow limitations on how long an implied warranty lasts, so the above limitations or exclusions may not apply to you.

This limited warranty gives you specific rights, and you may also have other rights that vary from State to State.

To obtain warranty service, please call the following telephone number toll free anywhere in the continental United States: 1-877-GLBLSTAR (1-877-452-5782)

GlobaFone Iridium Out of Warranty Repairs

Repair Service/9505A	Price
Bench Test	$143.00
Sim Gate Only	$55.00
Rubber Keypad	$198.00
Reflash	$143.00
LCD Display	$286.00
Internal Clock Battery	$286.00
Antenna swivel socket/sensor	$286.00
Sim card reader	$286.00
Face plate with speaker	$286.00
Rear Chassis	$286.00
**** Prices include one hour labor	
*** If customer is repairing 2 parts like front face plate and rear chassis just charge 1 hour for labor	

- Turn around time for repairs are 7-10 business days from receipt of the phone. If we have to send the phone back to the manufacturer for repair we can't guarantee turn around time.
- Customer to pay for shipping costs both to and from GlobaFone and to and from Iridium
- If equipment is found non-defective customer will have to pay $140.00 evaluation fee or we can waive the fee and keep the phone for parts.
- Please check inventory before we quote a customer for a repair that require parts. We only have a limited stock of some parts. We don't have a guaranteed stock of inventory and Iridium stops manufacturing some items as they get older and phones become out of warranty. It's not always a guarantee that all out of warranty phones can be repaired.

CONTRACTUAL TERMS AND CONDITIONS
HARDWARE AND MAINTENANCE CONTRACT
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CONTRACTUAL TERMS AND CONDITIONS
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 Supplier to be effective as of the date in set forth on the signature page of this Contract ("Effective Date" or "Award Date").

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which Supplier agrees to sell the Product identified in the Pricing Exhibit A and referenced on the signature page of this Contract, and to provide various Services to the Authorized Users.

2. DEFINITIONS

A. Acceptance

Acceptance shall take the form of completed acceptance testing in conformance with the Requirements and/or as determined by 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 and all Commonwealth agencies, 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 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. Maintenance Period

One (1) year after the expiration of the Warranty Period or Authorized User's purchase or renewal of maintenance services.

F. Operating Condition

That condition which allows the Product to function in a normal, acceptable working manner, as designed by the Original Equipment Manufacturer (OEM).

G. Party

Supplier, VITA, or any Authorized User.

H. Principal Period of Maintenance (PPM)

Days and times during which Supplier shall answer or respond to Authorized User's calls or emails for warranty or maintenance services.

I. Product

Hardware, peripherals, and any other equipment, including all provided Software, all upgrades, all applicable user documentation and related accessories, as set forth in the Pricing Exhibit A and referenced on the signature page of this Contract, provided by Supplier pursuant to this Contract.

J. Receipt (of Product)

An Authorized User or its Agent has physically received, by means of inside delivery, the Product at the correct "ship-to" location, as verified by signature of the Authorized User or Agent on a document provided by the Supplier's shipping agent or organization.

K. Requirements

The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the Product described in the applicable Original Equipment Manufacturer's (OEM) documentation, an Authorized User's order, Exhibit B hereto, 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.

L. Service
Any Product-related service provided by Supplier under this Contract, including certain maintenance and/or support services for the Product.

M. Software Publisher
The licensor of the Software provided by Supplier under this Contract. Software Publisher may be the Supplier under this Contract.

N. Supplier
Any individual who is an employee, sub-contractor, or independent contractor of Supplier who is assigned by Supplier to provide Product or perform Services under this Contract.

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

P. VITA
Virginia Information Technologies Agency, an agency of the Commonwealth of Virginia pursuant to Chapter 20.1 (§§2.2-2005 et seq.) of the Code of Virginia.

Q. Warranty Period
The greater of the manufacturer's Standard Warranty, or as specified in the Requirements Exhibit B. Warranty Period shall commence upon Acceptance.

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 one (1) year. 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 one (1) 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 or maintenance on any Product ordered during the term of the Contract may extend beyond the term of this Contract. Expiration of the term of this Contract or any order shall not affect any perpetual license granted pursuant to this Contract, provided all fees for such license have been paid.

