Commonwealth of Virginia
Virginia Information Technologies Agency

HP DESKTOPS, NOTEBOOKS & SERVERS

Optional Use Contract

Date:	August 25, 2003
Contract #:	VA-030801-HP
Authorized User:	State Agencies, Institutions, and other Public Bodies as defined in the VPPA
Contractor:	HP DIRECT C10GM 10810 Farnam Drive Omaha, NE 68154
FIN:	94-1081436
Contact Person:	See page 3
FOB:	Destination
Delivery:	21 Days ARO
Term:	August 8, 2003 – August 7, 2005
Payment:	Net 30 days

For Additional Information, Please Contact:

Contract Compliance Information:
Mrs. T. J. Hudson
Contracts Administrator
Phone: 804-371-5971
E-Mail: tj.hudson@vita.virginia.gov
Fax: 804-371-5969

Technical Information:
Joe A. Parr, CPPO, VCO
Contract Officer
Phone: 804-371-5991
E-Mail: joe.parr@vita.virginia.gov
Fax: 804-371-5969

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.oas.virginia.gov

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

CONTRACT # VA-030801-HP

CONTRACT CHANGE LOG

Change No.	Description of Change	Effective Date

receipt of those changes by the Commonwealth, and acceptance, a written modification to the Contract shall be executed by both parties.

VITA POINTS OF CONTACT

Contract Compliance Information:

Mrs. T. J. Hudson, CPPB, VCO
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Phone: 804-371-5971
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Contract Management:

Joe A. Parr, CPPO, VCO
Contract officer
Phone: 804-371-5991
E-Mail: joe.parr@vita.virginia.gov
Fax: 804-371-5969

HP POINTS OF CONTACT

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State and Local Government
Phone: 888-202-4682
K12 Education
Phone: 800-888-3224
Higher Education
Phone: 877-480-4433

Technical Support

Phone: 800-OK-COMPAQ

Contract Management

Stacey Wohleber
Consultant Negotiator
Phone: 256-539-6339
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20555 SH 249

MS: CCM0301-040
ATTN: Virginia Public Sector Contracts
Houston, TX 77070

Ordering Information:

Ordering Fax:
800-825-2329

Mail orders to:
HP Direct
C10GM
10810 Farnam Drive
Omaha, NE 68154

Table 1
Attachment "A"
Contract VA-030801-HP

H-P Desktops
Configuration 1

	Cfg. Req.	H-P response
Network Optimized	Business Network Grade	EVO D310V
Processor:	Intel® Celeron®	Intel Celeron
Chassis	Tower	Tower
CPU Speed:	1.80GHz	1.80 Ghz
Cache:	128K	128K
Memory:	256MB DDR Non-ECC	256 mb, 1 DIMM
Keyboard:	PS/2 Keyboard, No Hot	PS2 Keyboard
Monitors:	17 inch CRT color monitor (16.0 viewable)	S7500 17" color monitor
Video Board:	Integrated Video	Integrated Intel
Boot Hard Drive:	20GB EIDE 7200RPM	40 Gb hard drive,
Floppy Drive:	1.44MB 3.5 Inch Floppy	Floppy
Operating System:	Windows® XP Professional Version with CD	Windows XP Profesional
Mouse:	PS/2 2 button mouse	PS2 mouse
Network Adapters (NICs):	10/100 Ethernet	10/100 Ethernet
1st Removable Media	CD-ROM	CD-ROM
1st Removable Speed	24x	48X
I/O Ports	Min of 4, with 2 in front on remainder in the back	6 USB + standard legacy
PCI Slots	Min of 1 open	Min 1 open
Audio Solutions:	Embedded Sound Blaster Compatible	Sound Blaster Compat.
Speakers:	Internal or External Audio	Integrated Audio
Documentation:	Resource CD contains Diagnostics and Driver	CD resource coc.
Energy Star Label:	Energy Star Label	Energy Star
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 years part, labor, next bus. Day

OEM	H-P
Model	Evo D310V
Reference	NEP Pricing
Discount	15.0%

Table 1-1

Table 1 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Desktops
Configuration 2

	Cfg Req	H-P response
Network Optimized	Business Network Grade	EVO D510
Processor:	Pentium® 4 Processor	Pentium 4 Processor
Chassis	Tower	Tower
CPU Speed:	2.20GHz, 533FSB	2.4 Ghz
Cache:	256K	256K
Memory:	256MB DDR Non-ECC SDRAM, 1	256 Mb,1 DIMM
Keyboard:	PS/2 Keyboard, No Hot Keys	PS/2 Keyboard
Monitors:	17 inch CRT color monitor (16.0 viewable)	S7500 17" color monitor
Video Board:	Integrated Video	Integrated Intel Video
Boot Hard Drive:	40GB EIDE 7200RPM	40 Gb 7200 RPM
Floppy Drive:	1.44MB 3.5 Inch Floppy Drive	Floppy
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Mouse:	PS/2 2-Button Mouse	PS/2 mouse
Network Adapters (NICs):	10/100 Ethernet	10/100 Ethernet
1st Removable Media	CD-ROM	CD-ROM
1st Removable Speed	24x	48X
I/O Ports	Min of 4, with 2 in front on remainder in the back	6 USB + standard legacy
PCI Slots	Min of 1 open	Min 1 open
Audio Solutions:	Embedded Sound Blaster Compatible	Sound Blaster compat.
Speakers:	Internal or External Audio Speaker	Integrated Audie
Documentation:	Resources CD contains Diagnostics and Driver	CD resource doc.
Energy Star Label:	Energy Star Label	Energy Star
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 year parts, labor, next bus day onsite

OEM	H-P
Model	Evo D510c
Reference	NEP Pricing
Discount	23.0%

Table 1-2

Table 1 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Desktops
Configuration 3

