



Commonwealth of Virginia
Virginia Information Technologies Agency

MICROSOFT LARGE ACCOUNT RESELLER (LAR)
Mandatory Use

Date: December 7, 2015

Contract #: VA-131017-SHI

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

Contractor: Software House International Corporation
290 Davidson Avenue
Somerset, NJ 08873

FIN: 22-3009648

Contact Person: Erik Schroeder, Account Executive
Phone: 804-379-8157
Fax: 732-652-0810
Email: erik_schroeder@shi.com

Delivery: 30 days ARO

Term: October 17, 2013 – October 16, 2016

Payment: Net 30 days

For Additional Contract Information, Please Contact:

Virginia Information Technologies Agency
Supply Chain Management

Greg Searce
Strategic Sourcing Specialist
Phone: 804-416-6166
E-Mail: gregory.searce@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>

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

Modification No. 2

TO
CONTRACT NO. VA-131017-SHI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
SHI International Corp.

This Modification No. 2 is an agreement between the Commonwealth of Virginia, herein referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and SHI International Corp., herein referred to as "Contractor". This Modification is hereby incorporated into and made an integral part of Contract No. VA-131017-SHI (the Agreement).

The purpose of this Modification is to document both parties' agreement to modify the Contract as follows:

Exhibit A currently states the following:

<u>Contract #</u>	<u>Name</u>
VA-020409-MSE	Microsoft Enterprise Agreement
VA-040204-MCA	Microsoft Academic Licensing Agreement
VA-040204-MCS	Microsoft Select Agreement

Exhibit A Updated Version:

<u>Contract #</u>	<u>Name</u>
VA-121217-MSE	Microsoft Enterprise Agreement
VA-040204-MCA	Microsoft Academic Licensing Agreement
VA-130501-MCS	Microsoft Government Select Plus Agreement

The foregoing is the complete and final expression of the parties' agreement to modify Contract No. VA-131017-SHI 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.

SHI International Corp

COMMONWEALTH OF VIRGINIA

BY: 
 NAME: Cassie Skelton
 TITLE: Contract Specialist
 DATE: 12/4/15

BY: 
 NAME: GREGORY SEARCE
 TITLE: STRATEGIC SOURCING SPECIALIST
 DATE: 12-7-2015

**MODIFICATION NO. 1
TO
CONTRACT NUMBER VA-131017-SHI
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
SHI INTERNATIONAL CORPORATION**

This MODIFICATION No. 1 is hereby incorporated into and made an integral part of Contract VA-131017-SHI.

The purpose of this Modification is to add the clause(s) and clarifications listed below:

1. Add to the definition of "Authorized Users" in Section 2 Subsection D on Contract Page 4.
"Authorized Users include private institutions of higher education chartered in Virginia and granted tax-exempt status under §501(c)(3) of the Internal Revenue Code. A list of the private institutions eligible to use this contract can be found at <http://www.cicv.org/our-Colleges/Profiles.aspX>
2. Add to the definition of "Acceptance of Microsoft Products and Online Services" in Section 7 Subsection C on Contract Page 12.
"If the Authorized User is a private institution chartered in Virginia and granted tax-exempt status under §501(c)(3) of the Internal Revenue Code, such private institution may have its own per diem amounts applicable to Supplier's pre-approved travel expenses."
3. Add to the definition of "Indemnification" in Section 10 Subsection D on Contract Pages 14-15.
"In the event of a settlement between Supplier and private institution of higher education who is an Authorized User of this contract, the settlement shall be satisfactory to such institution."
4. Add to the definition of "Dispute Resolution" in Section 14 Subsection E on Contract Pages 17-18.
"In the event of any breach by a public body or a private institution, 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 to the right to terminate any license or support services hereunder."

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-131017-SHI by this Modification No. 1.

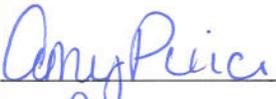
ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

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.

SHI International Corp.

BY: 
NAME: Cassie Skelton
TITLE: Contract Specialist
DATE: 8/6/14

COMMONWEALTH OF VIRGINIA

BY: 
NAME: Amy Pierce
TITLE: Strategic Sourcing SP
DATE: 8/6/14



Statewide Microsoft Large Account Reseller (LAR) Information Technology Contract

between

The Virginia Information Technologies Agency

on behalf of

The Commonwealth of Virginia

and

SHI International Corp

**MICROSOFT RESELLER CONTRACT
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MICROSOFT RESELLER CONTRACT

THIS MICROSOFT RESELLER CONTRACT ("Contract") is entered into by and between the Virginia Information Technologies Agency (VITA) pursuant to §2.2-2012 of the Code of Virginia and on behalf of the Commonwealth of Virginia, (hereinafter referred to as "VITA") and SHI International Corp (Contractor), a corporation headquartered at 290 Davidson Ave, Somerset NJ 08873, to be effective as of October 17, 2013 (Effective Date).

1. PURPOSE AND SCOPE

This Contract sets forth the terms and conditions under which Contractor agrees to sell Microsoft Products and Online Services, including but not limited to Licenses and Software Assurance, and to provide various Reseller Services to VITA and the Authorized Users. Microsoft Products are to be licensed directly from Microsoft, and Microsoft shall be responsible for hosting Microsoft Online Services.

2. DEFINITIONS

A. Acceptance

For Microsoft Products and Online Services means: successful performance of the Microsoft Products and Online Services, in accordance with Microsoft's published documentation, upon completion of Authorized User's Acceptance testing period. For Reseller Services: means successful performance of the Reseller Services as specified in Exhibit B and as specified in any individual order issued by an Authorized User under this Contract.

B. Agent

Any third party independent agent of VITA or the Authorized User.

C. Agreement

Any of the Commonwealth's current Microsoft Software License Agreements, or any software license agreement which Microsoft and the Commonwealth may execute in the future. Exhibit A shall contain a list of all active Agreements for which Contractor is to provide Reseller Services pursuant to this Contract. Notice to Contractor of any such future agreement(s) will be provided by VITA.

D. 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, and which may be considered "affiliates" (or a successor term used by Microsoft to identify those entities authorized to license products through an Agreement) pursuant to the Agreements. [Note to vendor: The Commonwealth's current agreements with Microsoft define "affiliate" to mean "any government agency, department, instrumentality, division, unit or other office that is supervised by or is part of you [the Commonwealth], or which supervises you or of which you are a part together with, as mandated by law, any county, borough, Commonwealth, city, municipality, town, township, special purpose district or other similar type of governmental instrumentality located within your jurisdiction and geographic boundaries, provided that a state and its affiliates shall not, for purposes of this definition, be considered to be affiliates of the federal government and its affiliates."]

E. Computer Virus

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

F. 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 the other party in connection with or as a result of discussions related to this Contract, 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.

G. Contractor

Includes any authorized Microsoft reseller(s) who provide Microsoft Products and Online Services and/or Reseller Services under this Contract and any of their Affiliates (i.e., an entity that controls, is controlled by, or is under common control with Contractor).

H. Microsoft

Microsoft Corporation, the licensor of the Products and provider of the Online Services sold by Contractor under this Contract.

I. Microsoft Products and Online Services

The programs and code, and any subsequent releases, offered and licensed by Microsoft pursuant to the Agreements and provided by Contractor, as an authorized Microsoft reseller, under this Contract.

J. Reseller Services

Any services provided by Contractor under this Contract, including but not limited to servicing the Agreement(s) and managing orders for Microsoft Products and Online Services, as such services are described in Exhibit B. Development and maintenance of any website pursuant to this Contract shall be considered a Reseller Service.

K. Warranty Period

For Microsoft Products and Online Services, means the Warranty Period defined in Microsoft’s standard warranty. For warranty period relating to Reseller Services means the Limited Warranty as stated in the General Warranty section of this Contract.