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 ("Termination for Convenience"). In addition, VITA may immediately terminate this Contract, in whole or in part, or any order issued hereunder, if Supplier becomes a party excluded from Federal Procurement and Nonprocurement Programs. VITA shall provide written notice to Supplier of such termination, and Supplier shall provide written notice to VITA if federal debarment proceedings are instituted against Supplier. Supplier shall submit any contractual dispute to VITA or any order dispute to the terminating Authorized User for resolution according to the terms of the Dispute Resolution Section of this Contract. Upon termination, neither the Commonwealth, nor VITA, nor any Authorized User shall have any future liability except for Product accepted by the Authorized User or Services rendered by Supplier prior to the termination date. Termination of this Contract or any order shall not affect any perpetual license granted pursuant to this Contract, provided all fees for such license have been paid.

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 ("Termination for Breach" or "Termination for Default"). 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 or an Authorized User deems the Supplier to be in breach and/or default, VITA or the Authorized User shall issue a "Show Cause Notice" identifying the failure and providing Supplier fifteen (15) days to cure the failure/nonperformance. If Supplier fails to answer the Show Cause Notice, or does not correct the deficiencies noted, VITA may immediately terminate this Contract, in whole or in part, or any order issued hereunder, in whole or in part, or the Authorized User may immediately terminate its order, in whole or in part. Such termination shall be deemed a Termination for Breach or Termination for Default.

VITA may immediately terminate this Contract, in whole or in part, for breach and/or default if Supplier is found by a court of competent jurisdiction to be in violation of or to have violated 31 USC 1352, and VITA shall provide

written notice to Supplier of such termination. Supplier shall provide prompt written notice to VITA if Supplier is charged with violation of 31 USC 1352.

Upon Termination for Breach or Termination for Default, neither the Commonwealth, nor VITA, nor any Authorized User shall have any future liability except for Services rendered by Supplier and accepted by the Authorized User or Product delivered by Supplier and accepted by the Authorized User prior to the termination date. Supplier shall accept return of any Product that was not accepted by the Authorized User(s), and Supplier shall refund any monies paid by any Authorized User for such Product. All costs of de-installation and return of Product shall be borne by Supplier.

The failure of VITA or an Authorized User to exercise its right to terminate for breach and/or default under this provision shall not be construed as a waiver of its right to terminate for breach and/or default, rescind or revoke this Contract or any order issued hereunder in the event of any subsequent breach and/or default on any provisions of such agreements.

Supplier shall submit any contractual dispute to VITA or any order dispute to the terminating Authorized User for resolution according to the terms of the Dispute Resolution Section.

The terms of the Termination for Convenience and Termination for Breach or Default Sections shall not apply to termination for non-appropriation of funds.

D. 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 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 or a termination due to Supplier's status as a party excluded from Federal Procurement and Nonprocurement Programs, 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.

4. PURCHASE, DELIVERY, INSTALLATION AND ACCEPTANCE

A. 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 (http://www.eva.state.va.us). eVA is the Commonwealth of Virginia's e-procurement system. Commonwealth 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 and canceling 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 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.

B. Purchase Price and Price Protection

The Pricing Exhibit A sets forth the fees and the applicable discounts. Neither VITA nor any Authorized User will pay any additional costs above those costs provided for in the Pricing Exhibit A. Supplier may submit to VITA a request for an increase in such fees or a decrease in such discounts. Such request must be accompanied by written documentation to VITA demonstrating the additional value reflected by such increase in fee or decrease in

discount. VITA may, in its sole discretion, agree to a modification of this Contract to effectuate such increase in fees or decrease in discounts.

Any price decrease effectuated during the Contract term, or any extension thereto, by reason of market change shall be passed on to VITA and all Authorized Users. This decrease will be effective on the date the price decrease is announced to the general public.

Authorized charges do not include operational supplies (e.g. paper, tape) unless such supplies are specifically identified in the Pricing Exhibit A. All supplies used by the Authorized User shall conform to the Supplier's published specifications provided to such Authorized User at time of Product installation. The Authorized User reserves the right to acquire such supplies from any vendor of its choice.

C. Purchase Payment Terms

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 this Contract, in whole or in part, or any order, in whole or in part, or an Authorized User may terminate an 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. Termination for lack of appropriations shall not affect any perpetual license granted pursuant to this Contract, provided all fees for such license have been paid.

Supplier is responsible for the accuracy of its billing information. Supplier agrees not to issue invoices hereunder until Product has been delivered. 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.

