NOTICE OF AWARD OF CONTRACT

TO: MICROSOFT CORPORATION
8050 MICROSOFT WAY, AP2/1610
CHARLOTTE, NC 28273

DATE ISSUED: JUNE 7, 2011

CURRENT REFERENCE NO: 266-11

CONTRACT TITLE: DTS/MICROSOFT PREMIER SUPPORT SERVICES

PRIOR REFERENCE NO: N/A

THIS IS A NOTICE OF AWARD OF CONTRACT AND NOT AN ORDER. NO WORK IS AUTHORIZED UNTIL THE VENDOR RECEIVES A VALID COUNTY PURCHASE ORDER ENCUMBERING CONTRACT FUNDS.

The contract term covered by this Notice of Award is effective JUNE 19, 2011 and expires on MARCH 28, 2013.

This is the FIRST year award notice of a possible FIVE year contract.

The contract documents consist of the terms and conditions of Rider Agreement No.266-11 including any exhibits, attached or amendments thereto.

CONTRACT PRICING:

REFER TO VITA MICROSOFT MASTER SERVICES AGREEMENT VA-100326-MCS266-11 (ATTACHED)

ATTACHMENTS:

1) RIDER AGREEMENT 236-11
2) VITA MASTER SERVICES AGREEMENT A-100326-MCS266-11

EMPLOYEES NOT TO BENEFIT:

NO COUNTY EMPLOYEE SHALL RECEIVE ANY SHARE OR BENEFIT OF THIS CONTRACT NOT AVAILABLE TO THE GENERAL PUBLIC.

VENDOR CONTACT: RICHARD TREADWAY
VENDOR TEL. NC.: 980-776-7993
VENDOR PAYMENT TERMS: NET 30 DAYS
VENDOR FAX. NC.: 425-708-5164
TAX IDENTIFICATION NUMBER (EIN/SSN): 91-1144442
EMAIL ADDRESS: richt@microsoft.com

COUNTY CONTACT: DAREN COLLINS
COUNTY TEL. NO.: 703-228-5026

CONTRACT AUTHORIZATION

Pamela Hayes
Assistant Purchasing Agent
RIDER AGREEMENT NO. 266-11

THIS AGREEMENT (hereinafter "Agreement") is made, on the date of its execution by the County, between Microsoft Corporation, 8050 Microsoft Way, AP2/1610, Charlotte, NC 28273 ("Contractor"), a Washington corporation authorized to transact business in the Commonwealth of Virginia, and the County Board of Arlington County, Virginia ("County"). The County and the Contractor, for the consideration and quantity(ies) specified herein or specified in a County Purchase Order referencing this Agreement, agree as follows:

1. **CONTRACT DOCUMENTS**
   The Contract Documents consist of this Agreement and Exhibit A (Virginia Information Technologies Agency ("VITA") Microsoft Master Services Agreement VA-100326-MCS, the "MSA") together with any exhibits and amendments issued or applicable thereto ("Contract Documents" or "Contract"). This Agreement rides a contract awarded to the Contractor by VITA and extended by the Contractor to the County on the same terms and conditions as the Contractor’s agreement with VITA, and substituting the phrases "County Board of Arlington County" or "Arlington County", as appropriate, for the phrase VITA wherever that phrase appear(s) in the Contract Documents. Where the terms of this Agreement conflict with the terms and conditions of the other Contract Documents, Sections 2 (Contract Term), 3 (County Purchase Order Requirement), 4 (Non Appropriation), 10 (Dispute Resolution), 11 (Applicable Law), 12 (Notices), and 14 (Insurance Requirements) of this Agreement shall prevail over the conflicting terms and conditions of the MSA. In all other respects, the terms of the MSA shall prevail over the terms of this Agreement in the event of a conflict.

The Contract Documents set forth the entire agreement between the County and the Contractor. The County and the Contractor agree that no representative or agent of either of them has made any representation or promise with respect to the parties’ agreement which is not contained in the Contract Documents.

2. **CONTRACT TERM**
   The Contractor’s work for the County ("Work") shall commence on June 19, 2011, and will be completed no later than March 28, 2013 ("Contract Term"), subject to any modifications as provided for in the Contract Documents regarding the Contract Term.
   No aspect of the Work shall be deemed complete until it is accepted by the County’s Project Officer. Upon extension of Contract Number VA-100326-MCS by VITA, and upon satisfactory performance by the Contractor and with the concurrence of the Contractor, the County may, through issuance of a Notice of Award, authorize continued operations of the Contractor for not more than three (3) additional twelve (12) month periods from March 29, 2013 to March 28, 2016. (Each such period shall referred to as a "Subsequent Contract Term").

3. **PROJECT OFFICER**
   The performance of the Contractor is subject to the review and approval of the County Project Officer ("Project Officer") who shall be appointed by the Director of the Arlington County department or agency which seeks to obtain the Work pursuant to this Contract. However, it shall be the responsibility of the Contractor to manage the details of the execution and performance of its Work pursuant to the Contract Documents.

4. **COUNTY PURCHASE ORDER REQUIREMENT**
   County purchases are authorized only if a County Purchase Order is issued in advance of the transaction. A Purchase Order must indicate that the ordering agency has sufficient funds available to pay for the purchase. Such a Purchase Order is to be provided to the
Contractor by the ordering agency. The County will not be liable for payment for any purchases made by its employees without appropriate purchase authorization issued by the County Purchasing Agent. Contractors providing goods or services without a signed County Purchase Order do so at their own risk and expense.

4. NON-APPROPRIATION
All funds for payments by the County under this Contract are subject to the availability of an annual appropriation for this purpose by the County Board of Arlington County, Virginia. In the event of non-appropriation of funds by the County Board of Arlington County, Virginia for the goods or services provided under this Contract or substitutes for such goods or services which are as advanced or more advanced in their technology, the County will terminate the Contract, without termination charge or other liability to the County, on the last day of the then current fiscal year or when the appropriation made for the then current year for the services covered by this Contract is spent, whichever event occurs first. If funds are not appropriated at any time for the continuation of this Contract, cancellation will be accepted by the Contractor on thirty (30) days prior written notice, but failure to give such notice shall be of no effect and the County shall not be obligated under this Contract beyond the date of termination specified in the County's written notice.

5. PAYMENT OF SUBCONTRACTORS
The Contractor is obligated to take one of the two following actions within seven (7) days after receipt of amounts paid to the Contractor by the County for work performed by any subcontractor under this Contract:

a. Pay the subcontractor for the proportionate share of the total payment received from the County attributable to the work performed by the subcontractor under this Contract; or

b. Notify the County and the subcontractor, in writing, of the Contractor's intention to withhold all or a part of the subcontractor's payment with the reason for nonpayment.

The Contractor is obligated to pay interest to the subcontractor on all amounts owed by the Contractor to the subcontractor that remain unpaid after seven (7) days following receipt by the Contractor of payment from the County for work performed by the subcontractor under this Contract, except for amounts withheld as allowed in subsection b., above. Unless otherwise provided under the terms of this Contract, interest shall accrue at the rate of one percent (1%) per month.

The Contractor shall include in each of its subcontracts, if any are permitted, a provision requiring each subcontractor to include or otherwise be subject to the same payment and interest requirements with respect to each lower-tier subcontractor.

The Contractor's obligation to pay an interest charge to a subcontractor pursuant to the above provisions may not be construed to be an obligation of the County. A Contract modification may not be made for the purpose of providing reimbursement for such interest charge. A cost reimbursement claim may not include any amount for reimbursement for such interest charge.

6. EMPLOYMENT DISCRIMINATION BY CONTRACTOR PROHIBITED
During the performance of this Contract, the Contractor agrees as follows:
A. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law related to discrimination in employment except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

B. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an Equal Opportunity Employer.

C. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this section.

D. The Contractor will comply with the provisions of the Americans with Disabilities Act of 1990 which prohibits discrimination against individuals with disabilities in employment and mandates their full participation in both publicly and privately provided services and activities.

E. The Contractor will include the provisions of the foregoing paragraphs in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

7. EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED
In accordance with §2.2-4311.1 of the Virginia Code, the Contractor acknowledges that it does not, and shall not during the performance of this Contract for goods and/or services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

8. DRUG-FREE WORKPLACE TO BE MAINTAINED BY CONTRACTOR
During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor by Arlington County in accordance with the Arlington County Purchasing Resolution, the employees of which contractor are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

9. RELATION TO COUNTY
The Contractor is an independent contractor and neither the Contractor nor its
employees or subcontractors will, under any circumstances, be considered employees, servants or agents of the County. The County will not be legally responsible for any negligence or other wrongdoing by the Contractor, its employees, servants or agents. The County will not withhold payments to the Contractor for any federal or state unemployment taxes, federal or state income taxes, Social Security tax, or any other amounts for benefits to the Contractor. Furthermore, the County will not provide to the Contractor any insurance coverage or other benefits, including workers' compensation, normally provided by the County for its employees.

10. DISPUTE RESOLUTION

In accordance with Section 2.2-4363 of the Code of Virginia and Section 7-107 of the Arlington Purchasing Resolution, contractual claims, whether for money or other relief, shall be submitted in writing to the County Manager no later than sixty (60) days after final payment. However, written notice of Microsoft's intention to file such claim must be given to the County Project Officer 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 County Manager shall render a final decision in writing within fifteen (15) days after her receipt of Microsoft's written claim.

Microsoft may not institute legal action prior to receipt of the County Manager's decision on the claim, unless the County Manager fails to render her decision within fifteen (15) days. The decision of the County Manager shall be final and conclusive unless Microsoft, within six (6) months of the date of the final decision on the claim by the County Manager, appeals to the County Board before instituting legal action in accordance with the requirements of Sections 15.2-1243 through 15.2-1248 of the Code of Virginia. Thereafter, Microsoft may institute legal action in accordance with Section 2.2-4363 of the Code of Virginia.

In the event of any breach by the County, Microsoft'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 Agreement. In no event shall Contractor's remedies include the right to prematurely terminate any license or support services hereunder.

Except for those controversy and claims involving a breach of either party's intellectual property rights or confidentiality obligations, any controversy or claim arising out of or relating to this Agreement whether with respect to the interpretation of any provision of the Agreement, or with respect to the performance of either party, hereto, shall be resolved as follows 1) senior representatives from both parties shall meet and negotiate in good faith to resolve the controversy or claim, 2) if after 30 calendar days either of the representatives concludes, after a good faith attempt to resolve the dispute, that amicable resolution through continued negotiation of the matter at issue does not appear likely to resolve the controversy or claim, then such controversy or claim may be submitted to alternative dispute resolution.