	Cfg Req	H-P response
Network Optimized	Business Network Grade	EVO D510
Processor:	Pentium® 4 Processor	Pentium 4 Processor
Chassis	Tower	Tower
CPU Speed:	2.53GHz, 533FSB	2.53 GHz
Cache:	512K Cache	512K
Memory:	512MB DDR Non-ECC SDRAM, 1	512 Mb, 1 DIMM
Keyboard:	PS/2 Keyboard, No Hot Keys	PS/2 Keyboard
Monitors:	17 inch CRT color monitor (16.0 viewable)	S7500 17" color monitor
Video Board:	Integrated Video	Integrated Intel Video
Boot Hard Drive:	80GB EIDE 7200RPM	80Gb 7200 RPM
Floppy Drive:	1.44MB 3.5 Inch Floppy Drive	Floppy
Operating System:	Windows® XP Professional Version with CD	Windows XP Professsional
Mouse:	PS/2 2-Button Mouse	PS/2 mouse
Network Adapters (NICs):	10/100 Ethernet	10/100 Ethernet
1st Removable Media	CD-RW	CD-RW
1st Removable Speed	24x	48X
I/O Ports	Min of 4, with 2 in front on remainder in the back	6 USB + standard legacy
PCI Slots	Min of 1 open	Min 1 open
Audio Solutions:	Embedded Sound Blaster Compatible	Sound Blaster compat.
Speakers:	Internal or External Audio Speaker	Integrated Audio
Documentation:	Resources CD contains Diagnostics and Driver	CD Resource doc.
Energy Star Label:	Energy Star Label	Energy Star
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yr parts, labor , next bus day on-site

OEM	H-P
Model	Evo D510c
Reference	NEP Pricing
Discount	23.0%

Table 1-3

Table 1 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Desktop Options

	cfg 1	cfg 2	cfg 3
Discount	**13.50%**	**13.50%**	**13.50%**

Upgrade/Downgrade Options

Change to Requirements Shown Above
Upgrade to Pentium Processor *(Specify Below)*
Specify Here
Upgrade 1 Processor Speed *(Specify Below)*
Specify Here
Change to Small Form Factor
Change to Desktop
No Monitor Option
Upgrade to 19" CRT Monitor
Upgrade to 21" CRT Monitor
Upgrade to 15" LCD Monitor
Upgrade to 17" LCD Monitor
Additional 128MB RAM
Additional 256MB RAM
Additional 512MB RAM
Add 56K Modem
Replace mouse with MS Intellimouse
Upgrade to 30GB Hard Drive
Upgrade to 40GB Hard Drive
Upgrade to 80GB Hard Drive
Change from Windows XP to Windows 2000
Upgrade to CDRW Drive
Upgrade to DVD Drive
Upgrade to DVD/CDRW Drive
Add separate 32MB Graphics Accelerator Card
Add separate 64MB Graphics Accelerator Card
Upgrade to 10/100/1000 Card
Upgrade to External Speakers
Add UPS
Upgrade Warranty 4hr Response Time, M-F 8am-6pm
Reduce warranty to 1 year
Reduce warranty to 2 years
Extend warranty to 4 years
Extend warranty to 5 years

Table 2
Attachment "A'
Contract VA-030801-HP

H-P Notebooks
Configuration 1

	Cfg Req	H-P Response
Laptop Type	Business Grade, Network Optimized	N1020V
Processor	Mobile Celeron™ Processor	Celeron Processor
CPU Speed	1.60GHz	1.60 Ghz
Cache	256K	512K
Memory:	256MB SDRAM, 1 DIMMS	256 mb
Hard Drive:	20GB Hard Drive, 5400 RPM	20Gb, 5400 RPM
Dedicated Video Memory	None	N/A
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Modem:	Internal 56K Modem	56K Modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	None	N/A
Floppy Disk Drive (Yes/No,	Yes, Modular or Fixed	Floppy - modular
Fixed Optical Device Options :	CD-ROM Drive	CD-ROM
Fixed Optical Device Speed	24X	24X
Display:	14.1in XGA Display	14.1 TFT Display & XGA
Battery Type	Lithium-Ion	Lithium-Ion
Minimum Battery Life	3hrs	3 hrs
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yrs parts, onsite, next bus day
Carrying Case	No Carrying Case	N/A
Weight in lbs		5.82 lbs
Other		N/A

OEM	H-P
Model	Evo N1020V
Reference	NEP Pricing
Discount	12.0%

Table 2-1

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Notebooks
Configuration 2

	Cfg Req	H-P response
Laptop Type	Business Grade, Network Optimized	N800C
Processor	Mobile Pentium® 4 Processor M	Pentium 4 Processor
CPU Speed	2.0GHz-M	2.0 Ghz
Cache	256K	512K
Memory:	256MB DDR SDRAM, 1 DIMMS	256 Mb
Hard Drive:	20GB Hard Drive, 5400 RPM	30 Gb hard drive, 5400 RPM
Dedicated Video Memory	None	N/A
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Modem:	Internal 56K Modem	56K modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	None	N/A
Floppy Disk Drive (Yes/No,	Yes, Modular or Fixed	Yes, modular
Fixed Optical Device Options	CD-ROM Drive	DVD-ROM
Fixed Optical Device Speed	24X	8X DVD
Display:	14.1in XGA Display	15" TFT discplay & XGA
Battery Type	Lithium-Ion	Lithium-Ion
Minimum Battery Life	3hrs	4 hours
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 years parts, labor, next bus day on-site
Carrying Case	No Carrying Case	N/A
Weight in lbs		5.82 lbs
Other		N/A