In the event Product is delivered without the applicable Documentation, payment shall not be due until the required Documentation is provided or otherwise made available to the Authorized User.

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.

D. 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 Product Maintenance Services shall be annually in advance 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 the Pricing Exhibit A. Without limiting the foregoing, all shipping costs are the Supplier's responsibility except to the extent such charges are identified in the Pricing Exhibit A, or as noted in the executed order. 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). This Contract number and the applicable order number

v). Supplier's Federal Employer Identification Number (FEIN).

No invoice will be paid without adequate billing details. If available, charges should be provided on electronic media at the detail level.

Any credits due any Authorized User under the terms of this Contract may be applied against Supplier's invoices with appropriate information attached.

The Parties agree that 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. 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/procurement/supplierResources.cfm under "Supplier Reporting". 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/procurement/supplierResources.cfm under "Supplier Reporting".

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

F. 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.

5. GENERAL WARRANTY

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

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, to the best of its knowledge, the right to grant to the Commonwealth or any Authorized User title to or the right to use the Product provided hereunder. Upon receipt of payment, the Commonwealth or the ordering Authorized User, as applicable, shall obtain good and clear title to the Product, excluding the Software, free and clear of all liens, claims, security interests and encumbrances. In addition, Supplier has the right to provide the Services offered hereunder.

C. 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.

D. Supplier's Past Experience

Supplier warrants that Product has been provided and Services have been successfully performed for a non-related third-party without significant problems due to the Product, Services, 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.

6. 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, VITA or any Authorized User, may disclose the Confidential Information as delivered by Supplier to subcontractors, contractors or agents of VITA or such Authorized User that are bound by non-disclosure contracts with VITA or 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 other 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.

7. LIABILITY AND INDEMNIFICATION

Supplier agrees to indemnify, defend and hold harmless the Commonwealth, VITA, any Authorized User, their officers, directors, agents and employees ("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, fines, 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 any of the Products or Services provided 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, or in the event any Product or Service, in the Supplier's opinion, is likely to become the subject of a claim of infringement, 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.

EXCEPT WITH REGARD TO CLAIMS FOR PROPERTY DAMAGE, PERSONAL INJURY OR INFRINGEMENT, AND THE INDEMNIFICATION AND CONFIDENTIALITY OBLIGATIONS, WITH RESPECT TO EACH OF WHICH LIABILITY

SHALL NOT BE LIMITED PURSUANT TO THIS SECTION, IN NO EVENT WILL ANY PARTY BE LIABLE TO ANY OTHER PARTY (OR THE INDEMNIFIED PARTIES OF SUCH 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.

8. 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/docs/psg.cfm) 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 Commonwealth 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 Commonwealth 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 VITA, the Commonwealth, and any 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 VITA, the Commonwealth, any Authorized User, their officers, directors, agents or employees, on account of the failure of Supplier to perform its obligations pursuant this Section.

9. 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, 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 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 rights of VITA or any Authorized User right to pursue or enforce any of its rights under this Contract or otherwise.

10. GENERAL PROVISIONS

A. Relationship Between VITA, Authorized Users, 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 an Authorized User, shall be reimbursed by Supplier upon demand by VITA or such Authorized User.

B. Licensing Within the Commonwealth

For any license provided pursuant to this Contract, whether to Software or any other software, the following shall apply. 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.

C. Licenses and Permits

Supplier shall be responsible for obtaining all rights-of-way, licenses, and/or permits required by applicable authorities in order to perform installation Services at the location(s) specified on any order issued pursuant to this Contract.

D. Incorporated Contractual Provisions

The 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/procurement/documents/MandatoryContractTsandCs.pdf

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

The terms and conditions in the document posted to the aforereferenced 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.

E. Compliance with the Federal Lobbying Act

Supplier shall not, in connection with this Contract, engage in any activity prohibited by 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"), and shall promptly perform all obligations mandated by the Lobbying Act in connection with this Contract, including, without limitation, obtaining and delivering to the Commonwealth all necessary certifications and disclosures.

Supplier is hereby advised that a significant percentage of the funds used to pay Supplier's invoices under this Contract may be federal funds. Under no circumstances shall any provision of this Contract be construed as requiring or requesting the Supplier to influence or attempt to influence any person identified in 31 USC 1352(a)(1) in any matter.

Supplier's signed certification of compliance with the foregoing is incorporated as Exhibit C hereto.