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 three (3) years. This Contract may be extended by VITA, at its sole discretion, for up to three (3) additional one (1) year periods after the expiration of the initial three (3) year period. VITA will issue a written notification to the Contractor stating the extension period, at least thirty (30) days prior to the expiration of any current term. Performance of an order issued during the term of this Contract shall remain in full force and effect until expiration or termination of such order.

B. Service Commencement Date (SCD)

Upon execution of the Contract, the Contractor shall be required to execute, with VITA, for each Agreement identified in Exhibit A, Microsoft’s Change in Channel Partnership (COCP) form, which shall be submitted to Microsoft. VITA shall notify Contractor in writing upon receipt of confirmation from Microsoft that the Contractor may begin providing Reseller Services to VITA and all Authorized Users for each such Agreement. Contractor shall promptly begin delivery of Reseller Services for each such Agreement to VITA and all Authorized Users, upon receipt of said notice, or at such other date as may be requested by VITA (Service Commencement Date).

This procedure shall be repeated for any future Agreement which may be added by VITA to Exhibit A.

C. 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 sixty (60) days prior written notice at any time for any reason.

D. 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 ("Termination for Breach" or "Termination for Default"). Contractor shall be deemed in breach and/or default in the event that any one or more of the following events occurs or continues during the term of the Contract or the term of the order, as applicable:

- i). Contractor fails to deliver the Microsoft Products and Online Services or provide the Reseller Services required by this Contract or any order issued hereunder by the specified delivery date or in accordance with the timeliness standards set forth in Exhibit B;
- ii). Contractor repeatedly fails to respond to requests for correction of deficiency(ies) or other services within the time limits set forth in the Contract or any order issued hereunder;
- iii). Contractor is in breach and/or default of any of the other terms set forth within this Contract;
or
- iv). Contractor fails for any period of time to maintain its status as a Microsoft Authorized North American Government Large Account Reseller (LAR).
- v). Contractor fails to notify VITA and all Authorized Users that it is no longer a Microsoft Authorized North American Government LAR.
- vi). Contractor is placed on any of the Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs.
- vii). Contractor is found by a court of competent jurisdiction to be in violation of or to have violated 31 USC 1352.

If VITA or an Authorized User deems the Contractor to be in breach and/or default, VITA or the Authorized User shall provide Contractor with notice of breach and/or default and allow Contractor fifteen (15) days to cure the breach or default; however, with respect to items (iv), (v), and (vi) above, VITA reserves the right to terminate the Contract for breach and/or default immediately and without affording Contractor an opportunity to cure the failure. Contractor shall provide prompt written notice to VITA if federal debarment proceedings are instituted against Contractor or if Contractor is charged with violation of 31 USC 1352.

If Contractor fails to cure the breach and/or default as noted, VITA may immediately terminate this Contract 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.

Contractor agrees that if this Contract is terminated by VITA for breach and/or default, Contractor shall immediately provide to Microsoft, with a certified copy to VITA, permission to immediately rescind its status as the reseller of record for VITA and all Authorized Users. Further, if termination for breach and/or default results in any Authorized User's inability to make scheduled payments or to place orders for Microsoft Products installed by such Authorized User, Contractor shall reimburse such Authorized User for any penalties or additional costs incurred in licensing Microsoft Products installed by such Authorized User but not ordered due to the termination and in re-licensing Microsoft Products for which scheduled payments had not been made or for which Software Assurance could not be obtained or renewed.

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

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 default on any provisions of such agreements.

Contractor 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.

E. Termination for Non-Appropriation of Funds

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

F. Effect of Termination

Upon termination, neither the Commonwealth, nor VITA, nor any Authorized User shall have any future liability except for Microsoft Products and Online Services accepted by the Authorized User or Reseller Services rendered by Contractor and accepted by the Authorized User prior to the termination date.

In the event of a Termination for Breach or Termination for Default, the provisions of section D, above, shall apply.

G. Transition of Services

Prior to or upon expiration or termination of this Contract, Contractor shall provide all assistance as VITA may reasonably require, without an additional fee, to transition Reseller Services to any other Contractor with whom VITA contracts for provision of Microsoft Products and Online Services and Reseller Services. This obligation may extend beyond expiration or termination of the Contract.

H. Contract Kick-Off Meeting

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

I. Contract Closeout

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

4. LICENSE

A. License Grant

Microsoft Products are to be licensed directly to the Authorized User by Microsoft through the Agreements between VITA and Microsoft.

B. License Type

The license types for the Microsoft Products to be provided by Contractor are defined in the Agreements.

Nothing contained herein shall be construed to restrict or limit the rights of VITA or any Authorized User to use any technical data which VITA or such Authorized User may already possess or acquire under proper authorization from other sources. Compliance with the terms and conditions of any license granted pursuant to this Contract is solely the responsibility of the Authorized User to which such license is granted and not the responsibility of VITA, unless VITA is the licensee.

5. RESELLER SERVICES

Contractor shall perform the Reseller Services described in Exhibit B beginning on the Service Commencement Date with respect to each Agreement identified in Exhibit A and continuing until expiration or termination of the Contract or expiration or termination of the applicable Agreement. VITA and Contractor acknowledge that Contractor's compensation for performance of Reseller Services shall be in the form of the difference, if any, between the price paid by an Authorized User to Contractor for Microsoft Products and Online Services and the price paid by Contractor to Microsoft for such Microsoft Products and Online Services. Neither VITA nor any Authorized User shall be responsible to pay any other fees or charges for Reseller Services.

Notwithstanding all VITA's and Authorized User's rights to order Contractor's products or services under this Contract, neither VITA nor the Authorized User is under any obligation to order from Contractor any of Contractor's products or services. This Contract is mandatory for all executive branch agencies and optional for non-executive branch agencies, localities, K-12 and higher education. Addition of any Agreement to or deletion of any Agreement from Exhibit A shall be at the sole discretion of VITA. VITA reserves the right to have a different Microsoft reseller for each of its Agreements. Notwithstanding the foregoing, VITA shall comply with all its responsibilities with regard to selecting a Microsoft reseller as such responsibilities are set forth in the Agreements.

A. Internet Access to Contract and Pricing Information

Contractor agrees that VITA, at its sole discretion, may post the terms and conditions of this Contract, any and all Exhibits to this Contract, and Contract pricing and available discounts to the VITA website.

1. Contractor Website

Contractor will maintain a website specific to the Microsoft Product and Online Service offerings under the Contract which is clearly distinguishable from other, non-Commonwealth contract offerings at Contractor's website. The website should include: the Microsoft Products and Online Services offered, specifications for the Microsoft Products and Online Services, discounted Contract pricing, all available discounts, contact information for Contractor, instructions for obtaining quotes and placing orders, and Microsoft's warranty and return policies pursuant to the Agreements. The Contractor's website should also list this Contract number.

2. Accurate and Timely Contract Information

Contractor warrants and represents that the website information specified in the above section will be accurately and completely posted, maintained and displayed in an objective and timely manner. Contractor, at its own expense, shall correct any non-conforming or inaccurate information posted at Contractor's website within ten (10) days after written notification by VITA.

3. Website Compliance Checks

Periodic compliance checks of the information posted for the Contract on Contractor's website may be conducted by VITA. Upon request by VITA, Contractor shall provide verifiable documentation that pricing listed upon this website is uniform with the pricing as stated in the Fees and Charges section herein.

4. Website Changes

Contractor hereby consents to a link from the VITA website to Contractor's website in order to facilitate access to Contract information. The establishment of the link is provided solely for convenience in carrying out the business operations of VITA and the Authorized Users. VITA reserves the right to update, terminate or remove a link at any time, in its sole discretion, without advance notice, or to deny a future request for a link. Contractor shall provide VITA and all Authorized Users with timely written notice of any change in URL or other information needed to access the site and/or maintain the link.