OEM	H-P
Model	Evo N800c
Reference	NEP Pricing
	19.0%

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Notebooks
Configuration 3

	Cfg Req	H-P response
Laptop Type	Business Grade, Network Optimized	N800C
Processor	Mobile Pentium® 4 Processor M	Pentium 4 processor
CPU Speed	2.2GHz-M	2.2 Ghz
Cache	512K	512K
Memory:	512MB, SDRAM, 1 DIMMS	512 Mb
Hard Drive:	30GB Hard Drive, 5400 RPM	60 Gb drive, 5400 RPM
Dedicated Video Memory	None	N/A
Operating System:	Windows® XP Professional Version with CD	Windows XP Professsional
Modem:	Internal 56K Modem	56K modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	None	N/A
Floppy Disk Drive (Yes/No, fixed/modular etc.)	Yes, Modular or Fixed	Yes, modular
Fixed Optical Device Options :	CD-RW Drive	DVD/CD/RW
Fixed Optical Device Speed	24X	8X DVD/CD/RW
Display:	15.0in XGA Display	15" TFT display & XGA
Battery Type	Lithium-Ion	Lithium-Ion
Minimum Battery Life	3hrs	4 hours
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yrs parts, labor, next bus day on-site
Carrying Case	No Carrying Case	N/A
Weight in lbs		5.82 lbs
Other		N/A

OEM	H-P
Model	Evo N800c
Reference	NEP Pricing
Discount	21.0%

Table 2-3

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Notebooks
Configuration 4

	Cfg Req	H-P response
Laptop Type	Business Grade, Network Optimized	N620C
CPU Speed	1.4 GHz	1.4Ghz
Cache	1MB	1Mb
Memory:	512MB, SDRAM, 1 DIMMS	1 Gb
Hard Drive:	30GB Hard Drive, 5400 RPM	40Gb, 5400 RPM
Dedicated Video Memory	None	None
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Modem:	Internal 56K Modem	56K modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	Integrated 802.11b Wireless	802.11 b wireless
Floppy Disk Drive (Yes/No, fixed/modular etc.)	Yes, Modular or Fixed	Yes, modular
Fixed Optical Device Options :	CD-RW Drive	24X DVD/CDRW
Fixed Optical Device Speed	24X	24X
Display:	14.0in XGA Display	14 inch display & XGA
Battery Type	Lithium-Ion	Lithium-ion
Minimum Battery Life	3hrs	4 hours
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yrs, parts, labor, NBD
Carrying Case	No Carrying Case	NA
Weight in lbs		5.82 lbs
Other		NA

OEM	H-P
Model	Evo N620C
Reference	NEP Pricing
Discount	21.0%

Table 2-4

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Options	cfg 1	cfg 2	cfg 3	cfg 4
	13.50%	**13.50%**	**13.50%**	**13.50%**
Upgrade to Pentium Processor *(Specify Below)*				
Specify Here				
Upgrade 1 Processor Speed *(Specify Below)*				
Specify Here				
Additional 128MB RAM				
Additional 256MB RAM				
Additional 512MB RAM				
Add 17" CRT Monitor				
Add 19" CRT Monitor				
Add 21" CRT Monitor				
Upgrade to 30GB Harddrive				
Upgrade to 40GB Harddrive				
Upgrade to 60GB Harddrive				
Upgrade to 802.11b Wireless LAN Card				
Upgrade to 802.11b Integrated Wireless				
Upgrade to CD-RW Drive				
Upgrade to DVD Drive				
Upgrade to DVD/CDRW Drive				
Add Port Replicator				
Add Docking Station				
Upgrade to SXGA Display				
Additional Battery (same specs as the one in base config)				
Change from Windows XP to Windows 2000				
Add Nylon Carrying Case				
3-yr Asset Tracking				
Reduce warranty to 1 year				
Reduce warranty to 2 years				
Extend warranty to 4 years				
Extend standard warranty to 5 years				
Upgrade Warranty 4hr Response Time, M-F 8am-6pm				

Table 3
Attachment "A"
Contract VA-030801-HP

H-P Off-Spec

			Revised Discounts
H-P	All Proliant Servers and associated peropherals, including storage products	NEP Pricing	19% for servers. 24% for server options
H-P	All Pentium based laptops, not including "V" series and Celeron	NEP Pricing	13.5%
H-P	All Pentium based desktops, excluding Celeron and D3xx series	NEP Pricing	13.5%
H-P	All Celeron and "V" series systems	NEP Pricing	4.0%

Table 4
Attachment "A"
Contract VA-030801-HP

H-P Servers	Configuration 1		Configuration 2	
	Cfg Req	H-P Resp	Cfg Req	H-P Resp
Number of U's	1	2	2	2
Chassis	Rack	Rack	Rack	Rack
Max # of Processors	2	2	2	2
Included # of Processors	1	1	1	1
Processor Speed	Intel Pentium III 1.13GHz	P4 2.4	Intel Xeon, 1.8GHz	Xeon 2.4 Ghz
L2 Cache size	512K	512K	512K	512K
Max Memory	4GB	6Gb	6GB	6Gb
Included Memory	512MB	512MB	1GB	1Gb
# Drive Bays	36GB	36GB	3	3
# Drives Included	10K RPM	10K	3	3
Hard Disk Capacity per Drive (SCSI)	438 GB	880Gb	36GB	72Gb
Hard Drive Speed	3	5	10K RPM	10K RPM
Max Internal Capacity	1	1	438 GB	880Gb
# Externally Accessible Bays	RAID 0, Dual Channel	Smart Array 5i plus	2	2
Primary Controller	Dual on board NICs, at least one with support for load balancing and failover	yes	RAID 5, Dual Channel	RAID 5, dual channel
Network card	CD-ROM Drive	yes	Dual on board NICs, at least one with support for load balancing and failover	Dual on board NIC's. Load bal. and failover support.
Fixed Optical Device	24X	24X	CD-ROM Drive	CD-ROM
Optical Device Speed	Yes, included	Yes	24X	24X
Number of PCI Slots	2 Total, at least 1 Hot Plug	3	3-4 Total	4
Remote Management Card	Yes, included	Integrated	Yes, included	Included
Operating System	None	none	None	none
Deployment Rails	Included	Included	Included	Included