F. 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.

G. 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.

H. 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.

I. 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 cover page of this Contract. VITA or Supplier may change its address for notice purposes by giving the other Party notice of such change in accordance with this Section.

J. No Waiver

Any failure to enforce any terms of this Contract, including termination for breach, shall not constitute a waiver.

K. 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.

L. Captions

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

M. 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.

N. Survival

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

O. 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.

P. Remedies

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

Q. 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.

R. Taxes—Federal, State, and Local

The Commonwealth of Virginia is exempt from Federal excise and all State and Local taxes. Such taxes shall not be included in Contract prices. Tax certificates of exemption, Form ST-12 can be obtained online at http://www.tax.state.va.us/. Deliveries against this Contract shall be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K. The Commonwealth is also exempt from paying E-911 charges.

S. Travel

Any travel expenses incurred by Supplier pursuant to this Contract shall 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_1206.pdf, or a successor URL(s)).

T. Contract Administration and Account Management

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

The Account Manager's responsibilities should include (i) resolution of technical support questions and issues which have not been resolved by Supplier's technical support division; (ii) preparation of account information and response to and resolution of inquiries regarding billing and payment; and (iii) investigation and resolution of customer service issues and complaints.

U. Entire Contract

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

i). Exhibit A Pricing Exhibit

ii). Exhibit B Requirements

iii). Exhibit C Certification Regarding Lobbying

iv). Exhibit D Warranty and Maintenance Services Description

This Contract, all 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, referenced by or provided with the Supplier's bid shall be deemed invalid. The provisions of the Virginia Department of General Services, Division of Purchases and Supply Vendor's Manual do not apply to this Contract. 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, Requirements Exhibit B, the Pricing Exhibit A, then any specific order. 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.

This Contract is effective as of the Award Date set forth below.

Supplier: Globalfone		VITA	
Name:	Lev Altman	Name:	Douglas Crenshaw
Signature:		Signature:	
Title:	CEO	Title:	Strategic Sourcing Manager Supply Chain Management
Date:	4/6/09	Date:	4/13/09

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CONTRACTUAL TERMS AND CONDITIONS
TELECOMMUNICATIONS SERVICES CONTRACT

THIS TELECOMMUNICATIONS SERVICES 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 Supplier to be effective as of the date in set forth on the signature page of this Contract ("Effective Date").

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which Supplier shall provide satellite telephone air time to any public body as defined by §2.2-4301 and referenced by §2.2-4304 of the Code of Virginia.

2. DEFINITIONS

A. Acceptance

Acceptance shall take the form of successful performance of the Services at the designated location, or completed Acceptance testing in conformance with the requirements as determined by VITA. or the Authorized User.

B. 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.

C. Party

Supplier, VITA, or a Commonwealth public body, including an Authorized User, which is a recipient of Supplier's Services.

D. Service

Any work performed or service provided by Supplier under this Contract for the benefit of VITA, an Authorized User, or another public body on whose behalf VITA has placed an order with Supplier.

E. Supplier

Any individual who is an employee, sub-contractor, or independent contractor of Supplier who is assigned by Supplier to perform Services under this Contract.

F. VITA

Virginia Information Technologies Agency, an agency of the Commonwealth of Virginia pursuant to Chapter 20.1 (§§2.2-2005 et seq.) of the Code of Virginia.

G. Warranty Period

All Services purchased under this Contract remain under warranty for the time period commencing after acceptance by VITA or the Authorized User and continuing through expiration of the Contract or discontinuance of the Services at the discretion of VITA or the Authorized User.

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 through the end of the initial term. VITA, at its sole option, may extend the term of this Contract for up to three (3) additional one (1) year periods after the expiration of the initial contract term. 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.

B. Termination for Convenience

VITA may terminate for convenience 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. VITA may also immediately terminate this Contract, in whole or in part, or any order issued hereunder, if Supplier becomes a party excluded from Federal Procurement and Nonprocurement Programs. VITA shall provide written notice to Supplier of such termination, and Supplier shall provide prompt written notice to VITA if federal debarment proceedings are instituted against Supplier. Supplier shall submit any contractual dispute to VITA or the terminating Authorized User for resolution according to the terms of the Dispute Resolution Section of this Contract.