5. Use of Access Data Prohibited

If Contractor electronically stores, collects or maintains data from any Authorized User as a condition of accessing Contract information, such data shall be considered Confidential Information, in accordance with the Confidentiality provisions of this Contract, shall only be used internally by Contractor for the purpose of implementing or marketing the Contract, and shall not be disseminated to third parties or used for other marketing purposes. The Contract constitutes a public document under the laws of the Commonwealth and Contractor shall not restrict access to Contract terms and conditions including pricing, e.g., through use of restrictive technology or passwords.

6. Responsibility for Content

Contractor is solely responsible for administration, content, management of intellectual property rights, and all materials at Contractor's website. VITA reserves the right to require a change of listed content if, in the opinion of VITA, it does not adequately represent the Contract or Contract pricing.

B. Order Processing

Contractor is required to accept any order for Microsoft Products and Online Services placed by an Authorized User through the eVA electronic procurement website portal (<http://www.eva.virginia.gov/>). eVA is the Commonwealth of Virginia's e-procurement system. State agencies, as defined in §2.2-2006 of the Code of Virginia, shall order through eVA. All other Authorized Users are encouraged to order through eVA, but may order through the following means:

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

This ordering authority is limited to issuing orders for the Reseller Services, Microsoft Products and Online Services available under this Contract and pursuant to the Agreements. Under no circumstances shall the 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.

Upon receipt of an order from an Authorized User for Microsoft Products and Online Services, Contractor shall promptly place such order with Microsoft in accordance with the procedures described in Exhibit B. Failure of Contractor to place such order within five (5) days shall be a material default of this Contract, and VITA or the affected Authorized User may exercise its rights pursuant to the Term and Termination section of this Contract. Contractor shall provide to Authorized User sixty (60) days advance notice of any scheduled payment or expiration of any Microsoft Software Assurance. For notices related to expiration of Software Assurance, Contractor shall include a report detailing the ordering or using entity (e.g., the Authorized User department which has licensed the Microsoft Product) and a price quote to renew Software Assurance, should Authorized User elect.

Notwithstanding the foregoing, Contractor 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, Contractor 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. In

addition, Contractor shall not provide Microsoft Products or Online Services to an Authorized User if Contractor has knowledge, or has reason to believe, that such Microsoft Products or Online Services are to be used outside of the United States unless such Authorized User can demonstrate the consent of Microsoft to use of such Microsoft Products or Online Services outside of the United States. If in such event Contractor does not provide such Microsoft Products or Online Services, Contractor shall provide written notice of its reason to the Authorized User and to VITA.

C. Fees and Charges

As consideration for the Microsoft Products and Online Services provided hereunder, the Authorized User shall pay Contractor the associated Microsoft reference price and/or Estimated Retail Price less the percentage discount(s) set forth in Exhibit C. The percentage discount(s), or greater discount(s), shall be applicable throughout the term of this Contract, including any extensions thereto. The Contractor may offer promotional discounts higher than the percentage discount set forth in Exhibit C, provided Contractor offers such promotional discounts to all Authorized Users and provides VITA with advance written notice of such promotional discounts. Contractor shall be solely responsible for payment to Microsoft of any and all fees for Microsoft Products and Online Services.

D. Fees and Charges for Pre-Existing Orders Transitioned to this Contract

Fees and charges for pre-existing Authorized User orders with multiple year pricing included (those issued prior to this Contract's start date), shall retain the original orders' pricing until the expiration or termination of such order. The fees and charges in Exhibit C hereto apply only to new orders (including True-ups and additional product orders) for Microsoft Products and Online Services issued after the effective date of this Contract.

E. Invoice Procedures

Contractor shall remit each invoice to the "bill to" address provided with the order promptly after all Microsoft Products or Online Services have been provided to the appropriate Authorized User. Payment for Software Assurance shall be annually in advance unless otherwise stated in the Agreements, an Authorized User's enrollment, or in any order referencing this Contract. No invoice shall include any costs other than those identified on the Microsoft price list in effect at the time of order placement, less the discount set forth in Exhibit C or any additional promotional discount which may be offered by the Contractor in accordance with the Fees and Charges section of this Contract. Without limiting the foregoing, all shipping costs are the Contractor's responsibility except to the extent such charges are identified in Exhibit C, or as noted in any executed order referencing this Contract. Invoices issued by the Contractor shall identify at a minimum:

- i). Software or Service type and description
- ii). Quantity, charge (Microsoft reference price (for Enterprise Agreement) and/or Estimated Retail Price (for Select Agreement)), extended pricing, and discounted pricing for each Microsoft Product or Online Service item
- iii). Applicable order date
- iv). This Contract number and the applicable order number
- v). Contractor's purchase order number to Microsoft
- vi). Contractor's Federal Employer Identification Number (FEIN).

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

F. Purchase Payment Terms

Contractor is responsible for the accuracy of its billing information. Any credits due any Authorized User under the terms of this Contract may be applied against Contractor's invoices to such Authorized User with appropriate information attached. Charges for Microsoft Products and

Online Services provided more than ninety (90) days prior to receipt of a valid invoice may not be paid. Such nonpayment by an Authorized User shall not release Contractor from its obligation to remit payment to Microsoft for such Microsoft Products and Online Services.

If there are any disputed items, the Authorized User shall pay all undisputed charges and promptly notify Contractor in writing of any disputed amount. Contractor 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. Notwithstanding any dispute regarding an invoice to any Authorized User, or any portion of such invoice, Contractor shall in all circumstances promptly remit payment any payment due Microsoft for the Microsoft Products and Online Services provided to such Authorized User.

All payment terms are net 30 days after Microsoft Products and Online Services have been provided and the Authorized User has received a valid invoice issued by Contractor.

G. Reporting

Contractor is required to submit to VITA the following monthly reports:

- Report of Sales; and
- Small Business Subcontracting Report

These reports must be submitted using the instructions found at the following URL:

<http://www.vita.virginia.gov/scm/default.aspx?id=97>

Failure to comply with all reporting requirements may result in default of the Contract.

Contractors are encouraged to review the site periodically for updates on Contractor reporting.

6. CONTRACTOR PERSONNEL

A. Selection and Management of Contractor Personnel

Contractor shall take such steps as may be necessary to ensure that all Contractor personnel performing Reseller Services under this Contract are competent and knowledgeable of the contractual arrangements and the applicable order between Authorized User and Contractor and the applicable Agreement between Microsoft and Authorized User. Contractor 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 then-current site security, information security and personnel conduct rules of VITA or the appropriate Authorized User, as well as applicable federal, state and local laws and regulations, including those related to imports and exports. VITA or the Authorized User shall have the right to require the immediate removal from its premises of any employee, subcontractor or agent of Contractor whom such Authorized User believes has failed to comply or whose conduct or behavior is unacceptable or unprofessional or results in a security or safety breach.

B. Contractor Personnel Supervision

Contractor and VITA acknowledge that Contractor, or any of its agents, contractors or subcontractors, shall be and is the sole employer of Contractor personnel, and shall have sole responsibility to supervise, counsel, discipline, review, evaluate, set the pay rates of, provide (to the extent required by law) health care and other benefits for, and terminate the employment of Contractor personnel.

C. Subcontractors

If an order issued pursuant to this Contract is supported in whole or in part with federal funds, Contractor shall not subcontract any Reseller Services pursuant to such order to any subcontractor that is a party excluded from Federal Procurement and Nonprocurement Programs. In no event shall Contractor subcontract any Reseller Services to any subcontractor which is debarred by the Commonwealth of Virginia or which owes back taxes to the Commonwealth and has not made arrangements with the Commonwealth for payment of such back taxes.