Table 4-1

Table 4
Attachment "A"
Contract VA-030801-HP

Warranty	3 YR Parts & Labor, NBD	yes	3 YR Parts & Labor, NBD	3 yr parts, labor, NBD
OEM	Hewlett Packard		Hewlett Packard	
Model	Proliant DL380G3		Proliant DL380 G3	
Reference	NEP Pricing		NEP Pricing	
Discount	34.0%		34%	

Table 4 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Servers

Configuration 3	Cfg Req	H-P Response
Number of U's	4	4
Chassis	Rack	Rack
Max # of Processors	4	4
Included # of Processors	1	2
Processor Speed	Intel Xeon, 1.8GHz	Xeon 1.9Ghz
L2 Cache size	1MB	1MB
Max Memory	10GB	32Gb
Included Memory	2GB	2Gb
# Drive Bays	4	4
# Drives Included	4	4
Hard Disk Capacity per Drive (SCSI)	36GB	36Gb
Hard Drive Speed	10K RPM	10K RPM
Max Internal Capacity	584 GB	584 Gb
# Externally Accessible Bays	2	2
Primary Controller	RAID 5, Dual Channel	Raid 5, Dual Channel
Network card	Dual on board NICs, at least one with support for load balancing and failover	Dual NIC. Load bal and failover support
Fixed Optical Device	CD-ROM Drive	CD-ROM
Optical Device Speed	24X	24X
Number of PCI Slots	6 Total	6
Remote Management Card	Yes, included	included
Operating System	None	none
Deployment Rails	Included	included
Warranty	3 YR Parts & Labor, NBD	3 Yr parts, labor,NBD

OEM	H-P
Model	Proliant DL580 G2
Reference	NEP Pricing
Discount	23.0%

Table 4-3

Table 4 (Cont.)
Attachment "A'
Contract VA-030801-HP

H-P Options

	cfg 1	cfg 2	cfg 3
Discount	**24%**	**24%**	**24%**
Change from rack to tower chassis			
2nd Processor Option Kit - Same Speed			
Additional 128MB RAM			
Additional 256MB RAM			
Additional 512MB RAM			
Additional 1GB RAM			
Increase each disk capacity to 36GB, 10K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each disk capacity to 73GB, 10K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each disk capacity to 146GB, 10K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each drive speed to 15K RPM (quote pricing for ALL disks)			
Increase each disk capacity to 36GB, 15K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each disk capacity to 73GB, 15K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Remove Deployment Rails			
Internal SDLT Tape Drive (110 GB/220 GB)			
External DLT Tape Drive (40 GB/80 GB)			
Add CDRW Drive			
Add DVD Drive			
Add DVD/CDRW Drive			
Gigabit Network Connection			
Monitor Media and Documentation			
Linux Option			
Upgrade Warranty 4hr Response Time, M-F 8am-6pm			
Upgrade Warranty to 4hr Response Time, 7x24			
Add Win 2000 Server OS			
Remove Remote Management Card			
Upgrade from SCSI to Fibre Channel			

Table 5
Attachment"A"
Contract VA-030801-HP

HP

Imaging (copying of system config from a master to other machines)	$2,100 initial setup. $7 per image thereafter.	$2,100 initial setup. $7 per image thereafter.	$2,100 initial setup. $7 per image thereafter.
Asset Tagging	$7/unit	$7/unit	$7/unit
Deployment/Installation[1]	There are several service levels for deployment and installation. Location and level of support varies from account to account.	There are several service levels for deployment and installation. Location and level of support varies from account to account.	There are several service levels for deployment and installation. Location and level of support varies from account to account.
Data Transfer (from retired machine to new unit)	HP does not offer a "standard" price for data transfer. Each is customized to what agency requires to minimize paying for something they may not need.	HP does not offer a "standard" price for data transfer. Each is customized to what agency requires to minimize paying for something they may not need.	HP does not offer a "standard" price for data transfer. Each is customized to what agency requires to minimize paying for something they may not need.

[1]Need additional information to be able to set a price.

MASTER AGREEMENT
CONTRACT VA-030801-HP
BETWEEN
THE COMMONWEALTH OF VIRGINIA
AND
HEWLETT-PACKARD COMPANY

1. SCOPE OF CONTRACT

This is an agreement (the "Agreement") between the Commonwealth of Virginia ("Commonwealth") and Hewlett-Packard Company (the "Contractor"), a corporation having its principal place of business at 3000 Hanover Street, Palo Alto, CA 94304. This Agreement contains the Contractual terms and conditions by which the Commonwealth and Contractor will establish a Master Contract for the use by State Agencies, Institutions, and other public bodies as defined in § 2.2-4301 of the Virginia Public Procurement Act (VPPA), and hereinafter referred to as "Authorized Users, to acquire Personal Computers (Desktops), Notebooks, and PC Servers ("Products"), Services, and Software (Software/Firmware), pursuant to the Commonwealth's Request For Proposal #2003-040, (the "RFP") and the Contractor's proposal, in response thereto.

2. INTERPRETATION OF AGREEMENT

As used in this Agreement, "software" and "software product" shall include all related materials and documentation, whether in machine-readable or printed form.

The documents comprising this Agreement, and their order of precedence in case of conflict, are: (1) this document, consisting of Terms and Conditions labeled 1 through 78, Attachment A, entitled Product Pricing, Attachment B entitled Reporting Format, Attachment C entitled Lobbying Certificate, and Attachment D entitled HP Consumer Terms for Teacher Purchases; (2) the specific sections of the Contractor's proposal dated May 5, 2003 in response the following sections of the Commonwealth's RFP 2003-40 dated April 4, 2003 and amendments thereto: Section III. A entitled "Products and Services", Section III. C entitled "Pricing, Quality, and Service Requirements", and Appendices C, D, E, F, and G; (3) Contractor's email message from John Hagerty to Douglas Crenshaw, VITA dated June 29, 2003, Subject: RE: Va. PC RFP; and (4) all executed Orders and Attachments referencing this Agreement. The foregoing documents represent the complete and final agreement of the parties with respect to the subject matter of this Agreement.