Upon termination for convenience, neither the Commonwealth nor VITA nor any public body, to include any Authorized User, shall have any future liability except for (i) Services rendered by Supplier prior to the termination date of the Contract or order and (ii) costs associated with circuit or service de-installation for services installed prior to termination. The Commonwealth makes no assurances that any Service purchased under this Contract will remain in service for any minimum amount of time.

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 ("Termination for Breach" or "Termination for Default"). 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 or an Authorized User deems the Supplier to be in breach and/or default, VITA or the Authorized User shall issue a "Show Cause Notice" identifying the failure and providing Supplier fifteen (15) days to cure the failure/nonperformance. If Supplier fails to answer the Show Cause Notice, or does not correct the deficiencies noted, VITA may immediately terminate this Contract, in whole or in part, or any order issued hereunder, in whole or in part, or the Authorized User may immediately terminate its order, in whole or in part. Such termination shall be deemed a Termination for Breach or Termination for Default.

VITA may immediately terminate this Contract, in whole or in part, for breach and/or default if Supplier is found by a court of competent jurisdiction to be in violation of or to have violated 31 USC 1352, and 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.

Upon Termination for Breach or Termination for Default, neither the Commonwealth, nor VITA, nor any public body, to include any Authorized User, shall have any future liability except for Services accepted prior to the termination date. Supplier shall refund any monies paid by VITA or any Authorized User for Services that were not accepted by VITA or the Authorized User.

The failure of VITA or an Authorized User to exercise its right to terminate for breach and/or default under this provision shall not be construed as a waiver of its right to terminate for breach and/or default, rescind or revoke this Contract or any order issued hereunder in the event of any subsequent breach and/or default on any provisions of such agreements.

Supplier shall submit any contractual dispute to VITA or the terminating Authorized User for resolution according to the terms of the Dispute Resolution Section.

The terms of the Termination for Convenience and Termination for Breach or Default Sections shall not apply to termination for non-appropriation of funds.

D. Transition of Services

Prior to or upon expiration or termination of this Contract, Supplier shall provide all assistance reasonably required to transition Services to any other supplier with whom VITA 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. 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 the Authorized User.

4. SERVICES

A. Nature of Services and Engagement

Supplier is an independent contractor engaged to perform certain Services, including but not limited to installation and/or support activities for public bodies as described in Exhibit B and the Pricing Exhibit. VITA and all Authorized Users reserve the right to order any of Supplier's Services at any time during the term of this Contract or any extension thereto. Notwithstanding all VITA's or Authorized User's rights to obtain Supplier's Services under this Contract, neither VITA nor any public body is under any obligation to purchase any of Supplier's Services. This Contract is non-exclusive and VITA and all public bodies may, at their sole discretion and in accordance with applicable law and regulation, purchase, license or otherwise receive benefits from third party suppliers of services similar to, or in competition with, the services provided by Supplier.

B. Subcontractors

If Supplier subcontracts the provision of Services under this Contract to any other party, Supplier (i) shall act as prime contractor and shall be the sole point of contact with regard to all obligations under this Contract, and (ii) hereby represents and warrants that any authorized subcontractors performing the Services shall perform the Services in accordance with the warranties set forth in this Contract. Supplier shall not subcontract any Services pursuant to this Contract to any subcontractor that is a party excluded from Federal Procurement and Nonprocurement Programs.

C. Substitution of Services

During the term of this Contract, the Supplier is not authorized to substitute for any Service identified in the Pricing Exhibit a service not identified in the Pricing Exhibit. Violation of this condition may be considered grounds for termination of the Contract. Supplier is not authorized to substitute for any Service identified in the Pricing Exhibit any other Service identified in the Pricing Exhibit without the written permission of VITA or the Authorized User. Violation of this condition may be considered grounds for termination of the Contract.

5. SUPPLIER PERSONNEL

A. Selection and Management of Supplier Personnel

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, agents, and subcontractors comply with the appropriate public body's site security, information security and personnel conduct rules, as well as applicable federal, state and local laws and regulations, including those related to imports and exports. The public body on whose site Supplier is performing Services shall have the right to require the immediate removal from its premises of any employee, subcontractor or agent of Supplier whom such public body 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.

6. 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 and, to the best of its knowledge, the provision of such Services does not violate or infringe any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.

