Commonwealth of Virginia
Virginia Information Technologies Agency

PROJECT PORTFOLIO MANAGEMENT SOFTWARE AS A SERVICE (SaaS)

Date:	July 19, 2011
Contract #:	VA-110624-INNO
Authorized Users:	All public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the *Code of Virginia*
Contractor:	Innotas 118 2nd Street 3rd Floor San Francisco, CA 94105
FIN:	94-3321672
Contact Person:	Brian Wilson Phone: 615-576-0010 Email: bwilson@innotas.com
Term:	June 24, 2011 – June 23, 2014
Payment:	Net 30 days

For Additional Information, Please Contact:
Virginia Information Technologies Agency
Supply Chain Management Division

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

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

CONTRACT #VA-110624

CONTRACT CHANGE LOG

Change No.	Description of Change	Effective Date

Project Portfolio Management Software as a Service (SaaS) Contract

between

The Virginia Information Technologies Agency

on behalf of

The Commonwealth of Virginia

and

Innotas

PROJECT PORTFOLIO MANAGEMENT SaaS CONTRACT
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PROJECT PORTFOLIO MANAGEMENT SAAS CONTRACT

THIS PROJECT PORTFOLIO MANAGEMENT SOFTWARE AS A SERVICE (SaaS) 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 Innotas (Supplier), a corporation headquartered at 118 2nd Street, 3rd floor, San Francisco, CA 94105, to be effective as of June 24, 2011 (Effective Date).

1. PURPOSE

This Contract sets forth the terms and conditions under which Supplier agrees to provide the Licensed Services, including access to the Application(s), and any related products and services to the Authorized Users and to any Application Users as required by such Authorized Users.

This is a solution that will provide a web-based, supplier-hosted Project and Portfolio Management (PPM) software solution to analyze project proposals, collectively manage existing agency-wide projects, manage the application life-cycle for all agency applications and manage program activities.

2. DEFINITIONS

A. Acceptance

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

B. Agent

Any third party independent agent of any Authorized User.

C. Application

The software programs in object code and other related data, including intellectual data, proprietary information and Documentation contained and applicable to the Licensed Services hosted and supported by Supplier under this Contract, as described in Exhibit A, including any Updates, enhancements, and replacements to the Application.

D. Application Users

Application Users shall include, as specified in the applicable order, employees of an Authorized User, independent contractors engaged by an Authorized User, or entities contracting with an Authorized User for services, as well as customers, suppliers, members of the general public, and other entities with whom an Authorized User may find it necessary or desirable to process or communicate electronically in pursuit of its business.

E. Authorized Users

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

F. Business Day/Hour

Normal operating hours for the Commonwealth of Virginia: Monday-Friday, 8 a.m.-5 p.m. Eastern Standard/Daylight Time, unless otherwise specified on the applicable Statement of Work, excluding Commonwealth-designated holidays.

G. 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.

H. Confidential Information

Any confidential or proprietary information of a Party that is disclosed in any manner, including oral or written, graphic, machine readable or other tangible form, to any other Party in connection with or as a result of discussions related to this Contract or any order or SOW issued hereunder. Any information provided by an Application User which type of information is designated by the

Authorized User as “Confidential” or “Proprietary” or which information is otherwise reasonably identifiable as the confidential or proprietary information of the Application User providing such information.

I. Content
Any data, including the selection, arrangement and organization of such data, entered, uploaded to the Application, or otherwise provided to Supplier by Authorized User or by any Application User, and any software and related documentation, from whatever source, provided by Authorized User to Supplier in connection with this Contract.

J. Documentation
The Supplier’s user manuals, training materials, guides, product descriptions, technical manuals, product specifications, supporting materials and Updates describing the Application, Licensed Services and Supplier Product provided to Authorized User, in printed and/or electronic form.

K. Electronic Self-Help
Any use of electronic means to exercise Supplier’s license or service termination rights, if allowable pursuant to the Contract, upon breach or cancellation, termination or expiration of this Contract or any order placed hereunder.

L. Licensed Services
The operation of the Application and the necessary operating system software, hardware and utilities on Supplier’s host computer system, furnishing Supplier Product to Application Users, storing Content and making the Application, Content, and Supplier Product available to Application User(s) via the Web Site, as more fully described in Exhibit A.

M. Party
Supplier, VITA, or any Authorized User.

N. Requirements
The functional, performance, operational, compatibility, Acceptance testing criteria and other parameters and characteristics of the Licensed Services and Application as set forth in the applicable Statement of Work, Exhibit A and such other parameters, characteristics, or performance standards that may be agreed upon in writing by VITA and Supplier or the Parties to an order issued hereunder.

O. Statement of Work (SOW)
Any document in substantially the form of Exhibit D (describing the deliverables, due dates, assignment duration and payment obligations for a specific project, engagement, or assignment for which Supplier shall be providing the Licensed Services, including access to the Application(s), to an Authorized User and its designated Application Users) which, upon signing by both Parties, shall be deemed a part of this Contract..

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

Q. Supplier Product
Supplier’s proprietary reports, information and data made available to Authorized User and its Application Users as part of the Licensed Services.

R. Update
As applicable, any update, modification or new release of the Application, Documentation or Supplier Product that Supplier makes generally available to its customers at no additional cost.

S. Web Site
The Internet site operated by Supplier to provide access to the Application, with the Uniform Resource Locator (URL) specified in the applicable SOW (or any successor URL(s)).

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. The parties may mutually agree to extend this Contract for up to two (2) additional one (1) year periods after the expiration of the initial three (3) year period. VITA will issue a written notification to the Supplier stating the extension period not less than thirty (30) days prior to the expiration of any current term. Performance of an order or SOW issued during the term of this Contract may survive the expiration of the term of this Contract, in which case all terms and conditions required for the operation of such order or SOW shall remain in full force and effect until Supplier has completely rendered the Licensed Services pursuant to such order or SOW.

B. Scalability

VITA or an Authorized User may make a written request to increase or decrease the scope (e.g., number of USERIDs) of Licensed Services ("revised usage") under a Statement of Work. The revised usage shall be effective not more than four (4) business hours following the request. Pricing for the revised usage of Licensed Services shall be calculated as provided in Exhibit B and shall be prorated on a daily basis for remaining portion of the current annual billing period. For purposes of this provision, a written notice may include an e-mail or the use of a Supplier-provided provisioning website by an Authorized User's designated administrator.

C. Termination for Convenience

VITA may terminate this Contract, in whole or in part, or any order or SOW issued hereunder, in whole or in part, or an Authorized User may terminate an order or SOW, in whole or in part, upon not less than thirty (30) days prior written notice at any time for any reason. In addition, VITA may immediately terminate this Contract, in whole or in part, or any order issued hereunder, if Supplier becomes a party excluded from Federal Procurement and Nonprocurement Programs. VITA shall provide written notice to Supplier of such termination, and Supplier shall provide prompt written notice to VITA if federal debarment proceedings are instituted against Supplier. Supplier shall submit for resolution any contractual dispute or order dispute to VITA, or any dispute regarding an order terminated by an Authorized User to such Authorized User, according to the terms of the Dispute Resolution Section of this Contract.

D. Termination for Breach or Default

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

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

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 or SOW, in whole or in part, or an Authorized User may terminate its order or SOW, in whole or in part, for those goods or services for which funds have not been appropriated. Written notice will be provided to the Supplier as soon as possible after legislative action is completed.

F. Effect of Termination

Upon termination, neither the Commonwealth, nor VITA, nor any Authorized User shall have any future liability except for Licensed Services rendered or Application components delivered by Supplier prior to the termination date.

In the event of a Termination for Breach or Termination for Default, the affected Authorized User(s) shall not be liable for any cost related to the terminated Contract, order, SOW, or portion thereof. Supplier shall accept return of any products or software provided to the affected Authorized User(s), and Supplier shall refund any monies paid by any affected Authorized User for Licensed Services not accepted by such Authorized User pursuant to the Contract, order, SOW, or portion thereof terminated for breach and/or default. All costs of de-installation and return of product or software shall be borne by Supplier.

G. Contract Kick-Off Meeting

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

H. Contract Closeout

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

4. DESCRIPTION OF LICENSED SERVICES

During the term of any order issued pursuant to this Contract, Supplier hereby agrees to host the Application(s) listed and described in Exhibit A and specified in such order by the ordering Authorized User on servers owned, operated, housed, and maintained by Supplier and shall make such Application(s) available to Authorized User's designated Application Users through the Internet.

Supplier has acquired any and all license rights in the Application(s) necessary and appropriate for Supplier to provide the Licensed Services as listed and described in Exhibit A for all Authorized Users. Supplier hereby grants each ordering Authorized User and its Application Users a non-exclusive, transferable, worldwide license to access and use by any method the Application during

the term of the applicable order issued pursuant to this Contract. The license fee for the rights shall be as set forth in Exhibit B, and shall apply regardless of access mode.

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

Notwithstanding any other provision or other unilateral license terms which may be issued by Supplier after the Effective Date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for Licensed Services, including access to the Application(s), or the fact that such other agreement may be presented to an Authorized User or its Application Users at the time of accessing the Application(s) ("click wrap"), the terms and conditions set forth herein shall supersede and govern licensing and use of all products and services hereunder.

5. SUPPLIER RESPONSIBILITIES

A. Standard Application Responsibilities

Unless otherwise indicated in Exhibit A, Supplier shall acquire and maintain, at no charge to Authorized User, the hardware and software required to host the Application(s). The hardware and software on which the Application(s) is hosted will be maintained in good operating condition, consistent with or exceeding generally accepted industry practices and procedures. In addition:

i). Supplier shall maintain sufficient hardware capacity to satisfy the technical requirements and the bandwidth and required storage capacity indicated in Exhibit A.

ii). Supplier shall be responsible for all telecommunication connections from the server hosting the Application to the Internet.

iii). Supplier may collect user-specific data only as necessary to provide the Licensed Services ordered by an Authorized User. No information regarding any Authorized User or any Application User shall be disclosed, provided, rented or sold to any third party for any reason unless required by law or regulation or by an order of a court of competent jurisdiction. This obligation shall extend beyond the term of the Contract.

iv). The Application will be made available to Authorized User and/or designated Application Users, as specified in the applicable SOW, twenty-four (24) hours a day, seven (7) days a week ("Uptime") less Excusable Downtime. For the purposes of this Contract, "Excusable Downtime" is defined as that period of time when the Licensed Services are not available to Authorized User or its Application Users due to scheduled network, hardware or service maintenance and/or upgrades. For further information, please refer to Exhibit G.

v). Excusable Downtime shall not include (i) an electronic hardware failure, (ii) a failure in the Supplier's Application, (iii) an electric utility failure at Supplier's facility where the Application is hosted, or (iv) a network failure up to, but not including, the interconnection point of Supplier's network to the public switched telephone network.

vi). Supplier guarantees the Application will be available for use at least ninety-nine point five percent (99.5%) of the total time during each month, excluding Excusable Downtime.

vii). If non-Excusable Downtime exceeds the parameters listed above, Supplier will credit to Authorized User the total recurring fees that would otherwise be owed by Authorized User under this Contract during the month of such failure. Such credit will be issued upon subsequent annual renewal immediately following the failure.

viii). Supplier shall be required to back up Content on a daily basis and shall retain the backed-up Content Authorized User reserves the right to request a copy of such back-up Content at any time.

In addition, and at no additional cost to Authorized Users, Supplier shall provide access to additional Updates, features, and functionalities of the Application as are provided by Supplier to other customers of Supplier who require functionality similar to that of the Application provided to Authorized Users. All such additional features and functionality, where reasonably necessary,

shall be accompanied by updated Documentation, whether in hard copy format or distributed electronically via email or the Supplier website. Notwithstanding the provisions of this Section and except as agreed to in writing by VITA and Supplier, nothing in the Contract shall oblige Supplier to undertake any modifications to the Application, and all such modifications are at Supplier's sole discretion whether suggested by an Authorized User or another party.

B. Ancillary Responsibilities

Supplier shall, throughout the term of this Contract, make available such resources, including Supplier personnel, as are reasonably required to: (i) train designated Authorized User personnel in the use of the Application; (ii) develop modifications to the Application as agreed by VITA and Supplier in any exhibit hereto or as agreed in any order issued hereunder; and (iii) otherwise support the Application as provided under this Contract and any exhibits hereto or as agreed in any order issued hereunder.

C. Application Evolution

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

6. AUTHORIZED USER RESPONSIBILITIES

Unless otherwise agreed and as applicable, Authorized User or its Agent, or an Application User, will be responsible for input of Content into Supplier's Application and Authorized User or its Agent will be responsible for keeping said Content current and accurate. Supplier will have no responsibility for assisting Authorized User in creating, modifying or inputting the Content, unless specified in Exhibit A.

If Supplier issues unique USERID's and passwords to an Application User:

i). Authorized User is responsible for protecting said passwords and for any authorized and unauthorized use made of the passwords. Authorized User will fully cooperate with law enforcement authorities in the detection and prosecution of illegal activity related to unauthorized use of the Licensed Services.

ii). Authorized User shall have the right to add, change access for, or delete USERID's at its sole discretion, subject to providing written request to the Supplier, as provided under 3.B. Authorized User shall designate administrators who will be authorized to add, change access for or delete USERIDs.

iii). Upon notification by Authorized User of an Application User's deletion, Supplier shall remove said Application User from its server within one (1) hour of receipt of such notification. If Supplier fails to make such a deletion, Authorized User shall not be held liable for any charges or damages incurred due to use of the unauthorized USERID.

7. CONTENT SECURITY

Supplier shall provide a secure environment for Content and any hardware and software, including servers, network and data components, to be provided by Supplier as part of its performance under this Contract in accordance with best industry practices in order to prevent unauthorized access to and use or modification of, and to otherwise protect, the Application and Content. Supplier shall, at a minimum, implement the following procedures designed to protect the security of Content:

i). User identification and access controls designed to limit access to Content to Application Users;

ii). External connections to the World Wide Web which will have appropriate security controls including industry standard intrusion detection and countermeasures that will detect and terminate any unauthorized activity prior to entering the firewall maintained by Supplier;

iii). Industry standard firewalls regulating all data entering Supplier's internal data network from any external source which will enforce secure connections between internal and external systems and will permit only specific types of data to pass through;

iv). Industry standard encryption techniques which will be used when Content is transmitted by Supplier on behalf of Authorized User;

v). Physical security measures, including securing all Content on a secure server, in locked data cabinets within a secure facility. Access to facilities housing the Application and Content restricted to only allow access to personnel and agents of Supplier who have a need to know in connection with operation and support of the Application;

vi). A backup of Content, for an orderly and timely recovery of such data in the event that the Licensed Services may be interrupted. Unless otherwise described in a Statement of Work, Service Provider shall maintain a contemporaneous backup of Content that can be recovered within two (2) hours at any point in time. Additionally, Service Provider shall store a backup of Customer Data in an off-site "hardened" facility no less than daily, maintaining the security of Customer Data, the security requirements of which are further described herein;

vii). Supplier's maintaining and following a disaster recovery plan designed to maintain Application User access to the Application and Licensed Services, and to prevent the unintended destruction of Content; and which plan, unless otherwise specified herein, shall provide for daily back-up of Content and archival of such Content at a secure facility. The disaster recovery plan shall provide for and be followed by Supplier such that in no event shall the Application, Licensed Services, Supplier Product and/or Content be unavailable to any Application User for a period in excess of twenty-four (24) hours;

viii). Regular training for Supplier personnel regarding the security and data recovery programs referenced in this Section;

ix). Regular testing of the systems and procedures outlined in this Section; and

x). Audit controls that record and monitor Application and Licensed Services activity continuously.

xi). Supplier agrees that within thirty (30) days after the expiration or termination of this Contract or the commencement of actions of bankruptcy, acquisition, or any other event that would preclude Supplier's ability to operate, unless this Contract is assigned by written agreement between VITA and Supplier to another entity who agrees to the terms of this Contract and who is assuming Supplier's Application, Licensed Services and Supplier Product, Supplier shall return Authorized Users' Content to Authorized User and shall confirm in writing to Authorized User and VITA that all Content has been removed from all systems where the Content resided during performance of this Contract in a manner that complies with and/or exceeds the Commonwealth Data Removal standard located at the following .URL:. http://www.vita.virginia.gov/uploadedFiles/Library/PSGs/Data_Removal_Standard.pdf. The written confirmation shall include (i) sufficient detail describing the processes and procedures used in removing the Content, (ii) information about the locations of where it was removed from within the Application and storage and other locations, and (ii) the date the removals were performed. All metadata, in its original form, shall be returned to the respective Authorized User(s).

Failure by Supplier to use best industry practices in fulfilling these security obligations shall eliminate any limitation of Supplier's liability to VITA, Authorized Users, or third parties, including the limitation on lost profits and consequential damages.

8. PROPRIETARY RIGHTS

A. Supplier's Proprietary Rights

Except as otherwise stated herein, as between VITA and Supplier, the Licensed Services (including without limitation, the Application and Updates, and Supplier Product, except to the extent that Supplier Product contains Content) and Documentation are and shall remain the sole and exclusive property of Supplier and its licensors. All modifications, enhancements, Updates, and translations of the Licensed Services shall be deemed a part thereof.