11. APPLICABLE LAW, FORUM, VENUE AND JURISDICTION
This Contract and the work performed hereunder shall be governed in all respects by the laws of the Commonwealth of Virginia, and the jurisdiction, forum, and venue for any litigation with respect thereto shall be in the Circuit Court for Arlington County, Virginia, and in no other court. In performing its Work pursuant to this Contract, the Contractor shall comply with applicable federal, state, and local laws, ordinances and regulations.
12. **NOTICES**

Unless otherwise provided herein, all notices and other communications required by this Contract shall be deemed to have been given when made in writing and either (a) delivered in person, (b) delivered by an agent, such as an overnight or similar delivery service, or (c) deposited in the United States mail, postage prepaid, certified or registered, addressed as follows:

**TO THE CONTRACTOR:**

Richard Treadway  
8050 Microsoft Way  
AP2/1610  
Charlotte, NC 28273

**TO THE COUNTY:**

The County Project Officer  
Daren Collins  
Department of Technology Services  
2100 Clarendon Blvd, Suite 610  
Arlington VA 22201

AND

Richard D. Warren, Jr., Purchasing Agent  
Arlington County, Virginia  
2100 Clarendon Boulevard, Suite 500  
Arlington, Virginia 22201

13. **ARLINGTON COUNTY BUSINESS LICENSES**

The Contractor must comply with the provisions of Chapter 11 ("Licenses") of the Arlington County Code, if applicable. For information on the provisions of that Chapter and its applicability to this Contract, the Contractor must contact the Arlington County Business License Division, Office of the Commissioner of the Revenue, 2100 Clarendon Blvd., Suite 200, Arlington, Virginia, 22201, telephone number (703) 228-3060.

14. **INSURANCE REQUIREMENTS**

The Contractor shall provide to the County Purchasing Agent a Certificate of Insurance indicating that the Contractor has in force the coverage below prior to the start of any Work under this Contract and upon any contract extension. The Contractor agrees to maintain such insurance until the completion of this Contract or as otherwise stated in the Contract Documents. All required insurance coverages must be acquired from insurers authorized to do business in the Commonwealth of Virginia, with a rating of "A-" or better and a financial size of "Class VII" or better in the latest edition of the A.M. Best Co. Guides, and acceptable to the County. The minimum insurance coverage shall be:

a. Workers Compensation - Virginia Statutory Workers Compensation (W/C) coverage including Virginia benefits and employers liability with limits of $100,000/100,000/500,000. The County will not accept W/C coverage issued by the Injured Worker's Insurance Fund, Towson, MD.
b. Commercial General Liability - $1,000,000 combined single limit coverage with $2,000,000 general aggregate covering all premises and operations and including Personal Injury, Completed Operations, Contractual Liability, Independent Contractors, and Products Liability. The general aggregate limit shall apply to this Contract. Evidence of Contractual Liability coverage shall be typed on the certificate.

c. Business Automobile Liability - $1,000,000 Combined Single Limit (Owned, non-owned and hired).

d. The Contractor shall carry Errors and Omissions or Professional Liability insurance which will pay for injuries arising out of errors or omissions in the rendering, or failure to render services or perform Work under the contract, in the amount of $1,000,000.

e. Cancellation - All insurance policies required by this Contract shall be endorsed to include the following provision: "It is agreed that this policy is not subject to cancellation or non-renewal until thirty (30) days prior written notice has been given to the Purchasing Agent, Arlington County, Virginia." If there is a material change or reduction in coverage the Contractor shall notify the Purchasing Agent immediately upon Contractor's notification from the insurer. Any policy on which the Contractor has received notification from an insurer that the policy has or will be cancelled or materially changed or reduced must be replaced with another policy consistent with the terms of this Contract, and the County notified of the replacement, in such a manner that there is no lapse in coverage. Not having the required insurance throughout the Contract Term is grounds for termination of the Contract.

f. Any insurance coverage that is placed as a "claims made" policy must remain valid and in force, or the Contractor must obtain an extended reporting endorsement consistent with the terms of this Contract, until the applicable statute of limitations has expired, such date as determined to begin running from the date of the Contractor's receipt of final payment.

h. Contract Identification - The insurance certificate shall state this Contract's number and title.

The Contractor must disclose the amount of any deductible or self insurance component applicable to the General Liability, Automobile Liability, Professional Liability, Intellectual Property or any other policies required herein, if any. The County reserves the right to request additional information to determine if the Contractor has the financial capacity to meet its obligations under a deductible. Thereafter, at its option, the County may require a lower deductible, funds equal to the deductible be placed in escrow, a certificate of self-insurance, collateral, or other mechanism in the amount of the deductible to ensure protection for the County.

The Contractor shall require all subcontractors to maintain during the term of this Contract, Commercial General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation insurance in the same form and manner as specified for the Contractor. The Contractor shall furnish subcontractors' certificates of insurance to the County immediately upon request by the County.
No acceptance or approval of any insurance by the County shall be construed as
relieving or excusing the Contractor from any liability or obligation imposed upon the
Contractor by the provisions of the Contract Documents.

The Contractor shall be responsible for the work performed under the Contract
Documents and every part thereof, and for all materials, tools, equipment,
appliances, and property of any description used in connection with the work. The
Contractor assumes all risks for direct and indirect damage or injury to the property or
persons used or employed on or in connection with the Work contracted for, and of
all damage or injury to any person or property wherever located, resulting from any
action, omission, commission or operation under the Contract, or in connection in
any way whatsoever with the contracted work.

The Contractor shall be as fully responsible to the County for the acts and omissions of
its subcontractors and of persons employed by them as it is for acts and omissions of
persons directly employed by it.

Notwithstanding any of the above, the Contractor may satisfy its obligations under
this section by means of self insurance for all or any part of the insurance required,
provided that the Contractor can demonstrate financial capacity and the
alternative coverage are submitted to and acceptable to the County. The
Contractor must also provide its most recent actuarial report and provide a copy of
its self insurance resolution to determine the adequacy of the insurance funding.

WITNESS these signatures:

THE COUNTY BOARD OF ARLINGTON
COUNTY, VIRGINIA

AUTHORIZED
SIGNATURE: [Signature]

NAME: RICHARD D. WARREN, JR.
TITLE: PURCHASING AGENT
DATE: 6/7/11

MICROSOFT CORPORATION

TAXPAYER
ID (EIN): 81-1144442

AUTHORIZED
SIGNATURE: [Signature]

NAME AND TITLE: DAVID T. GALLAGHER
DATE: 6-1-11
Commonwealth of Virginia
Virginia Information Technologies Agency

MICROSOFT MASTER SERVICES AGREEMENT
STATE & LOCAL (NON-STANDARD)

Optional Use Contract

Date: April 20, 2010
Contract #: VA-100326-MCS
Authorized User: All public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the Code of Virginia
Contractor: Microsoft
One Microsoft Way
Redmond, WA 98052-6399
FIN: 91-1144442
Contact Person: See Page 3
Term: March 29, 2010 – March 28, 2013
Payment: Net 30 days

For Additional Contract Information, Please Contact:
Virginia Information Technologies Agency
Supply Chain Management
Greg Searce
Strategic Sourcing Specialist
Phone: 804-416-6156
E-Mail: gregory.searce@vita.virginia.gov
Fax: 804-416-6361

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

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

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

Page 1 of 3
<table>
<thead>
<tr>
<th>Change No.</th>
<th>Description of Change</th>
<th>Effective Date</th>
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</table>
MICROSOFT CONTACTS:

Support (Premier) Services:
Richard Treadway
Phone: 960-776-9993
Fax: 425-708-5164 (Attn: Richt)
Email: richt@microsoft.com

Address: Microsoft Corporation
8050 Microsoft Way, AP2/1610
Charlotte, NC 28273

Consulting Services:
Kent Smith
Phone: 703-624-7030
Fax: 425-936-7329 (Attn: Kentsmi)
Email: kentsmi@microsoft.com

Address: Microsoft Corporation
5335 Wisconsin Ave., N.W.
Suite 600
Washington, D.C. 20015
This Microsoft Master Services Agreement is entered into between the following entities as of the effective date identified below (the "master agreement"). This master agreement is comprised of this cover page and the attached terms and conditions, the terms of which are incorporated herein by this reference. Each party will notify the other in writing if any of the information in the following table changes.

<table>
<thead>
<tr>
<th>Customer</th>
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<tbody>
<tr>
<td>Name of Customer</td>
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<tr>
<td>Contact Name</td>
</tr>
<tr>
<td>Street Address</td>
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<tr>
<td>City</td>
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<td>Phone</td>
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<table>
<thead>
<tr>
<th>Microsoft</th>
</tr>
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<tbody>
<tr>
<td>Notes to Microsoft should be sent to (Microsoft affiliate to complete):</td>
</tr>
<tr>
<td>Kevin Hartley</td>
</tr>
<tr>
<td>Senior Attorney</td>
</tr>
<tr>
<td>Microsoft Corporation</td>
</tr>
<tr>
<td>5335 Wisconsin Ave., NW</td>
</tr>
<tr>
<td>Suite 800</td>
</tr>
<tr>
<td>Washington, DC 20015</td>
</tr>
<tr>
<td>Copies should be sent to:</td>
</tr>
<tr>
<td>Microsoft Law and Corporate Affairs</td>
</tr>
<tr>
<td>One Microsoft Way</td>
</tr>
<tr>
<td>Redmond, WA 98052</td>
</tr>
<tr>
<td>Services Attorney</td>
</tr>
<tr>
<td>(425) 936-7329 fax</td>
</tr>
</tbody>
</table>

This master agreement contains terms of the relationship between you and us. If you contract for services from us under this master agreement, the specific terms of those transactions will be contained in this master agreement and any work orders, services descriptions, or other statement of services incorporating this master agreement by reference (each a “statement of services”).

By signing below, each party acknowledges that it has read and understood the terms of this master agreement and agrees to be bound by these terms.

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<td>Signature</td>
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<tr>
<td>Name of person signing (please print)</td>
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<td>Title of person signing (please print)</td>
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<td>Signature date</td>
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<tr>
<th>Microsoft Affiliate</th>
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<td>Name</td>
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<td>Signature</td>
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<td>Name of person signing (please print)</td>
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<tr>
<td>Title of person signing (please print)</td>
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<td>Signature date (may be different than Effective Date)</td>
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<td>Effective Date (may be different than Signature Date)</td>
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</tbody>
</table>
In this master agreement, a “party” or “parties” means you and/or us as the context requires. “You” or “Commonwealth” means the entity that has entered into this master agreement with us, which is the Commonwealth of Virginia, through its Virginia Information Technologies Agency (“VITA”) and may also refer, as the context requires, to your affiliates who enter into a statement of services under this master agreement.

“Microsoft,” “We,” or “our” means, Microsoft Corporation and its affiliates. Each individual Commonwealth affiliate is responsible for its compliance with the terms and conditions of this agreement. VITA will be responsible for compliance with the terms and conditions in this agreement applicable to VITA, but not for the compliance of any affiliates with the terms and conditions applicable to affiliates.

1. **Definitions.** For the purpose of this master agreement and any statement of services, the following definitions apply to the terms below:
   a. “affiliate” means (i) with regard to you, any and all public bodies, including VITA, as defined by §2.2-4301 and referenced by §2.2-4304 of the Code of Virginia, provided that a state and its affiliates shall not, for purposes of this definition, be considered to be affiliates of the federal government and its affiliates; and (ii) with regard to us, any legal entity that we own, which owns us, or which is under common ownership with us.
   b. “consulting services” means to provide knowledge transfer of the capabilities of Microsoft technology methodologies, tools and experience, and to assist with architecture, planning, deploying, and implementing Microsoft technology. These services will be further described for each engagement utilizing a work order form (Exhibit A).
   c. “product support services” means services to assist you with efficient systems management usability and operational problems and account management. These services are further described in the attached services description form (Exhibit B).
   d. “statement of services” means at the time when services are needed, you and Microsoft shall prepare and execute a statement of services in the form of either a work order or a services description utilizing form attached hereto as Exhibit A and B.
   e. “service deliverable(s)” means any computer code or materials, except fixes or product, e leave to you at the conclusion of our performance of services.
   f. “fixes” means any product related bug fixes, workarounds, patches, beta fixes or beta builds.
   g. “product(s)” Only services will be provided under this master agreement except for “products” described as follows: Any fixes computer code or materials comprising commercial, free, pre-release or beta products we make available to you for license which are published by us, our affiliates, or a third party. Any products provided pursuant to a statement of services will be licensed according to the terms of the license agreement packaged with or otherwise applicable to such product. You are responsible for paying any licensing fees associated with products.