B. Performance

All Services shall be performed with care, skill and diligence, consistent with or above applicable professional standards currently recognized in Supplier's profession, and Supplier shall be responsible for the professional quality, technical accuracy, completeness and coordination of all Services furnished under this Contract;

The Services are pursuant to a particular solicitation, and therefore such Services and Deliverables shall be fit for the stated purposes specified by VITA and Supplier is possessed of superior knowledge with respect to the Services and is aware that VITA, Authorized Users, and public bodies on whose behalf VITA acquires Supplier's Services are relying on Supplier's skill and judgment in providing the Services;

The Services shall meet or exceed the stated requirements;

Any documentation which Supplier is required to provide under this Contract shall be sufficient in detail and content to allow a properly trained user to fully utilize the Services without reference to any other materials or information.

C. Services Warranty and Remedy

Throughout the Contract term, including any extensions thereto, Supplier shall respond to reports of interruption of Service and acknowledge all requests for restoration of Service with a status report within one (1) hour after notification by VITA or an Authorized User that a Service failure has occurred. Supplier shall include in its status report a description of the failure and the estimated time to repair/restore Services.

Supplier's response may be on-site or from a remote location based on the Supplier's determination of the source of Service failure. If an on-site response is required, then the Supplier's repair personnel shall be on-site and working to restore Service within four (4) hours after notification of Service failure.

D. 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.

E. 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.

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.

7. ORDERS AND COMPENSATION

A. Orders

Notwithstanding all Authorized User's rights to license or purchase Supplier's services under this Contract, an Authorized User is under no obligation to license or purchase from Supplier any of Supplier's 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 services similar to, or in competition with, the services provided by Supplier.

Supplier is required to accept any order placed by an Authorized User through the eVA electronic procurement website portal (http://www.eva.state.va.us). eVA is the Commonwealth of Virginia's e-procurement system. Commonwealth 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 and canceling 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 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.

B. Purchase Price and Price Protection

The Pricing Exhibit sets forth the fees and the applicable discounts. No public body will be required to pay any additional costs above those costs provided for in the Pricing Exhibit. Supplier may submit to VITA a request for an increase in such fees or a decrease in such discounts. Such request must be accompanied by written documentation to VITA demonstrating the additional value reflected by such increase in fee or decrease in discount. VITA may, in its sole discretion, agree to a modification of this Contract to effectuate such increase in fees or decrease in discounts**.**

Any price decrease effectuated during the Contract term, or any extension thereto, by reason of market change shall be passed on to VITA and all Authorized Users. This decrease shall be effective on the date the price decrease is announced to the general public.

At all times during the term of this Contract and any extensions thereto, Supplier's prices on the Pricing Exhibit shall at all times comply with §§ 56-234 et seq. of the Code of Virginia. Supplier's failure to comply with the aforereferenced statute shall be grounds for termination of the Contract or any order issued hereunder for default and/or breach; and VITA and any Authorized User may pursue any remedies available at law or in equity with regard to such failure to comply.

C. Invoice and Payment Terms

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 this Contract, in whole or in part, or any order, in whole or in part, or a Authorized User may terminate an order, in whole or in part, for those 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.

Supplier shall deliver to VITA one consolidated monthly invoice for all services ordered by and billable to VITA pursuant to this Contract. Supplier shall also deliver to each Authorized User one consolidated monthly invoice for all services ordered by and billable to such Authorized User pursuant to this Contract. Neither VITA nor any Authorized User is obligated to pay against an invoice that is not readable and verifiable.

Supplier is responsible for the accuracy of its billing information. Charges for Services accepted more than ninety (90) days prior to receipt of a valid invoice may not be paid.

If there are any disputed items, VITA or 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 Supplier does not concur with VITA or such Authorized User, shall provide VITA or such Authorized User with documentation to support the charge within fifteen (15) days of notification of the disputed amount. 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, VITA or such Authorized User may not pay the disputed amounts and may consider the matter concerning the specific identified amounts closed.

C. Invoice Procedures

Supplier shall promptly remit each invoice to the "bill-to" address provided with the order. Supplier shall submit invoices for monthly recurring charges monthly in advance and for usage-based or other miscellaneous charges in arrears. No invoice shall include any costs other than those identified in the executed order, which costs shall be in accordance with the Pricing Exhibit. In addition, all Services provided under this Contract shall be billed by the Supplier at the Contract price, regardless of which public body is benefiting from the Services. Without limiting the foregoing, all shipping costs are the Supplier's responsibility except to the extent such charges are identified in the Pricing Exhibit, or as noted in the executed order. Invoices issued by the Supplier shall identify at a minimum:

Service type and description, with charges identified at the lowest level of detail (i.e., phone level)

Applicable order date

This Contract number and the applicable order number

Supplier's Federal Employer Identification Number (FEIN).