B. Authorized User Requirements and License Restrictions

Except as otherwise provided in this Contract or as provided by law:

i). Authorized User will use commercially reasonable efforts to ensure that Application Users comply with all of the terms and conditions hereof.

ii). Authorized User shall not reverse engineer, decompile, disassemble, or otherwise attempt to derive source code or other trade secrets from any of the software comprising or in any way making up a part of the Application.

iii). Authorized User shall not directly or indirectly copy or reproduce all or any part of the Application, whether electronically, mechanically or otherwise, in any form including, but not limited to, the copying of presentation, style or organization, without prior written permission from Supplier; provided, however, an Authorized User may reproduce and distribute any Application output generated from the relevant Authorized User Content, and an Application User may reproduce and distribute any Application output generated pursuant to the permissions set forth in the applicable Authorized User's order.

iv). Authorized User shall not rent, lease, sublicense, resell for profit, loan, distribute, network or modify the Application or Supplier Product or any component thereof, provided as part of the Licensed Services, except as otherwise authorized by Supplier; however, an Authorized User may reproduce and distribute any Application output (e.g., reports) generated by Authorized User using the Application, and an Application User may reproduce and distribute any Application output generated by the Application User using the Application and pursuant to the permissions set forth in the applicable Authorized User's order.

v). Authorized User shall only use the Application and Supplier Product in the normal course of business, in connection with, and as part of, the Licensed Services.

vi). Authorized User shall not attempt to gain unauthorized access to the Application or Licensed Services, other user accounts, computer systems or networks connected to the Licensed Services;

vii). Authorized User shall not remove, obscure or alter Supplier's proprietary notices, disclaimers, trademarks, or other proprietary rights notices of any kind affixed or contained in the Application or Licensed Services or any written or electronic report, output or result generated in connection with the Licensed Services;

viii). Authorized User shall take reasonable care not to, and shall not intentionally or knowingly, use the Application to post, transmit, distribute, store or destroy any information: (i) in violation of any applicable law, statute, ordinance or regulation; (ii) in a manner that shall infringe the intellectual property rights of others; (iii) that is defamatory or trade libelous, or (iv) that contains any Computer Viruses.

ix). Authorized User shall not use the Application or Licensed Services for any illegal, obscene, offensive or immoral purpose.

C. Authorized User Proprietary Rights

Except as otherwise stated herein and with the exception of any applicable third-party rights, Content is and shall remain the sole and exclusive property of Authorized User, including all applicable rights to patents, copyrights, trademarks, trade secrets or other proprietary property rights thereto. Additionally, all right, title and interest in and to any Content relating to Authorized User's business shall remain the property of Authorized User, whether or not supplied to Supplier or uploaded into the Application. Nothing in this Contract shall be construed as conveying any rights or interest in Content to Supplier. Upon termination of an order issued hereunder, Supplier agrees to either provide the Content to the applicable Authorized User, or, at such Authorized User's request, certify in writing that said Content in all formats, have been destroyed.

9. TRANSITION ASSISTANCE

Upon execution of an order or SOW pursuant to this Contract, Supplier and Authorized User will develop a transition plan ("Transition Plan") detailing each Party's respective tasks in connection with the orderly transition and migration of (i) all Content stored by Supplier pursuant to such order to Authorized User's archive and/or to a system or application maintained by Authorized User or a third party application service provider and, if applicable and agreed in writing by Authorized User and Supplier, (ii) the Application and Licensed Services to Authorized User or a third party service

provider, such transition and migration to occur upon termination or expiration of the Contract or the applicable order.

At a minimum, the Transition Plan shall provide that upon expiration or termination of this Contract or the applicable order for any reason, Supplier will return all Content in its possession to the Authorized User in a format accessible without the use of Supplier's Application and, at Authorized User's option, continue to provide Licensed Services for up to six (6) months after the date of expiration or termination in order to facilitate Authorized User's transition to a new service provider and Supplier shall provide such reasonable assistance as may be requested by Authorized User to effectuate such transition.

In any event, regardless of whether a Transition Plan has been developed or implemented, Supplier shall, within thirty (30) days of expiration, completion, or termination of this Contract or any order issued hereunder, provide to all affected Authorized Users a complete set of all Content provided to Supplier by the relevant Authorized User and/or its Application Users and stored by the Application on behalf of such Authorized User. Supplier's failure to do so shall constitute a material breach of this Contract and, in addition to the remedies set forth in this Contract, VITA or the affected Authorized User may exercise all available rights and remedies under law and equity.

The obligations set forth in this section and in any Transition Plan developed pursuant to an order issued pursuant to this Contract may extend beyond expiration or termination of the Contract for a period not to exceed six (6) months. In the event of a termination for breach and/or default of Supplier, Supplier shall perform such obligations at no charge or fee to VITA or any Authorized User; otherwise, Supplier shall perform such obligations at the hourly rate or a charge agreed upon by Supplier and VITA or an Authorized User.

10. COMMENCEMENT AND ACCEPTANCE OF LICENSED SERVICES

A. Licensed Services Commencement Date

The Supplier shall begin delivery of Licensed Services on the date requested by the Authorized User and agreed to by the Supplier in an order. An Authorized User may delay the Licensed Services commencement date by notifying the Supplier at least ten (10) days before the scheduled Licensed Services commencement date.

B. Acceptance

The Application shall be deemed accepted when the Authorized User reasonably determines that such Authorized User and its Application Users can successfully access and use all functionalities of the Application which Supplier is required to provide to such Authorized User and its Application Users pursuant to Exhibit A. Such Authorized User agrees to complete Acceptance testing within thirty (30) days after receiving written notice from Supplier of the ability of such Authorized User and its Application Users to access the Application, or within such other period as set forth in the applicable order. After such period, unless Authorized User notifies Supplier to the contrary, the Application shall be deemed accepted. Supplier agrees to provide to such Authorized User such assistance and advice as such Authorized User may reasonably require, at no additional cost, during such Acceptance testing, other than pre-approved travel expenses incurred which will be reimbursable by such Authorized User at the then current per diem amounts set forth by the Virginia Department of Accounts and published at: http://www.doa.virginia.gov or a successor URL(s). Authorized User shall provide to Supplier written notice of Acceptance upon completion of successful Acceptance testing. Should Authorized User fail to provide Supplier written notice of successful or unsuccessful Acceptance testing within five (5) days following the Acceptance testing period, the Service shall be deemed Accepted.

C. Cure Period

If during the Acceptance test period, Authorized User is unable to access the licensed functionalities of the Application as set forth in Exhibit A, Supplier shall provide Authorized User with such access, and such Authorized User's Application Users with their required access, within seven (7) days of written notice of inability to access, or as otherwise agreed between the Authorized User and Supplier in the applicable order. Should Supplier fail to provide access to

the licensed functionalities of the Application, such Authorized User may, in its sole discretion: (i) reject the Application in its entirety and recover amounts previously paid hereunder; (ii) issue a "partial Acceptance" of the Application access with an equitable adjustment in the price to account for such deficiency; or (iii) conditionally accept the applicable Application access while reserving its right to revoke Acceptance if timely correction is not forthcoming.

If the Authorized User and its Application Users are unable to access the licensed functionalities set forth in Exhibit A of the Application after a second set of acceptance tests, Supplier shall be deemed in default of the order. In the event of such default, the Authorized User may, at its sole discretion, terminate its order, in whole or in part, for the Licensed Services to be provided thereunder by Supplier.

11. RECORDS AND AUDIT

Supplier shall maintain accurate records and other evidence pertaining to the costs and expenses for all Licensed Services performed/delivered under any order issued pursuant to this Contract in support of its charges invoiced to Authorized User. The records will be to the extent and in such detail as will properly reflect all direct and indirect costs associated with such order. In addition, Supplier shall maintain accurate records of the Licensed Services, including but not limited to, the "Uptime" and "Downtime" as set forth in the Supplier Responsibilities Section. Authorized User shall have the right, at any reasonable time during regular business hours after giving reasonable advance notice, to inspect and audit the records applicable to its order(s). Supplier shall preserve such records for three (3) years after termination/completion of the Licensed Services agreed to under this Contract or any order issued hereunder.

12. APPLICATION AND LICENSED SERVICES SUPPORT

At any time during the term of any order issued pursuant to this Contract, Supplier shall provide the Application Services Support in accordance with Exhibit G of this Contract, Service Level Agreement.

13. SERVICE LEVELS AND REMEDIES

At any time during the term of any order issued pursuant to this Contract, Supplier shall provide the Application Services Support in accordance with Exhibit G of this Contract, Service Level Agreement.

In the event Authorized User is eligible for a 100% Service Level Credit under this Section during any given month of the term of such Authorized User's order, Authorized User may terminate such order without penalty upon written notice to Supplier and, in addition to the remedies available under this Section, receive any additional remedies set forth in the Contract.

Credits shall be applied against the next invoice. In the event a Service Level Default occurs after VITA or an Authorized User has given notice of termination pursuant to the Term and Termination section of this Contract or due to non-appropriation of funds, or Authorized User has made final payment to Supplier for the Application and Licensed Services and no further invoices shall issue as a result, Supplier shall refund to Authorized User the amount of the appropriate Service Level Credit due for the period of default.

A. Reporting

Once each calendar quarter during the term of an order issued pursuant to this Contract, Supplier shall provide Authorized User with a written report that shall contain information with respect to the performance of the Application and Licensed Services, unless otherwise agreed upon by the Parties, and in conformity with the reporting Supplier provides to its other customers utilizing an application and licensed services identical or similar to the Application and Licensed Services provided to the Authorized User. Representatives of Supplier and Authorized User shall meet as often as may be reasonably requested by Authorized user to review Supplier's performance of Licensed Services and the performance of the Application and to discuss technical plans, financial matters, system performance, service levels and for any other matters related to this Contract or such Authorized User's order. Authorized User may independently audit the report at its expense no more than two (2) times annually.

B. Provisioning

Incremental adds, moves or reductions in the scope of the Licensed Service (e.g., USERIDs), shall be completed within four (4) business hours of a written request (including e-mail or submission to Supplier's provisioning website) from an Authorized User's designated administrator. In the event that provisioning is not made available within one (1) business day of the request, a credit for the incremental amount of the revision shall be applied against the next subscription term for the corresponding pro-rated amount.

C. Failure to Meet Service Level Commitments

In the event that such Application fails to meet the Service Levels specified herein, Supplier will: (i) promptly replace the Application with an Application that conforms to this Contract and such specifications; (ii) repair the Application, at Supplier's expense, so that it conforms to this Contract and such specifications; or (iii) refund to Authorized User all fees paid for the Application and the Licensed Services after the failure of the Application to meet the Service Levels. In the event Supplier fails to comply with these remedies, Authorized User may exercise all available rights and remedies under law and equity.

D. Escalation Procedures

14. CONTACT ENGAGEMENT MANAGER (TBD), ACCOUNT MANAGER (BRIAN WILSON BWILSON@INNOTAS.COM), VP SALES (CALEB ENTREKIN CENTRIKIN@INNOTAS.COM), CEO (KEVIN KERN KKERN@INNOTAS.COM).ESCROW AGREEMENT

Supplier currently has escrow materials deposited in accordance with a FlexSAFE Escrow Agreement with Iron Mountain Intellectual Property Management (refer to Exhibit C) dated as of July 19, 2001 and under account number 2015086-00001 (the "Escrow Agreement"). Supplier agrees to offer Authorized User the option to become a "FlexSAFE Beneficiary" under the terms of the Escrow Agreement for a fee as set forth in Exhibit B. Under the Escrow Agreement, Supplier shall maintain a true and correct copy of the most recent executable machine readable version of the software, program documentation sufficient to allow a competent programmer to use and maintain the source code programs, generate executable objects and to have all appropriated security access code/keys to operate said executable. Supplier will ensure, to the best of its ability, that the coverage under the escrow agreement will not be substantially altered in the future.

15. GENERAL WARRANTY

Supplier warrants and represents to VITA the Licensed Services and the Application described in Exhibit A as follows:

A. Ownership

Supplier has the right to provide the Licensed Services, including access by any Authorized User and its Application Users to the Application, without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party.

B. Licensed Services, Application, and Documentation

Supplier warrants the following with respect to the Licensed Services and the Application:

i). The Application is pursuant to a particular Request for Proposal ("RFP"), and therefore such Application shall be fit for the particular purposes specified by VITA in the RFP and in this Contract, and Supplier is possessed of superior knowledge with respect to the Application and is aware that all Authorized Users are relying on Supplier's skill and judgment in providing the Licensed Services, including the Application and Supplier is possessed of superior knowledge with respect to the Application and is aware that all Authorized Users are relying on Supplier's skill and judgment in providing the Licensed Services, including the Application;

ii). Supplier represents and warrants (i) that it shall perform the Licensed Services in conformity to the specifications set forth in Exhibit A in a professional and workmanlike manner and (ii) that the Licensed Services shall not infringe any third party proprietary rights including (without limitation) any trademark, trade name, trade secret, copyright, moral rights, patents or similar intellectual property rights.

iii). Supplier warrants that the Application and Licensed Services will conform in all material respects to the Requirements set forth in this Contract and any order issued hereunder, and the applicable specifications and Documentation, not including any post-Acceptance modifications or alterations to the Documentation which represent a material diminishment of the functionality of the Application, Licensed Services or Supplier Product; and that such Application and Licensed Services are compatible with and will operate successfully when used on the equipment in accordance with the Documentation and all of the terms and conditions hereof.

iv). The Application provided hereunder is at the current release level unless an Authorized User specifies an older version in its order;

v). No corrections, work arounds or future Application releases provided by Supplier shall degrade the Application, cause any other warranty to be breached, or require an Authorized User to acquire additional hardware equipment or software;

vi). Supplier warrants that all post-Acceptance Updates, changes, alterations or modifications to the Application, Licensed Services and Documentation by Supplier will be compatible with, and will not materially diminish the features or functionality of the Application, Licensed Services and/or Supplier Product when used on the equipment in accordance with the Documentation and all of the terms and conditions hereof.

vii). Supplier warrants that the Documentation and all modifications or amendments thereto which Supplier is required to provide under this Contract shall be sufficient in detail and content to allow a user to understand and utilize fully the Application without reference to any other materials or information.

C. Malicious Code

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

D. Access to Product and Passwords

Supplier warrants that the Application and Licensed Services do not contain disabling code (defined as computer code designed to interfere with the normal operation of the Licensed Services or hardware or software of any Authorized User or its Application Users) or any program routine, device or other undisclosed feature, including but not limited to, viruses, worms, trojan horses, or other malicious code which is specifically designed to permit unauthorized access, delete, disable, deactivate, interfere with or otherwise harm the Application, Licensed Services or the hardware or software of any Authorized User or its Application Users. In addition, Supplier warrants that Authorized User and its Application Users will be provided commercially reasonable uninterrupted access to the Application and that Supplier will not cancel or otherwise terminate access to the Application by disabling passwords, keys or tokens that enable continuous use of the Application by the Authorized User and its Application Users during the term of this Contract or any order issued hereunder. Supplier further warrants that the Application and Licensed Services are compatible with and will operate successfully on the equipment.

E. Open Source

For any installed software on premise at Commonwealth locations, Supplier will notify all Authorized Users if the Application contains any Open Source code and identify the specific Open Source License that applies to any embedded code dependent on Open Source code, provided by Supplier under this Contract.

F. Supplier's Viability

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

G. Supplier's Past Experience

Supplier warrants that Supplier has provided the Licensed Services to a non-related third party customer of Supplier without significant problems due to the Licensed Services, the Application, or Supplier.

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

16. TRAINING AND DOCUMENTATION

The Licensed Service fee includes all costs for the training of one (1) Authorized User trainer per order or SOW at an Authorized User's designated location on the use and operation of the Application, including instruction in any necessary conversion of such Authorized User's Content and data for such use. Pursuant to a mutually agreed upon schedule, Supplier shall provide sufficient personnel experienced and qualified to conduct such training. Available optional training, and applicable pricing and discounts, are described in Exhibit B.

Supplier shall make available to any Authorized User Documentation, as requested by such Authorized User. Any Authorized User shall have the right, as part of the license granted herein, to make as many additional copies of the Documentation, in whole or in part, for its own use as required. This Documentation shall include, but not be limited to, overview descriptions of all major functions, detailed step-by-step operating procedures for each screen and activity, and technical reference manuals. Such Documentation shall be revised to reflect any modifications made by Supplier to the Application. Any Authorized User shall have the right, as part of the license granted herein, at its own discretion, to take all or portions of the Documentation, modify or completely customize it in support of the authorized use of the Application and may duplicate such Documentation and include it in such Authorized User's document or platform. All Authorized Users shall continue to include Supplier's copyright notice.

17. FEES, ORDERING AND PAYMENT PROCEDURE

A. Fees and Charges

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

B. Application Demonstration

At the request of any Authorized User, Supplier shall perform a demonstration of its Application and the Licensed Services at such Authorized User's location, or on-line, and at no charge.

C. Statement of Work (SOW)

An SOW shall be required for any Licensed Services ordered by an Authorized User pursuant to this Contract. All Licensed Services shall be provided in accordance with the Requirements and service levels set forth herein or in the applicable SOW and at the rates set forth in Exhibit B herein. An SOW shall be of a fixed price type but may contain a cost-reimbursable line item(s) for pre-approved travel expenses which shall be reimbursable by the Authorized User in accordance with the then-current per diem amounts as published by the Virginia Department of Accounts at http://www.doa.virginia.gov or a successor URL(s).