2. **Services and use.** We agree to provide product support and consulting services (referred to collectively and individually herein, as the context requires, as “services”) under the terms and conditions of this master agreement and any statement of services. The precise scope of services will be specified in the statement of services (in work orders for consulting services or service descriptions for support services). You or any of your affiliates can enter into statement of services under this master agreement with our local affiliate. Our ability to deliver the services depends upon you and our full cooperation, as well as the accuracy and completeness of any information you or we provide. This master agreement does not obligate either party or its affiliates to enter into any statement of services.

3. **Intellectual Property.** Except as otherwise provided herein, each statement of services will specify your rights in service deliverables and fixes delivered under it. Your right to use fixes is governed by the license agreement for the affected product or, if the fix is not provided for a specific product, then the terms defined herein or in a statement of services. All fixes provided under a statement of services are licensed to you under the terms of the affected product license agreement.
a. **Pre-existing work.** All rights in any computer code or materials (other than products) developed or otherwise obtained by or from us or our affiliates, or you or your affiliates independently of this work order ("pre-existing work") shall remain the sole property of the party providing the pre-existing work. During the performance of services under a statement of services, each party grants to the other party (and our contractors, as necessary) a temporary, non-exclusive license to use, reproduce and modify any of its pre-existing work provided to the other party solely for the performance of such services. Upon payment in full, we grant you a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify (if applicable) our pre-existing work in the form delivered to you as part of the service deliverables, only for your internal business operations. Your licenses to our pre-existing work is conditioned upon your compliance with the terms of this master agreement and a statement of services and the perpetual license applies solely to our pre-existing work that we leave to you at the conclusion of our performance of the services. "Services deliverables" means our pre-existing work licensed to you perpetually and the developments.

b. **Developments provided under a work order for consulting services.** Upon payment in full, we assign you joint ownership in all rights in any computer code or materials (other than products or pre-existing work) developed by us (or in collaboration with you) and provided to you in the course of performance of a work order for consulting services ("developments"). "Joint ownership" means you and we have the right to independently exercise any and all rights of ownership now known or hereafter created or recognized, including without limitation, the rights to use, reproduce, modify and distribute the developments for any purpose whatsoever, without the need for further authorization to exercise any such rights or obligation for accounting or payment of royalties, except you will only exercise your rights for your internal business operations and you will not resell or distribute the developments to any third party. These use restrictions shall survive termination or expiration of the work order or the master agreement. Each party shall be the sole owner of any modification that it makes based upon the developments.

c. **Affiliates rights.** You may sublicense rights to the services deliverables granted hereunder to your affiliates, but you or your affiliate(s) may not further sublicense these rights.

d. **Sublicensing to affiliates.** Any sublicensing of the service deliverables to your affiliates as permitted by this Section 3 must be pursuant to a license agreement that includes (i) a license grant with a statement of ownership, reservations of rights restrictions consistent with the terms of this work order; (ii) a prohibition against reverse engineering, decompiling and disassembly of code, except to the extent expressly permitted by applicable law despite such limitation; and (iii) a disclaimer of all warranties and consequential damages and a reasonable limitation of liability, each of which must be on behalf of and for the benefit of your suppliers. We shall not be responsible for any costs or damages that result from your sublicensing of any services deliverables or the use of service deliverables by anyone who obtains them as a result of your sublicensing.

e. **Materials developed under a services description for support services.** All rights in any materials developed by us (other than software code) and provided to you in connection with the services ("Materials") shall be owned by us except to the extent such materials constitute your pre-existing work. Upon payment in full, we grant you a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify the Materials solely for your internal business operations and without any obligation of accounting or payment of royalties. You may sublicense the rights granted herein to your affiliates. All rights not expressly granted, are reserved.

f. **Sample code provided under a services description for support services.** We grant you a nonexclusive, perpetual, royalty-free right to use and modify any sample code provided by us for the purposes of illustration ("Sample Code") and to reproduce and distribute the object code form of the Sample code, provided that you agree: (i) to not use our name, logo, or trademarks to market your software product in which the sample code is embedded; (ii) to include a valid copyright notice on your software product in which the sample code is
embedded; and (iii) we and our suppliers shall not be held responsible for any claims or lawsuits that arise or result from the use or distribution of the Sample Code.

g. **Reservations of rights.** Additionally, notwithstanding anything to the contrary in a work order of services description, you may not give us access to or otherwise incorporate, contribute or combine our pre-existing work, developments, Hotfixes, Materials, or Sample Code with any software or other materials that requires as a condition of use, modification, and/or distribution of our pre-existing work, developments, Hotfixes, Materials, or Sample Code (either in whole or in part)be generally (i)disclosed or distributed in source code or object code form; (ii) licensed for the purpose of making derivative works; or (iii) redistributable. The restriction also applies to anyone who obtains service deliverables, Hotfixes, Materials, or Sample Code from you.

4. **Contract Procedures.**

a. **Consulting services.** You or the affiliate will contact us to discuss the current consulting services needed and to obtain a work order by email or fax. We will issue a work order to you or the affiliate utilizing the form attached as Exhibit A. The work order will provide the scope of work, staff level(s), a start and estimated end date, pricing as specified in Exhibit C which includes (not in addition to) the VITA 2% Industrial Funding Adjustment and eVA transaction fee, service deliverables and the total estimated travel expenses (if needed). If acceptable, you or the affiliate will provide an approved and executed Work Order to us for commencement of services.

b. **Support services.** You or the affiliate will contact us to discuss the current support services needed and to obtain a service description for product support services. We will issue a services description to you or the affiliate utilizing the form in Exhibit B. The service description will include the number of support incidents, the total estimated travel expenses (if needed), a start and end date and pricing as specified in Exhibit D which includes the VITA 2% Industrial Funding Adjustment and eVA transaction fee. After you or the affiliate presents an approved support service description and acknowledgement, which will include MS Public Sector Price List rates and signature, and makes payment for support as defined in Section 7.1.1, we will commence work.

c. **Expenses.** Any associated travel expenses shall be in accordance with the Commonwealth's Travel Regulations as posted at:

http://www.cioa.virginia.gov/Admn_Services/CAPP/CAPP_Topic/20335_Meals_Lodging_102008.pdf or successor URL. All invoices for travel shall not exceed the Commonwealth's reimbursement rates for mileage, meals, lodging and incidental travel expenses.

5. **Restrictions on use.** You may not:

a) Rent, lease, lend, host, or otherwise distribute service deliverables or fixes, except as otherwise provided in a statement of services or this Agreement;

b) Reverse engineer, de-compile or disassemble service deliverables or fixes, except to the extent expressly permitted by applicable law despite this limitation; or

c) Transfer license to, or sublicense fix(es) or service deliverables to any government entity or equal governmental entity, except for you affiliates as specifically authorized by a statement of services or this Agreement;

You agree to comply with all applicable international and national laws that apply to the products, fixes and service deliverables, including the U.S. Export Administration Regulations, as well as end-user, end-use and destination restrictions issued by U.S. and other governments. For additional information on exporting Microsoft products, see http://microsoft.com/exporting.
6. **Supportability.** During the term of a statement of services, where we agree to provide product support, we can add support for new products or discontinue support for existing products. If we discontinue support for a product, we will inform you six months prior notice. If we sell the intellectual property rights of a product to another company, we will give you notice of the sale and at the time of such notice will either (i) arrange for the other company to continue the support; or (ii) continue support ourselves for 90 days to give you time to make alternative arrangements.

There may be cases where your implementation of our products cannot be effectively supported. As part of providing the support services, we will notify you if we reach that conclusion. If you do not modify the implementation to make it effectively supportable within 30 days after the notice, we will not be obligated to provide additional support services for that implementation, however, we will continue to provide support for your other supportable implementations covered by the statement of services.

For statements of services for product support, we will provide the support services for those products covered in the statement of services as mutually agreed on, provided they are validly licensed by you.

7. **Payment and fees.**

a. **Payment to Microsoft.**

i. Invoices for services order, delivered and accepted shall be submitted by us directly to the payment address shown on the statement of services. All invoices shall show the state contract number and/or purchase order number and the Microsoft federal identification number.

ii. For support services. Premier Support is a prepaid services and all fees are due upon acceptance of a services description and payable within 30 days. Prior to initiating service, we must be in receipt of a purchase order, check, or other acceptable form of payment.

iii. For consulting service. Payment in less than 30 days will be regarded as requiring payment 30 days after invoice and as mutually agreed upon in a work order. This shall not affect offers of discounts for payment in less than 30 days, however.

iv. All services provided under this master agreement, that are to be paid for with public funds, shall be billed by us at master agreement prices, regardless of which public agency is being billed.

v. **Unreasonable Charges.** Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Microsoft should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges that appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify Microsoft, in writing as to those charges which it considers unreasonable and the basis for the determination. Microsoft may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges that are not in dispute (Code of Virginia, Sec. 2.2-4363).

b. **Subcontractors for consulting services**

i. Microsoft is hereby obligated:
(a) To pay the subcontractor(s) within seven (7) days of our receipt of payment from the Commonwealth for the proportionate share of the payment received for work performance by the subcontractor(s) under the master agreement; or

(b) To notify the agency and the subcontractor(s), in writing, of our intention to withhold payment and the reason.

ii. Microsoft is obligated to pay the subcontractor(s) interest at the rate of one percent per month on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (b) above. The date of mailing of any payment by U.S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under this master agreement. Microsoft’s obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

c. Fees to the Commonwealth. Microsoft will pay fees to the Commonwealth for eVA and the IFA as defined in Section 17(p and r) below.

8. Pricing and price escalation.

a. Pricing for support services. Pricing for support services shall remain fixed for 12 months after the Execution Date of this master agreement. Annual price increases for these product support services for the remainder of the term of this master agreement shall not exceed 7% per year or current market price, whichever is lower. Prices charged for product support Services under this master agreement shall not exceed our current published price list. An additional discount of 2% shall apply to the product support services under this master agreement when the Commonwealth’s Premier support contracts exceed a total of 1600 TAM hours. When the threshold of 1600 TAM hours is reached, all existing Commonwealth of Virginia Premier support contracts will appreciate a 2% discount at the time of the next contract renewal. In addition, any new or modified service descriptions executed after the 1600 hour threshold has been reached will receive an additional 2% discount.

b. Pricing for consulting services. Pricing for consulting services shall remain fixed for 12 months after the Execution Date of this master agreement. Annual price increases for consulting services for the remainder of the term of this master agreement shall not exceed 3% per year. Prices charged for consulting services under this master agreement shall not exceed our current published price list. We will not charge our hourly rates identified in a statement of services during the term of the statement of services, but we may adjust our hourly rates prior to entering any new statement of services if price increases have been instituted in the master agreement.