If any term or condition of this Agreement is found to be illegal or unenforceable, it shall be severed, and the validity of the remaining terms and conditions shall not be affected.

Nothing in this Agreement shall be construed as an express or implied waiver of the Commonwealth's sovereign or Eleventh Amendment immunity, or as a pledge of its full faith and credit.

3. EXCLUSIVITY OF TERMS AND CONDITIONS

The Virginia Information Technologies Agency (VITA) will not sign or execute any additional contract, license or other agreement, including shrink-wrap Software, containing contractual terms and conditions as a result of this procurement. Any documents signed by persons other than the Contracts Manger, VITA, shall have no validity and the attached Terms and Conditions shall supersede all such agreements. Vendors should read and understand all of the Terms and Conditions prior to submitting a bid.

4. VENDORS MANUAL

This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at www.dgs.state.va.us/dps under "Manuals."

5. APPLICABLE LAWS AND COURTS

This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.

6. ANTI-DISCRIMINATION

By submitting their offers, offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the Virginia Public Procurement Act. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that Contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia, § 2.2-4343.1E).

In every Contract over $10,000 the provisions in a. and b. below apply:

a. During the performance of this Contract, the Contractor agrees as follows:

1) 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 relating to discrimination in employment, except 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.

2) 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.

3) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for meeting these requirements.

b. The Contractor will include the provisions of 1. above in every subcontract or purchase order over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

7. ETHICS IN PUBLIC CONTRACTING

By submitting their offers, offerors certify that their offers are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their offer, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

8. IMMIGRATION REFORM AND CONTROL ACT OF 1986

By submitting their offers, offerors certify that they do not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

9. DEBARMENT STATUS

By submitting their offerors, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting offers on Contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

10. ANTITRUST

By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Contractor specifically for sale to the Commonwealth under the Contract.

11. MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS FOR IFBs AND RFPs

Failure to submit an offer on the official state form provided for that purpose shall be a cause for rejection of the offer. Modification of or additions to any portion of the Request for Proposal may be cause for rejection of the offer; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a offer as non-responsive. As a precondition to its acceptance, the Commonwealth may, in its sole discretion, request that the offeror withdraw or modify non-responsive portions of a offer which do not affect quality, quantity, price, or delivery. No modification of or addition to the provisions of the Contract shall be effective unless reduced to writing and signed by the parties.

12. PAYMENT

a. To Prime Contractor:

1) Invoices for items ordered and delivered shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the state Contract number and/or purchase order number; social security number (for individual Contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

2) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.

3) All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.

4) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of

offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

5) **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, Contractors 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 the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor 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, § 2.2-4363).

b. To Subcontractors:

1) A Contractor awarded a Contract under this solicitation is hereby obligated:

(a) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or

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

2) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) 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 (2) 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 the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

13. QUALIFICATIONS OF OFFERORS

The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the offeror to perform the services/furnish the goods and the offeror shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect offeror's physical facilities prior to award to satisfy questions regarding the offeror's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such offeror fails to satisfy the Commonwealth that such offeror is properly qualified to carry out the obligations of the Contract and to provide the services and/or furnish the goods contemplated therein.

14. COMMENCEMENT OF ACCEPTANCE TESTING

The Commonwealth shall "Acceptance Test" the equipment within thirty (30) days of delivery. The "Acceptance Test" shall consist of forty-eight (48) consecutive business hours in conformance with the Contractor's technical specifications and functional descriptions as delineated herein. All "Acceptance Test" failures shall be reported to Contractor for return. Any failures not specifically identified to the Contractor within thirty (30) days shall be considered to have successfully passed the Acceptance Test.

15. REQUIRED PERFORMANCE LEVEL

To qualify for acceptance, all Equipment must concurrently perform in accordance with the technical specifications and functional descriptions, as contained or referenced in this Agreement, calculated over a period of forty-eight (48) consecutive business hours. The Commonwealth shall not pay any charges, either beforehand or retroactively, associated with the Contractor's requirement to achieve this performance level. If any Equipment does not meet the standard of performance during the initial forty-eight (48) consecutive business hours, then, at the Commonwealth's sole discretion, the acceptance period shall continue on a day-to-day basis until all Equipment concurrently meet the standard of performance for forty-eight (48) consecutive business hours.

Acceptance testing should begin promptly, however, should it be necessary, the Commonwealth may delay the start of the acceptance period, but such a delay shall not exceed thirty (30) consecutive days from the date of receipt of Equipment.

16. ACCEPTANCE

The Equipment shall be deemed accepted on the first day after successful completion of the acceptance period. Upon request, the Commonwealth shall provide written confirmation of acceptance. If the standard of performance has not been met after thirty (30) calendar days have elapsed from the start of the acceptance period, the Commonwealth may require a replacement to be provided or may avail itself of the remedies for breach.

17. ASSIGNMENT OF CONTRACT

To the fullest extent permitted by law, the parties agree that Contractor's rights under this Agreement shall not be assignable, in whole or in part, to any other party without the Commonwealth's written consent, and that any purported assignment or transfer without such consent shall be null and void. If any law limits the right of the parties to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be as follows. The Contractor shall give the purchasing office prompt written notice of the assignment, signed by authorized representatives of both the Contractor and the assignee. This written notice shall be on the Virginia Information Technologies Agency's (VITA's) "Assignment Notice / Payment Instruction" form and shall provide all information requested on that form. Copies of the form may be obtained from the Contracts Manager VITA. Upon VITA's acknowledgment of receipt of the properly executed form, the Assignee shall notify the using agency or agencies receiving the goods or services of the assignment and shall supply the using agency with a copy of the properly executed form. Any payments made prior to the using agency's receipt of such notification and form shall not be covered by this assignment.