Any change to an SOW must be described in a written change request. Either Party to an SOW may issue a change request that will be subject to written approval of the other Party, in the form of a modification to the SOW, before it becomes part of this Contract. In no event shall any SOW or any modification thereto require the Supplier to provide any products or services that are beyond the scope of this Contract as such scope is defined in Exhibit A hereto.

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

D. Ordering

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

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

i). Purchase Order (PO): An official PO form issued by an Authorized User.

ii). Any other order/payment charge or credit card process, such as AMEX, MASTERCARD, or VISA under contract for use by an Authorized User.

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

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

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

E. Invoice Procedures

Supplier shall remit each invoice to the "bill-to" address provided with the order promptly after all Licensed Services have been accepted and in accordance with the milestone payment schedule, if any, in the applicable order. Payment for Licensed Services shall be annually in advance unless otherwise stated herein, or in any order referencing this Contract. No invoice shall include

any costs other than those identified in the executed order, which costs shall be in accordance with Exhibit B. Without limiting the foregoing, all shipping costs are the Supplier's responsibility except to the extent such charges are identified in Exhibit B, or as noted in any executed order referencing this Contract. Invoices issued by the Supplier shall identify at a minimum:

i). Dates during which Supplier provided the Licensed Services to the Authorized User

ii). Quantity, charge and extended pricing for each Licensed Service

iii). Applicable order date

iv). This Contract number and the applicable order number

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

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

F. Purchase Payment Terms

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

In the event an Authorized User does not receive or have access to the applicable Documentation, payment shall not be due until the required Documentation is provided.

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

18. REPORTING

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

By the 10th day of every month, the Supplier shall submit the "Supplier Monthly Report of Sales". A template showing the format in which the report is to be submitted and contact information for submission is available at http://www.vita.virginia.gov/scm/default.aspx?id=97. The report shall be submitted via electronic mail to the VITA IFA Coordinator and shall report total sales (defined for purposes of this report as all invoiced payments received by Supplier from all Authorized Users) for this Contract during the preceding month. Supplier shall be responsible for submitting the monthly report of sales even if Supplier has had no sales (i.e., a $0.00 total sales value) for the reporting period. The Supplier shall submit the Industrial Funding Adjustment (IFA) payment for the period covered by such "Supplier Monthly Report of Sales" within thirty (30) days after submitting the "Supplier Monthly Report of Sales". The IFA payment is equal to two percent (2%) of total sales reported during the relevant month. The IFA payment shall be submitted to VITA, Attention VITA Controller in the form of a check or electronic payment, made payable to the Treasurer of Virginia. The IFA payment shall reference this Contract number, "report amounts", and "report period" and shall be accompanied by a copy of the relevant "Supplier Monthly Report of Sales". Contact information for submission of IFA payments is available at http://www.vita.virginia.gov/scm/default.aspx?id=97

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

B. Small Business Participation

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

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

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

19. STEERING COMMITTEE

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

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

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

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

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

20. COMPETITIVE PRICING

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

21. CONFIDENTIALITY

A. Treatment and Protection

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

Party shall take the same measures to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in no event shall such measures be less than reasonable care).

B. Exclusions

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

i). in the public domain through no fault of the receiving Party or of any other person or entity that is similarly contractually or otherwise obligated;

ii). obtained independently from a third-party without an obligation of confidentiality to the disclosing Party and without breach of this Contract;

iii). developed independently by the receiving Party without reference to the Confidential Information of the other Party; or

iv). required to be disclosed under The Virginia Freedom of Information Act (§§2.2-3700 et seq. of the Code of Virginia) or similar laws or pursuant to a court order.

C. Return or Destruction

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

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

22. INDEMNIFICATION AND LIABILITY

A. Indemnification

Supplier agrees to indemnify, defend and hold harmless the Commonwealth, VITA, any Authorized User, their officers, directors, agents and employees (collectively, "Commonwealth's Indemnified Parties") from and against any and all 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 misconduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier, (iii) breach of any representation, warranty or covenant of Supplier contained herein, (iv) any defect in the Application or the Licensed Services, (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by the Application or any of the Licensed Services, or (vi) loss of Content provided to Supplier due to Supplier's failure to back up Content in accordance with the Contract. 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 use of the Application or that the provision of Licensed Services under this Contract infringes any third party's intellectual property rights and Supplier is of the opinion that the allegations in such Claim in whole or in part are not covered by this indemnification provision, Supplier shall immediately notify VITA and the affected Authorized User(s) in writing, via certified

mail, specifying to what extent Supplier believes it is obligated to defend and indemnify under the terms and conditions of this Contract. Supplier shall in such event protect the interests of the Commonwealth's Indemnified Parties and secure a continuance to permit VITA and the affected Authorized User(s) to appear and defend their interests in cooperation with Supplier as is appropriate, including any jurisdictional defenses VITA or the affected Authorized User(s) may have.

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

B. Liability

Except for liability with respect to (i) any intentional or willful misconduct or negligence of any employee, agent, or subcontractor of Supplier, (ii) any act or omission of any employee, agent, or subcontractor of Supplier, (iii) claims for bodily injury, including death, and real and tangible property damage, (iv) Supplier's indemnification obligations, (v) Supplier's confidentiality obligations, and (vi) Supplier's security compliance obligations, Supplier's liability shall be limited to twice the aggregate value of the Application and Licensed Services provided under this Contract. Supplier agrees that it is fully responsible for all acts and omissions of its employees, agents, and subcontractors, including their gross negligence or willful misconduct.

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

23. INSURANCE

In addition to the insurance coverage required by law as referenced in the Incorporated Contractual Provisions section of this Contract, Supplier shall carry errors and omissions insurance coverage in the amount of $2,000,000 per occurrence.

24. SECURITY COMPLIANCE

Supplier agrees to comply with all provisions of the then-current Commonwealth of Virginia security procedures, published by the Virginia Information Technologies Agency (VITA) and which may be found at (http://www.vita.virginia.gov/library/default.aspx?id=537#securityPSGs) or a successor URL(s), as are pertinent to Supplier's operation. Supplier further agrees to comply with all provisions of the relevant Authorized User's then-current security procedures as are pertinent to Supplier's operation and which have been supplied to Supplier by such Authorized User. Supplier shall also comply with all applicable federal, state and local laws and regulations. For any individual Authorized User location, security procedures may include but not be limited to: background checks, records verification, photographing, and fingerprinting of Supplier's employees or agents. Supplier may, at any time, be required to execute and complete, for each individual Supplier employee or agent,

additional forms which may include non-disclosure agreements to be signed by Supplier's employees or agents acknowledging that all Authorized User information with which such employees and agents come into contact while at the Authorized User site is confidential and proprietary. Any unauthorized release of proprietary or Personal information by the Supplier or an employee or agent of Supplier shall constitute a breach of its obligations under this Section and the Contract.

Supplier 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 Supplier. Supplier 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.

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

VITA shall have the right to review Supplier's information security program prior to the commencement of Licensed Services and from time to time during the term of this Agreement. During the performance of the Licensed Services, on an ongoing basis from time to time, VITA, at its own expense, shall be entitled to perform, or to have performed, an on-site audit of Supplier's information security program. In lieu of an on-site audit, upon request by VITA, Supplier agrees to complete, within forty-five (45 days) of receipt, an audit questionnaire provided by VITA regarding Supplier's information security program. Additionally, no less than annually, Supplier shall conduct an independent third-party audit of its information security program and provide such audit findings to VITA. Supplier shall implement any reasonably required safeguards as identified by Customer or information security program audits.

25. IMPORT/EXPORT

In addition to compliance by Supplier with all export laws and regulations, VITA requires that any data deemed "restricted" or "sensitive" by either federal or state authorities, must only be collected, developed, analyzed, or otherwise used or obtained by persons or entities working within the boundaries of the United States. Unless otherwise specified in an applicable SoW, the Application and Licensed Services shall be provided and all Content stored by Supplier on servers, storage or nodes physically located in the continental United States.

26. BANKRUPTCY

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

27. GENERAL PROVISIONS

A. Relationship Between VITA and Authorized User and Supplier

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

B. Incorporated Contractual Provisions

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

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

The then-current contractual provisions at the following URL are required contractual provisions, required by law or by VITA, that apply to all orders placed under this Contract that are partially or wholly funded by the American Recovery and Reinvestment Act of 2009 (ARRA) and are hereby incorporated by reference:
http://www.vita.virginia.gov/uploadedFiles/SCM/ARRA_Ts_Cs_Rev3.pdf

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

C. Compliance with the Federal Lobbying Act

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

D. Governing Law

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

E. Dispute Resolution

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

agreed due in the final payment. The relevant public body shall render a final decision in writing within thirty (30) days after its receipt of the Supplier's written claim.

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

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

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

F. Advertising and Use of Proprietary Marks

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

G. Notices

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

H. No Waiver

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

I. Assignment

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

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

J. Captions

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

K. Severability

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

L. Survival

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

M. Force Majeure

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

N. Remedies

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

O. Right to Audit

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

i). Two (2) years from Software delivery or Service performance date;

ii). Performed at Supplier's premises, during normal business hours at mutually agreed upon times, and all Commonwealth costs paid for by the Commonwealth; and

iii). Excludes access to Supplier cost information.

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

P. Contract Administration

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

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 Requirements

ii). Exhibit B Pricing

iii). Exhibit C Application Escrow Agreement

iv). Exhibit D Statement of Work (SOW) Template

v). Exhibit E Reserved

vi). Exhibit F Certification Regarding Lobbying

vii). Exhibit G Service Level Agreement

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

An Authorized User and Supplier may enter into an ordering agreement pursuant to this Contract. To the extent that the terms and conditions of such ordering agreement, or any order or SOW issued hereunder, are inconsistent with the terms and conditions of this Contract, the terms of this Contract shall supersede.

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

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

Innotas

By: _____
(Signature)

Name: Kevin Kern
President and CEO
(Print) Innotas

Title: _____

Date: 6/28/11

VITA

By: _____
(Signature)

Name: Doug Crenshaw
(Print)

Title: VITA Sourcing Manager

Date: 6/30/11

Address for Notice:
118 2nd ST
San Francisco, CA
94105

Attention: Kevin Kern

Address for Notice:
11751 Meadowville Road
Chester, VA 23836

Attention: Contract Administrator

EXHIBIT A REQUIREMENTS
CONTRACT NUMBER VA-110624-INNO
BETWEEN
VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
INNOTAS

Exhibit A is hereby incorporated into and made an integral part of Contract Number VA-110624-INNO ("Contract") between the Virginia Information Technologies Agency ("VITA" or "Commonwealth" or "State") and Innotas ("Supplier").

In the event of any discrepancy between this Exhibit A and the Contract, the provisions of the Contract shall control.

A. General

	Requirements	A	B
1	Does your solution comply with all applicable Commonwealth Data Standards as found at: http://www.vita.virginia.gov/oversight/default.aspx?id=10344	Y	The Commonwealth owns the data hosted by Innotas. Additionally, through the use of reporting and web services APIs, full access is granted to the Commonwealth to the data stored within the Innotas repository.
2	Does your solution provide effective, interactive control and use with nonvisual means in accordance with COV ITRM Policies and Standards (see: http://www.vita.virginia.gov/library/default.aspx?id=537 If no, please provide details that specify how your solution does not comply.	Y	The Innotas data center is SAS70 Type II compliant, which is the standard for cloud solutions.
3	Does your solution conform to the Section 508 Access Board Standards? (refer to: http://www.vita.virginia.gov/library/default.aspx?id=537, www.section508.gov and www.access-board.gov for further information) If yes, please describe how this functionality is achieved? If yes, please include a completed Vendor Product Accessibility Template (VPAT) with your proposal. If no, does your Solution provide alternate accessibility functionality? If not applicable to this procurement, mark "N/A."	N	While we do build the product to be accessible, we have not been evaluated for Section 508 Access Board Standards. We do provide visual indicators for required fields as well as support keyboard navigation in addition to mouse clicks.

4	Is your solution's product on a release management cycle? Please explain.	Y	Innotas has 2-3 large releases a year with maintenance releases in between. The schedule varies somewhat based on size and scope of the releases.
5	Does your solution provide project, application, portfolio and program management capabilities? Please explain.	Y	Innotas is a PPM and ITG offering that provides Portfolio, Application Portfolio, Program, Project, Request, Resource, Time and Financial Management.
6	Does your solution allow the organization of projects, applications and programs into more than one portfolio? Describe how this is accomplished.	Y	Innotas Portfolios support the inclusion of multiple applications, programs, and projects per portfolio. Additionally, a project can be linked to multiple portfolios.
7	Does your solution handle document management (e.g types of documents, version control, and the ability for users to check documents in and out)? Please explain how.	Y	Innotas supports document management with version control. Documents when attached to Innotas as checked in. They must then be checked out to be changed. The document is then checked in, and the history of check in and check outs are fully tracked.
8	Does your solution provide reports and dashboards, so that project and portfolio data may be searched, grouped, charted, aggregated and displayed? Please explain.	Y	Innotas reports and dashboards are comprehensive across all functional areas of the system and provide robust reporting. 140 reporting templates support complete reporting ability against all data within the system, out of the box and user added. This data can be grouped, sorted, and viewed very easily.
9	Does your solution provide ad-hoc reporting, drill-down, scheduling and exporting capabilities? Please explain.	F	Innotas supports all features today in terms of reporting, but does not currently support report scheduling.
10	Is your solution web-based? Please explain.	Y	Innotas is 100% web-based, and is delivered in only in a SaaS model.
11	Describe your solution's user interface and navigation capabilities.	N/A	
12	Does your solution provide for customizable, role-based navigation (e.g. favorites, project homepages, news bulletins, etc.)? Please explain.	Y	Through the use of Innotas My Arena, fully configurable Dashboards and Reports, and user definable filters, Innotas provides for fully personalized navigation and views.
13	Does your solution include peripheral services or customer engagement opportunities related to these requirements? Please explain.	Y	Innotas provides full engagement management services related to the implementation of Innotas.

B. Request Management

	Requirements	A	B

	Requirements	A	B
1	Does your solution handle business case development and request management (i.e. worksheets for users to build business case for potential projects)? Please explain.	Y	Innotas Request Management provides full capture of Business Case detail in a configurable request form. Additionally, attached documents can be included as part of the request.
2	Does your solution have the ability to initiate and obtain cost estimates for potential projects? Please explain.	Y	Innotas supports cost capture for projects at both a high level or detailed level, and includes labor and non-labor costs.
3	Does your solution support the creation of more than one configurable or customizable approval workflow for request intake? If so, please describe options available.	Y	Each request type has its own workflow, so if multiple workflows are required to support different types of requests, they can be easily configured in the system.
4	Does your solution support the distinction between projects and non-project requests (e.g., operations and maintenance, minor enhancement, new program activity request)? Please explain.	Y	Requests can be defined for any type of work that needs to be supported.
5	Does your solution allow requests to be tied to specific applications, components (e.g., databases) or programs? If so, describe how that connection is accomplished and any reports available that provide visibility into activity associated with each application or program (e.g., requests made, requests approved, requests in process).	Y	Requests can be tied to specific application items, programs, portfolios, or any other grouping or category required. The connection is made by linking the request to an existing entity in the system (program, application, portfolio, project, etc.) or by using a User Defined Field which will serve as a classification or categorization field.

C. Project Management / Individual Resourcing

	Requirements	A	B
1	Describe your solution's overall Project Management capability (projects defined by objectives, tasks, metrics, resources, scheduling, and other custom-defined attributes).	N/A	
2	Does your solution provide standard project-level reports? If so, describe and provide any sample reports.	Y	Innotas provides over 20 out of the box report templates at the project level (140+ out of the box overall). See the list below.