No invoice will be paid without adequate billing details. If available, charges should be provided on electronic media at the detail level.

Any credits due VITA or any Authorized User under the terms of this Contract may be applied against Supplier's invoices to VITA or such Authorized User on the same account with appropriate information attached.

The Parties agree that any terms included on Supplier's invoice shall have no force or effect and will in no way bind VITA or any other public body.

D. Small, Woman, and Minority-Owned Business (SWaM) Subcontracting Report

By the 10th day of every month, Supplier shall submit to VITA the Small, Woman, and Minority Owned Business (SWaM) Subcontracting Monthly Report (template available at http://www.vita.virginia.gov/procurement/supplierResources.cfm). 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 SWaM vendors, by SWaM category, regardless of such SWaM vendors' certification status. Supplier shall submit the report to SWaM@vita.virginia.gov.

E. Universal Service Fund

Supplier agrees to make available all Services as listed and priced herein to any Authorized User which is a Universal Service Fund (USF) participant. Supplier agrees to provide the Services directly to the USF participant, and to bill each USF participant directly. Supplier agrees and understands that the responsibility for collection of all charges incurred, and the responsibility for resolving all Product and Service problems as well as administration of this Contract for USF participation shall be the sole responsibility of Supplier.

8. 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, VITA or any public body recipient of Supplier's Services, including Authorized Users, may disclose the Confidential Information as delivered by Supplier to subcontractors, contractors or agents of VITA or such public body that are bound by non-disclosure contracts with VITA or such public body. 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 Party, the receiving Party shall (i) at its own expense, (a) promptly return to the disclosing Party all tangible Confidential Information (and all copies thereof except the record required by law) of the disclosing Party, or (b) upon written request from the disclosing Party, destroy such Confidential Information and provide the disclosing Party with written certification of such destruction, and (ii) cease all further use of the other Party's Confidential Information, whether in tangible or intangible form.

9. LIABILITY AND INDEMNIFICATION

Supplier agrees to indemnify, defend and hold harmless VITA, the Commonwealth, Authorized Users, or any other public body recipient of Services, their officers, directors, agents and employees ("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, fines, 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 or subcontractor of Supplier, (ii) any act or omission of any employee or subcontractor of Supplier, (iii) breach of any representation, warranty or covenant of Supplier contained herein, (iv) any defect in the Services 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.

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 public body against whom the claim has been asserted.

In the event that a Claim is commenced against any of Commonwealth's Indemnified Parties alleging 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 public body(ies) in writing, via certified mail and via email, if available, 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 public body(ies) to appear and defend their interests in cooperation with Supplier as is appropriate, including any jurisdictional defenses VITA or the affected public body(ies) 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,, and in addition to all other obligations of Supplier in this Section, Supplier shall at its expense, either (a) procure for all public bodies the right to continue use of such infringing Services, or any component thereof; or (b) replace or modify such infringing Services, or any component thereof, with non-infringing products or services satisfactory to VITA. And in addition, Supplier shall reimburse VITA or any affected public body for the reasonable costs incurred by VITA or such public body in obtaining an alternative service in the event such public body cannot use the affected Services

EXCEPT WITH REGARD TO CLAIMS FOR PROPERTY DAMAGE, PERSONAL INJURY OR INFRINGEMENT, AND THE INDEMNIFICATION AND CONFIDENTIALITY OBLIGATIONS, WITH RESPECT TO EACH OF WHICH LIABILITY SHALL NOT BE LIMITED PURSUANT TO THIS SECTION, IN NO EVENT WILL ANY PARTY BE LIABLE TO ANY OTHER PARTY (OR THE INDEMNIFIED PARTIES OF SUCH 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.

10. SECURITY COMPLIANCE

Supplier agrees to comply with all provisions of the then current security procedures of VITA and/or the relevant public body recipient of Supplier's Services as are pertinent to Supplier's operation and have been supplied to Supplier by VITA or such public body and further agrees to comply with all applicable federal, state and local laws. For any individual Commonwealth 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 Commonwealth information with which such employees and agents come into contact while at the end user public body 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 VITA, the Commonwealth, any Authorized User, and any other public body recipient of Supplier's Services, 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 VITA, the Commonwealth, any Authorized User, and any other public body recipient of Supplier's Services, their officers, directors, agents or employees, on account of the failure of Supplier to perform its obligations pursuant this Section.