7. DELIVERY, INSTALLATION, TESTING, AND CURE PERIOD

A. Scheduling

Contractor shall provide the Microsoft Products and Online Services according to the due dates set forth on the appropriate order. Contractor shall perform the Reseller Services in accordance with the requirements set forth in Exhibit B.

B. Installation of Microsoft Products and Online Services

The Authorized User shall be responsible for installation of the Microsoft Products and Online Services, which shall be deemed to be installed when all programs, program libraries and user interfaces are copied to and initialized on the appropriate equipment as executable by having the Authorized User invoke the primary function of each major component of the Software.

C. Acceptance of Microsoft Products and Online Services

Microsoft Products and Online Services shall be deemed accepted when the Authorized User determines that such Microsoft Products and Online Services successfully operate in accordance with Microsoft published documentation. Such Authorized User agrees to commence Acceptance testing within ten (10) business days after installation of the Microsoft Products and Online Services, or within such other period as set forth in the applicable order, after receipt of the Microsoft Products and Online Services. Acceptance testing will be no longer than ten (10) days, or such longer period as may be agreed in writing between Authorized User and Contractor, for the first instance of each product type set forth in Exhibit C. Contractor agrees to provide to such Authorized User such assistance and advice as such Authorized User may reasonably require, at no additional cost, during such Acceptance testing, other than travel expenses pre-approved by the Authorized User which will be reimbursable by such Authorized User at the then-current per diem amounts as published by the Virginia Department of Accounts <http://www.doa.virginia.gov>, or a successor URL(s)). Authorized User shall provide to Contractor written notice of Acceptance upon completion of successful Acceptance testing. Should Authorized User fail to provide Contractor written notice of successful or unsuccessful Acceptance testing within five (5) days following the Acceptance testing period, the Microsoft Products and Online Services shall be deemed Accepted.

D. Cure Period for Microsoft Products and Online Services

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

E. Acceptance of Reseller Services

Reseller Service(s) shall be deemed accepted when VITA determines that such Reseller Service(s) meets the Reseller Service obligations set forth in the Contract or an Authorized User determines that such Reseller Service(s) meets the Reseller Service obligations set forth in the applicable Authorized User order. Should a previously Accepted Reseller Service require further services or modification in order to fulfill the Reseller Service obligation, Contractor shall be responsible for all costs associated with such additional services or with such modification.

Acceptance testing shall not apply to Reseller Services. Acceptance of Reseller Services shall be deemed Accepted if VITA, for the Contract, or Authorized User for its applicable order, fails to provide written notice of non-Acceptance of the Reseller Service(s).

Should VITA or the Authorized User provide written notice of non-Acceptance to Contractor which may include but not be limited to, any reporting delinquency or unacceptable or deficient quality, failure to provide operable website links, mismanagement of servicing the Agreement(s) and managing orders for Microsoft Products and Online Services, Contractor agrees to provide to VITA or the Authorized User, as applicable, such assistance and resolution efforts as VITA or the Authorized User may reasonably require, at no additional cost.

F. Cure Period for Reseller Services

Should Contractor fail to cure the non-Acceptance or fail to deliver a Reseller Services resolution which meets the Reseller Services obligations as stated in Exhibit B and an individual order, VITA, for the Contract, or the Authorized User for its applicable order, may, in its sole discretion: (i) reject the Reseller Services in their entirety and recover amounts previously paid for all such Reseller Services; (ii) issue a "partial Acceptance" of the Reseller Services with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable Reseller Services while reserving its right to revoke Acceptance if timely correction is not forthcoming. Failure of a Reseller Service to meet, in all material respects, the Reseller Services obligations of the Contract or any individual order may constitute a default by Contractor. In the event of such default, VITA may, at its sole discretion, terminate the Contract, in whole or in part, or the Authorized User may, at its sole discretion, terminate its order, in whole or in part, for the Reseller Services to be provided thereunder by Contractor.

8. GENERAL WARRANTY

Contractor warrants and represents to VITA the Microsoft Products and Online Services and the Reseller Services described in Exhibit B as follows:

A. Ownership

Contractor has the right to provide the Microsoft Products and Online Services to the Authorized User. Additionally, Contractor has the right to provide the Reseller Services to VITA and the Authorized User.

B. Performance of Reseller Services

- i). All Reseller Services shall be performed with care, skill and diligence, consistent with or above applicable professional standards currently recognized in Contractor's profession, and in accordance with the standards of performance set forth in Contractor's agreement with Microsoft to serve as a Large Account Reseller. Contractor shall be responsible for the professional quality, technical accuracy, completeness and coordination of all Reseller Services furnished under this Contract;
- ii). The Reseller Services shall meet or exceed the requirements set forth in Exhibit B;
- iii). The Reseller Services shall be performed in a professional manner.

C. Limited Warranty

At any time during the applicable limited warranty period, Contractor shall provide any assistance requested by an Authorized User in exercising its rights pursuant to Microsoft's limited warranty.

D. Malicious Code

Should Contractor provide a website, as described in the Internet Access to Contract and Pricing Information section of this Contractor, Contractor represents and warrants that it has used its best efforts through quality assurance procedures to ensure that there are no Computer Viruses or undocumented features in the web application. Contractor agrees the Authorized User may pursue all remedies provided under law in the event of a breach or threatened breach of this Section, including injunctive or other equitable relief.

E. Contractor's Viability

Contractor warrants that it has the financial capacity to perform and continue to perform its obligations under this Contract; that Contractor has no constructive or actual knowledge of a potential legal proceeding being brought against Contractor 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.

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

9. CONFIDENTIALITY

A. Treatment and Protection

Each party agrees to (i) hold in strict confidence all Confidential Information of the 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 the Authorized User may disclose the Confidential Information as delivered by Contractor to subcontractors, contractors or agents of the Authorized User that are bound by a non-disclosure contract with VITA or the 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 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.

VITA or the Authorized User shall retain and dispose of Contractor'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.

10. INDEMNIFICATION AND LIABILITY

D. Indemnification

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

assessments, fines, penalties (whether criminal or civil), judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Commonwealth's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any intentional or willful conduct or negligence of any employee, agent, or subcontractor of Contractor, (ii) any act or omission of any employee, agent, or subcontractor of Contractor, (iii) breach of any representation, warranty or covenant of Contractor contained herein, (iv) any defect in the Reseller Services, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Reseller 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 the Commonwealth.

In the event that a Claim is commenced against any of Commonwealth's Indemnified Parties alleging that the provision of Reseller Services under this Contract infringes any third party's intellectual property rights and Contractor is of the opinion that the allegations in such Claim in whole or in part are not covered by this indemnification provision, Contractor shall immediately notify VITA and the affected Authorized User(s) in writing, via certified mail, specifying to what extent Contractor believes it is obligated to defend and indemnify under the terms and conditions of this Contract. Contractor 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 Contractor 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 Reseller Services, and in addition to all other obligations of Contractor in this Section, Contractor shall at its expense, either (a) procure for all Authorized Users the right to continue use of such infringing Reseller Services; or (b) replace or modify such infringing Reseller Services with non-infringing services satisfactory to VITA. And in addition, Contractor shall provide any Authorized User with comparable temporary replacement services, or reimburse VITA or any Authorized User for the reasonable costs incurred by VITA or such Authorized User in obtaining alternative services in the event such Authorized User cannot benefit from the affected Services. If Contractor cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then Contractor shall accept the return of the infringing Services or Deliverables, along with any other Services or Deliverables rendered unusable by any Authorized User as a result of the infringing Services or Deliverables, and refund the price paid to Contractor for such Services and Deliverables.