	Requirements	A	B
			Create a new Report Report for / Title / Description Project / Project Trend data for Schedule, HTC and Actual Hours / Generates data for the available fields as it trends over time. Project / Project Information with Financials / A report on a given Project with financials that I own or am on th Project / All Summary Tasks on a Project / A report on all Summary Tasks on a given Project Project / All Tasks on a Project / A report on all Tasks on a given Project Project / All Issues/Risks on a Project / A report on all Issues/Risks on a given Project Project / All Project Roles on a Project / A report on all Project Roles in a Project Project / All Roles Allocated on a Project / A report on all Organization Roles allocated to the Team Memb Project / All Task Roles on a Project / A report on all Task Roles in a Project Project / All Task Schedules on a Project / A report on all Task Schedules in a Project Project / All Fixed Bid Invoices on a Project / A report on all Fixed Bid Invoices on a given Project Project / All Fixed Bid Invoice Items on a Project / A report on all Fixed Bid Invoice Items on a given Project Project / Project Fixed Bid Revenue Allotments / A report on Fixed Bid Revenue Allotments for a given Project Project / All Team Members on a Project / A report on all Team Members on a Project Project / All Team Members on all Tasks in a Project / A report on all Team Members on all Tasks in a Project Project / All Team Members on all Issues/Risks in a Project / A report on all Team Members on all Issues/Risks in a Project Project / All Baselines on a Project / A report on all Baselines on a given Project Project / All Baseline Details on a Project / A report on all Summary Task level Baseline Details on a given Project / All Timesheet Entries on a Project / A report on all Timesheet Entries that are charged to a given Pr Project / All Expense Entries on a Project / A report on all Expense Entries that are charged to a given Proj Project / Resource Planning by Project Roles / Resource Planning by Project Roles (Capacity and Demand) Project / Resource Planning for Resource Allocations for a selected Project / Resource Planning for Resource Allocations for a selected Pro Project / Resource Planning for Resource Schedules for a selected Project / Resource Planning for Resource Schedules for a selected Pro This list contains 22 items. © Innotas 2000-2011 All Rights Reserved. Privacy Policy
3	Does your solution contain real-time reporting capabilities to include elapsed hours, actual costs, critical path, and creation of reports that can be shared with other team members? Please explain.	Y	All reports provide information on real-time data, including plan vs. actual hours and budget, critical path details, etc. Reports created can be easily shared with other team members either within the system in real-time dashboards or in exports to pdf, excel or html.
4	Does your solution handle the creation, tracking, and management of risks and issues? Please explain.	Y	Issues and risks are tracked directly within projects and can be viewed across projects, programs and portfolios.
5	Does your solution notify users of relevant project status changes, budget variances, remaining project funds, required approvals (e.g. automatic emails)? Please explain.	Y	Innotas provides email alerts to users, stakeholders, customers, etc. to provide information about updates made within Innotas or to provide information about pending action required in Innotas – such as a request pending approval.
6	Does your solution handle the creation of a project hierarchy (sub-project nesting for collaborative project hierarchical management)? Please explain.	Y	The Innotas Task Workbench supports the creation of a project hierarchy, with parent, children and multi-tiered layers within projects.
7	Does your solution handle the assignment, tracking and management of resources? Please explain.	Y	Innotas supports the assignment of resources both at the project or task level, as well as by role (resource type) or named resource. Roll-up visibility across all resource assignments provides views of overall resource availability.
8	Does your solution provide resource grids and other allocation information to quantify overall	Y	Innotas Resource Capacity and Demand views provide real-time

	Requirements	A	B
	capacity, locate, possible resource conflicts, and provide for resource replacements? Please explain.		information across all resources with regard to assignments of resources to work within the system as compared to their overall capacity. Any over assignments are heat mapped to identify resource conflicts, and available resources are color coded as well.
9	Does your solution have the ability to measure and present information on the health of a project? Please explain.	Y	Innotas provides automated health indicators that show project health for schedule, resource usage and cost budget. Manual health indicators can also be created.
10	Does your solution have the ability to create Earned Value ratios of CPI or SPI to detect positive or negative leading indicators of project schedules and costs? Please explain.	F	Innotas currently tracks all data to support EVA, CPI and SPI, and in the Innotas Spring Release, these calculations will be available.
11	For your solution, what other at-a-glance views or reports are available to show project health and what metrics, indicators and cost calculations are used?	N/A	Health indicators linked to the project for schedule, resource hours and cost budget are available out of the box. Additionally, % complete and Critical Path are tracked, as well as budget vs. actuals for resource hours as well as project cost.
12	Does your solution have the capability to handle change management (i.e. the creation, tracking, and management of project changes in scope, budget, etc.)? Please explain.	Y	Innotas provides and out of the box project change request to track any changes needed to projects.

D. Portfolio Management / Reporting / Dashboard

	Requirements	A	B
1	Does your solution handle Portfolio Management--the management of multiple projects, programs and/or applications so that managers have the ability to regularly review entire portfolios, spread resources appropriately, and adjust projects to produce the highest departmental returns? Please explain.	Y	Innotas provides both Project and Application Portfolio management that can roll up to an overall portfolio. Portfolio analysis can be performed at any level of the portfolio hierarchy for cost, resource, value (return), risk, alignment and any other criteria desired.
2	Does your solution allow for the drawing of information from multiple "child portfolios" in different domains to provide overarching governance? Please explain.	Y	Information can be rolled up from child portfolios to any level within the portfolio hierarchy to provide top-level governance as well as tiered governance.
3	Does your solution allow for the creation of portfolios to be configurable (e.g. by organizational unit, by program activity, etc.)? Please explain.	Y	Portfolios can support user defined fields that can be configured to support any user defined categorization such as organizational unit, program, vendor, etc.

	Requirements	A	B
4	Does your solution include dashboard/graphical review of the progress of a portfolio of projects to include real-time status indicators for, and optimization of schedule, resources, budget, etc.? Please explain.	Y	Project data rolls up to portfolios in real-time, which can then be viewed at the portfolio level. This information includes status and health indicators for schedule, resources and budget.
5	Does your solution provide for the grouping and visualization of priority and status of cross-project information? Please explain.	Y	All project information can be viewed across projects, including priority and status.
6	Does your solution provide cross-project status reports for portfolio managers showing completed tasks, incomplete tasks, overview, date, description and user? Please explain.	Y	A portfolio manager can see updates and details about all of the projects in that portfolio across the projects.
7	Does your solution provide for the customization of reports? Please explain.	Y	Innotas provides over 140 report templates out of the box that support a personalized and robust reporting experience. Additionally, Innotas provides over 100 standard reports for end users.
8	Does your solution create, view, update, track and report on a shared resource pool with skill sets and proficiency levels, roles, and rates, etc.? Please explain.	Y	Innotas Resource Management supports the full management of resource profiles to create a complete resource pool. Tracked within a resource profile is a resource type, roles, skills and proficiency levels, as well as resource rates, both internal and billable.
9	Does your solution optimize resource use across multiple projects, applications (for operations and maintenance activities) and programs, find resources based on skills and availability, and view resource over- and under- utilization? Please explain.	Y	Innotas provides visibility into all resource utilization, for over and under, across all work managed within the system – both project and application work. Additionally, when selecting resources to assign to a project team, users can see the resource availability by percentage so they know if the resource is not available.
10	Does your solution track and manage expenses and analysis of budget data at the project, application, program and portfolio level? Please explain.	Y	Budget data is tracked at the task level (if desired) and rolled up to the summary task, project, program, application and portfolio level. Additionally, high level budgeting can be performed for portfolios and applications, as well as layers within the portfolio.
11	Does your solution contain earned value reporting and other statistical reporting for agency management? Please explain.	F	Innotas currently tracks all of the data needed for Earned Value tracking and after the Spring, 2011 Release will be able to perform the calculations for Earned Value.

	Requirements	A	B
12	Does your solution provide total cost of ownership analysis? Describe how this implemented.	Y	Total cost of ownership for applications is a calculation rolled up from the cost of the work performed against the application, such a upgrades, and support and maintenance.

E. Time Reporting

	Requirements	A	B
1	Does your solution include time tracking? Please explain at what levels.	Y	Innotas provides a fully integrated time management mechanism that supports the tracking of time at the project level to the detailed task level.
2	Does your solution provide different types of reports on time tracking? Describe.	Y	Innotas provides full reporting on time tracking.

F. Technical

	Requirements	A	B
1	Does your solution provide role-based permissions? Please describe how the roles are established and include the level to which the permissions pertain (e.g., screen, field).	Y	Role based security controls functional access to specific areas of the product – such as Portfolio Management, Application Portfolio, etc. Team based security controls access to specific entities – projects, reports, dashboards, etc. Field level security is available for cost fields.
2	Does your solution provide an audit log of user transactions (e.g, changes are logged with user, date, time and the information that was changed)? Please explain.	Y	Innotas provides a Last Modified Details log for Projects, Tasks and Resources. This provides information on what data was changed, as well as the user, date and time stamp for the change.
3	Does the Supplier have any security certification? If so, please state.	Y	The Innotas data center is SaS70 Type II certified.
4	Does the data center that houses this solution conform to generally recognized security standards? Please describe your security standards.	Y	SaS70 Type II certification is the accepted security standard for SaaS or On Demand offerings.
5	For your solution, does the Commonwealth own the data? Describe the process used to extract the data (including any documents attached) in usable form if the Commonwealth or an agency decides to terminate the agreement with the solution provider, and how long that process takes.	Y	All data is contractually owned by our customers. The extraction of data is available via standard reporting which can be extracted to Excel. Additionally, web services APIs can be used for more customized extraction.
6	Does your solution interface with other applications and databases (such as: Oracle Primavera Portfolio Management 8.2, PeopleSoft, SQL Server, Oracle)? Describe the manner of	Y	Innotas provides a Web Services API that allows the ability to select, insert, and update data stored in the system. With our open API, customers can

	Requirements	A	B
	interface and the applications and databases supported and any restrictions, limitations, requirements, parameters and quality degradation that may apply.		write to the level of interface they desire with any of their existing applications and databases.
7	For your solution, can the same interface be used by multiple agencies (e.g., to a Commonwealth financial system)? Please explain.	Y	The interfaces can be reused across agencies. Keep in mind that security resides with the Web Services user, so the access would be the same if the interface is reused.
8	Does your solution integrate with external authentication services? Please explain.	Y	Innotas can integrate with LDAP or AD for authentication.
9	Does your solution integrate with other PM tools such as: Microsoft Project 98, 2000, and 2003? Describe the manner of interface and the tools supported.	Y	Innotas integrates with Microsoft Project 2003 and newer as an out of the box component. Additionally, Innotas integrates bi-directionally with Excel.
10	Does your solution interface with MS Outlook? Describe the interaction between the Solution and Outlook.	Y	Innotas provides email notifications to Microsoft Outlook.
11	Does your solution support export of data to third party applications? Describe, including any restrictions, limitations, requirements, parameters and quality degradation that may apply .	Y	Innotas reports can be exported to Excel, PDF and html. Additionally, utilizing APIs, Innotas data can be exported in a batch format.
12	Does your solution provide file and/or directory archiving? If so, describe and include the archive formats available.	Y	Partial. Innotas provides file/document management and archiving by versioning documents directly within the system. Check in and check out with the history of changes is tracked directly within the system.
13	Does your solution create zip files? Please explain.	N	Innotas does support the creation of zip files at this time.
14	Is your solution scalable? Describe how the configuration changes when users are added.	Y	Innotas currently has customers with thousands of users. As new users are added, the impact is management of the user licenses and profiles as well as data visibility and access within the system.
15	Does your solution include data validation as the data is being entered (e.g., valid values for dates)? Please explain.	Y	Innotas has data validation for specific types of fields – date fields, auto-complete fields, drop-down, etc.
16	Does your solution architecture support failover? If so, describe.	Y	Innotas has full failover and disaster recovery. Please refer to the Innotas Architecture Guide for details.
17	Does your solution include back-up and recovery processes, including disaster recovery? Please explain and include a specific experience and lessons learned.	Y	Please refer to the Innotas Architecture Guide for details.

	Requirements	A	B
18	For your solution, is the data storage, back-up and disaster recovery physically located in the US? Please explain and identify location.	Y	The Innotas Data Center is located in Sacramento, CA.
19	Does your solution support the definition and use of customer-defined data fields (e.g., for use in forms, reports, dashboards)? If so, describe how these fields are created and used, including any limits on the number and/or type of fields.	Y	Innotas is fully configurable and supports the creation of user defined fields in all functional areas of the product. The fields are defined within the Admin interface and simply require property definition. Development or programming skills are not required.
20	Does your solution permit the definition, customization and use of multiple request queues, custom workflows and approval processes? Describe how this is accomplished and integrated with the core Project, Portfolio and Resource management modules.	Y	Innotas Request Management supports the creation of multiple request types, that support unique and configurable stage gate approval processes. Request Management integrates directly with Project Management, and can also be linked to Portfolio Management.
21	Is your solution available as a Software as a Service (SaaS) solution? Describe the architecture.	Y	Please see the Innotas Architecture Guide for details; Contract Exhibit A, Attachment B.
22	For your solution, how you are adopting to newer security standards or technologies as and when available to improve security of data and application?	N/A	

G. Implementation / Training / Support

	Requirements	A	B
1	Do you provide training as part of your solution? Please describe.	Y	Innotas provides training in a series of workshop provided to both the Innotas administrators and the Innotas user community.
2	As part of your solution, do you provide continuing training that we may use as training for our staff?	Y	Training sessions can be recorded and reused. Additionally, periodic refresher training sessions can be scheduled. If the need is greater than what we provide with our fixed implementation fee, than additional services fees may occur.
3	Provide Implementation Work Plan by phases, which show all significant tasks required for successful completion of the total system from the time of contract signing until final acceptance.	N/A	
4	Does your solution have system requirements for use? Describe, including the compatible internet browsers and their version(s) for your tool.	Y	Innotas only requires a web browser. We support Internet Explorer 6.x and above, and Firefox 2.x and above.
5	Do you provide a Service Level Agreement as part of your solution? If so, please provide that	Y	Please refer to the Innotas Terms and Conditions Document, referenced in

	Requirements	A	B
	document in your proposal.		Contract Exhibit G.
6	For your solution, do you have features available that speed individual adoption of the product from the time-sheet user to the agency executives? Please explain.	Y	Innotas is created to begin with the end in mind, so all reporting will be based on data entered and defined at the transactional layer (such as a timesheet). Additionally, out of the box reports provide for immediate reporting capabilities once Innotas has been populated with data, even if high level.
7	Can the implementation of solution modules be phased over time? Explain.	Y	Innotas encourages a crawl, walk, run approach to implementation. Additionally, our licensing is very straightforward, so adding the usage of new modules is a simple as providing access to the user community.
8	For your solution, can business units/people be added over time? Explain.	Y	It is easy to add additional users over time.
9	Does your solution provide Help functions? If so, please describe.	Y	Innotas provides robust help with training vignettes, detailed information for both users and administrators, free form search, etc.

INNOTAS™
Powering the Business of IT

Innotas Architecture and Security Guide

The Innotas On-Demand IT Governance solution runs over the internet as an On-Demand service. Innotas operates and administers our software for our customers, who access secure instances of the software via a web interface and our web services API.

The Innotas Technical Operations staff administers the application, including the Innotas software, the database servers and the application servers, as well as the supporting hardware that runs the software. The operating environment is provided by our co-location partner, O1 Communications (www.o1.com), which provides the data center that houses the hardware and the software, as well as the network and the network administration.

- **100% On-Demand**
- **Web-browser based**
- **No Plug-ins**
- **Mature Multi-tenant SaaS Application**
- **Enterprise Class Software Stack**
- **Secure, Highly Available Architecture**
- **Published API**

Innotas does not use an Application Service Provider (ASP) to run our software for us; by managing our own production environment, we are considered an On-Demand service, not an ASP. Innotas has provided On-Demand services to our customers since January, 2001, and we have continued to invest in our On-Demand team and technology.

In addition to the scalability and reliability built into our software, Innotas' production support staff brings many years of experience with high-availability and redundant systems. Our production team includes technical personnel who have worked in commercial operations for many years, as well as enterprise systems environments.

SOFTWARE DESIGN

The Innotas application was designed and built around a Model-View-Controller application architecture. This approach has gained momentum in recent years and represents a highly stable development environment that emphasizes code and object reuse, as well as a high degree of configurability for the end user.

This document is intended to provide an overview of Innotas' application architecture and security practices. It is intended for enterprise application architects and security architects, or other technical audiences concerned specifically with performing due diligence on the architecture and security of Innotas' services. More specific or vendor specific inquiries should be made through Innotas sales.

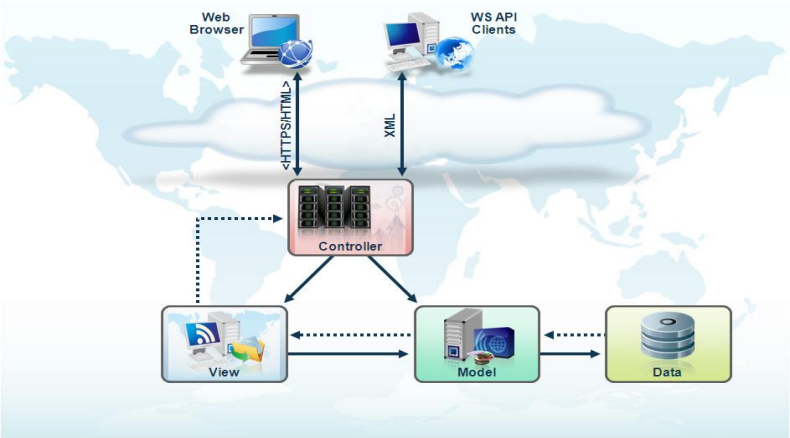

Figure 1: Innotas Software Architecture

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CLIENT

Innotas runs in a standard web browser so there is no client software or special downloads required to run the application. Innotas supports Internet Explorer and Firefox on Windows-based systems as the primary browsers supported (other browsers on non-Windows platforms are also supported in lower priority). The thin client approach enables rapid deployments, minimal end user support, and ultimately lower total cost of ownership.

The Innotas user interface (UI) is configurable to meet the needs of each customer. Configuration includes, but is not limited to, editing field labels, editing tab labels, editing look up values, adding fields & request types, creating custom reports, adding new fields to reports, adding logos, and more. The UI can include a customer-specific logo on each page. Another feature of the user interface is that it includes online help for each page and in most cases for each field.