9. Confidentiality. Subject to the requirement of your public records and trade secret laws (if any):

a. Confidential information. Confidential information means information marked or otherwise identified in writing by a party as proprietary or confidential or that, under the circumstances surrounding the disclosure, ought in good faith to be treated as proprietary or confidential. It includes, but is not limited to, non-public information regarding either party’s products, features, marketing and promotions. Confidential Information does not include information which (i) the recipient developed independently; (ii) the recipient knew before receiving it from the other party; or (iii) is or subsequently becomes publicly available or is received from another source, in both cases other than a breach of an obligation of confidentiality under this master agreement. The parties agree this master agreement and any statements of service are not confidential information but are public information. Upon execution, this master agreement will be published on the VITA and thee eVA statewide electronic contract site.

b. Use of confidential information. To the extent as permitted by the Code of Virginia, for a period of five years after initial disclosure, neither party will use the other’s confidential information without the other’s written consent except in furtherance of this business relationship or disclose the other’s confidential information, except (i) to obtain advice from
legal or financial consultants, or (ii) if compelled by law, in which case the party compelled to make the disclosure will use its best efforts to give the other party notice of the requirement so that the disclosure can be contested.

To the extent as permitted by the Code of Virginia, you, your affiliates and we will take reasonable precautions to safeguard the other's confidential information. Such precautions will be at least as great as those each party takes to protect its own confidential information. Each party may disclose the other's confidential information to its employees or contractors only on a need-to-know basis, provided that such employees or contractors are subject to confidentiality obligations no less restrictive than those contained herein. When confidential information is no longer necessary to perform any obligation under any statement of services, the receiving party will at the other's request either return it or destroy.

c. **Retained rights.** Each party is free to develop their respective products independently without the use of the other's confidential information. Neither you nor we are obligated to restrict the future work assignments of people who have had access to confidential information. In addition, you, we and these people are free to use the information that these people retain in their unaided memories related to information technology, including ideas, concepts, know-how or technique, so long as such use does not disclose confidential information of the other party in violation of this section 9. This use will not grant either party any rights under the other's copyrights or patents and does not require payment of royalties or separate license.

Either party may provide suggestions, comments or other feedback to the other with respect to the other's confidential information. Feedback is voluntary and the party receiving feedback is not required to hold it in confidence. The party receiving feedback will not disclose the source of feedback without the providing party's consent. Feedback may be used for any purpose without obligation of any kind.

d. **Cooperation in the event of disclosure.** Each party will immediately notify the other upon discovery of any unauthorized use or disclosure of the other party's confidential information and will cooperate in any reasonable way to help the other regain possession of the confidential information and prevent further unauthorized use or disclosure.

e. **Knowledge base.** We may use any technical information we derive from providing services related to our products for problem resolution, troubleshooting, product functionality enhancements and fixes, for our knowledge base. We agree not to identify you or disclose any of your confidential information in any item in the knowledge base.

10. **Warranties.** We warrant that all services shall be performed in a good workmanlike manner.

11. **No other warranties.** EXCEPT FOR EXPRESS WATTANTY PROVIDED IN SECTION 6 (WARRANTIES), TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WE DISCLAIM AND EXCLUDE ALL REPRESENTATIONS, WARRANTIES, AND CONDITIONS WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO REPRESENTATIONS, WARRANTIES, OR CONDITIONS OF TITLE, NON-INFRINGEMENT, SATISFACTORY CONDITION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PRODUCTS, SERVICES, SERVICE DELIVERABLES, FIXES, PRODUCTS, OR ANY OTHER MATERIALS OR INFORMATION. WE WILL NOT BE LIABLE FOR ANY THIRD PARTY SERVICES OR PRODUCTS UNLESS SUCH THIRD PARTY SERVICES OR PRODUCTS ARE EXPRESSLY PROVIDED UNDER A STATEMENT OF SERVICES, AND THEN ONLY TO THE EXTENT EXPRESSLY PROVIDED IN THIS MASTER AGREEMENT.

12. **Defense of infringement claim.** We will defend you and your affiliates against any claims made by an unaffiliated third party that any service deliverable infringes its copyright and will pay the amount of any resulting adverse final judgment (or settlement to which we consent), to your and/or the applicable affiliate(s) to which such judgment applies subject to section 13(a)
(Limitation). You must notify us promptly in writing of the claim and, to the extent permitted by applicable law of the Commonwealth of Virginia, give us sole control over its defense or settlement. You agree to provide us with reasonable assistance in defending the claim, and we will reimburse you and to the applicable affiliates for reasonable out of pocket expenses that you and they incur in providing that assistance.

Our obligations will not apply to the extent that the claim or adverse final judgment is based on (i) specifications, codes, or materials you (or an affiliate) provides; (ii) your (or an affiliate) use of service deliverables after we notify you to discontinue use due to such a claim; (iii) your (or an affiliate) combining service deliverables with a non-Microsoft product, data or business process; (iv) use of, or access to, services deliverables by any person or entity other than you or your affiliates as provided by the applicable statement of services; or (v) an alteration of service deliverables by someone other than us or our contractors. You or the applicable affiliate will be responsible for any costs or damages that result from these actions.

If we receive information concerning a copyright infringement claim related to a service deliverable, we may, at our expense and without obligation to do so, either (i) procure for you or your affiliates, the right to continue to use the allegedly infringing service deliverable as permitted by the applicable statement of services; or (ii) modify the service deliverable to make it non-infringing or (iii) replace it with a non-infringing functional equivalent, in which case you will stop using the allegedly infringing service deliverable immediately. If, however, as a result of a copyright infringement claim, you or your affiliate’s use of a service deliverable, as provided under the applicable statement of services is enjoined by a court of competent jurisdiction, we will use commercially reasonable efforts to either procure the right to continue its use, modify it to make it non-infringing, or replace it with a non-infringing functional equivalent.

If any other type of third party claim is brought against you or your affiliates regarding our intellectual property, you or the applicable affiliate must notify us promptly in writing. Subject to the terms of Section 17(j), we may, at our option, choose to treat these claims as being covered by this Section 12.

13. Limitations of liability.

a. Limitation. There may be situations in which you have a right to claim damages or payment from us. Except as otherwise specifically provided in this paragraph, whatever the legal basis for your claims, our total liability in connection with the performance of this agreement (and that of our contractors) will be limited, to the maximum extent permitted by applicable law, to direct damages up to 100% of the amount you or such affiliate(s) have paid under the applicable statement of services, in the aggregate, for the services giving rise to the claims. In the event services or any service deliverables are provided to you on a gratuitous or no-charge basis, our total liability to you will not exceed US $5000, or its equivalent in local currency. The limitation on direct damages under this paragraph will not apply with respect to the following in connection with the performance of this agreement (or any license or services agreement incorporating these terms)

(i) our obligations under Section 12 (defense of infringement and misappropriation claims);
(ii) our liability for damages for gross negligence or willful misconduct, to the extent caused by us or our agent and awarded by a court of final adjudication; and
(iii) our obligations under Section 9 (confidentiality).

b. Exclusion of liability for damages. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS MASTER AGREEMENT, NEITHER PARTY NOR THEIR CONTRACTORS WILL BE LIABLE TO RHW OTHER PARTY FOR ANY INDIRECT, CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION, DAMAGES FOR BUSINESS INTERRUPTION, OR LOSS OF BUSINESS INFORMATION), SPECIAL OR INCIDENTAL DAMAGES FOR LOSS OF PROFITS OR
REVENUES ARISING IN CONNECTION WITH THIS MASTER AGREEMENT, ANY STATEMENT OF SERVICES, SERVICES, SERVICE DELIVERABLES, FIXES, PRODUCTS, OR ANY OTHER MATERIALS OR INFORMATION, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF SUCH POSSIBILITY WAS REASONABLY FORESEEABLE.

c. Application. The limitations and exclusions of liability for damages in this Section 13 apply regardless of the legal theory on which liability is based.

14. **Term and termination.** This agreement will remain in effect for a three (3) year period and may be renewed upon sole discretion of the Commonwealth for three (3) one-year periods. The terms of any statement of services will be set forth in the statement of services. The parties signing the cover page of this master agreement may terminate it for convenience by giving the other party 30 calendar days prior written notice. In addition, unless otherwise provided in a services description for support services, you affiliate that signed the services description may terminate it for any reason by giving our affiliate that signed the services description 30 calendar days prior written notice. Unless otherwise provided in a work order for consulting services, your affiliate that signed the work order may terminate it for any reason by giving our affiliate that signed the work order five business days prior written notice. Either party signing the cover page may terminate this master agreement if the other party is (i) in material breach or default of any obligation that is not cured within 30 calendar days notice of such breach or (ii) fails to pay any invoice in accordance with Section 7, entitled Payment and Fees. Either party signing a statement of services may terminate if the other party is (i) in material breach or default of any obligation that is not cured within 30 calendar days notice of such breach or (ii) fails to pay any invoice in accordance with Section 7. You agree to pay all fees for services performed and expenses incurred prior to termination and in accordance with Section 7.

The sole effect of terminating this master agreement will be to terminate the ability of either party to enter into subsequent statements of services that incorporate the terms of this master agreement. Termination of this master agreement will not, by itself, result in the termination of any statements of services previously entered into (or extensions of the same) that incorporate the terms of this master agreement, and the terms of this master agreement will continue in effect for purposes of such statements of services unless and until the statement of services itself is terminated or expires. To the extent necessary to implement the termination provisions of this master agreement or any statement of services, each of the parties waives any rights it has, or obligation that the other may have, now or in the future under any applicable law or regulation, to request or obtain the approval, order, decision or judgment or any court to terminate this master agreement or any statement of services.

In the event of non-appropriation, this paragraph 14 is not intended to create a request for payment except to the extent for payment of fees for services performed and expenses incurred prior to the date of termination and paid in accordance with Section 7 above (Payment and Fees).

15. **Notices.** All notices, authorizations, and requests given or made in connection with this master agreement must be sent by post (prepaid certified mail, or express courier, but not by facsimile or email to the addresses indicated on the cover page of this master agreement or such other addresses as may be provided in a statement of services. Notices will be deemed delivered on the date shown on the postal return receipt or on the courier confirmation of delivery.

16. **Insurance.** At all times when performing services on your premises under this master agreement, we will procure and maintain the following coverage via either commercial insurance, self-insurance or a combination of the two:

   a) Commercial General Liability covering bodily injury and tangible property damage liability with a limit of not less than U.S. $1,000,000 each occurrence;
   b) Workers' Compensation (or maintenance of a legally permitted and governmentally-approved program of self-insurance) covering Microsoft employees pursuant to applicable state workers' compensation laws for work-related injuries suffered by our employees;
   c) Employer's Liability with limits of not less than U.S. $1,000,000 per accident; and
   d) Communications Liability Errors & Omissions Liability covering damages arising out of negligent acts, errors, or omissions committed by us or our employees in the performance of this master agreement, with a limit of liability of not less than U.S. $2,000,000 per claim.
We will provide you with evidence of coverage on request.