E. Liability

Contractor's liability to the Commonwealth under this Contract for breach of this Contract's confidentiality, security, or indemnification provisions shall be limited to two (2) times the annual value of this Contract. The same limitation on the Contractor's liability to the Commonwealth under this Contract shall apply to any other breach of this Contract by Contractor, if the breach arises from any intentional, willful, or negligent act or omission of any employee, agent, or subcontractor of Contractor or if the damages are based on bodily injury, death, or damage to real property or tangible personal property. The limitation shall apply on a per-incident basis, it being understood that multiple losses stemming from the same root cause constitute a single incident.

11. SECURITY COMPLIANCE

Contractor agrees to comply with all provisions of the then-current Commonwealth of Virginia security procedures, published by the Virginia Information Technologies Agency (VITA) and which may be found at (<http://www.vita.virginia.gov/library/default.aspx?id=537#securityPSGs>) or a successor URL(s), as are pertinent to Contractor's operation. Contractor further agrees to comply with all provisions of the relevant Authorized User's then-current security procedures as are pertinent to Contractor's operation and which have been supplied to Contractor by such Authorized User.

Contractor shall also comply with all applicable federal, state and local laws and regulations. For any individual Authorized User location, security procedures may include but not be limited to: background checks, records verification, photographing, and fingerprinting of Contractor's employees or agents. Contractor may, at any time, be required to execute and complete, for each individual Contractor employee or agent, additional forms which may include non-disclosure agreements to be signed by Contractor's employees or agents acknowledging that all Authorized User information with which such employees and agents come into contact while at the Authorized User site is confidential and proprietary. Any unauthorized release of proprietary or Personal information by the Contractor or an employee or agent of Contractor shall constitute a breach of its obligations under this Section and the Contract.

Contractor shall immediately notify VITA and Authorized User, if applicable, of any Breach of Unencrypted and Unredacted Personal Information, as those terms are defined in Virginia Code 18.2-186.6, and other personal identifying information, such as insurance data or date of birth, provided by VITA or Authorized User to Contractor. Contractor shall provide VITA the opportunity to participate in the investigation of the Breach and to exercise control over reporting the unauthorized disclosure, to the extent permitted by law.

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

12. BANKRUPTCY

If Contractor 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 on notice to Contractor unless Contractor immediately gives VITA adequate assurance of the future performance of this Contract. If bankruptcy proceedings are commenced with respect to Contractor, and if this Contract has not otherwise terminated, then VITA may suspend all further performance of this Contract until Contractor 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 Parties that this is an executory contract. Any such suspension of further performance by VITA pending Contractor'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.

13. IMPORT/EXPORT

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

14. GENERAL PROVISIONS

A. Relationship between VITA and Contractor

Contractor 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 Contractor, 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 or any Authorized User shall have any duty to provide or maintain any insurance or other employee benefits on behalf of Contractor or its employees. Contractor 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 Users 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 Contractor. Any and all taxes, interest or penalties, (including, but not limited to, any federal, state or local withholding or employment taxes and any penalties related to health care or employee benefits laws), that are imposed, assessed or levied as a result of this Contract or Reseller Services shall be paid or withheld by Contractor or, if assessed against and paid by VITA or any Authorized User, shall be reimbursed by Contractor upon demand by VITA or such Authorized User.

B. Incorporated Contractual Provisions

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

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

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

C. Compliance with the Federal Lobbying Act

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

D. Governing Law

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

E. Dispute Resolution

In accordance with §2.2-4363 of the Code of Virginia, Contractual claims, whether for money or other relief, shall be submitted in writing to the public body from whom the relief is sought no later than sixty (60) days after final payment; however, written notice of the Contractor'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 Contractor's written claim.

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

In the event of any breach by a public body, Contractor'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 Contractor's remedies include the right to terminate any license or support services hereunder.

F. Advertising and Use of Proprietary Marks

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

G. Notices

Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to have been sufficiently given if delivered in person, or if deposited in the U.S. mails, postage prepaid, for mailing by registered, certified mail, or overnight courier service addressed to:

- i). To VITA and to Contractor, if Contractor is incorporated in the Commonwealth of Virginia, to the addresses shown on the signature page.
- ii). To Contractor, if Contractor is incorporated outside the Commonwealth of Virginia, to the Registered Agent registered with the Virginia State Corporation Commission.

Pursuant to Title 13.1 of the Code of Virginia, VITA or Contractor may change its address for notice purposes by giving the other notice of such change in accordance with this Section.

Administrative contract renewals, modifications or non-claim related notices are excluded from the above requirement. Such written and/or executed contract administration actions may be processed by the assigned VITA and Contractor points of contact for this Contract and may be given in person, via U.S. mail, courier service or electronically

H. No Waiver

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

I. Assignment

This Contract shall be binding upon and shall inure to the benefit of the permitted successors and assigns of each party hereto. Contractor 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 the Parties to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be thirty (30) days after the Contractor gives VITA prompt written notice of the assignment, signed by authorized representatives of both the Contractor and the assignee. Any payments made prior to receipt of such notification shall not be covered by this assignment.

J. Captions

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

K. Severability

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

L. Survival

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

M. Force Majeure

Neither 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 Contractor's right to render further performance after the effective date of termination without liability for that termination, and in addition an Authorized User may terminate any order affected by such postponement or delay.

N. Remedies

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

O. Right to Audit

VITA reserves the right to audit those Contractor records that relate to the Microsoft Products and Online Services purchased and Reseller Services rendered or the amounts due Contractor under this Contract. VITA's right to audit shall be limited as follows:

- i). Three (3) years from delivery of Microsoft Products and Online Services or performance of Reseller Services;
- ii). Performed at Contractor's premises, during normal business hours at mutually agreed upon times; and
- iii). Excludes access to Contractor cost information.

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

P. Contract Administration

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

Q. Entire Contract

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

- i). Exhibit A List of Agreements
- ii). Exhibit B Requirements
- iii). Exhibit C Pricing
- iv). Exhibit D N/A
- v). Exhibit E N/A
- vi). Exhibit F Certificate Regarding Lobbying
- vii). Exhibit G Service Level Agreements

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

precedence shall apply: this Contract document, Exhibit A, Exhibit C, Exhibit B, Exhibit G and Exhibit F.

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

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

Executed as of the last date set forth below by the undersigned authorized representatives of the Parties.

SUPPLIER

By: 

(Signature)

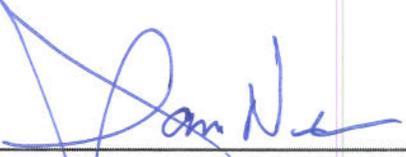
Name: THAI LEE

(Print)

Title: PRESIDENT

Date: 10/10/2013

VITA

By: 

(Signature)

Name: SAM NIXON

(Print)

Title: CIO

Date: 10/17/13

Address for Notice:

290 Davidson Ave

Somerset, NJ 08873

Attention: Erik Schroeder

Address for Notice:

Attention: Contract Administrator

EXHIBIT A:

Contract #	Name
VA-020409-MSE	Microsoft Enterprise Agreement
VA-040204-MCA	Microsoft Academic Licensing Agreement
VA-040204-MCS	Microsoft Select Agreement

EXHIBIT B

	Description
5.1	Instructions
5.2	Reports
5.3	Support Training
5.4	General

Suppliers are to indicate their capability of fulfilling each specific requirement below. Each Supplier's responses will be reviewed and compared across Suppliers in order to determine the best solution for the Commonwealth.

Detailed requirements are presented in questionnaire format to facilitate direct responses and establish accountability regarding delivery of solution by the Supplier. To respond to each requirement, Supplier is asked to enter, in the space provided in Column A, a code that best corresponds to its intended response for the requirement listed.

The acceptable codes for Column A are as follows:

Y - "Yes" - Supplier can fully meet the requirement as documented with its current application or proposed solution. If applicable, Supplier should provide in Column B an explanation of how it will fulfill the requirement. This may include use of alliances with other Suppliers. Supplier may also use Column B to cross-reference a detailed explanation included in an attachment of its proposal.