In the event the Commonwealth receives any notice from a third party claiming to be an assignee of any rights of the Contractor under this Agreement, Contractor agrees that payment or other performance in respect of those rights shall not be due until at least thirty days after the Commonwealth's receipt of the notice required by the above paragraph or receipt of a similarly executed notice confirming the absence or revocation of the purported assignment. The Office of Acquisition Services of VITA shall promptly notify the Contractor of any assignment notice it receives.

18. MODIFICATIONS

This Contract may be modified in accordance with 2.2-4309 of the Code of Virginia. The representatives noted below may only make such modifications. No modifications to this Contract shall be effective unless it is in writing and signed by the duly authorized representative of both parties. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent to breach is in writing.

Any Contract issued on a firm fixed price basis may not be increased more than twenty five percent (25%) of $50,000.00 whichever is greater, without the approval of the Governor of the Commonwealth of Virginia or his authorized designee.

Authorized Representatives:

Commonwealth of Virginia:	Contractor:
Contracts Manager, VITA	Contracts Manager, Public Sector

19. TAXES

Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request, and can be obtained online at http://www.tax.state.va.us/. Deliveries against this Contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

20. USE OF BRAND NAMES

Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict offerors to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article that the public body, in its sole discretion, determines to be the equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The offeror is responsible to clearly specify and identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the Commonwealth to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified.

21. TRANSPORTATION AND PACKAGING

By submitting their offer, all offerors certify and warrant that the price offered for F.O.B. destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.

22. INSURANCE

By signing and submitting a proposal under this solicitation, the offeror or offeror certifies that if awarded the Contract, it will have the following insurance coverage at the time the Contract is awarded. For construction Contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the Code of Virginia. The offeror or offeror further certifies that the Contractor and any subcontractors will maintain this insurance coverage during the entire term of the Contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

INSURANCE COVERAGES AND LIMITS REQUIRED:

a. Worker's Compensation - Statutory requirements and benefits.

b. Employers Liability - $100,000.

c. Commercial General Liability - $500,000 combined single limit. Commercial General Liability is to include Premises/Operations Liability, Products and Completed Operations Coverage, and Independent Contractor's Liability. The Commonwealth of Virginia must be named as an additional insured when requiring a Contractor to obtain Commercial General Liability coverage.

23. ANNOUNCEMENT OF AWARD

Upon the award or the announcement of the decision to award a contract as a result of this solicitation, ASD will publicly post such notice on its website at http://asd.state.va.us/ for a minimum of ten (10) days. Additionally, a public posting of the award will be available on the eVA webpage at http://awards.dgs.state.va.us/Award-View.asp.

24. DRUG-FREE WORKPLACE

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, the employees of whom 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.

25. NONDISCRIMINATION OF CONTRACTORS

An offeror, or Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, or disability or against faith-based organizations. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

26. eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION

The eVA Internet electronic procurement solution, web site portal 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.

All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service, and complete the Ariba Commerce Services Network registration.

Vendors are strongly encouraged to register prior to submitting a bid or offer. Failure to register will result in the bid being found non-responsive and rejected. All vendors must register in both the eVA and the Ariba Commerce Services Network Vendor Registration Systems.

a. eVA Basic Vendor Registration Service: $25 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is $500 per order. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, and electronic bidding, as they become available.

b. eVA Premium Vendor Registration Service: $200 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is $500 per order. eVA Premium Vendor Registration Service 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.

Effective until July 1, 2003, the Commonwealth will direct AMS not to invoice for the 1% transaction fee for orders issued during the period July 1, 2002, through June 30, 2003, to allow additional time for vendors to become electronically enabled. AMS will continue to invoice for transaction fees accrued prior to July 1, 2002. To enable vendors to analyze the future impact of transaction fees, AMS will issue "no pay" invoices for transaction fees that would normally accrue during the period of July 1, 2002, through June 30, 2003. For contracts that extend beyond June 30, 2003, contractors may request price adjustments to incorporate the eVA transaction fee, as provided in the Price Escalation/De-escalation clause in the Terms and Conditions of the contract.

c. Ariba Commerce Services Network Registration. The Ariba Commerce Services Network (ACSN) 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.

27. eVA BUSINESS-TO-GOVERNMENT CONTRACTS

The eVA Internet electronic procurement solution, web site portal 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.

Failure to comply with the requirements in a. and b. below will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

a. 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. AMS is the Commonwealth's service provider to implement and host the eVA e-procurement solution.
B-22a

b. 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.

28. BREACH

The Contractor shall be deemed in breach of this Agreement if the Contractor (a) fails to make any Product or Service ready for acceptance testing by the specified delivery date; (b) repeatedly fails to respond to requests for maintenance or other required service within the time limits set forth in this Agreement; (c) fails to comply with any other term of this Agreement and fails to cure such noncompliance within ten days (or such greater period as is acceptable to the Commonwealth) following Contractor's receipt of a Show Cause Notice identifying such noncompliance; or (d) fails to provide a written response to the Commonwealth's Show Cause Notice within ten days after receiving same.

The Contractor shall not be in breach of this Agreement if its default was due to causes beyond the reasonable control of, and occurred without any fault or negligence on the part of, both the Contractor and its subcontractors. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Commonwealth in either its sovereign or Contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

In the event of breach, in addition to any other remedies provided by law, the Commonwealth may cancel its obligations with respect to any or all unaccepted Products or Services. All costs for de-installation and return of Products shall be borne by the

Contractor. In no event shall any failure by the Commonwealth to exercise any remedy available to it be construed as a waiver of or consent to any breach.