17. **Miscellaneous.**

   a. **Right to subcontract and assignment.** Neither party may assign this master agreement or any statement of services without the written consent of the other, which consent will not be unreasonably withheld. We may use contractors to perform services, in which case we will be responsible for the performance of our contractor. "Contractor(s)" means any third party supplier or other provider of computer technology or related services.

   b. **Independent contractor.** We provide our services as an independent contractor, and will be responsible for any and all social security, unemployment, workers' compensation and other withholding taxes for all of our employees.

   c. **Applicable law.** This master agreement together with the applicable statement of services will be interpreted in accordance with and governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the appropriate Virginia circuit court. Microsoft shall comply with all applicable federal, state, and local laws. This does not prevent either party from seeking injunctive relief with respect to a violation of intellectual property rights or confidentiality obligations in any appropriate jurisdiction as long as it is within the appropriate Virginia circuit court.

   d. **Entire agreement.** This master agreement (including any Exhibits and amendments thereto in reverse order of execution) and the statements of services constitute the parties' entire agreement concerning the subject matter hereof, and supersede any other prior and contemporaneous communications. The terms and conditions maintained by you or your affiliates or contained in any purchase order, other than those mandatory terms required by law, will not apply. Terms specific to the services will be defined in the statement of services. The parties signing the cover page of this master agreement may amend this master agreement only in a writing signed by an authorized agent of both parties. The parties signing a statement of services may amend the statement of services only in a writing signed by an authorized agent of both parties. In the event the terms of this master agreement conflict or are otherwise inconsistent with the terms of any statement of services, the terms of this master agreement including any amendments thereto in reverse order of execution will control.

   e. **Survival.** The sections regarding restrictions on use, fees, confidentiality, no other warranties, defense of infringement claims, limitations of liability, term and termination, notices, and miscellaneous of this master agreement, and any provision regarding ownership and license in a statement of services, will survive any termination or expiration of this master agreement or any statement of services. Additionally, as provided in Section 10 (Term and termination), if this master agreement is terminated, all its terms shall survive termination for purposes of any remaining statement of services in existence at the time this master agreement is terminated.

   f. **Severability.** If a court holds any provision of this agreement or a statement of services to be illegal, invalid or unenforceable, the remaining provisions will remain in full force and effect and the parties will amend the master agreement or statement of services to give effect to the stricken clause to the maximum extent possible.

   g. **Waiver.** No waiver of any breach of this master agreement or statement of services will be a waiver of any other breach, and no waiver will be effective unless made in writing and signed by an authorized representative of the waiving party.

   h. **Force majeure.** Apart from the payment of any amounts due (except due to non-appropriation of funds) neither party shall be liable for performance delays or for non-performance due to causes beyond its reasonable control.

   i. **Cost or pricing data.** We will not, under any circumstances, accept any statement of services that would require the submission of cost or pricing data.

   j. **Compliance with Code of Virginia.** We agree to comply with all provisions of the Code of Virginia to the extent applicable to this master agreement or any statement of services.
k. **Non-appropriation.** All payment obligations under this master agreement are subject to both (i) the availability of legislative appropriation for this purpose, and (ii) such funds being made legally available for payment. In the event of non-appropriation of funds by the Legislature, or of such funds not being made legally available for the purchase of items under this contract, then you may cancel your purchase order for the remaining services for which funds have not been appropriated or made legally available for payment.

l. **Contractual records.** We shall make timesheets and billing records available to the Commonwealth and its designated agents for purposes of audit and examination for a period of three years after final payment.

m. **Conflicting terms.** If any provision appearing in this master agreement purports to cause the Commonwealth to bestow a right or incur an obligation that is beyond the legal authority of the Virginia Information Technologies Agency to bestow or incur on behalf of the Commonwealth, then that provision shall be deemed of no effect. VITA has been delegated, by the Code of Virginia, the purchasing authority to enter into statewide contracts for the purchase of information technology services.

n. **Effective date.** This master agreement is not legally binding until executed by both parties and shall become effective on the date of signature of the Commonwealth of Virginia, through the Virginia Information Technologies Agency.

o. **eVA Business-To-Government contracts.** The eVA Internet electronic procurement solution, web site portal [www.eva.state.va.us](http://www.eva.state.va.us), streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Microsoft shall participate in the eVA Internet e-procurement solution and agrees to comply with the following:

i. Submit a fully executed American Management Systems, Inc. ("AMS") Trading Partner Agreement, a copy of which can be accessed and downloaded from [www.eva.state.va.us](http://www.eva.state.va.us). AMS is the Commonwealth’s service provider to implement and host the eVA e-procurement solution.

ii. Provide an electronic catalog (price list) for items awarded under a term contract. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from [www.eva.state.va.us](http://www.eva.state.va.us).

p. **eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION:** Microsoft shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Services, and complete the Ariba Commerce Services Network registration.

i. eVA Basic Vendor Registration Service. Microsoft will pay a $25 Annual Fee plus Microsoft will be invoiced and will pay a Transaction Fee of 1% per order received or $500, whichever is less, to participate in the eVA Basic Registration Service. The maximum transaction fee is $500 per order. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, online registration, and electronic bidding, as they become available.

ii. eVA Premium Vendor Registration Service. If Microsoft chooses, it may participate in the eVA Premium Vendor Registration Services for a $200 Annual Fee plus a Transaction Fee of 1% per order received or $500, whichever is less. The maximum transaction fee is $500 per order. eVA Premium Vendor Registration Services includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments, and ability to research historical procurement data, as they become available.
iii. Ariba Commerce Services Network Registration. Microsoft will register with the Ariba Commerce Services Network ("ACSN"). This registration is required and provides the tool used to transmit information electronically between state agencies and vendors. There is no additional fee for this service.

Exhibit A

q. Microsoft'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=4450 under “Supplier Reporting.” The report shall be submitted via electronic mail to the VITA IFA Coordinator and shall report total sales (defined for purposes of this report as all invoiced payments received by Supplier from all Authorized User) 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.gov/scm/default.aspx?id=4450 under “Supplier Reporting.”

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

r. Drug-free workplace. During the performance of this Contract, Microsoft agrees to (i) provide a drug-free workplace for the Microsoft employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana prohibited in Microsoft's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of Microsoft that Microsoft maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific statement of services awarded to Microsoft, the employees of whom are prohibited from engagement in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the statement of services.

s. Immigration
Microsoft does not, and shall not during the performance of this Agreement, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

t. 508 Compliance. All information technology which, pursuant to this Agreement, is purchased or upgraded by or for the use of any Commonwealth agency or institution or political subdivision of the Commonwealth ("the Technology") shall comply with Section
508 of the Rehabilitation Act (29 U.S.C. 794d), as amended. If requested, the Contractor shall attempt to document where it meets the specific accessibility requirements in Section 508 through the Voluntary Product Accessibility Template (VPAT). The requirements of this Paragraph, along with the Non-Visual Access to Technology Clause shall be construed to achieve full compliance with the Information Technology Access Act, §§2.2-3500 through 2.2-3504 of the Code of Virginia.

u. Non-visual access. All information technology which, pursuant to this Agreement, is purchased or upgraded by or for the use of any State agency or institution or political subdivision of the Commonwealth (the “Technology”) shall comply with the following nonvisual access standards from the date of purchase or upgrade until the expiration of this Agreement:

(i) Effective, interactive control and use of the Technology shall be readily achievable by nonvisual means;

(ii) The Technology equipped for nonvisual access shall be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;

(iii) Nonvisual access technology shall be integrated into any networks used to share communications among employees, program participants or the public; and

(iv) The technology for nonvisual access shall have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution or political subdivision determines that (i) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available.

Installation of hardware, software, or peripheral devices used for nonvisual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information shall permit the installation and effective use of nonvisual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing nonvisual access standards is achieved and a validation of concept demonstration.

The requirements of this Paragraph shall be construed to achieve full compliance with the Information Technology Access Act, 2.2-3500 through 2.2-3504 of the Code of Virginia.

v. ARRA funding requirements. The then-current contractual provisions at the following URL are required contractual provisions, required by law or by VITA, that apply to Orders 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_and_Cs.pdf

w. Contractual disputes. In accordance with Section 2.2-463 of the Code of Virginia, contractual claim, whether for money or other relief, shall be submitted in writing to the
purchasing agency no later than sixty (60) days after final payment; however, written notice of Microsoft’s intention to file such claim must be given to such agency 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 purchasing agency shall render a final decision in writing within thirty (30) days after its receipt of Microsoft's written claim.

Microsoft may not invoke any available administrative procedure under Section 2.2-4365 of the Code of Virginia nor instituted legal action prior to receipt of the purchasing agency’s decision on the claim, unless that agency fails to render its decision with thirty (30) days. The decision of the purchasing agency shall be final and conclusive unless Microsoft, within six (6) months of the date of the final decision on the claim, invokes appropriate action under Section 2.2-4364, Code of Virginia or the administrative procedure authorized by Section 2.2-4365, Code of Virginia.

The Virginia Information Technologies Agency, its officers, agents and employees including, without limitation, are executing this master agreement and any statements of services issued hereunder, solely in its or their statutory and regulatory capacities as agent for the Commonwealth agency purchasing and receiving the services on the statement of services in question and need not be joined as a party to any dispute that may arise thereunder.

In the event of any breach by the Commonwealth, Microsoft'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 master agreement. In no event shall Contractor's remedies include the right to prematurely terminate any license or support services hereunder.

Except for those controversies and claims involving a breach of either party’s intellectual property rights or confidentiality obligations, any controversy or claim arising out of or relating to that Agreement whether with respect to the interpretation of any provision of the Agreement, or with respect to the performance of with party, here to, shall be resolved as follows: 1) senior representatives from both parties shall meet and negotiate in good faith to resolve the controversy or claim, 2) if after 30 calendar days either of the representatives concludes, after a good faith attempt to resolve the dispute, that amicable resolution through continued negotiation of the matter at issue does not appear likely to resolve the controversy or claim, then such controversy or claim may be submitted to alternative dispute resolution.
Exhibit A

Microsoft Consulting Services Work Order

<table>
<thead>
<tr>
<th>(For Microsoft Internal Purposes Only)</th>
<th>Work Order Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCS (Non-Standard)- (Public Sector)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Project Code:</td>
</tr>
<tr>
<td></td>
<td>Client ID:</td>
</tr>
<tr>
<td></td>
<td>Client Type:</td>
</tr>
<tr>
<td></td>
<td>Vertical Industry:</td>
</tr>
<tr>
<td></td>
<td>Customer Purchase Order Number:</td>
</tr>
</tbody>
</table>

This work order is made pursuant to the Microsoft Master Consulting Services Agreement (State & Local – Non-Standard), Agreement No. ________ (the "agreement") effective as of __________, 2010, by and between the Virginia Information Technologies Agency ("VITA") and the undersigned Microsoft affiliate ("we," "us," or "our"). The terms of the agreement are incorporated herein by this reference. Any terms not otherwise defined herein will assume the meanings set forth in the agreement. This work order is comprised of this cover page and the work order terms below, which are incorporated herein by this reference.

<table>
<thead>
<tr>
<th>Customer Invoice Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Customer</td>
</tr>
<tr>
<td>Street Address</td>
</tr>
<tr>
<td>City</td>
</tr>
<tr>
<td>Country USA Postal Code Fax</td>
</tr>
</tbody>
</table>

Invoicing

We will invoice you according to our fiscal monthly billing schedule for services performed and expenses incurred during the previous period. Our invoices for payment will be directed to your representative for payment at the address shown above.