F - "Yes, Future" - Supplier will be able to fully meet this requirement in the near future (not longer than one month). Supplier should provide a proposed start date and cross-reference any attached documentation in Column B.

N - "No" - Supplier cannot meet the requirement and has no firm plans to be in the position to meet this need within one month.

VITA has posed some open-ended questions. In those instances, Supplier is to provide adequate information to allow VITA to properly evaluate its proposal.

Reports	A	B
Does your solution provide authorized users monthly newsletters? If so, please describe and provide examples.	Y	<p>Upon award of contract, your Account Executive will create a newsletter notifying users of the new contract, any changes in the workflow or agreement details, with contact information for the members of your Dedicated Account Team.</p> <p>Throughout the term of the contract, SHI provides Microsoft Newsletters on a monthly basis. Your Account Executive will Email the newsletters to designated contacts within VITA; the newsletter is also available on-line at SHI.COM. Please see Appendix 1 for a copy of the most recent Microsoft Monthly Newsletter.</p> <p>Additionally, your Account Executive can customize the Microsoft Newsletter to include additional news regarding the VITA contract.</p>
Does your solution provide monthly price list from Microsoft reflecting any and all changes from Microsoft? If so, please provide examples.	Y	Yes, SHI provides monthly pricelist updates which are posted on the Commonwealth of Virginia customer sites at shi.com. In addition, SHI maintains a monthly e-mail list of customers who receive the pricelist updates directly from SHI within the first days of each new month. Please see appendix 2 for a sample of the Microsoft Price List.

<p>Does your solution have the ability to produce custom reports for Authorized Users on their Microsoft license purchases with details like name of Authorized User, order number, Microsoft Master Agreement, Enrollment number, etc. If so, please explain and provide examples.</p>	<p>Y</p>	<p>Yes, SHI provides internal reports as needed as well as report subscriptions. SHI provides tremendous flexibility and offers extensive customization to include as much or as little detail as needed by each individual customer. Furthermore, SHI has the ability to capture customized data with each order (i.e. department, end user, use codes, project codes, etc.) and that information is then available for reports.</p> <p>SHI fully understands your need for flexibility in reporting, as well as your need for reports from the highest organizational level to the most granular. We have created our databases to remain flexible enough to be able to incorporate any organizational structure and to provide reports on any level within the organization. We begin with the most granular reporting level, this can be by department, agency, or by another criterion specified by VITA. SHI then groups the departments/agencies into the next level within your organization. The entities within that level will be grouped to form the next reporting level, and so on until we reach the state-wide level. In addition to providing reports based on the organizational levels within VITA, SHI also provides reports based on any combination.</p> <p>Please see Appendix 3 for additional details regarding SHI's standard</p>
<p>Does your proposed solution include any additional reports that would be a benefit to Authorized Users? If so, please provide details and examples.</p>	<p>Y</p>	<p>SHI is able to also provide reports directly from the Microsoft licensing Database that provide full and detailed information on license history, order and invoice history, users with access to the agreement, software assurance benefits and subscription information. These reports provide the information SHI needs to help our customers in activating benefits, limiting or providing agreement access and maintaining an accurate account of what is owned by their agency. Please see the sample attached in Appendix 3. Annual onsite training at VITA headquarters or at an offsite location. This can include training on using the VLSC website, new product presentations, licensing training, etc. It can and should be open to VITA employees as well as customers who may be interested</p>

Support	A	B
<p>Does your solution provide a dedicated account team for Virginia businesses with escalation path to executive management? If so, please explain</p>	<p>Y</p>	<p>SHI has established the dedicated Account Team approach as core in executing an effective customer service strategy. SHI customizes the team structure to meet the individual needs of each of our customers. The VITA Dedicated Account Team includes Account Executives, Inside Account Managers and a dedicated Accounting resource.</p> <p>Please see Appendix 4 for details regarding the structure of VITA's Dedicated Account Team, in place supporting your requirements, today.</p>
<p>Does your solution provide pre and post sales support from a dedicated staff, both technical and licensing expertise? If so, please explain.</p>	<p>Y</p>	<p>SHI has a dedicated Microsoft team that includes more than 70 employees covering every facet of Microsoft licensing. Product specific sales champions, Software Assurance benefits specialists, Operations team, Sales Support team, Licensing Executives, Contracts specialists and more are available for all pre and post sales customer support needs regarding your licensing agreements and Microsoft products. Please see appendix 5 for a detailed listing of SHI's Microsoft Licensing Team and the resources who are available to assist VITA.</p> <p>Additionally, SHI will engage Systems Engineers, MSDN Support, and eLearning Support to provide post-sales technical assistance.</p>
<p>Does your sales staff routinely visit current and prospective clients to keep them informed on current and emerging software products from Microsoft? If so, please explain.</p>	<p>Y</p>	<p>Your SHI Account Executives, Erik Schroeder and Angela Mensch, are the public faces of SHI for the Commonwealth and they routinely visit customers in Virginia, hold conference calls and presentations and link our customers to the correct resources when it comes to Microsoft products and licensing. In addition, Erik and Angela have a long history of sponsoring and attending procurement and technology shows in the Commonwealth. This multiple approach allows us to provide our customers with the most current information from Microsoft as well as our other partners.</p> <p>Some shows your Account Executives have attended in the past, include: VAGP, CAPA, VACO, DGS FORUM, VSTE, VA Software Summit and SWAMfest are the shows that we attend.</p>

<p>Does your solution provide an Electronic Software Distribution (ESD) server for Microsoft software downloads for current and older versions of Microsoft technologies? If so, please explain.</p>	<p>Y</p>	<p>While most products are readily available for download from Microsoft's Volume License Center, SHI also has an available ESD server. Leveraging SHI's Electronic Application Delivery, we can provide custom loads and previous versions of Microsoft software that may no longer be available through the Microsoft download site. In addition to the downloads, we are able to provide customers with the necessary installation Key Codes to quickly get up and running on a project.</p>
<p>Does your solution provide Volume Licensing Service Center support for items such as SA benefits, media downloads, installation key management, etc.? If so, please explain.</p>	<p>Y</p>	<p>SHI provides multiple layers of support for the Commonwealth around your Microsoft volume licensing. With access to the Microsoft volume license database, SHI can access reports and information that we can use to help you activate SA benefits, restrict or provide user access, manage subscriptions and more. SHI has a direct line to VLSC support and hosts calls on a routine basis to help the Commonwealth with access to downloads, subscriptions, installation key codes and other access based needs. Finally, the Commonwealth has granted SHI access to your agreements in VLSC which allows us to help you maintain and deploy the technology you have purchased.</p>
<p>Does your solution include a dedicated contract website to include such items as online catalog of Microsoft products with posted price lists, etc. If so, please explain and provide screen shots and or links.</p>	<p>Y</p>	<p>SHI has a dedicated and customized website for the Commonwealth of Virginia at www.shi.com. There is a dedicated page for Government, K-12 and Higher Education customers that includes contract catalog access as well as access to the monthly Microsoft pricelists. In addition, these sites provide access to sign up for our Newsletters, Webinars, Public Events and other value added services. SHI websites can be customized to meet the needs of our customers and unique websites can be created for customers on an individual basis as well. Please see the Appendix 7 for details and screenshots of the VITA customized home page at SHI.COM.</p>