APPLICATION SERVER & DATABASE

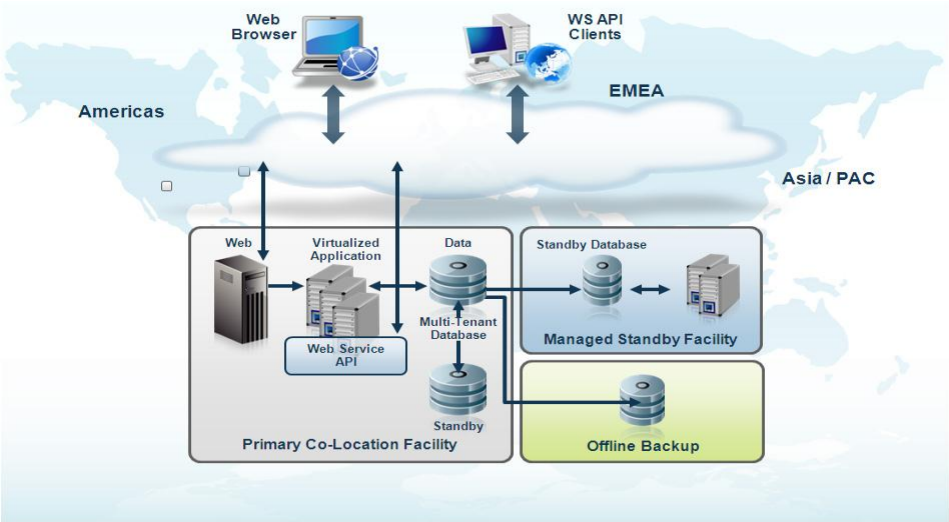

Figure 2: Logical illustration of Innotas architecture

The Innotas application server is written in Java and runs under Apache and Tomcat on Linux servers. The user interface is entirely browser-based, no static HTML pages are stored and served; all UIs are rendered dynamically from the database via the application servers.

The database server utilizes Oracle 10g running on Linux. Innotas achieves virtualization by using the Virtual Private Database (VPD) feature of Oracle Database 10g Enterprise Edition. VPD is used when the standard object privileges and associated database roles are insufficient to meet application security requirements. VPD policies associate each named user with a unique customer

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ID after the data access layer, guaranteeing that customers are only able to see their own data, even in the event of a targeted attack or software defect.

Figure 3: Innotas core technology

SECURITY

Access to Innotas' production website is controlled using 256-bit SSL via https. Individuals gain access to the Innotas application via a unique username and password and administrators can override individual user access. Password information is stored within the database using a SSHA seeded secure hashing algorithm. Innotas has the ability to accept a generic proxy ID and password or parameters to perform the secure site login.

Two additional optional features are available for securing user access to Innotas. First, Innotas can be configured to authenticate users via external user directories (e.g., LDAP or Active Directory). When a user logs into Innotas, this feature passes the user name and password to the user directory for authentication before giving access to Innotas. (Note: this feature requires some configuration by Innotas Professional Services to create the connection between Innotas and the user directory.) Second, customers can control the IP ranges that have access to the application; i.e., the system can be configured to limit logins from specific ranges of IP addresses only.

Within the application, Innotas controls user privileges with security based on roles, user ID and/or objects, or combinations of those three. In other words, administrators and project managers can control what types of users can gain access to which parts of the solution by assigned role, by specific user rights and/or by specific data elements. As an example, project managers can limit access of specific users to project plans (or portions of project plans) to read/write or read only.

Physical network security is controlled by our co-location facility managed by O1

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Communications in Sacramento, CA. There are multiple security regions within the facility, and Innotas assets are in locked cabinets in a co-location cage. Access is obtained only after registering with the security team, and an O1 Communications operations employee accompanies you past the multiple secure areas. Access is limited to a few Innotas operations staff. In addition, the site is guarded with a 24x7 private security staff.

The Innotas application sits behind a Cisco Pix Firewall NAT which separates outside from inside network traffic. Remote administration requires an SSL VPN client. Additionally, all communication between servers utilizes SSH host connections to prevent internal packet sniffing.

Innotas audits user logons and keeps track of changes to data (user and date/time stamps as well as changes to the data). Specific actions taken or screens viewed within the application are not currently audited.

DATA ARCHIVING AND BACKUP

Local and offsite database backups are performed nightly and incremental backups are performed every 15 minutes. Full operations system backups are also performed nightly. Local and Offsite redundant databases are synchronized via Oracle Data Guard. All customer data is stored on a primary database server that is clustered with a backup database server for redundancy using Oracle Data Guard.

Incremental back ups are done every 15 minutes and stored to disk offsite. Offsite backups are automated and stored at an enterprise-class offsite storage solution accessed through a web services interface.

SYSTEM AVAILABILITY

Innotas targets 99.8% availability, excluding the Maintenance Window and Planned Outages. The Innotas high availability architecture utilizes redundant servers and network storage in an offsite co-location facility. A standby Oracle database (hot backup) is updated approximately every 15 minutes (including additional offsite backup to disk via web service every 15 minutes). The primary co-location facility and provider is SAS 70, Type II certified.

Each system is monitored and managed with secure environment management protocols. Changes to the application stack are automated with tools and scripts to minimize human error. Environments are built automatically using standard packages and configurations that are stored in a secure source control repository. Once installed, three levels of application environment testing must pass prior to moving a change into production.

Normal maintenance is performed on the application or its underlying infrastructure during planned Maintenance Windows. During a Maintenance

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Window, the application may be shut down or restarted without notice. In the event that a user attempts to use the application during the Maintenance Window and an application shutdown occurs, data loss is limited to non-submitted information on the currently active screen. The current weekly Maintenance Window is Saturdays, 6pm-9pm Pacific Standard Time.

While uncommon, outages may occur outside the normal Maintenance Window. In these cases, Innotas will contact each customer's technical contact with an Incident report including date, time and duration of the outage, and cause with corrective action if applicable.

SCALABILITY AND PERFORMANCE

Innotas is designed as a net-native application and all components are modular and redundant. The application can run across multiple application servers and the database is separate from the application, running on its own hardware. As a result, the scalability of the system is limited by hardware which can be scaled at any time either by upgrading existing machines or adding parallel application or database servers. Additional hosts/servers at the web server, application server, or database layer can be created in less than an hour from bare metal.

The system utilizes Cisco network hardware and web load balancing components that allow for transparent capacity increases and decreases for n-scale hosts.

The distributed processing capabilities were developed by Innotas' engineering team to meet the specific needs of a commercial, On-Demand service provider. As a result, Innotas can meet specific operating requirements for our customers, such as running the application on a dedicated server, while still realizing the economic benefits of a hosted service.

Innotas includes built in tools to measure Customer Perceived Response Time (CPRT) for almost all screens in the application. This feature enables any user to view response times across three zones:

- Innotas application stack—time to process a request or update
- Network—time from the Innotas stack through the Internet and customer network to the user PC
- Client—time to load the application page and data by the browser

This unique feature allows Innotas to quickly assess and isolate performance issues.

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BUSINESS CONTINUITY

Data Center

Innotas uses co-location facilities owned and operated by O1 Communications in Sacramento, California. The O1 Communications data center provides many high end design features, including the following:

- **Site Security** – There are multiple security regions with in the facility and, Innotas assets are in locked cabinets in a co-location cage. Access is obtained only after registering with the security team, and an O1 Communications operations employee accompanies you past the multiple secure areas. Access is limited to a few Innotas operations staff. In addition, the site is guarded with a 24x7 private security staff.

- **Uninterrupted Power Supply** – Innotas production systems have redundant power supplies using separate power circuits provided by O1 Communications, including a backup power diesel generator.

- **Fire Protection** – O1 Communications provides data center fire protection with smoke and heat detectors connected to a Halon suppression system.

O1 Communications Co-Location Facility Features

- 10,500 square feet raised floor collocation space
- Backup power diesel generator (a 1,000 kilowatt redundant Onan Cummins generator)
- UPS AC and DC under-floor power to all cabinets
- N+1 power and cooling designs
- Multiple carrier provider inside IDC
- Cisco Systems, Inc. house
- Multiple egress connections throughout the California network
- Dual redundant core routers on OC-3 ring, connecting all three egress cores in the same configuration
- Dual redundant border routers offering HSRP redundant connections to collocation customers
- MPLS circuit and collocation connection offerings to all customers
- Free network monitoring/notification, multiple redundant Optical Carrier (OC) connections
- Dual 500 kva PowerWare UPS systems

Disaster Recovery

Innotas uses a separate co-location facility for Disaster Recovery capability. This secondary data center mirrors the production environment with database replication every 15 minutes. In the event of a failure of the primary data center that is not recovered through other redundant systems, customer and user traffic can be routed automatically to the secondary environment through updates to UltraDNS configuration.

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DISASTER EVENTS AND HOW INNOTAS ADDRESSES THEM

- Non-consequential recovery events are those that trigger automatic recovery. For example, all I/O paths and subsystems are mirrored, so a failure in any of those areas would be handled automatically. Any needed repairs would be deferred to a maintenance window.
- Human error events occur when someone mistakenly changes data. Innotas performs full Oracle backups nightly and can recover to a single point in time. Recovery of static data can be done online with no interruption.
- Moderate events are those that require immediate operator attention. An example of this type of event is when data is accidentally altered. Data can be recovered to a point in time from tape backup and subsequent application of redo logs.
- Severe errors, such as complete system failure, require fail over to the standby system. Complete failures are those that require rebuilding of the environment. Site failure is the most extreme example of a complete failure event. Recovery in this case would be accomplished via restoration of offsite data.

All production network components, SSL accelerators, load balancers, web servers, application servers, and database servers are configured in a redundant configuration.

PRODUCTION TEAM STAFFING

Innotas employs experienced staff specifically for handling production maintenance activities. All systems are monitored 24x7 with a combination of internal software monitoring and external third party monitoring. After-hours support is handled through alerts and/or paging. In addition, O1 Communications has a 24x7 staff for data center site activities.

INTEGRATION/WEB SERVICES

Innotas has a well-defined and published, web-service based, application programming interface (API) to enable integration between third-party applications (both traditional applications behind the customer's firewall as well as other On-Demand applications). The APIs are designed to access the business logic of the Innotas application framework, thereby ensuring consistent business rules and secure access and privileges.

About Innotas: Innotas provides a ground-breaking on-demand IT Governance solution- an easy-to-use, rapid-to-deploy, and cost-effective way to manage resources and budgets across an IT department's entire inventory of projects, portfolios, applications, assets, and service requests. With its strong foundation in Project Portfolio Management and Application Portfolio Management, Innotas provides CIOs and IT management with visibility across both strategic initiatives and sustaining operations for improved decision making across the entire IT portfolio

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EXHIBIT B PRICING
CONTRACT NUMBER VA-110624-INNO
BETWEEN
VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
INNOTAS

Exhibit B is hereby incorporated into and made an integral part of Contract Number VA-110624-INNO ("Contract") between the Virginia Information Technologies Agency ("VITA" or "Commonwealth" or "State") and Innotas ("Supplier").

In the event of any discrepancy between this Exhibit B and the Contract, the provisions of the Contract shall control.

NOTE: Provide fees for services as applicable below. Licensing fees based upon annual use for user populations in a single instance of s/w.

Description	Fees
Innotas ITG User License: N = 1 - 50	$480 / year
Innotas ITG User License: N = 51 - 100	$450 / year
Innotas ITG User License: N = 101 - 175	$420 / year
Innotas ITG User License: N = 176 - 250	$390 / year
Innotas ITG User License: N = 251+	$360 / year
Optional annual maintenance	Included at no additional charge
Optional training (include appropriate description)	End User Training = $200 / hour
FastTRACK 20 Implementation (< 100 users | One time fee)	$20,000
FastTRACK 40 Implementation (> 100 users | One time fee)	$40,000
Web Services API	Included at no additional charge
Innotas Assessment & Tune - Up Consulting Package (Optional, as needed, one time fee)	$8,000
Request User License (can only make requests in application)	$0 / year
FlexSAFE Escrow Beneficiary (Iron Mountain)	$500 / year

DSI TECHNOLOGY ESCROW SERVICES
S102747

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FLEXSAFE ESCROW AGREEMENT

Account Number 2015086-00001

This agreement ("Agreement") is effective July 19, 2001 between DSI Technology Escrow Services, Inc. ("DSI") and Townsend Technologies, Inc. dba Project Arena ("Depositor"), who collectively may be referred to in this Agreement as the parties ("Parties") and who are more fully identified in Exhibit A.

A. Depositor and Depositor's client have entered or will enter into a license agreement, development agreement, and/or other agreement regarding certain proprietary technology of Depositor (referred to in this Agreement as "the License Agreement").

B. Depositor desires to avoid disclosure of its proprietary technology except under certain limited circumstances.

C. Depositor desires to establish an escrow with DSI to provide for the retention, administration and controlled access of the proprietary technology materials of Depositor.

D. The parties desire this Agreement to be supplementary to the License Agreement pursuant to 11 United States [Bankruptcy] Code, Section 365(n).

ARTICLE 1 -- **DEPOSITS**

1.1 Obligation to Make Deposit. Upon the signing of this Agreement by the parties, Depositor shall deliver to DSI the proprietary technology and other materials ("Deposit Materials") to be deposited under this Agreement.

1.2 Identification of Tangible Media. Prior to the delivery of the Deposit Materials to DSI, Depositor shall conspicuously label for identification each document, magnetic tape, disk, or other tangible media upon which the Deposit Materials are written or stored. Additionally, Depositor shall complete Exhibit B to this Agreement by listing each such tangible media by the item label description, the type of media and the quantity. Exhibit B shall be signed by Depositor and delivered to DSI with the Deposit Materials. Unless and until Depositor makes the initial deposit with DSI, DSI shall have no obligation with respect to this Agreement, except the obligation to notify Depositor regarding the status of the account as required in Section 3.2.

1.3 Deposit Inspection. When DSI receives the Deposit Materials and Exhibit B, DSI will conduct a deposit inspection by visually matching the labeling of the tangible media containing the Deposit Materials to the item descriptions and quantity listed on Exhibit B.

1.4 Acceptance of Deposit. At completion of the deposit inspection, if DSI determines that the labeling of the tangible media matches the item descriptions and quantity on Exhibit B, DSI will date and sign Exhibit B and mail a copy thereof to Depositor. If DSI determines that

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the labeling does not match the item descriptions or quantity on Exhibit B, DSI will (a) note the discrepancies in writing on Exhibit B; (b) date and sign Exhibit B with the exceptions noted; and (c) mail a copy of Exhibit B to Depositor. DSI's acceptance of the deposit occurs upon the signing of Exhibit B by DSI.

1.5 Depositor's Representations. Depositor represents as follows:

a. Depositor lawfully possesses all of the Deposit Materials deposited with DSI;

b. With respect to all of the Deposit Materials, Depositor has the right and authority to grant to DSI the rights as provided in this Agreement; and

c. The Deposit Materials are not subject to any lien or other encumbrance.

d. The Deposit Materials are readable and useable in their current form or, if any portion of the Deposit Materials is encrypted, the decryption tools and decryption keys have also been deposited.

1.6 Deposit Updates. Updates to the Deposit Materials may be added to the existing deposit. All deposit updates shall be listed on a new Exhibit B and Depositor shall sign the new Exhibit B. Each Exhibit B will be held and maintained separately within the escrow account. An independent record will be created which will document the activity for each Exhibit B. The processing of all deposit updates shall be in accordance with Sections 1.2 through 1.5. All references in this Agreement to the Deposit Materials shall include the initial Deposit Materials and any updates.

1.7 Removal of Deposit Materials. The Deposit Materials may be removed and/or exchanged only on written instructions signed by Depositor or as otherwise provided in this Agreement.

ARTICLE 2 -- **FLEXSAFE ENROLLMENTS**

2.1 FlexSAFE Beneficiary. As used in this Agreement ("FlexSAFE Beneficiary") shall mean one or more FlexSAFE Beneficiaries depending on Depositor Enrollment(s), in accordance with Section 2.2.

2.2 FlexSAFE Enrollment(s). Depositor may enroll one or more beneficiaries under this Agreement. Depositor will execute and submit to DSI a FlexSAFE Beneficiary Enrollment document, referenced in this Agreement as Exhibit T, listing each beneficiary to be enrolled as a FlexSAFE Beneficiary under the Agreement. Upon DSI's acceptance of Exhibit T and any additional Exhibit T thereto, DSI will issue an enrollment letter and a copy of this Agreement to the FlexSAFE Beneficiary.

2.3 Other Third Parties. DSI shall have no obligation to any other third party except a FlexSAFE Beneficiary accepted by DSI. DSI and Depositor shall have the right to modify or cancel the Agreement without the consent of any third party.

ARTICLE 3 -- **CONFIDENTIALITY AND RECORD KEEPING**

3.1 Confidentiality. DSI shall maintain the Deposit Materials in a secure, environmentally safe, locked facility which is accessible only to authorized representatives of DSI. DSI shall have the obligation to reasonably protect the confidentiality of the Deposit Materials. Except as provided in this Agreement, DSI shall not disclose the content of this Agreement to any third party and shall not disclose, transfer, make available, or use the Deposit Materials. If DSI receives a subpoena or any other order from a court or other judicial tribunal pertaining to the disclosure or release of the Deposit Materials, DSI will immediately notify Depositor unless prohibited by law. It shall be the responsibility of Depositor to challenge any such order; however, DSI does not waive its rights to present its position with respect to any such order. DSI will not be required to disobey any order from a court or other judicial tribunal. (See Section 8.5 for notices of requested orders.)