Customer must Select One:

☐ Customer requires Purchase Order for payment of invoice: Please indicate Purchase Order No. here and send actual PO to Microsoft. ________________

☐ Customer does not require Purchase Order for payment of invoice. Provide Accounts Payable Name and Phone No. ________________

Source to confirm Per Diem limits – hotel, rental car, meals, etc. (if applicable):

<table>
<thead>
<tr>
<th>Contact Name:</th>
<th>Contact E-mail address:</th>
<th>Contact phone No.:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web site address:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Period of Performance

Services under this work order will commence on or around the Effective Date contained herein. This work order will expire on _____, ____. In order for us to continue work after the expiration date, you and we must agree in writing to a new work order or an amendment to this work order identifying the new expiration date and any other terms upon which you and we agree.

Payments to Microsoft should be made to the following, include reference to our invoice number:
By Check: Microsoft Enterprise Services, P.O. Box 844510, Dallas, TX 75284-4510, or if by overnight delivery, Microsoft Enterprise Services, Lockbox #844510, 1401 Elm Street, Fifth Floor, Dallas, TX 75202
By Wire: Microsoft Enterprise Services #844510, Acct 3750825354/ABA#0260-0959-3, Bank of America, N.A.
By ACH: Microsoft Enterprise Services, Acct#3750825354/ABA#1110001-2, Bank of America, N.A.

Place of Performance/Project Point of Contact/Customer Satisfaction Contact

<table>
<thead>
<tr>
<th>Name of Customer</th>
<th>Project leader (This person is your point of contact for all service-related matters under this work order.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Street Address</td>
<td>Contact</td>
</tr>
<tr>
<td></td>
<td>E-mail</td>
</tr>
<tr>
<td></td>
<td>Address</td>
</tr>
<tr>
<td>City</td>
<td>State/Province</td>
</tr>
<tr>
<td>Country</td>
<td>USA</td>
</tr>
</tbody>
</table>

By signing below the parties acknowledge and agree to be bound to the terms of the agreement and this work order.

Customer | Microsoft Affiliate

<table>
<thead>
<tr>
<th>Name of Customer (please print)</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Microsoft Corporation</td>
</tr>
</tbody>
</table>

Signature | Signature

Name of person signing (please print) | Name of person signing (please print) |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>David T. Gallagher</td>
</tr>
</tbody>
</table>

Title of person signing (please print) | Title of person signing (please print) |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Director of Contracts</td>
</tr>
</tbody>
</table>

Signature date | Effective Date
1. **Services.** We will perform the services identified below for you. Any dates provided are estimates only. Most of the services will be performed at the place of performance identified on the cover page or at such other facility as you specify in writing. Some services may be performed off-site at our facilities. All off-site services will be coordinated with your project leader for the services. Because we are performing the services under your direction, based on an estimated period of performance and fees, we do not warrant that any services deliverables will be completed or be satisfactory to you within the estimated period or fees.

2. **Fees.** You will pay the following hourly rates and any reasonable out of pocket travel and living expenses (if any) for the individuals assigned. We reserve the right to utilize whichever labor categories in whatever quantities we determine, in our sole discretion, are appropriate to perform the services. Any total fee and labor hours stated are estimates only. The fees do not include fees for products. Unless otherwise specified in the invoice, you will pay us within 30 calendar days of the date of our invoice.

3. **Your responsibilities.** In addition to your responsibilities described in Section 1, “Services”, above, you will, at your expense, provide us the following:
   
   a. access to all necessary on-site facilities, including office space, telephones, analog modems or PPTP, computer equipment, internet access, and test and monitoring equipment;
   
   b. access to and copies of relevant technical information;
   
   c. access to and sufficient time with your technical, management, and other personnel as necessary for us to perform the services; and
   
   d. a project leader as your primary point of contact with us and to provide technical direction to our personnel performing the services.
Microsoft Premier Support Services Description

This services description ("Services Description") is made pursuant to the Master Services Agreement, (the "Agreement") effective as of __________, which is incorporated herein by this reference. In this Services Description "You", "Your" or "Customer" means the undersigned customer and "We," "Us," or "Our" means the undersigned Microsoft affiliate. Any terms not otherwise defined herein will assume the meanings set forth in the Agreement. This Services Description is comprised of this cover page and the Services Description terms below, which are incorporated herein by this reference.

### Customer Invoice Information

<table>
<thead>
<tr>
<th>Name of Customer</th>
<th>Contact Name (This person receives invoices under this Services Description unless otherwise specified on Your purchase order.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name of Customer or Affiliate that executed the Agreement if different than the undersigned</td>
<td></td>
</tr>
<tr>
<td>Street Address</td>
<td>Contact E-mail Address</td>
</tr>
<tr>
<td>City</td>
<td>State/Province</td>
</tr>
<tr>
<td>Country</td>
<td>Postal Code</td>
</tr>
</tbody>
</table>

### Invoicing

Premier Support is a prepaid service and all fees and any applicable taxes are due upon acceptance of this Services Description. We must be in receipt of a purchase order, check, or other acceptable form of payment before We will begin providing Services. We will invoice You for additional Services performed and expenses incurred. Our invoices are payable within 30 days of receipt by You and will be directed to Your representative for payment at the address shown above unless otherwise provided in a purchase order. Notwithstanding the foregoing, multi-year Service Descriptions will be invoiced upon Our acceptance of this Services Description for year one and the remaining installments will be invoiced at the subsequent anniversaries of the Commencement Date as defined on the Fee and Named Contacts Schedule(s). We reserve the right to adjust Our fees prior to entering into any new Fee and Named Contacts Schedule(s), subject to the terms of the Agreement and pricing in Exhibit D.

### Term

This Services Description will commence on __________ and will expire on __________ (the "Expiration Date") or the date We conclude the Services, which ever is later.

By signing below the parties acknowledge and agree to be bound to the terms of the Agreement and this Services Description.
1. OVERVIEW. This Services Description describes the various types of services that may be obtained (the "Services"). In addition, it sets forth the parties' respective responsibilities, prerequisites and assumptions that underlie the provision of the Services, applicable fees, and additional terms and conditions. The Services focus on the following key areas:

**Support Account Management** from an assigned Microsoft resource (Technical Account Manager / TAM) helps to build and maintain relationships with Your management and service delivery staff and helps You arrange each element of the Premier Support to meet Your business requirements.

**Workshops** help You to prevent problems, increase system availability and assist with creating products and solutions based on Microsoft technologies.

**Problem Resolution Support** provides assistance for problems with specific symptoms encountered while using Microsoft products, where there is a reasonable expectation that the problem is caused by Microsoft products.

**Support Assistance** provides short-term advice and guidance for problems not covered with Problem Resolution Service as well as requests for consultative assistance for design, development and deployment issues.

**Information Services** provide your staff with the latest knowledge on Microsoft technologies to enhance Your in-house support capabilities.

2. AVAILABLE SERVICES. You may utilize any combination of the following Services. Unless We specify otherwise, the Services are charged on an hourly basis and will be deducted from the total number of hours You have purchased as set forth in the attached Fee and Named Contacts Schedule(s). The complete list of Services below may not be available in all countries. For a detailed list of Services available outside the US, please contact Your Services Resource.

2.1 Support Account Management. Support Account Management services are intended to help coordinate the support and services relationship. The TAM is your advocate within Microsoft and facilitates a team that can provide Workshops, Problem Resolution Support, and Support Assistance. The Services Resource also serves as the point of information delivery and provides your feedback regarding the Services to other Microsoft groups. The TAM can also provide the following services which will not be deducted from the pre-paid hours listed in the Fee and Named Contacts Schedule(s):

a. **Planning and Resource Facilitation.** At the commencement of this Service Description, an orientation and planning session can be conducted with your management and staff via teleconference or onsite if an onsite visit has been purchased. The purpose of this meeting is to discuss the Services available, gather input regarding Your support needs, and jointly plan Your use of the Services.

b. **Status Meetings and Reporting.** A status report can be prepared on a regular basis, to summarize the Services delivered during the previous reporting period. Status meetings will be conducted to
discuss Service activities, monitor Your satisfaction levels, and discuss actions or adjustments that may be required. Customized reporting can be provided at your request and any additional related labor will be deducted from your Support Assistance hours.

c. Escalation Management. Support issues that require escalation to other resources within Microsoft can be closely managed by the Services Resource to expedite resolution.

2.2 Workshops Workshops are designed to reduce the number and minimize the impact of problems related to Microsoft products experienced by you. Workshops can include the following:

a. Workshops. We can conduct instructor-led training sessions that emphasize Microsoft technologies at Your facility or on location at Microsoft. If you elect to have a Workshop conducted at Your facility, We will provide You with specifications for configuring Your environment prior to the delivery of the Workshops. Workshops are individually scoped and priced depending upon the length, delivery location and material presented. Your Services Resource can provide You with a current list of available Workshops.

b. Premier Events. We can provide broad and deep technical development-focused presentations, combined with hands-on labs that provide training and facilitate your implementations of Microsoft technologies. These events provide the opportunity to interact with Microsoft product groups. Premier support development resources and marketing contacts. Your Services Resource (TAM) can provide you with notification of scheduled events.

2.3 Problem Resolution Support. Problem Resolution Support provides assistance for problems with specific symptoms encountered while using Microsoft products, where there is a reasonable expectation that the problems are caused by Microsoft products. Problem Resolution Support is available 24 hours a day, 7 days a week. Requests for support may be submitted via telephone or electronically through the Premier online website by Your designated contacts, except for Severity 1 and A which must be submitted via telephone as set forth below in Section 2.3(a). Problem Resolution Support can include any combination of the following:

a. Problem Request (Break-Fix). An assisted break-fix support request, also known as an incident, is defined as a single support issue and the reasonable effort needed to resolve it. A single support issue is a problem that cannot be broken down into subordinate issues. If a problem consists of subordinate issues, each shall be considered a separate incident. Incidents requiring an onsite visit will be charged on an hourly basis and will include charges for reasonable travel and living expenses. In certain situations, We may provide You with a modification to the commercially available Microsoft product software code to address specific critical problems ("Hotfix(es)") in response to an assisted break-fix support request. Hotfixes are designed to address Your specific problems and are not regression tested. Except as otherwise provided herein or in an Exhibit, Hotfixes may not be distributed to unaffiliated third parties without Our express written consent.