<p>Does your solution provide webinars/training on new Microsoft technologies? If so, please explain.</p>	<p>Y</p>	<p>SHI provides our customers with access to available Microsoft Webinars and Trainings. Notifications are provided through our website, monthly e-mail lists, newsletters, blogs and of course through direct contact with our customers on the phone and in the field. As Microsoft introduces new technologies, SHI is quick to incorporate that information into all of our customer facing marketing efforts. Our goal is to keep our employees as well as our customers trained and informed on any and all changes to Microsoft product lines and licensing.</p> <p>Representatives from VITA have experience attending SHI's webinars, trainings, and events. Annual onsite Training at VITA headquarters or at an offsite location. This can include training on using the VLSC website, new product presentations, licensing trainings, etc. It can and should be open to VITA employees as well as customers who may be interested.</p>
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<p>Does your dedicated account team undergo training on a semi-annual or annual basis? If so, please explain.</p>	<p>Y</p>	<p>SHI Account Executives are encouraged and at times required to seek certification in Microsoft licensing and technology. In addition, our dedicated Microsoft licensing team are certified, trained and very knowledgeable on Microsoft products. Our resumes speak for themselves as we hold the necessary training and certification to serve our customers. Product training is also provided on a regular basis to our team in the form of onsite trainings, webinars, calls and online certification exams and modules.</p> <p>The following lists the certifications and trainings completed by your Account Executive, Erik Schroeder:</p> <p>Certifications: Microsoft Certified Technology Specialist: Designing, Assessing, and Optimizing Software Asset Management (SAM) Microsoft Certified Technology Specialist: Volume Licensing Specialist, Large Organizations certification Microsoft Partner University – Level 1 Microsoft Partner University – Level 2</p> <p>Completed Trainings: Volume Licensing Foundations—Overview of Microsoft Enterprise Agreement and Enterprise Subscription Agreement Volume Licensing Foundations—Overview of Microsoft Select License Volume Licensing Foundations - Overview of Microsoft Select Plus</p>
<p>Does your dedicated account team hold any Microsoft accreditations? If so, please provide those.</p>	<p>Y</p>	<p>Your Account Executive team hold such certifications as Microsoft Partner University Level I and II Certification, Microsoft Certified Technology Specialist: Designing, Assessing, and Optimizing Software Asset Management (SAM) and Microsoft Certified Technology Specialist: Volume Licensing Specialist, Large Organizations. Please see Appendix 5 for the many certifications held by our dedicated Microsoft team here at SHI.</p>

<p>Does your company provide helpdesk support and if so, is the helpdesk located in the United States? Please provide details.</p>	<p>Y</p>	<p>SHI Account Executives, Inside Account Managers and our dedicated Microsoft team are available to act as a Level 1 Helpdesk, providing the necessary information to facilitate further action. Further action may be taken by SHI employees or via conference calls and remote assistance utilizing Microsoft support personnel. SHI employees dedicated to the Commonwealth of Virginia are based in the US in either our home office in New Jersey or remotely from other US locations.</p>
<p>Do you have dedicated staff that assists customers that have purchased Software Assurance to make sure that they are receiving all the benefits due to them? If so, please explain.</p>	<p>Y</p>	<p>SHI provides Software Assurance assistance to the Commonwealth, today. Leveraging our dedicated Software Assurance Benefit team, we provide reports and assistance with activating and utilizing SA benefits. SHI can provide assistance via conference calls, marketing materials and onsite appointments to help our customers get the most out of their Microsoft investment. SHI also has a direct line to Microsoft to engage their VLSC and Pro Support Teams to ensure full coverage and support for our SA customers. Our SA Benefits Representatives can advise the Commonwealth on best practices surrounding SA.</p>
<p>Does your company offer any type of electronic social communities (i.e. blogs, forums, etc) where customers can ask questions, leave feedback, etc.? If so, please explain and provide examples.</p>	<p>Y</p>	<p>Yes, SHI utilizes Twitter, LinkedIn, Facebook, Google, Pinterest and other forms of social networking to provide information to our customers. In addition, this networking allows for interaction between our customers and our employees for a better understanding and ultimately, a better relationship. Our blogs allow customers to provide feedback and to ask questions. The blogs are shared by our Account Executives through other social media sites, allowing SHI to reach a broad audience. Please see our blog page at: http://blog.shi.com/</p>

5.1 General	A	B
<p>Does your proposed solution include the ability to market and promote this contract to schools, universities, local and non-Executive Branch state agencies? If so, please provide details.</p>	<p>Y</p>	<p>SHI understands the importance of marketing the contract, to maximize participation and the Commonwealth's return on investment. Today, SHI utilizes our marketing tools to get in front of a broad audience with the Commonwealth of VA, including the state agencies, local government, and education customers. Monthly Microsoft e-mails are sent to our customers that include contract pricing and other important product and licensing information. Your Account Executive, Erik Schroeder, manages a list of contacts within the Commonwealth who should receive these Emails, ensuring we are targeting the correct audience. At conferences and in person, we utilize a one page VITA Contract document that highlights, promotes and encourages the use of both VITA and SHI. Recently, SHI joined the Virginia Association of Counties (VACO) in order to promote ourselves and our VITA contracts to the counties in Virginia. Next up for us is joining the Virginia Municipal League to help us get the same information out to the Cities of the Commonwealth as well. Recent work with the Dept of Education has allowed SHI to get out in front of the K-12 community as we are currently the provider of Microsoft IT Academy to all of the districts in</p>
<p>Does your organization participate in any type of governmental conferences that allows you to promote government contracts that have been awarded to your organization? If so, please explain.</p>	<p>Y</p>	<p>SHI has been an active supporter, sponsor and participant in government and education conferences in the Commonwealth of Virginia. SWAMFest, VAGP, CAPA, ISTE and now VACO and the DGS Forum are among the shows that we have sponsored and/or attended. On a national level, we participate in shows such as Educause, GMIS, HIMSS, ISTE and NIGP.</p>

<p>Does your organization send out customer surveys to recover feedback on its strengths and weaknesses in supporting awarded contracts? If so, please explain and provide examples</p>	<p>Y</p>	<p>SHI sends an annual customer satisfaction survey to a random sampling of our customers. The results of these surveys are analyzed and shared with Managers. Using this data, SHI makes improvements to our processes and our services. Additionally, if requested, SHI can create a customized survey for the Commonwealth to solicit feedback specific on our support of this contract.</p> <p>Furthermore, SHI e-mail taglines allow for direct communication with Senior Management by asking the simple question "How was my service". Providing this outlet for feedback of all kinds allows us to both rest assured knowing that we are providing World Class Support as well as to quickly react to situations where we fall short of our customer's expectations.</p>
<p>Has your organization won any awards that recognize your sales and support abilities? If so, please provide details.</p>	<p>Y</p>	<p>SHI has been recognized on a national level by our partners as well as our customers. In the Commonwealth, UVA awarded us Minority Supplier of the Year for our dedication to their Microsoft licensing needs.</p> <p>SHI is proud of our record of success and our relationships with Microsoft. In recognition of our accuracy and attention to detail, Microsoft recently awarded SHI with its ninth Operational Excellence Award in Microsoft Licensing. Microsoft once again rewarded SHI for its proficiency in following their strict guidelines around the processing of new and renewal contract paperwork, order reporting, and returns processing. SHI's Licensing Team has received more formal recognition from Microsoft Licensing GP than any other Microsoft reseller.</p> <ul style="list-style-type: none"> • 2012-2004, 2000, 1999 Microsoft Operational Excellence Award • 2012 Microsoft US Public Sector Partner of the Year • 2011 Microsoft US Public Sector State & Local Government Channel Excellence Partner of the Year Award <p>This link provides a list of the many awards, both from our vendors and our customers: https://www.shi.com/CustomerServices/SHIInfo.aspx?ContentId=86774&Menu=about.</p>