29. CONTRACTOR COMMITMENTS, WARRANTIES AND REPRESENTATIONS

Any commitment made by the Contractor within the scope of this Contract shall be binding upon Contractor. For the purposes of this Contract, a commitment by the Contractor includes:

a. Prices and options committed to remain in force over a specified period(s) of time;

b. Any written warranty or representation made by the Contractor in this solicitation as to hardware or software performance, or other physical design or functional characteristics of that which is offered.

30. DELIVERY DATE

The Contractor shall deliver the Products, and Software ready for testing, by the delivery date specified in any executed Attachment or Order referencing the Agreement, or within twenty-one (21) days After Receipt of the Order (ARO) if no date is specified. If delivery of all Products and Software is not completed within the time specified, the Commonwealth may cancel the Agreement or any individual Order without further obligation. The Commonwealth may postpone any delivery date by notifying the Contractor at least seven (7) days prior to the delivery date. However, the delivery date shall not be postponed more than a total of thirty (30) days.

31. RISK OF LOSS OR DAMAGE

The Contractor shall have the risk of loss or damage to all equipment until clear and unrestricted title to such equipment is transferred to the Commonwealth except to the extent that any loss or damage is due to the fault or negligence of the Commonwealth.

32. PRIME CONTRACTOR SPONSORED PRODUCT PROMOTIONS

The Prime Contractor, at his/her discretion, is allowed to sponsor product / Service promotions during the Contract term or any extensions thereof under the following conditions:

1) Prime Contractor is required to provide in writing to VITA, at least 5 days prior to the promotion, the dates of the promotion or the duration of the promotion to include the commencement date and the ending date; the acceptable writing may be e-mail, or correspondence via USPS or other, and
2) Prime Contractor is required to identify in writing, the exact products / services covered in the promotion, and

3) Prime Contractor is required to identify in writing, the pricing during the promotion or the percentage discount, and
4) All Prime Contractor Sponsored Product / Service Promotions are required to be available to all Authorized Users of the Contract, should the Prime Contractor request a promotion that would be limiting, either through product configuration or quantities of products, the Commonwealth at its discretion, will not provide a written agreement. Both parties agree that promotions shall not target any one Authorized User, or a few Authorized Users, and
5) All Prime Contractor sponsored Product / Service Promotions shall be mutually agreed to in writing, and Prime Contractor shall be in breach of the Agreement in the absence of a writing from both parties; the writing may be e-mail or correspondence via USPS or other, and
6) In any instance of conflict between this clause, "Prime Contractor Sponsored Product / Service Promotions" and the Agreement, this clause shall take precedence. And
7) In any event wherein the Prime Contractor proposes prices that are different than the Contract prices to any Authorized User, without first obtaining mutual agreement in the format as identified herein, the Prime Contractor shall be in breach of the Agreement and the Commonwealth shall have all remedies available under Contract and law. And
8) The Commonwealth, at its discretion, may assist in advertising the promotion. This assistance will consist of advertising space on its (Commonwealth's) various web sites, or other assistance at its (Commonwealth's) discretion.

33. EQUIPMENT CONDITION

All Equipment to be supplied by Contractor shall be new Equipment

34. AVAILABILITY OF EQUIPMENT AND SOFTWARE

The Contractor represents and warrants that all Products were formally announced for marketing purposes before execution of this Agreement or, in the case of subsequent Orders, before execution of such Orders.

35. PATENT/COPYRIGHT PROTECTION

Contractor, at its own expense, shall defend any suit brought against the Commonwealth for the infringement of patents, copyrights or trade secrets enforceable in the United States if the claim of infringement is alleged to relate to or arise from the Contractor's or Commonwealth's use of any equipment, software, materials or information prepared, developed or delivered in connection with performance of this Agreement. In such suit, Contractor shall indemnify the Commonwealth, its agents, officers and employees for any loss, liability or expense incurred as a result of such suit.

The purchasing agency shall notify the Contractor of such suit within a reasonable time after learning of it and shall give the Contractor the full right and opportunity to conduct

the defense of the suit, subject however to the requirements of Section 2.2-510 and Section 2.2-514 of the Code of Virginia or any successor statute. If principles of governmental or public law are involved, the Commonwealth may, at its option and expense, participate in the defense of the suit.

The Contractor shall not be required to indemnify the Commonwealth for liability arising solely out of the Commonwealth's own specifications or design or solely from the combination of equipment or software furnished hereunder with any equipment or software not supplied by the Contractor.

If, any Product or Service becomes, or in the Contractor's opinion, is likely to become, the subject of a claim of infringement, Contractor may, at its option, provide non-infringing substitutes that are satisfactory to the Commonwealth, or at Contractor's option and expense, may obtain the right for the Commonwealth to continue the use of such Product or Service.

If the use of such equipment or software by the Commonwealth is prevented by permanent injunction or by Contractor's failure to procure the right for the Commonwealth to continue using the software, the Contractor agrees to take back the infringing equipment, software, materials or information and refund the total amount the Commonwealth has paid Contractor under this Agreement, less one half (1/2%) percent of the total paid for each month of use by the Commonwealth. This obligation is in addition to the obligations cited in the first four subparagraphs above.

The Contractor will not be required to indemnify the Commonwealth for liability arising solely out of the Commonwealth's own specifications or design or solely from the combination of equipment or software furnished hereunder with any equipment or software not supplied by the Contractor, or for any settlement entered into by the State without the Contractor's prior written consent.

36. NON-APPROPRIATION

All funds for payment of equipment, software or services ordered under this Contract are subject to the availability of legislative appropriation for this purpose. In the event of non-appropriation of funds by the Legislature for the items under this Contract, the Commonwealth will terminate this Contract for those goods or services for which funds have not been appropriated. Written notice will be provided to the Contractor as soon as possible after legislative action is completed.