You are responsible for setting the initial severity level. You can request a change in severity level at any time. The incident severity will determine the response levels within Microsoft and estimated response times and your responsibilities are defined in the following table:

<table>
<thead>
<tr>
<th>Severity</th>
<th>Situation</th>
<th>Our Expected Response</th>
<th>Your Expected Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Submission via phone only</td>
<td>• Catastrophic business impact: Complete loss of a core (mission critical) business process and work cannot reasonably continue • Needs immediate attention</td>
<td>• 1st call response in 1 hour or less • Our Resources at Your site as soon as possible • Continuous effort on a 24x7 basis • Rapid Escalation within Microsoft to Product teams • Notification of Our Senior Executives</td>
<td>• Notification of Your Senior executives • Allocation of appropriate resources to sustain continuous effort on a 24x7 basis • Rapid access and response from change control authority</td>
</tr>
</tbody>
</table>
### Table

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Submission via phone only</strong></td>
<td><strong>Submission via phone or web</strong></td>
<td><strong>Submission via phone or web</strong></td>
</tr>
</tbody>
</table>
| - Critical business impact:  
  - Significant loss or degradation of services  
  - Needs attention within 1 hour | - Moderate business impact:  
  - Moderate loss or degradation of services but work can reasonably continue in an impaired manner.  
  - Needs attention within 2 Business Hours¹ | - Minimum business impact:  
  - Substantially functioning with minor or no impediments of services.  
  - Needs attention within 4 Business Hours¹ |
| - 1ˢᵗ call response in 1 hour or less  
  - Our Resources at Your site as required.  
  - Continuous effort on a 24x7 basis  
  - Notification of Our Senior Managers | - 1ˢᵗ call response in 2 hours or less  
  - Effort during Business Hours¹ only | - 1ˢᵗ call response in 4 hours or less  
  - Effort during Business Hours¹ only |
| - Allocation of appropriate resources to sustain continuous effort on a 24x7 basis²  
  - Rapid access and response from change control authority  
  - Management notification | - Allocation of appropriate resources to sustain Business Hours¹ continuous effort  
  - Access and response from change control authority within 4 Business Hours¹ | - Accurate contact information on case owner  
  - Responsive within 24 hours. |

¹ Business Hours are defined as 6AM to 6PM Pacific Time, Monday through Friday excluding holidays.
² We may need to downgrade the severity level if You are not able to provide adequate resources or responses to enable Us to continue with problem resolution efforts.

You may be required to perform problem determination and resolution activities as requested by Us. Problem determination and resolution activities may include performing network traces, capturing error messages, collecting configuration information, changing product configurations, installing new versions of software or new components, or modifying processes.

You are responsible for implementing the procedures necessary to safeguard the integrity and security of Your software and data from unauthorized access and to reconstruct lost or altered files resulting from catastrophic failures.

b. **Rapid Onsite Support Services (ROSS)**. You can request emergency on-site support as an additional billable service. Our ability to provide emergency onsite support is subject to Our resource availability, and the tasks performed will vary depending on the situation, environment, and business impact of the issue.

c. **Software Assurance Benefits**. You may elect to convert Your Software Assurance 24x7 Problem Resolution Support Incidents (SA PRS Incidents) to Premier Problem Resolution Support (PPRS) hours or incidents for use consistent with Your Premier Service plan at the time of transfer. The conversion rate is defined in Exhibit D to the Master Services Agreement under "Software Assurance Incidents". You may purchase additional Support Account Management hours before converting SA PRS incidents/hours if needed. All SA PRS Incidents You transfer are subject to this Services Description.

### 2.4 Support Assistance

Support Assistance provides short-term advice and guidance for problems not covered with Problem Resolution Support as well as requests for consultative assistance for design, development and deployment issues. Your TAM will work with You to determine Your specific Support Assistance needs.

The following are types of Support Assistance that can be utilized under this Services Description:

a. **Infrastructure Support Assistance**. Infrastructure Support Assistance includes informal advice, guidance and knowledge transfer intended to help You implement Microsoft technologies in ways that avoid common support issues and decrease the likelihood of system outages.

These services also help you to resolve problems that are not attributed to Microsoft Products including:
• Errors caused by your networking infrastructure, hardware, non-Microsoft software, operational procedures, architecture, IT service management process, system configuration or human error.
• Multi-vendor coordination interoperability problems. Upon Your request, We will collaborate with third-party software suppliers to help resolve complex multi-vendor product interoperability issues.

b. Reviews. Each review is individually scoped and estimated prior to scheduling resources and a written report is produced to document findings and recommendations. In order for us to complete reviews during the term of this Services Description, all requests for reviews and the applicable data must be submitted to us no later than 60 days prior to expiration date of the Services Description set forth on the cover page. Reviews to address design, development, deployment and supportability issues including the following:
• Supportability Review is an assessment of a current implementation or planned implementation of a specific system, migration, or upgrade and may include recommendations for a more supportable environment.
• Technology Architecture Reviews examine the alignment and planned deployment of technology intended to address your business goals or problems with a focus on determining how our technology offerings best fit within your overall technology architecture.
• Application Design Reviews examine application or product component architecture, focusing on the design or components for deployment in a multi-tiered architecture model. This review specifically addresses issues including compliance with our component design guidelines, effective distributed component communication techniques, and efficient use of runtime services.
• Cose Reviews examine the specific, critical software components in your applications for existing or expected problems. We will work with you to choose the appropriate components for analysis.
• Custom Reviews that can be crafted to meet your specific needs as they relate to the use of our technologies.


d. Lab Access. Microsoft can provide You with access to a lab facility to assist You with product development, benchmarking and testing, prototyping, and migration activities on Microsoft products. These facilities must be scheduled in advance and are subject to availability.
• Application Performance Benchmarking can assist in evaluating application performance and identify performance bottlenecks. The lab facilities can also be used to evaluate scalability limitations based on specific objectives.
• Prototyping can assist in building proof-of-concept scenarios or workarounds in order to validate implementation of Microsoft Technology.
• Porting and Migration assistance can help devise strategies for porting and migrating applications and data to Microsoft technologies. The lab facilities can be used to validate specific techniques and identify potential problem areas.

2.5 Information Services. Information Services provide You with technical information about Microsoft products and support tools that help You to implement and operate Microsoft products in a more efficient and effective manner. Information Services can include any combination of the following:

a. Premier online website. The Premier online website provides access to the following information resources at no additional charge:
• Regularly updated product news flashes documenting key support and operational information about Microsoft products.
• Critical problem alerts notifying You of potentially high-impact problems.
• Web response tool for submitting and checking the status of support incidents.
• Microsoft Knowledge Base of technical articles and troubleshooting tools and guides.

b. Support Webcasts. Support webcasts are regularly scheduled webcast discussions led by Our program managers, developers and professionals covering key areas of Microsoft technology. These are provided at no additional charge and require high speed internet access to participate.

2.6 Additional Services. You may request changes or additions to this Services Description at any time. Additional Services that are available for purchase, and the specific terms and conditions applicable to those Services, may be set forth in this Services Description, as specified in Exhibit D to the MSA agreement. Additional Services will be invoiced at the prevailing price at the time the Services are rendered, as specified in Exhibit D to the MSA agreement. If you purchase additional Problem Resolution Support hours or convert Software Assurance hours to Problem Resolution Support hours, you may purchase additional Services Management hours if needed. Prior to delivering additional Services, We must be in receipt of a purchase order, check or other acceptable form of payment.

3. PREREQUISITES AND ASSUMPTIONS. Our delivery of Services under this Services Description is based upon the following Prerequisites and Assumptions:

a. All Services will be provided remotely to your locations in the United States unless otherwise set forth in an Exhibit to this Services Description. Where onsite visits are mutually agreed and not pre-paid, You will be billed for reasonable travel and living expenses.

b. All Services will be provided in the English language unless otherwise agreed to by You and Us in writing or in an Exhibit to this Services Description.

c. We will provide support for all United States versions of commercially released generally available Microsoft products unless otherwise set forth in an Exhibit to this Services Description or specifically excluded on the Premier online website. Support for those Microsoft products that have entered the Extended Support Phase, as defined on the Premier online website, will be charged. Non-security related Hotfix support is not available for Microsoft products that have entered the Extended Phase of support unless you have purchased such support in an Exhibit to this Services Description.

d. Support for pre-release products is not provided except as otherwise provided in an attached Exhibit.

e. All Services, including any additional Services purchased during the term of a Fee and Named Contacts Schedule(s) shall be forfeited if not utilized during the term of the applicable Fee and Named Contacts Schedule(s).

f. Support Assistance is dependent upon the availability of resources.

g. We can access Your system via remote dial-in to analyze problems at Your request. Our personnel will access only those systems authorized by You. We may provide You with software to assist with problem diagnosis and/or resolution. Such software is Microsoft's property and must be returned to Us promptly upon request. In order to utilize remote dial-in assistance, You must provide Us with the appropriate access and necessary equipment.

h. You must have access to the Internet in order to take advantage of Internet-based services.

i. Additional Prerequisites and Assumption may be set forth in relevant Exhibits.

j. When purchasing Problem Resolution Support, a corresponding quantity of Support Account Management may be needed to facilitate delivery of your Problem Resolution Support if escalated to the TAM. If you purchase additional Problem Resolution Support, Support Assistance, or if you convert Software Assurance hours to Problem Resolution Support hours or incidents, you may purchase additional Support Account Management if needed.
4. YOUR RESPONSIBILITIES. This section sets forth Your performance obligations under this Services Description. Our performance is predicated upon You fulfilling the following responsibilities in addition to those set forth in Section 2.3 and any applicable Exhibits. Failure to comply with the following responsibilities may result in delays of Service.

a. You can designate named contacts as set forth in the attached Fee and Named Contacts Schedule(s), one of which will be the Customer Support Manager ("CSM") for support related activities. The CSM is responsible for leading Your team and will manage all of Your support activities, and internal processes for submitting support requests to Us. Each contact will be supplied with an individual account number for access to the Premier online website, support issue submission and access to Your Services Resource. In addition to the named contacts, You may also identify two types of group contacts as follows:
   - One type will receive a shared account ID that provides access to the Premier online website for information content and the ability to submit support requests through the Premier online website or by telephone.
   - One type will receive a shared account ID that provides access to the Premier online website for information content only.

b. You agree to work with us to plan for the utilization of Services based upon the service level You purchased.

c. You agree to provide an internal escalation process to facilitate communication between Your management and Us as appropriate.

d. Microsoft may request that you respond to customer satisfaction surveys. We may provide to You from time-to-time regarding the Services. Participation in surveys is at your option.

e. You agree to provide reasonable office space, telephone and high-speed internet access, and access to Your internal systems and diagnostic tools to Our Services Resources that are required to be on-site.

f. You are responsible for any travel and expenses incurred by Your employees or contractors.