<p>Is your firm willing to commit to service level agreements? If so, please refer to Appendix A and fill in the yellow shaded areas.</p>	<p>Y</p>	<p>Please see Appendix A</p>
<p>Does your organization have any state, federal or local government accounts that have generated more than \$10 million per year in Microsoft Revenue? If so, please explain.</p>	<p>Y</p>	<p>SHI manages more than 20 State-Wide or Consortia Microsoft Contracts across the U.S. Many of these agreements are large and support hundreds of separate entities within the state or consortia. The following are states that have over \$10M/Annually in Microsoft Revenue:</p> <ul style="list-style-type: none"> -Virginia -Alabama - Florida -Oklahoma -Kansas -Arkansas -Arizona -Minnesota - CETPA CAMSA – California Education Technology Professional Association - NERCOMP – NorthEast Regional Computing Program
<p>Does your solution have the ability to produce quotes for Microsoft Products that include items such as product name/number, ERP, Discount Price, Agreement/Enrollment #, etc. If so, please explain and provide examples.</p>	<p>Y</p>	<p>SHI provides the required information in our quotes for the Commonwealth, today. Additional customization includes the ability to include optional related items in which the customer may be interested, including additional support or supplies. Our quoting tools allow for customized comments and language including product and program specific details, contract numbers, advice and more. Our enterprise agreement spreadsheets allow for ERP pricing, contract numbers, enrollment information and a detailed view of each year of the agreement and how the total price breaks down into the individual products. Please see Appendix 6 for sample quotes.</p>

<p>Does your proposed solution include any other value added services which would benefit the Commonwealth? If so, please explain.</p>	<p>Y</p>	<p>SHI is including a wide range of value added services in support of VITA's Microsoft Agreement. Leveraging SHI's experience with both Virginia and Microsoft contracts, we provide the tools and services you need to successfully implement, manage, and optimize your Microsoft Agreements. These services are described throughout our proposal:</p> <ul style="list-style-type: none"> -Dedicated Account Team-dedicated to and experienced with providing service and support to the Commonwealth of Virginia -Customized Web Portal-for contract information, contract pricing, quotes, order processing, etc. The content is customized for S&L Government Customers, K-12 customers, and Higher Education customers. -Detailed & Accurate License Tracking-ensuring we are reporting your purchases to Microsoft accurately. -Customized Reporting-to ensure you have insight into contract usage and license deployments. Maintenance Renewals-tracked and managed through Polaris Renewal Organizer. -Microsoft Licensing Team-to provide pre-sales and contract assistance in managing your Microsoft Contracts, paperwork, and products. Marketing Plan-that includes targeted marketing pieces, site visits, shows, and webinars to ensure all contract users have the information they need. <p>The following provides some examples of the ways we have saved your money and streamlined your processes. SHI will continue to provide creative solutions and services under any future contracts with VITA.</p> <p>In the years that SHI has worked with Microsoft as the VITA LAR, we were able to create a statewide Higher Education contract vehicle used by more than 70% of the total college and university population in the commonwealth. Building on our success in that market, we established a state wide contract for K-12 that was equally successful. Due to the marketing and education outreach of SHI, schools and students from K-20 were able to realize economies of scale not possible without a partnership that only Microsoft and SHI could create.</p>
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	<p>Working with VITA, DOE, Secretary of Education, the Governor's Office and other government agencies, we were able to establish a second state wide IT Academy contract serving every teacher, student and parent in the commonwealth. Most currently, SHI was able to work with VITA and Microsoft to establish a contract vehicle via a Microsoft Enterprise enrollment that will allow "In-Scope" state agencies to procure products that are not part of their current contract and agreement. As a value add, SHI will provide the detailed reporting that will be necessary to accurately keep track of which agencies own which Microsoft products and licensing.</p>
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Exhibit C - Pricing Submittal

Please Populate Shaded Regions

Supplier Name: Erik Schroeder
Email Address: erik_schroeder@shi.com
Organization: SHI International Corp

Description	
List one (1) firm fixed Percentage Discount off of Microsoft Estimated Retail Price (ERP) List in the "Discount Amount off the Microsoft ERP" block to be applied to each of the Commonwealth of Virginia (COV) Microsoft Agreements listed below:	
	Discount Amount
Discount amount offered for Enterprise (Level D) off of ERP using the most current Microsoft EA Pricelist excluding Microsoft Online Products	16.25%
Discount amount offered for Enterprise (Level D) off of ERP using the most current Microsoft EA Pricelist for Microsoft Online Products	16.25%
Discount amount offered for Select Plus (Level D) for Government off of ERP using the most current Microsoft Select Plus Pricelist	15.50%
Discount amount offered for Select Plus (Level A) for Academic off of ERP using the most current Microsoft Select Plus Pricelist	15.50%
Discount amount offered for EES off of ERP using the most current Microsoft EES Pricelist excluding Microsoft Online Products	16.15%
Discount amount offered for EES off of ERP using the most current Microsoft EES Pricelist for Microsoft Online Products	6.50%

EXHIBIT F: 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:



Printed Name:

THAI IEC

Organization:

SHI INTERNATIONAL CORP.

Date:

10/10/2013

Exhibit G – Service Level Agreements (SLAs)

(To be effective 30 days following commencement of the Services)

***THESE ARE EXAMPLES. PLEASE PROVIDE YOUR OWN SLAs THAT CAN BE MEASURED WITH THE APPROPRIATE REMEDY

Performance Standard	Measurement	Measurement period	% Level	Service Price	Remedy
Answer Time	All Calls in 30 sec.	Monthly	95%		Management Escalation - Review of Phone System and Communication - Additional Team Members if needed to meet the SLA
Response Time	All Emails and Voicemails within 2 Business Hours	N/A	100%		Management Escalation - Review of Email System/Team Box - Additional Team Members if needed to meet the SLA
Order Entry Time	Within same day for valid orders received before 3:00PM ET	Monthly	100%		Management Escalation - Review of

					AX System/Website/Email Order System - Additional Team Members or Efficiencies in the System if needed to meet the SLA
License Confirmation	Sent within 24 hours of Order Processing	N/A	100%		Management Escalation - Review of AX System/Website/Email Order System - Additional Team Members or Efficiencies in the System if needed to meet the SLA
Returns	Returns due to SHI error <1%	Monthly	<1%		Management Escalation - Review our Training Program - Review our

					IAM Performance - Move any IAM's who are under performing - Add Team members if needed
Staffing	Minimum of 3 Account Representatives available and in the office on each day	Monthly	100%		Management Escalation - Additional Team Members or Efficiencies in the System if needed to meet the SLA
Microsoft Price List	Within the first 5 business days of each month, Price List is distributed to named contacts	Monthly	100%		Management Escalation - Additional Team Members or Efficiencies in the System if needed to meet the SLA
Reporting of IFA fees	Reporting of IFA fees within the first 5 business days of the month	Monthly	100%		Management Escalation - Additional

					Team Members or Efficiencies in the System if needed to meet the SLA
Payment of IFA fees	Mail the IFA Payment within 10 business day from the Report Submission date	Monthly	90%		Management Escalation - Additional Team Members or Efficiencies in the System if needed to meet the SLA
Payment of EVA fees	Mail the EVA Payment within 15 business days of receipt of valid EVA Invoice	Bi-Monthly	90%		Management Escalation - Additional Team Members or Efficiencies in the System if needed to meet the SLA

* SHI would consider remedies for service level failures with a corresponding incentive for maintaining service levels over the long term. For example:

- a. 1st month missed service levels—SHI provides a response plan for increasing performance to meet service level commitments

- b. 2nd consecutive month of missed service levels—perform a joint root cause analysis to determine cause and implement a corrective action plan
- c. 3rd consecutive month of missed service levels—consider monetary penalties, provided there were not outside influences affecting SHI's performance—i.e. force majeure event, manufacturer delays, etc.
- d. Long Term achievement of service levels—result in a reduction in penalties

SHI is willing to negotiate specific terms at the time of contract negotiations.