3.2 Status Reports. DSI will issue to Depositor and FlexSAFE Beneficiary a report profiling the account history at least semi-annually. DSI may provide copies of the account history upon request. Depositor will notify DSI if the account history is not to be provided to FlexSAFE Beneficiary.

3.3 Audit Rights. During the term of this Agreement, Depositor shall have the right to inspect the written records of DSI pertaining to this Agreement. Any inspection shall be held during normal business hours and following reasonable prior notice.

ARTICLE 4 -- **GRANT OF RIGHTS TO DSI**

4.1 Title to Media. Depositor hereby transfers to DSI the title to the media upon which the proprietary technology and materials are written or stored. However, this transfer does not include the ownership of the proprietary technology and materials contained on the media such as any copyright, trade secret, patent or other intellectual property rights.

4.2 Right to Make Copies. DSI shall have the right to make copies of the Deposit Materials as reasonably necessary to perform this Agreement. DSI shall copy all copyright, nondisclosure, and other proprietary notices and titles contained on the Deposit Materials onto any copies made by DSI. With all Deposit Materials submitted to DSI, Depositor shall provide any and all instructions as may be necessary to duplicate the Deposit Materials including but not limited to the hardware and/or software needed.

4.3 Right to Transfer Upon Release. Depositor hereby grants to DSI the right to transfer the Deposit Materials to FlexSAFE Beneficiary upon any release of the Deposit Materials for use by FlexSAFE Beneficiary in accordance with Section 5.4. Except upon such a release or as otherwise provided in this Agreement, DSI shall not transfer the Deposit Materials.

ARTICLE 5 -- **RELEASE OF DEPOSIT**

5.1 Release of Deposit Upon Depositor's Instruction. Upon receipt by DSI of written instruction(s) directly from Depositor, Depositor's trustee in bankruptcy, or a court of competent jurisdiction, DSI will release a copy of the Deposit Materials to the FlexSAFE Beneficiary identified in the instruction(s). However, DSI is entitled to receive any fees due DSI before making the release. Any copying expense in excess of $300 will be chargeable to FlexSAFE Beneficiary. This Agreement will terminate upon the release of the Deposit Materials held by DSI.

5.2 Filing for Release of Deposit by FlexSAFE Beneficiary.

a. Upon notice to DSI by FlexSAFE Beneficiary of the occurrence of a release condition as defined in Section 5.3, DSI shall provide Depositor with a copy of FlexSAFE Beneficiary's notice by commercial express mail. From the date DSI mails the notice requesting release of the Deposit Materials, Depositor shall have 60 days to deliver to DSI contrary instructions ("Contrary Instructions").

Contrary Instructions shall mean the written representation by Depositor that a Release Condition has not occurred or has been cured. Upon receipt of Contrary Instructions, DSI shall send a copy of the Contrary Instructions to FlexSAFE Beneficiary by commercial express mail. Additionally, DSI shall notify both Depositor and FlexSAFE Beneficiary that there is a dispute to be resolved pursuant to Section 8.3. Subject to Section 6.3, DSI will continue to store the Deposit Materials without release pending (a) joint instructions from Depositor and FlexSAFE Beneficiary; (b) dispute resolution pursuant to Section 8.3; or (c) order of a court.

b. If no Contrary Instructions are given to DSI, Depositor agrees that DSI shall deliver a copy of the Deposit Materials to the FlexSAFE Beneficiary who provides DSI with all of the following:

1. Copy of the current License Agreement between Depositor and FlexSAFE Beneficiary;

2. Written demand that a copy of the Deposit Materials be released and delivered to FlexSAFE Beneficiary;

3. Written notice that the copy of the Deposit Materials being released to FlexSAFE Beneficiary only be used as permitted under the License Agreement;

4. Specific delivery instructions along with any fees due DSI; and

5. Written notice that the release of the copy of the Deposit Materials is pursuant to 11 United States Code Section 365(n) or other applicable federal or state bankruptcy, insolvency, reorganization or liquidation statute.

5.3 Release Conditions. As used in this Agreement, "Release Condition" shall mean the existence of any one or more of the following circumstances, uncorrected for more than 30 days:

a. Entry of an order for relief under Title 11 of the United States Code;

b. The making by Depositor of a general assignment for the benefit of creditors;

c. The appointment of a general receiver or trustee in bankruptcy of Depositor's business or property; or

d. Action by Depositor under any state or federal insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation.

5.4 Right to Use Following Release. Unless otherwise provided in the License Agreement; upon release of the Deposit Materials in accordance with this Article 5, FlexSAFE Beneficiary shall have the right to use the Deposit Materials for the sole purpose of continuing the benefits afforded to FlexSAFE Beneficiary by the License Agreement. FlexSAFE Beneficiary shall be obligated to maintain the confidentiality of the released Deposit Materials.

ARTICLE 6 -- **TERM AND TERMINATION**

6.1 Term of Agreement. The initial term of this Agreement is for a period of one year. Thereafter, this Agreement shall automatically renew from year-to-year unless (a) Depositor instructs DSI in writing that the Agreement is terminated; or (b) DSI instructs Depositor and FlexSAFE Beneficiary in writing that the Agreement is terminated for nonpayment in accordance with Section 6.3 or by resignation in accordance with Section 6.4. If the Deposit Materials are subject to another escrow agreement with DSI, DSI reserves the right, after the initial one year term, to adjust the anniversary date of this Agreement to match the then prevailing anniversary date of such other escrow arrangements.

6.2 Term of FlexSAFE Enrollment. Upon receipt by DSI of Depositor's executed Exhibit T, the FlexSAFE Beneficiary will be enrolled for an initial term of one year, unless this Agreement terminates earlier, causing the FlexSAFE Beneficiary enrollment to terminate. Subsequent enrollment terms may be adjusted to the anniversary date of this Agreement and shall automatically renew from year-to-year unless (a) Depositor instructs DSI in writing to terminate the FlexSAFE Beneficiary enrollment; (b) FlexSAFE Beneficiary instructs DSI in writing to terminate the FlexSAFE Beneficiary; or (c) the enrollment is terminated by DSI for nonpayment in accordance with Section 6.3.

6.3 Termination for Nonpayment. In the event of the nonpayment of fees owed to DSI, DSI shall provide written notice of delinquency to all parties to this Agreement. Unless Depositor has instructed DSI to terminate FlexSAFE Beneficiary pursuant to subsection 6.2(a), Depositor or FlexSAFE Beneficiary shall have the right to make the payment to DSI to cure the default. If the past due payment is not received in full by DSI within one month of the date of such notice, then DSI shall have the right to terminate this Agreement at any time thereafter by sending written notice of termination to all parties. DSI shall have no obligation to take any action under this Agreement so long as any payment due to DSI remains unpaid.

6.4 Termination by Resignation. DSI reserves the right to terminate this Agreement, for any reason, by providing Depositor with 60-days' written notice of its intent to terminate this Agreement. Within the 60-day period, the Depositor may provide DSI with written instructions authorizing DSI to forward the Deposit Materials to another escrow company and/or agent or other designated recipient. If DSI does not receive said written instructions within 60 days of the date of DSI's written termination notice, then DSI shall destroy, return or otherwise deliver the Deposit Materials in accordance with Section 6.5.

6.5 Disposition of Deposit Materials Upon Termination. Subject to the foregoing termination provisions, and upon termination of this Agreement, DSI shall destroy, return, or otherwise deliver the Deposit Materials in accordance with Depositor's instructions. If there are no instructions, DSI may, at its sole discretion, destroy the Deposit Materials or return them to Depositor. DSI shall have no obligation to destroy or return the Deposit Materials if the Deposit Materials are subject to another escrow agreement with DSI or have been released to the FlexSAFE Beneficiary in accordance with Section 5.3.

6.6 Survival of Terms Following Termination. Upon termination of this Agreement, the following provisions of this Agreement shall survive:

a. Depositor's Representations (Section 1.5);

b. The obligations of confidentiality with respect to the Deposit Materials;

c. The rights granted in the sections entitled Right to Transfer Upon Release (Section 4.3) and Right to Use Following Release (Section 5.4), if a release of the Deposit Materials has occurred prior to termination;

d. The obligation to pay DSI any fees and expenses due;

e. The provisions of Article 8; and

f. Any provisions in this Agreement which specifically state they survive the termination of this Agreement.

ARTICLE 7 -- **DSI'S FEES**

7.1 Fee Schedule. DSI is entitled to be paid its standard fees and expenses applicable to the services provided. DSI shall notify the party responsible for payment of DSI's fees at least 60 days prior to any increase in fees. For any service not listed on DSI's standard fee schedule, DSI will provide a quote prior to rendering the service, if requested.

7.2 Payment Terms. DSI shall not be required to perform any service unless the payment for such service and any outstanding balances owed to DSI are paid in full. Fees are due upon receipt of a signed contract or receipt of the Deposit Materials whichever is earliest.

ARTICLE 8 -- **LIABILITY AND DISPUTES**

8.1 Right to Rely on Instructions. DSI may act in reliance upon any instruction, instrument, or signature reasonably believed by DSI to be genuine. DSI may assume that any employee of Depositor or FlexSAFE Beneficiary who gives any written notice, request, or instruction has the authority to do so. DSI will not be required to inquire into the truth or evaluate the merit of any statement or representation contained in any notice or document. DSI shall not be responsible for failure to act as a result of causes beyond the reasonable control of DSI.

8.2 Indemnification. Depositor agrees to indemnify, defend and hold harmless DSI from any and all claims, actions, damages, arbitration fees and expenses, costs, attorney's fees and other liabilities ("Liabilities") incurred by DSI relating in any way to this escrow arrangement unless such Liabilities were caused solely by the negligence or willful misconduct of DSI.

8.3 Dispute Resolution. Any dispute relating to or arising from this Agreement shall be resolved by arbitration under the Commercial Rules of the American Arbitration Association. Three arbitrators shall be selected. The Depositor and FlexSAFE Beneficiary shall each select one arbitrator and the two chosen arbitrators shall select the third arbitrator, or failing agreement on the selection of the third arbitrator, the American Arbitration Association shall select the third arbitrator. However, if DSI is a party to the arbitration, DSI shall select the third arbitrator. Unless otherwise agreed by Depositor and FlexSAFE Beneficiary, arbitration will take place in San Diego, California, U.S.A. Any court having jurisdiction over the matter may enter judgment on the award of the arbitrator(s). Service of a petition to confirm the arbitration award may be made by First Class mail or by commercial express mail, to the attorney for the party or, if unrepresented, to the party at the last known business address.

8.4 Controlling Law. This Agreement is to be governed and construed in accordance with the laws of the State of California, without regard to its conflict of law provisions.

8.5 Notice of Requested Order. If any party intends to obtain an order from the arbitrator or any court of competent jurisdiction which may direct DSI to take, or refrain from taking any action, that party shall:

a. Give DSI at least two business days' prior notice of the hearing;

b. Include in any such order that, as a precondition to DSI's obligation, DSI be paid in full for any past due fees and be paid for the reasonable value of the services to be rendered pursuant to such order; and

c. Ensure that DSI not be required to deliver the original (as opposed to a copy) of the Deposit Materials if DSI may need to retain the original in its possession to fulfill any of its other duties.

ARTICLE 9 -- **GENERAL PROVISIONS**

9.1 Entire Agreement. This Agreement, which includes Exhibits described herein, embodies the entire understanding between the parties with respect to its subject matter and supersedes all previous communications, representations or understandings, either oral or written. DSI is not a

party to the License Agreement between Depositor and FlexSAFE Beneficiary and has no knowledge of any of the terms or provisions of any such License Agreement. DSI's only obligations to Depositor or FlexSAFE Beneficiary are as set forth in this Agreement. No amendment or modification of this Agreement shall be valid or binding unless signed by both parties hereto, except Exhibit A need not be signed by either party.

9.2 Notices. All notices, invoices, payments, deposits and other documents and communications shall be given to the parties at the addresses specified in Exhibit A. It shall be the responsibility of the parties to notify each other as provided in this Section in the event of a change of address. The parties shall have the right to rely on the last known address of the other parties. Unless otherwise provided in this Agreement, all documents and communications may be delivered by First Class mail.

9.3 Severability. In the event any provision of this Agreement is found to be invalid, voidable or unenforceable, the parties agree that unless it materially affects the entire intent and purpose of this Agreement, such invalidity, voidability or unenforceability shall affect neither the validity of this Agreement nor the remaining provisions herein, and the provision in question shall be deemed to be replaced with a valid and enforceable provision most closely reflecting the intent and purpose of the original provision.

9.4 Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties. However, DSI shall have no obligation in performing this Agreement to recognize any successor or assign of Depositor unless DSI receives clear, authoritative and conclusive written evidence of the change of parties.

9.5 Regulations. Depositor is responsible for and warrants compliance with all applicable laws, rules and regulations, including but not limited to customs laws, import, export, and re-export laws and government regulations of any country from or to which the Deposit Materials may be delivered in accordance with the provisions of this Agreement.

Townsend Technologies, Inc. dba Project Arena Depositor	DSI Technology Escrow Services, Inc.
By:	By:
Name: Thomas E. Low	Name: Audrey Griffith
Title: CFO	Title: Contract Administrator
Date: 7/17/01	Date: August 1, 2001

EXHIBIT A

DESIGNATED CONTACT

Account Number 2015086-00001

Notices, deposit material returns and communications to Depositor should be addressed to:

Company Name: Project Arena
Address: 660 J Street, Suite 475
Sacramento, CA 95814

Designated Contact: Steve Croft
Telephone:916 442-9158
Facsimile:916 442-8943
E-Mail:steve@projectarena.com

Invoices to Depositor should be addressed to:

Project Arena
Accounts Payable
344 20th Street, Suite 302
Oakland, CA 94612-3544
Contact: Tom Low
510 302-0395
P.O.#, if required: not required

Requests from Depositor to change the designated contact should be given in writing by the designated contact or an authorized employee.

Contracts, Deposit Materials and notices to DSI should be addressed to:

DSI Technology Escrow Services, Inc.
Contract Administration
9265 Sky Park Court, Suite 202
San Diego, CA 92123

Telephone: (858) 499-1600
Facsimile: (858) 694-1919
E-Mail: ca@dsiescrow.com

Invoice inquiries and fee remittances to DSI should be addressed to:

DSI Technology Escrow Services, Inc.
PO Box 45156
San Francisco, CA 94145-0156

(858) 499-1636
(858) 499-1637

Date:_____

EXHIBIT B

DESCRIPTION OF DEPOSIT MATERIALS

Depositor Company Name: Townsend Technologies, Inc.

Account Number _____

Product Name Project Arena Version_____
(Product Name will appear as Exhibit B Name on Account History report)

DEPOSIT MATERIAL DESCRIPTION:

Quantity	Media Type & Size	Label Description of Each Separate Item
_____	Disk 3.5" or ____	
_____	DAT tape ____mm	
_____	CD-ROM	
_____	Data cartridge tape ____	
_____	TK 70 or ____ tape	
_____	Magnetic tape ____	
_____	Documentation	
X ____	Other : e-mail	

PRODUCT DESCRIPTION:
Environment _____

DEPOSIT MATERIAL INFORMATION:
Is the media or are any of the files encrypted? Yes / No If yes, please include any passwords and the decryption tools.
Encryption tool name_____ Version _____
Hardware required_____
Software required _____
Other required information_____

I certify for **Depositor** that the above described Deposit Materials have been transmitted to DSI:

Signature _____
Print Name _____
Date_____

DSI has inspected and accepted the above materials *(any exceptions are noted above)*:

Signature _____
Print Name _____
Date Accepted_____
Exhibit B#_____

Send materials to: DSI, 9265 Sky Park Ct., Suite 202, San Diego, CA 92123 (858) 499-1600

INNOTAS™

118 2nd Street
3rd Floor
San Francisco, CA 94105

415.814.7700 main
415.814.7735 fax
www.innotas.com

April 30, 2007

Iron Mountain

Attn: Jacqueline Young

FAX: 770-239-9201

RE: Townsend Technologies, Inc. dba Project Arena name change and Address Change
Account number 2015086-00001

Dear Jacqueline,

Townsend Technologies, Inc. dba Project Arena has changed its name to INNOTAS. Please see the Amended and Reinstated Articles of Incorporation attached.

Also note our new address: INNOTAS, 118 2nd Street, San Francisco, CA 94105. Any future correspondence and billings needs to be sent to this address, attention Debra Jackson.

Please apply these changes and send us confirmation that all has been completed.

Thank you,

Keith Carlson
CEO

IRON MOUNTAIN

AMENDMENT TO ESCROW SERVICE AGREEMENT (the "Agreement")
by and between
IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC. ("IMIPM") and "DEPOSITOR" and any other party agreeing to the terms of the Agreement (the "Amendment")

CUSTOMER NAME **Innotas (fka Townsend Technologies, Inc. dba Project Arena)** ("DEPOSITOR")	ACCOUNT NUMBER: 20100 (Account number is for IMIPM reference only. The Amendment shall apply to all accounts governed by the Agreement):	COMPANY NUMBER: 2015086	AGREEMENT EFFECTIVE DATE: July 19, 2001
Primary Contact: **Debra Jackson**	**Title:**	**E-mail: djackson@innotas.com**	
Street Address: 118 2nd Street, 3rd Floor	**City: San Francisco**	**State:** **CA**	**Zip + 4:** **94105**
Tel: (415) 814-7731	**Fax:**		

This Amendment is hereby entered into by and between **DEPOSITOR** and Iron Mountain Intellectual Property Management, Inc. ("IMIPM").