5. ADDITIONAL TERMS AND CONDITIONS. Except as otherwise set forth in an Exhibit (or attachment to an Exhibit) to this Services Description, this section and the Agreement govern the ownership and use rights of any computer code or other materials that may be provided under this Services Description.

a. Pre-existing Work. All rights in any computer code or materials developed or otherwise obtained by or for Us or Our affiliates, or You or Your affiliates independently of this Services Description ("Pre-existing Work") shall remain the sole property of the Party providing the Pre-existing Work. During the performance of the Services for this Services Description, each Party grants to the other Party (and Our contractors as necessary) a temporary, non-exclusive license to use, reproduce and modify any of its Pre-existing Work provided to the other Party solely for the performance of such Services. We grant You a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify (if applicable) Our Pre-existing Work in the form delivered to You for Your internal business operations without any obligation of accounting or payment of royalties. Your licenses to Our Pre-existing Work are conditioned upon Your compliance with the terms of the Agreement and this Services Description and the perpetual license applies solely to Our Pre-existing Work that is left to You at the conclusion of Our performance of the Services.

b. Materials. All rights in any materials developed by Us (other than software code) and provided to You in connection with the Services ("Materials") shall be owned by Us except to the extent such Materials constitute Your Pre-existing Work. Upon payment in full, We grant You a non-exclusive, perpetual, fully paid-up license to use, reproduce and modify the Materials solely for Your internal business operations and without any obligation of accounting or payment of royalties. You may sublicense the rights granted herein to Your Affiliates. All rights not expressly granted, are reserved.

c. Sample Code. We grant You a nonexclusive, perpetual, royalty-free right to use and modify any
software code provided by Us for the purposes of illustration ("Sample Code") and to reproduce and distribute the object code form of the Sample Code, provided that You agree: (i) to not use Our name, logo, or trademarks to market Your software product in which the Sample Code is embedded; (ii) to include a valid copyright notice on Your software product in which the Sample Code is embedded; and (iii) to indemnify, hold harmless, and defend Us and Our suppliers from and against any claims or lawsuits, including attorneys' fees, that arise or result from the use or distribution of the Sample Code.

d. **Open Source License Restrictions.** Because certain third party license terms require that computer code be generally (i) disclosed in source code form to third parties; (ii) licensed to third parties for the purpose of making derivative works; or (iii) redistributable to third parties at no charge (collectively, "open source license terms"), the license rights that each Party has granted to any computer code (or any intellectual property associated therewith) do not include any license, right, power or authority to incorporate, modify, combine and/or distribute that computer code with any other computer code in a manner which would subject the other’s computer code to open source license terms.

Furthermore, each Party warrants that it will not provide or give to the other Party computer code that is governed by open source license terms.

**Reservation of Rights.** All rights not expressly granted in this Section 5 are reserved.

6. **Attachments:** The following Schedule(s) and Exhibits are attached at the execution of this Services Description:

- [ ] Microsoft Premier Support Services Description Schedule: Fee and Named Contacts Schedule

**Microsoft Premier Support Services Description Schedule: Fee and Named Contacts**

(Microsoft Affiliate to complete)

Premier Support Services Description No.

This Schedule is made pursuant to the Microsoft Premier Support Services Description identified above (the "Services Description") by and between the customer or its affiliate ("You") as specified on the Services Description and the Microsoft affiliate ("We," "Us," or "Our") as specified on the Services Description. The terms of the Agreement, including Exhibits, the Services Description, and applicable Exhibits to the Services Description are incorporated herein by this reference. Any terms not otherwise defined herein will assume the meanings set forth in the Agreement and the Services Description.

<table>
<thead>
<tr>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>This Schedule will commence on _______ and will expire on _______ (the &quot;expiration date&quot;).</td>
</tr>
</tbody>
</table>

1. **PREMIER SUPPORT SERVICES AND FEES.** The quantities listed in the table below represent the amount of Services that You have pre-purchased for use during the term of this Schedule.
<table>
<thead>
<tr>
<th>Description of Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Support Account Management Included</td>
</tr>
<tr>
<td>• Up to 40 hours Support Assistance Support</td>
</tr>
<tr>
<td>• Up to 120 hours for Problem Resolution Support</td>
</tr>
<tr>
<td>• Unlimited User Access to Premier Online Website</td>
</tr>
</tbody>
</table>

Total Due From Customer: $?????
2. MICROSOFT CONTACT

Microsoft Contact: Contact for questions and notices about this Schedule and the Service Description:

<table>
<thead>
<tr>
<th>Microsoft Contact Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
</tr>
<tr>
<td>Microsoft Corporation</td>
</tr>
<tr>
<td>(Attn: Richard Treadway)</td>
</tr>
<tr>
<td>8050 Microsoft Way AP2/1610</td>
</tr>
<tr>
<td>Charlotte, NC 28273</td>
</tr>
<tr>
<td>Phone: (980) 776-9993</td>
</tr>
<tr>
<td>Email: <a href="mailto:richt@microsoft.com">richt@microsoft.com</a></td>
</tr>
<tr>
<td>Facsimile: (425) 708-5164</td>
</tr>
</tbody>
</table>

3. CUSTOMER NAMED CONTACTS

a. Premier Customer Named Contacts: (Renewing customers only fill in if changes to current contacts)

<table>
<thead>
<tr>
<th>CSM Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
</tr>
</tbody>
</table>

| Phone: ( ) |
| Email: |
| Facsimile: ( ) |

<table>
<thead>
<tr>
<th>Language Omitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSM Name:</td>
</tr>
<tr>
<td>Address:</td>
</tr>
</tbody>
</table>

| Phone: ( ) |
| Email: |
| Facsimile: ( ) |

<table>
<thead>
<tr>
<th>Language Omitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Named Contact Name:</td>
</tr>
<tr>
<td>Address:</td>
</tr>
</tbody>
</table>

| Phone: ( ) |
| Email: |
| Facsimile: ( ) |

<table>
<thead>
<tr>
<th>Language Omitted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Named Contact Name:</td>
</tr>
<tr>
<td>Address:</td>
</tr>
</tbody>
</table>

| Phone: ( ) |
| Email: |
| Facsimile: ( ) |
**EXHIBIT C**

**MICROSOFT CONSULTING SERVICES PRICE SCHEDULE FOR VIRGINIA MASTER ASERVICES AGREEMENT**

<table>
<thead>
<tr>
<th>Resource</th>
<th>Year 1 2010 - 2011</th>
<th>Year 2 2011 - 2012</th>
<th>Year 3 2012 - 2013</th>
<th>Year 4 2013 - 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architectural Consultant</td>
<td>$286.00</td>
<td>$294.58</td>
<td>$303.42</td>
<td>$312.52</td>
</tr>
<tr>
<td>Principal Consultant</td>
<td>$271.00</td>
<td>$279.13</td>
<td>$287.50</td>
<td>$296.13</td>
</tr>
<tr>
<td>General Manager</td>
<td>$271.00</td>
<td>$279.13</td>
<td>$287.50</td>
<td>$296.13</td>
</tr>
<tr>
<td>Practice Manager</td>
<td>$271.00</td>
<td>$279.13</td>
<td>$287.50</td>
<td>$296.13</td>
</tr>
<tr>
<td>Engagement Manager</td>
<td>$256.00</td>
<td>$263.68</td>
<td>$271.59</td>
<td>$279.74</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$256.00</td>
<td>$263.68</td>
<td>$271.59</td>
<td>$279.74</td>
</tr>
<tr>
<td>Senior Consultant</td>
<td>$256.00</td>
<td>$263.68</td>
<td>$271.59</td>
<td>$279.74</td>
</tr>
<tr>
<td>Consultant</td>
<td>$234.00</td>
<td>$241.02</td>
<td>$248.25</td>
<td>$255.70</td>
</tr>
<tr>
<td>Associate Consultant</td>
<td>$212.00</td>
<td>$218.36</td>
<td>$224.91</td>
<td>$231.66</td>
</tr>
<tr>
<td>Technician V</td>
<td>$250.00</td>
<td>$257.50</td>
<td>$265.23</td>
<td>$273.19</td>
</tr>
<tr>
<td>Technician IV</td>
<td>$232.00</td>
<td>$238.96</td>
<td>$246.13</td>
<td>$253.51</td>
</tr>
<tr>
<td>Technician III</td>
<td>$206.00</td>
<td>$212.18</td>
<td>$218.54</td>
<td>$225.10</td>
</tr>
<tr>
<td>Technician II</td>
<td>$180.00</td>
<td>$185.40</td>
<td>$190.96</td>
<td>$196.69</td>
</tr>
<tr>
<td>Technician I</td>
<td>$155.00</td>
<td>$159.65</td>
<td>$164.44</td>
<td>$169.37</td>
</tr>
<tr>
<td>Technician</td>
<td>$129.00</td>
<td>$132.87</td>
<td>$136.86</td>
<td>$140.97</td>
</tr>
<tr>
<td>Associate Technician</td>
<td>$103.00</td>
<td>$106.09</td>
<td>$109.27</td>
<td>$112.55</td>
</tr>
</tbody>
</table>

Pricing for consulting services shall remain fixed for 12 months after the Execution Date of the master agreement. Annual price increases for consulting services for the remainder of the term of the master agreement shall not exceed 3% per year. Prices charged for consulting services under this master agreement shall not exceed our current published price list. We will not change our hourly rates identified in a statement of services during the term of the statement of services, but we may adjust our hourly rates prior to entering into any new statement of services if price increases have been instituted in the master agreement.
## Premier Support, Public Sector Published Price List

<table>
<thead>
<tr>
<th>Service</th>
<th>Rate</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support Account Management</td>
<td>$207/hr</td>
<td>Purchased in minimum block of 120 hour increments. Support Account Management services are intended to help coordinate the support and services relationship.</td>
</tr>
<tr>
<td>Support Assistance</td>
<td>$207/hr</td>
<td>Support Assistance provides short-term advice and guidance for problems not covered with Problem Resolution Support as well as requests for consultative assistance for design, development and deployment issues or general proactive support services.</td>
</tr>
<tr>
<td>Problem Resolution Hours</td>
<td>$207/hr</td>
<td>Hourly incidents purchased in minimum blocks of 40 hours.</td>
</tr>
<tr>
<td>Software Assurance (Benefits) Incidents (Govt. customers only)</td>
<td>$1024 per incident</td>
<td>Conversion rate is $1024 per incident, then divided by current hourly rate (i.e., 1 incident times $1024 divided by $207 would equal 5 hours)</td>
</tr>
<tr>
<td>Application Developer Consultant (ADC)</td>
<td>$231/hr</td>
<td>Purchased in minimum blocks of 200 hour increments.</td>
</tr>
<tr>
<td>Support Consultant</td>
<td>$231/hr</td>
<td>Purchased in minimum blocks of 400 hour increments.</td>
</tr>
<tr>
<td>Local Resource Visit</td>
<td>$250</td>
<td>Local Onsite Resource Visit</td>
</tr>
<tr>
<td>Onsite Resource Visit</td>
<td>$2,100</td>
<td>Resource Onsite Visit (up to 2 days each)</td>
</tr>
<tr>
<td>ROSS On-site Visit</td>
<td>$4,000</td>
<td>1 Day Visit</td>
</tr>
<tr>
<td>ROSS On-site Visit</td>
<td>$6,000</td>
<td>2 Day Visit</td>
</tr>
</tbody>
</table>
Microsoft Services Contact Form for Commonwealth of Virginia

Company Information

Company Name: Microsoft Corporation
Address: One Microsoft Way
City, State, Zip Code: Redmond, WA 90852
Company Phone: (425) 882-8080
Company Fax: (425) 936-7329
Federal Tax ID Number: 91-1144442
Website URL (if applicable): www.microsoft.com

Business Contact for Microsoft Consulting – Person who understands VA relationships and who can serve as a point of contact.

First and Last Name: Kent Smith
Job Title: Microsoft Engagement Manager
Phone Number: (703) 624-7030
Fax Number: (425) 036-7329 (Attn: Kentsmi)
Email Address: kentsmi@microsoft.com
Address (if different from above):

Business Contact for Premier Support – Person who understands VA relationships and who can serve as a point of contact.

First and Last Name: Richard Treadway
Job Title: Services & Sales Representative
Phone Number: (980) 776-9993
Fax Number: (425) 708-5164 (Attn: Richt)
Email Address: richt@microsoft.com
Address (if different from above): 8050 Microsoft Way, AP2/1610 Charlotte, NC 28273