11. 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 any order

issued hereunder, or a 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 the 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 VITA's right to pursue or enforce any of its rights under this Contract or otherwise.

12. GENERAL PROVISIONS

A. Relationship Between VITA, Commonwealth Public Bodies, and Supplier

Supplier has no authority to contract for VITA or any Commonwealth public body or in any way to bind, to commit VITA or any Commonwealth public body 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 Commonwealth public body. 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 Commonwealth public body, and neither VITA nor any Commonwealth public body 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 Commonwealth public body 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 Commonwealth public body, shall be reimbursed by Supplier upon demand by VITA or such Commonwealth public body.

B. Licenses and Permits

Supplier shall be responsible for obtaining all rights-of-way, licenses, and/or permits required by applicable authorities in order to perform installation Services at the location(s) specified on any order issued pursuant to this Contract.

C. Incorporated Contractual Provisions

The contractual provisions at the following URL are statutorily mandated provisions that are hereby incorporated by reference:
http://www.vita.virginia.gov/procurement/documents/StatutorilyMandatedTsandCs.pdf

The contractual claims provision at §2.2-4363 of the Code of Virginia is also incorporated by reference.

The terms and conditions in the document posted to the aforereferenced URL are subject to change pursuant to action by the legislature of the Commonwealth of Virginia. 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 URL periodically.

D. Compliance with the Federal Lobbying Act

Supplier shall not, in connection with this Contract, engage in any activity prohibited by 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"), and shall promptly perform all obligations mandated by the Lobbying Act in connection with this Contract, including, without limitation, obtaining and delivering to the Commonwealth all necessary certifications and disclosures.

Supplier is hereby advised that a significant percentage of the funds used to pay Supplier's invoices under this Contract may be federal funds. Under no circumstances shall any provision of this Contract be construed as requiring or requesting the Supplier to influence or attempt to influence any person identified in 31 USC 1352(a)(1) in any matter.

Supplier's signed certification of compliance with the foregoing is incorporated as Exhibit C hereto.

E. 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.

F. 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.

G. Advertising and Use of Proprietary Marks

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

H. 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.

I. No Waiver

Any failure to enforce any terms of this Contract, including termination for breach, shall not constitute a waiver.

J. 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.

K. Captions

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

L. 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.

M. Survival

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

N. 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.

O. Remedies

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

P. 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:

Three (3) years from Service performance date;

Performed at Supplier's premises, during normal business hours at mutually agreed upon times; and

Excludes access to Supplier cost information.

The Supplier shall not have the right to audit, or require to have audited, VITA or any Commonwealth public body.

Q. Taxes—Federal, State, and Local

The Commonwealth of Virginia is exempt from Federal excise and all State and Local taxes. Such taxes shall not be included in Contract prices. Tax certificates of exemption, Form ST-12 can be obtained online at http://www.tax.state.va.us/. Deliveries against this Contract shall be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K. The Commonwealth is also exempt from paying E-911 charges.

R. Contract Administration and Account Management

Supplier agrees that at all times during the term of this Contract an account executive ("Account Manager"), at Supplier's senior management level, shall be assigned and available to VITA and

all Authorized Users. Supplier reserves the right to change such account executive upon reasonable advance written notice to VITA.

The Account Manager's responsibilities should include (i) resolution of technical support questions and issues which have not been resolved by Supplier's technical support division; (ii) preparation of account information and response to and resolution of inquiries regarding billing and payment; and (iii) investigation and resolution of customer service issues and complaints.

S. Entire Contract

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

Exhibit A	Pricing Exhibit
Exhibit B	Service Requirements
Exhibit C	Certification Regarding Lobbying

This Contract, all 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, referenced by or provided with the Supplier's bid shall be deemed invalid. The provisions of the Virginia Department of General Services, Division of Purchases and Supply Vendor's Manual do not apply to this Contract. 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, Pricing Exhibit, then any specific order. 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.

This Contract is effective as of the date set forth below.

Supplier:	Globafone	VITA	
Name:	Lee Altman	Name:	Gary Carden
Title:	CEO	Title:	Sourcing Manager
Date	4/6/09	Date:	4/13/09