WHEREAS, IMIPM and the **DEPOSITOR** entered into an agreement on the Agreement Effective Date; and,

WHEREAS, IMIPM requires the terms and conditions be amended as a condition of its renewal of the Agreement and these amended terms and conditions shall apply to any party enrolling to the Agreement hereafter;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties herby agree to amend the terms and conditions of the Agreement as follows:

1. In the event the Agreement references Data Securities International, Inc. or DSI Technology Escrow Services, Inc. ("DSI") or Fort Knox or Source File as the escrow agent, all of whom are now known as Iron Mountain Intellectual Property Management, Inc. or IMIPM ,all references in the Agreement, if any, to DSI, Fort Knox or Source File shall now be understood and agreed to refer to IMIPM.

2. The Agreement is hereby modified by deleting in its entirety any and all language referencing indemnification, if any, and adding the following:

   General Indemnity.

   Subject to Section 3 and 4 herein, each Party shall defend, indemnify and hold harmless the others, their corporate affiliates and their respective officers, directors, employees, and agents and their respective successors and assigns from and against any and all claims, losses, liabilities, damages, and expenses (including, without limitation, reasonable attorneys' fees), arising under this Agreement from the negligent or intentional acts or omissions of the indemnifying Party or its subcontractors, or the officers, directors, employees, agents, successors and assigns of any of them.

3. The Agreement is hereby modified by deleting in its entirety any and all language referencing limitation of liability, if any, and adding the following:

   Limitation of Liability.
   NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT, ALL LIABILITY, IF ANY, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, OF ANY PARTY TO THIS AGREEMENT SHALL BE LIMITED TO THE AMOUNT EQUAL TO ONE YEAR OF FEES PAID OR OWED TO IRON MOUNTAIN UNDER THIS AGREEMENT. IF CLAIM OR LOSS IS MADE IN RELATION TO A SPECIFIC DEPOSIT OR DEPOSITS, SUCH LIABILITY SHALL BE LIMITED TO THE FEES RELATED SPECIFICALLY TO SUCH DEPOSITS. THIS LIMIT SHALL NOT APPLY TO ANY PARTY FOR: (I) ANY CLAIMS OF INFRINGEMENT OF ANY PATENT, COPYRIGHT, OR TRADEMARK; (II) LIABILITY FOR DEATH OR BODILY INJURY; (III) PROVEN THEFT; OR (IV) PROVEN GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

4. The Agreement is hereby modified by deleting in its entirety any and all language referencing consequential or indirect damages, if any, and adding the following:

Consequential Damages Waiver.
IN NO EVENT SHALL ANY PARTY TO THIS AGREEMENT BE LIABLE TO ANOTHER PARTY FOR ANY INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST PROFITS OR LOST DATA OR INFORMATION, ANY COSTS OR EXPENSES FOR THE PROCUREMENT OF SUBSTITUTE SERVICES, OR ANY OTHER INDIRECT DAMAGES, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE EVEN IF THE POSSIBILITY THEREOF MAY BE KNOWN IN ADVANCE TO ONE OR MORE PARTIES.

5. The Agreement is hereby modified by deleting in its entirety any and all language, if any, referencing the inspection of material received by Iron Mountain from Depositor to be stored with Iron Mountain under the Agreement ("Deposit Material") and adding the following;

IMIPM will conduct a visual deposit inspection upon receipt of any Deposit Material and associated Exhibit B and provide notice by electronic mail, telephone, or regular mail to the Depositor and Beneficiary of all Deposit Material that is accepted and deposited into the escrow account under this Agreement. If IMIPM determines that the Deposit Material does not match the description provided by Depositor represented in Exhibit B hereto, Iron Mountain will provide Depositor with notice by electronic mail, telephone, or regular mail of such discrepancies. IMIPM will work directly with the Depositor to resolve any such discrepancies prior to accepting Deposit Material. OTHER THAN IMIPM'S INSPECTION OF THE DEPOSIT MATERIALS, AS DESCRIBED ABOVE, IMIPM SHALL HAVE NO OBLIGATION REGARDING THE ACCURACY, COMPLETENESS, FUNCTIONALITY, PERFORMANCE OR NON-PERFORMANCE OF THE DEPOSIT MATERIALS.

6. The Agreement is hereby modified by deleting in its entirety any and all language, if any, referencing Iron Mountain providing status reports or updates of escrow account activity and replacing it with the following:

IMIPM shall provide to Depositor and Beneficiary access to the Iron Mountain real-time, on-line portal to view data and documentation relative to this Agreement. Upon request, IMIPM will provide ad hoc status reports to Depositor and Beneficiary.

7. In the event that any terms and conditions contained herein are in conflict with the terms and conditions set forth in the Agreement, the terms and conditions set forth in this Amendment shall be deemed to be the controlling terms and conditions.

8. All other terms and conditions of the Agreement remain unchanged and are in full force and effect. This Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument. The last date noted on the signature blocks of this Amendment shall be the Amendment Effective Date.

IN WITNESS WHEREOF, each of the undersigned has executed this Amendment or caused this Amendment to be duly executed on its behalf as of the Amendment Effective Date.

"DEPOSITOR"	IRON MOUNTAIN INTELLECTUAL PROPERTY MANAGEMENT, INC.
Individual Signing: [print name] TIMOTHY MADEWELL	Individual Signing: [print name] Mary K English
Signature:	*Signature:* Mark K. English
Title: VICE PRESIDENT	Title: Director of Operations, IPM
Signing Date: 9/22/08	Signing Date: 9/24/2008

Remediation Project
IRON MOUNTAIN
Watermark (OPS)

EXHIBIT D STATEMENT OF WORK (SOW) TEMPLATE
BETWEEN (NAME OF AUTHORIZED USER) AND INNOTAS

ISSUED UNDER

CONTRACT NUMBER VA-110624-INNO
BETWEEN
VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
INNOTAS

Exhibit D, between (Name of Agency/Institution) and Innotas ("Supplier") is hereby incorporated into and made an integral part of Contract Number VA-110624-INNO ("Contract") between the Virginia Information Technologies Agency ("VITA") on behalf of the Commonwealth of Virginia and Supplier.

In the event of any discrepancy between this Exhibit D and the Contract, the provisions of the Contract shall control.

*[Note to Template Users: Instructions for using this template to draft a Statement of Work are in gray highlight and **italics**. These instructions should be deleted after the appropriate text has been added to the Statement of Work. Contractual language is **not italicized** and should remain in the document. Text that is highlighted in blue is variable based on the nature of the project.]*

STATEMENT OF WORK

This Statement of Work (SOW) is issued by the (Name of Agency/Institution), hereinafter referred to as "Authorized User" under the provisions of the Contract,". The objective of the project described in this SOW is for the Supplier to provide the Authorized User with a Solution ("Solution") or Services ("Services)" or Software ("Software") or Hardware and Maintenance or Licensed Application Services" for Authorized User Project Name. *(Customize the last sentence to state what you are getting from the Supplier, based on the VITA Contract language, and with your project name.)*

1. PERIOD OF PERFORMANCE

The work authorized in this SOW will occur within XX (XX) months of execution of this Statement of Work. This includes delivery, installation, implementation, integration, testing and acceptance all of products and services necessary to implement the Authorized User's Solution, training, and any support, other than on-going maintenance services. The period of performance for maintenance services shall be one (1) year after implementation or end of Warranty Period and may be extended for additional one (1) year periods, pursuant to and unless otherwise specified in the Contract. *(Customize this section to match what you are getting from the Supplier, based on the allowable scope of the VITA Contract and your project's specific needs within that allowable scope.)*

2. PLACE OF PERFORMANCE

(Assign performance locations to major milestones or any other project granularity, depending on your transparency and governance needs, if needed.)

Tasks associated with this project will be performed at the Authorized User's location(s) in City/State, at Supplier's location(s) in City/State, or other locations as required by the effort.

3. PROJECT DEFINITIONS

Provide project unique definitions so that all stakeholders have the same understanding. Ensure these do not conflict with the Contract definition.).

All definitions of the Contract shall apply to and take precedence over this SOW. Authorized User's specific project definitions are listed below:

4. PROJECT SCOPE

(Provide a description of the scope of your project and carve out what is NOT in the scope of your project. Remember that it must fit within the VITA Contract scope.).

A. General Description of the Project Scope

B. Project Boundaries

5. AUTHORIZED USER'S SPECIFIC REQUIREMENTS

(Provide information about your project's and your agency's specific requirements for this particular project including, but not limited to the following subsections):

A. Authorized User-Specific Requirements

B. Special Considerations for Implementing Technology at Authorized User's Location(s)

C. Other Project Characteristics to Insure Success

6. CURRENT SITUATION

(Provide enough background information to clearly state the current situation to Supplier so that Supplier cannot come back during performance claiming any unknowns or surprises. Some example subsections are provided below. You may collapse/expand as you feel is necessary to provide adequate information and detail.)

A. Background of Authorized User's Business Situation

B. Current Architecture and Operating System

C. Current Work Flow/Business Flow and Processes

D. Current Legacy Systems

E. Current System Dependencies

F. Current Infrastructure (Limitations, Restrictions)

G. Usage/Audience Information

7. PRODUCTS AND SERVICES TO SUPPORT THE PROJECT REQUIREMENTS (AND/OR SOLUTION)

A. Required Products (or Solution Components)

(List the products, or if your project is for a Solution, the Solution components, (hardware, software, etc.) provided by Supplier that will be used to support your project requirements. Identify any special configuration requirements, and describe the system infrastructure to be provided by the Authorized User. Provide an overview that reflects how the system will be deployed within the Authorized User's environment. You are urged to refer to the VITA Contract for allowable scope and other guidance in drafting language for this section.)

B. Required Services

(*List the services (e.g., requirements development, Solution design, configuration, interface design, data conversion, installation, implementation, testing, training, risk assessment, performance assessment, support and maintenance) that will be provided by Supplier in the performance of your project. You are urged to refer to the VITA Contract for the definition of Services and for the allowable scope in drafting language for this section. You will notice subsections "C" and "D" below offer areas for expanded detail on training, support and maintenance services. You may add other subsections in which you wish to expand the information/details/requirements for other service areas as well. It is likely some of this detail will be a combination of your known needs and the Supplier's proposal. In all cases the provisions should include all negotiated commitments by both parties, even if you reference by incorporation the Supplier's proposal in any subsection.)*

C. Training Requirements and/or Authorized User Self-Sufficiency/Knowledge Transfer
(*Provide an overview and details of training services to be provided for your project and any special requirements for specific knowledge transfer to support successful implementation of the Solution. If the intent is for the Authorized User to become self-sufficient in operating or maintaining the Solution, determine the type of training necessary, and develop a training plan, for such user self-sufficiency. Describe how the Supplier will complete knowledge transfer in the event this Statement of Work is not completed due to actions of Supplier or the non-appropriation of funds for completion affecting the Authorized User. You may refer to the VITA Contract for guidance on the allowable scope for this.*

D. Support and Maintenance Requirements
(*Document the level of support, as available under the Contract, required by your project to operate and maintain the Solution. This may include conversion support, legacy system integration, transition assistance, Solution maintenance (including maintenance level), or other specialized consulting to facilitate delivery or use of the Solution.*

E. Personnel Requirements
(*Provide any supplier personnel qualifications, requirements, licenses, certifications or restrictions including project manager, key personnel, subcontractors, etc., but ensure they do not conflict with the VITA Contract terms.)*

F. Transition Phase-In/Phase-Out Requirements
(*Describe any specific requirements for orientation or phasing in and/or phasing out of the project with the Supplier. Be specific on what the project needs and expected results are, the duration and other pertinent detail, but ensure they do not conflict with the VITA Contract provision(s) regarding Transition of Services or with any other training requirements in the SOW.)*

8. TOTAL PROJECT PRICE

The total Fixed Price for this Project shall not exceed $US XXX.

Supplier's invoices shall show retainage of ten percent (10%). Following completion of Solution implementation, Supplier shall submit a final invoice to the Authorized User, for the final milestone payment amount shown in the table in section 9 below, plus the total amount retained by the Authorized User. If travel expenses are not included in the fixed price of the Solution, such expenses shall be reimbursed in accordance with Commonwealth of Virginia travel policies as published by the Virginia Department of Accounts (http://www.doa.virginia.gov). In order to be reimbursed for travel expenses, Supplier must submit an estimate of such expenses to Authorized User for approval prior to incurring such expenses.

(*Sections 9 through 11 should be used or deleted depending on the project's complexity, risk and need for governance. For a simple project you may only need the section 10 table, but for a more complex project, or a major IT project, you may need a combination of or all of the tables for check and balance and redundancy.*)

9. PROJECT DELIVERABLES

(*Provide a list of Supplier's deliverable expectations. The table is to be customized for the Authorized User's project. You may want to categorize deliverables for each phase or major milestone of the project and then categorize other interim deliverables and/or performance and status reports under one of them or under an Administrative or Project Management section.)*

The following deliverables are to be provided by Supplier under this SOW. Subsequent sections may include further detail on the content requirements for some deliverables.

No.	Title	Due Date	Format Required (i.e., electronic/hard	Distribution Recipients	Review Complete	Final Due Date

			copy/CD/DVD		Due Date	
	Project Plan					
	Design Plan					
	Implementation Plan					
	Data Conversion Plan					
	Risk Assessment Plan					
	Test Plan					
	Training Plan					
	Performance Plan					
	Contingency Plan					
	Disaster Recovery Plan					
	Cutover Plan					
	Change Management Plan					
	Transition Plan					
	Monthly Status Reports					
	Quarterly Performance /SLA Reports					
	Training Manual					
	Final Solution Submission Letter					
	Final Acceptance Letter					

10. MILESTONES, DELIVERABLES, PAYMENT SCHEDULE, AND HOLDBACKS

(*This table should include the project's milestone events, associated deliverables, when due, milestone payments, any retainage amount to be held until final acceptance and the net payment you promise to pay for each completed and accepted milestone event. This table includes sample data only and must be customized for your project needs.)*

The following table identifies milestone events and deliverables, the associated schedule, any associated payments, any retainage amounts, and net payments.

Milestone Event	Associated Milestone Deliverable(s)	Schedule	Payment	Retainage	Net Payment
Project kick-off meeting	---	Execution + 5 days	---	---	---
Site survey	Site survey report	Execution + 10 days	---	---	---
Requirements Analysis & Development	Design Plan	Execution+45 days	$30,000	$15,000	$15,000
	Project Plan	Execution+45 days			
	Implementation	Execution + 45			

	Plan	days			
Begin Implementation		Execution + 60 days			
Data Conversion & Mapping		Execution + 90 days	$10,000	$3,000	$7,000
Installation of software	---	Execution + 90 days	$10,000	$1,000	$9,000
Installation of hardware	---	Execution + 90 days	$10,000	$1,000	$9,000
Configuration and testing	---	Execution + 120 days	---	---	---
Training	Training manual	Execution + 130 days	$10,000	$1,000	$9,000
30-Day User Acceptance Testing	---	Execution + 160 days	$20,000	$2,000	$18,000
Implementation complete	Solution	Execution + 160 days	$10,000	--	$10,000
Final Acceptance		Execution + 210 days	--	--	$23,000

11. EVENTS AND TASKS FOR EACH MILESTONE

(*If needed, provide a table of detailed project events and tasks to be accomplished to deliver the required milestones and deliverables for the complete Solution. Reference each with the relevant milestone. A Work Breakdown Structure can be used as shown in the table below or at the very least a Project Plan should have this granularity. The Supplier's proposal should be tailored to the level of detail desired by the Authorized User's business owner/project manager for project governance.)*

The following table identifies project milestone events and deliverables in a Work Breakdown Structure format.

WBS No.	Milestone	Milestone Event	Milestone Task	Interim Task Deliverables	Duration
1.0	Site survey				
1.1		Conduct interviews			
1,1,1			Schedule interviews	None	20 days after contract start
1.1.2			Complete interviews	Interview Results Report	25 days after contract start
1.2		Receive AU information			

12. ACCEPTANCE CRITERIA

(*This section should reflect the mutually agreed upon UAT and Acceptance Criteria specific to this engagement. Please read the VITA contract definitions for the definitions or Requirements and Acceptance. Ensure the language in this section does not conflict with the VITA Contract language.)*

Acceptance Criteria for this Solution will be based on a User Acceptance Test (UAT) designed by Supplier and accepted by the Authorized User. The UAT will ensure that all of the requirements and functionality required for the Solution have been successfully delivered. Supplier will provide the Authorized User with a detailed test plan and acceptance check list based on the mutually agreed upon UAT Plan. This UAT Plan check-list is incorporated into this SOW in Exhibit B-X.

Each deliverable created under this Statement of Work will be delivered to the Authorized User with a Deliverable Acceptance Receipt. This receipt will describe the deliverable and provide the Authorized User's Project Manager with space to indicate if the deliverable is accepted, rejected, or conditionally accepted. Conditionally Accepted deliverables will contain a list of deficiencies that need to be corrected in order for the deliverable to be accepted by the Project Manager. The Project Manager will have ten (10) days from receipt of the deliverable to provide Supplier with the signed Acceptance Receipt unless an alternative schedule is mutually agreed to between Supplier and the Authorized User in advance.

13. PROJECT ASSUMPTIONS AND PROJECT ROLES AND RESPONSIBILITIES

(This section contains areas to address project assumptions by both the Supplier and the Authorized User and to assign project-specific roles and responsibilities between the parties. Make sure that all assumptions are included to alleviate surprises during the project. Ensure that all primary and secondary (as needed) roles and responsibilities are included. You will tailor the Responsibility Matrix table below to fit your project's needs.)

A. Project Assumptions

The following assumptions are specific to this project:

B. Project Roles and Responsibilities

The following roles and responsibilities have been defined for this project:

(Sample Responsibility Matrix)

Responsibility Matrix	Supplier	Authorized User
Infrastructure – Preparing the system infrastructure that meets the recommended configuration defined in Section 2B herein		√
Server Hardware		√
Server Operating		√
Server Network Connectivity		√
Relational Database Management Software (Installation and Implementation)		√
Server Modules – Installation and Implementation	√	
PC Workstations – Hardware, Operating System, Network Connectivity		√
PC Workstations – Client Software		√
Application Installation on PC Workstations	√	
Wireless Network Access Points	√	
Cabling, Electric and User Network Connectivity from Access Points		√
Wireless Mobile Computing Products – Scanners, printers	√	
Project Planning and Management	√	√
Requirements Analysis	√	√
Application Design and Implementation	√	
Product Installation, Implementation and Testing	√	
Conversion Support	√	
Conversion Support -- Subject Matter Expertise		√
Documentation	√	
Training	√	
Product Maintenance and Support	√	

Problem Tracking	√	√
Troubleshooting – IT Infrastructure		√
Troubleshooting – Solution	√	

14. COMMONWEALTH AND SUPPLIER-FURNISHED MATERIALS, EQUIPMENT, FACILITIES AND PROPERTY

(In this section, provide details of any materials, equipment, facilities and property to be provided by your Agency or the Supplier in performance of this project. If none, so state so that the requirements are clear. If delivery of any of these is critical to the schedule, you may want to identify such delivery with hard due dates tied to "business days after project start' or "days after event/milestone." Be sure to specify the delivery and point of contact information.)

A. PROVIDED BY THE COMMONWEALTH

B. PROVIDED BY THE SUPPLIER

15. SECURITY REQUIREMENTS

(Provide (or reference as an Attachment) Authorized User's security requirements.)

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

Supplier shall comply with all requirements in the Security Compliance section of the Contract

16. REQUIRED STANDARDS, CERTIFICATIONS AND SPECIFICATIONS

In addition to any standards and specifications included in the Contract, Supplier shall follow the standards and specifications listed below during performance of this effort.

(List any specific Commonwealth, VITA, Federal, engineering, trade/industry or professional standards, certifications and specifications that Supplier is required to follow or possess in performing this work. The first bullet includes a link to COVA-required standards for all Commonwealth technology projects. The rest are examples only and highlighted to reflect this. If you need an exception of any COVA-required standard, please follow the process located at this link: http://www.vita.virginia.gov/oversight/default.aspx?id=10344 and select the Data Standards Guidance bulleted link. Your AITR can assist you.

- COV ITRM Policies and Standards: http://www.vita.virginia.gov/library/default.aspx?id=537
- IEEE 802®
- HIPAA
- SAS 70 Type II

17. U.S. ENVIRONMENTAL PROTECTION AGENCY'S AND DEPARTMENT OF ENERGY'S ENERGY STAR GUIDELINESRISK MANAGEMENT

(Risk is a function of the probability of an event occurring and the impact of the negative effects if it does occur. Negative effects include schedule delay, increased costs, failure of dependent legacy system interoperability, other project dependencies that don't align with this project's schedule, and poor quality of deliverables. Depending on the level of risk of this project, as assessed by your Project

Manager and/or Steering Committee, this section may contain any or all of the following components, at a level of detail commensurate with the level of risk. Remember to add them to the Deliverables table.)

C. Initial Risk Assessment
Authorized User and Supplier shall each provide an initial assessment from their point of view.

D. Risk Management Strategy
(The list below is taken from VITA PMD template discussing what should go into a Risk Management Strategy. Don't forget to consider and plan for any budget contingencies to accommodate potential risks that are identified.)

1. **Risk Identification Process:** The processes for risk identification.
2. **Risk Evaluation and Prioritization**: How risks are evaluated and prioritized.
3. **Risk Mitigation Options**: Describe the risk mitigation options. They must be realistic and available to the project team.
4. **Risk Plan Maintenance:** Describe how the risk plan is maintained during the project lifecycle.
5. **Risk Management Responsibilities:** Identify all project team members with specific risk management responsibilities. (e.g., an individual responsible for updating the plan or an individual assigned as a manager).

E. Risk Management Plan
(*Include a description of frequency and form of reviews, project team responsibilities, steering and oversight committee responsibilities and documentation. Be sure to add all deliverables associated with risk strategizing and planning to the list of Deliverables.)*

18. DISASTER RECOVERY
Planning for disaster recovery for your project is paramount to ensure continuity of service. The criticalness and complexity of your project, including its workflow into other dependent systems of the Commonwealth or federal systems, will help you determine if you require a simple contingency plan or a full-blow contingency plan that follows the Commonwealth's ITRM Guideline SEC508-00 found at this link:

http://www.vita.virginia.gov/uploadedFiles/Library/ContingencyPlanningGuideline04_18_2007.pdf

It is advisable that you visit the link before making your decision on how you need to address contingency planning and related deliverables in this SOW; as well as, how this will impact your planned budget. A likely deliverable for this section would be a Continuity of Operations Plan. You may choose to include the above link in your final SOW to describe what the Plan will entail. The same link includes the following processes, which you may choose to list in your final requirements for this section, to be performed by your team, the Supplier or both and/or a steering committee if your project warrants such oversight and approval:

- *Development of the IT components of the Continuity of Operations Plan (COOP)*
- *Development and exercise of the IT Disaster Recovery Plan (IT DRP) within the COOP*
- *Development and exercise of the IT System Backup and Restoration Plan*

19. PERFORMANCE BOND
(*If your project is sizeable, complex and/or critical, and the VITA Contract does not already provide for a performance bond, you may want the Supplier to provide one. The VITA Contract may include an Errors and Omissions insurance requirement, which would cover the Supplier's liability for any breach of the Contract or this SOW. Be sure to read the Contract for this information. However, if you feel that this project warrants further performance incentive due to the project or the Supplier's viability, you may include the following language in this section.)*

The Supplier shall post performance bond in an amount equal to one hundred percent (100%) of the total contract value and provide a copy of the bond to Authorized user within (10) days of execution of this SOW Agreement. In the event that the Supplier or any subcontractor or any officer, director, employee or agent of the Supplier or any subcontractor or any parent or subsidiary corporation of the Supplier or any subcontractor fails to fully and faithfully perform each material requirement of this SOW Agreement, including without limitation the Supplier's obligation to indemnify the Authorized User, the performance bond shall be forfeited to Authorized User. The bond shall be in a form customarily used in the technology industry and shall be written by a surety authorized to do business in Virginia and that is acceptable to Authorized User.

20. OTHER TECHNICAL/FUNCTIONAL REQUIREMENTS

(Provide any other unique project technical and functional requirements and expectations in sufficient detail in this section. Ensure they do not conflict with existing requirements in the VITA Contract. Several examples are listed.)

A. Service Level Requirements

B. Mean-Time-Between-Failure Requirements

C. Data Access/Retrieval Requirements

D. Additional Warranties

21. REPORTING

(*The following are examples of reporting requirements which may be included in your SOW depending on the project's need for governance. In an effort to help VITA monitor Supplier performance, it is strongly recommended that the SOW include "Supplier Performance Assessments". These assessments may be performed at the Project Manager's discretion and are not mandated by VITA.)*

A. Weekly/Bi-weekly Status Update.

The weekly/bi-weekly status report, to be submitted by Supplier to the Authorized User, should include: accomplishments to date as compared to the project plan; any changes in tasks, resources or schedule with new target dates, if necessary; all open issues or questions regarding the project; action plan for addressing open issues or questions and potential impacts on the project; risk management reporting.

B. Supplier Performance Self-Assessment.

Within thirty (30) days of execution of the project start, the Supplier and the Authorized User will agree on Supplier performance self-assessment criteria. Supplier shall prepare a monthly self-assessment to report on such criteria. Supplier shall submit its self-assessment to the Authorized User who will have five (5) days to respond to Supplier with any comments. If the Authorized User agrees with Supplier's self-assessment, such Authorized User will sign the self-assessment and submit a copy to the VITA Supplier Relationship Manager.

C. Performance Auditing

(If you have included service level requirements in the above section entitled, Other Technical/Functional Requirements, you will want to include a requirement here for your ability to audit the results of the Supplier's fulfillment of all requirements, Likewise, you may want to include your validation audit of the Supplier's performance reporting under this Reporting section. It is important, however, that you read the VITA contract prior to developing this section's content so that conflicts are avoided. Suggested language is provided below, but must be customized for your project.)

Authorized User (or name of IV&V contractor, if there is one), will audit the results of Supplier's service level obligations and performance requirements on a monthly/quarterly basis, within ten (10) days of receipt of Supplier's self-assessments and service report(s). Any discrepancies will be discussed between the Authorized User and Supplier and any necessary invoice/payment adjustments will be made. If agreement cannot be reached, the Authorized User and Supplier will

escalate the matter in accordance with the Escalation provision of the Contract. *(If none, you may add your escalation procedure in this section.)*

D. Supplier Performance Assessments

(You may want to develop assessments of the Supplier's performance and disseminate such assessments to other Authorized Users of the VITA Contract. Prior to dissemination of such assessments, Supplier will have an opportunity to respond to the assessments, and independent verification of the assessment may be utilized in the case of disagreement.)

22. CHANGE MANAGEMENT

(*Changes to the baseline SOW must be documented for proper project oversight. Depending on your project, you may need to manage and capture changes to configuration, incidents, deliverables, schedule, price or other factors your team designates as critical. Any price changes must be done in compliance with the Code of Virginia, § 2.2-4309. Modification of the contract, found at this link: http://leg1.state.va.us/cgi-bin/legp504.exe?000+coh+2.2-4309+500825. Changes to the scope of this SOW must stay within the boundaries of the scope of the VITA Contract.*

For complex and/or major projects, it is recommended that you use the VITA PMD processes and templates located at: http://www.vita.virginia.gov/oversight/projects/default.aspx?id=567. Administrative or non-technical/functional changes (deliverables, schedule, point of contact, reporting, etc.) should extrapolate the affected sections of this SOW in a "from/to" format and be placed in a numbered modification letter referencing this SOW and date, with a new effective date. The VITA Contract may include a template for your use or you may obtain one from the VITA Contract's Point of Contact. It is very important that changes do not conflict with, but do comply with, the VITA Contract, which takes precedence. The following language may be included in this section, but additional language is needed to list any technical/functional change management areas specific to this SOW; i.e., configuration, incident, work flow, or any others of a technical/functional nature.)

All changes to this SOW must comply with the Contract. Price changes must comply with the Code of Virginia, § 2.2-4309. Modification of the contract, found at this link: http://leg1.state.va.us/cgi-bin/legp504.exe?000+coh+2.2-4309+500825

All changes to this SOW shall be in written form and fully executed between the Authorized User's and the Supplier's authorized representatives. For administrative changes, the parties agree to use the change template, attached to this SOW. For technical/functional change management requirements, listed below, the parties agree to follow the processes and use the templates provided at this link: http://www.vita.virginia.gov/oversight/projects/default.aspx?id=567

23. POINT OF CONTACT

For the duration of this project, the following project managers shall serve as the points of contact for day-to-day communication:

Authorized User: _____

Supplier: _____

By signing below, both parties agree to the terms of this Exhibit.

Supplier:	**Authorized User:**
_____	_____
(Name of Supplier)	(Name of Agency/Institution)
By: _____	By: _____
(Signature)	(Signature)

Name: _____
(Print)
Title: _____
Date: _____

Name: _____
(Print)
Title: _____
Date: _____

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: Kevin Kern

Organization: President and CEO, Innotas

Date: 6/28/14

EXHIBIT G SERVICE LEVEL AGREEMENT
CONTRACT NUMBER VA-1100624-INNO
BETWEEN
VIRGINIA INFORMATION TECHNOLOGIES AGENCY
AND
INNOTAS

Exhibit G is hereby incorporated into and made an integral part of Contract Number VA-110624-INNO ("Contract") between the Virginia Information Technologies Agency ("VITA" or "Commonwealth" or "State") and Innotas ("Supplier").

In the event of any discrepancy between this Exhibit G and the Contract, the provisions of the Contract shall control.

1. SYSTEM AVAILABILITY. Provided that Authorized User remains current in its payment obligations to Innotas as set forth in this Contract, Authorized User shall have the right to the system availability provisions set forth herein. In the event the Authorized User does not remain current in their payment obligations, Innotas will continue to deliver our Service, but the Authorized User shall not receive the system availability benefits outlined in Exhibit G.

1.1**.** **Definition of Availability**. "Availability" or "Available" means Authorized User is able to log in to Service. "Unavailable" or "Unavailability" means Authorized User is unable to log in to Service, subject to the following provisions:

1.2. **Scheduled Downtime.** The Innotas system may be inaccessible to Authorized User during Scheduled Downtime. Scheduled Downtime will occur for less than one (1) hour between 10 p.m. and 6 am Central Time and on Saturdays from 6:00 pm to 9:00 pm US Pacific Time. Innotas reserves the right to change the Scheduled Downtime to other non-business hours upon notice to Authorized User. Scheduled Downtime shall not be considered times when the Application is Unavailable.

1.3 **Exceptions to "Unavailability."** In addition to Scheduled Downtime, any period in which Authorized User is unable to use the Service due to the conduct of Authorized User or any circumstances outside of the control of Innotas or its third party providers, including but not limited to the following, shall not be considered times when the system is Unavailable:

(i) a failure or malfunction resulting from scripts, data, applications, equipment, or services provided and/or performed by Authorized User;

(ii) outages initiated by Innotas or its third party providers at the request or direction of Authorized User for maintenance, back up, or other purposes;

(iii) outages occurring as a result of any actions or omissions taken by Innotas or its third party providers at the request or direction of Authorized User;

(iv) outages resulting from Authorized User's equipment and/or third party equipment outside of those parties contracted with Innotas;

(v) events resulting from an interruption or shut down of the Services due to circumstances reasonably believed by Innotas to be a significant threat to the normal operation of the Service, the facility from which the Service is provided, or access to or integrity of Authorized User data (e.g., a hacker or a virus attack);

(vi) outages due to system administration, commands, file transfers performed by Authorized User representatives;

(vii) other activities Authorized User directs, denial of service attacks, natural disasters, changes resulting from government, political, or other regulatory actions or court orders, strikes or labor disputes, acts of civil disobedience, acts of war, and other force majeure items;

(viii) Authorized User's negligence or breach of its material obligations under this Agreement; and

(ix) lack of availability or untimely response time of Authorized User to respond to incidents that require its participation for source identification and/or resolution.

1.4 **Target System Availability**. The "Target System Availability Level" is the System Availability Level that Innotas plans to meet or exceed during each calendar quarter. The "System Availability Level" is the number of hours during a particular period that the Service was Available to Authorized User, excluding

Downtime (as defined below), divided by the total number of hours during such period (as measured at the end of such period). The Target System Availability Level is 99.5% in any calendar quarter.

1.5 For help desk support information, see *http://www.innotas.com/services-support*

2. REMEDIES.

2.1 **Downtime Events.**

(a) **User Fee Credit Criteria.** If Authorized User logs a service request providing detail regarding a "Downtime Event" (meaning the sustained inability of the Service to be Available to Authorized User for more than fifteen (15) consecutive minutes) and requests a User Fee Credit within seventy-two (72) hours of such Downtime Event, and the Service Availability Level is below the Target Availability Level, Innotas will issue to Authorized User a User Fee Credit calculated as set forth in this Section 2.1.

(b) **Fractional Credit Calculation.** One "Fractional Credit" will accrue for each Downtime Event lasting between fifteen (15) minutes and one (1) hour and meeting the User Fee Credit Criteria set forth in Section 2.1(a) above, meaning that if the Downtime Event lasts four hours then four Fractional Credits would accrue.

(c) **User Fee Credit Calculation.** A Fractional Credit will be converted into a User Fee Credit by multiplying the Fractional Credit by the pro-rated amount equal to one day of User Fees for the number of Users paid for by Authorized User at the time of the Downtime Event, rounded to the nearest thousandth. For example, if an Authorized User had 100 Users at the time of receiving 4 Fractional Credits, those Fractional Credits would be divided by 365 (or 366 in a leap year) and multiplied by 100, entitling the Authorized User to 1.096 User Fee Credits.

(d) **User Fee Credit Redemption.** A User Fee Credit is redeemable by Authorized User as one day of User Fees for one User. User Fee Credits can be applied by Authorized User only toward renewals of the Subscription Term at the end of the then-current Subscription Term. Any User Fee Credits that remain unused at the end of a Subscription Term shall be forfeited. A maximum of ten (10) User Fee Credits (the "Maximum Credits") may be accrued by Authorized User in any one calendar quarter.