If any purchases are to be supported by federal funding, and such funding is not made available, the Commonwealth may terminate this Contract for goods or services dependent on such federal funds without further obligation.

37. HEADINGS NOT CONTROLLING

Headings used in this Contract are for reference purposes only and shall not be considered to be a substantive part of this Contract.

38. TITLE TO EQUIPMENT

Clear and unrestricted title to all equipment purchased under this Agreement shall pass to the Commonwealth upon payment of the purchase price.

39. PRICE PROTECTION/ADJUSTMENTS

The State will not pay any additional costs above those costs provided for in the Schedule identified herein. In no event may the amount of any Contract, without adequate consideration, be increased for any purpose.

Any price decrease effectuated during the Contract period by reason of market change shall be passed on to the Commonwealth of Virginia. This decrease will be effective on the date the price decrease is announced to the general public.

40. TERM

This Agreement shall take effect on the data of its final execution by both parties, and shall continue in full force for two (2) years, "initial Term". The Commonwealth at its sole discretion may extend this Agreement for three (3) additional one (1) year periods. The Commonwealth will issue a written notification to the Contractor stating the extension period, 30 days prior to the expiration of any current Term.

41. INVENTIONS AND COPYRIGHTS

The Contractor is prohibited from copyrighting any papers, reports, forms or other materials, and from obtaining any patent on any invention or other discovery resulting solely from its performance under the terms and conditions of this Contract.

42. CONTRACTUAL RECORDS

All Contractual books, records and other documents related to matters under this Contract shall be made available by Contractor to the State and its designated agents for a period of five (5) years after final payment for purposes of audit and examination.

Contractual records are hereby further defined as this Contract and all delivery/purchase orders, invoices or correspondence directly relating to this agreement.

43. LIMITATION OF LIABILITY

To the maximum extent permitted by applicable law, the Contractor will not be liable under this Contract for any indirect, incidental, special or consequential damages, or damages from loss of profits, revenue, data or use of the supplies, equipment and/or

services delivered under this Contract. This limitation of liability will not apply, however, to liability arising from: (a) personal injury or death; (b) defect or deficiency caused by willful misconduct or negligence on the part of the Contractor; or (c) circumstances where the Contract expressly provides a right to damages, indemnification or reimbursement.

44. SITE PREPARATION

a. Equipment environmental specifications, if required, for the equipment to be delivered under this Contract shall be furnished in writing by the Contractor upon award. These specifications shall be in such detail to ensure that the equipment to be installed shall operate efficiently from the point of view of environment.

b. The State shall prepare the site at its own expense and in accordance with the equipment environmental specifications provided by the Contractor.

45. SUPPLIES

Authorized charges do not include operational supplies (e.g. paper, tape, etc.) unless such supplies are specifically identified in the Schedule. All supplies used by the State shall conform to the Contractor's published specifications provided to State at time of equipment installation. The State reserves the right to acquire such supplies from any Contractor of its choice.

46. TERMINATION FOR CONVENIENCE

The Commonwealth may terminate this Contract in whole or in part, for Convenience at any time by submitting to the Contractor, a writing, sixty (60) days prior to the date of termination. The Commonwealth shall be obligated for all outstanding Orders, as per Contract, subsequent to this termination. The Commonwealth shall not be obligated for any other costs in the event of Termination for Convenience.

47. FAILURE TO DELIVER

In the event the Contractor fails for any reason to deliver in a timely manner or according to Contract terms the items set forth in the Schedule, the Commonwealth, at its own discretion, may give Contractor oral or written notice of such breach. Once notice by State is sent or given, State may immediately procure the items from another source. Once State has effected a purchase from an alternate source (in accordance with the Virginia Public Procurement Act) the parties agree that the State may charge-back Contractor, in which case Contractor agrees to reimburse State for any difference in cost between the original Contract price and the State's cost to cover from the alternate source. In no event shall State be held to pay Contractor any costs incurred by Contractor, including but not limited to ordering, marketing, manufacturing, or delivering the item(s) which are subject of the State's notice of breach. This remedy is in addition to and not in

lieu of any other remedy the Commonwealth may have under this agreement and the laws of the Commonwealth of Virginia.

48. CONTRACTUAL DISPUTES

In accordance with Section 2.2-4363 of the Code of Virginia, Contractual claims, 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 the Contractor'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. Tendency 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 the Contractor's written claim.

The Contractor may not invoke any available administrative procedure under Section 2.2-4365 of the Code of Virginia nor institute legal action prior to receipt of the purchasing agency's decision on the claim, unless that agency fails to render its decision within thirty (30) days. The decision of the purchasing agency shall be final and conclusive unless the Contractor, within six (6) months of the date of the final decision on the claim, invokes appropriate action under 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, the Contracts Manager, are executing this Agreement and any Orders issued hereunder, solely in its or their statutory and regulatory capacities as agent for the Commonwealth agency purchasing and receiving the goods or services identified in the Appendices to this Agreement or on the subsequent Order in question and need not be joined as a party to any dispute that may arise there under.

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

49. CREDITS

Any credits due the State under the terms of this Contract may be applied against Contractor's invoices with appropriate information attached.

50. TITLE (SOFTWARE/FIRMWARE)

The Contractor represents and warrants that it is the sole owner of the software/firmware product or, if not the owner, has received all proper authorizations from the owner to license the software/firmware product, and has the full right and power to grant the rights contained in this Contract. Contractor further warrants and represents that the

software/firmware product is of original development, and that the package and its use will not violate or infringe upon any patent, copyright, trade secret or other property right of any other person.

51. TERM OF LICENSE

All licenses granted under this Agreement are purchased on a non-exclusive, irrevocable perpetual license basis and shall commence upon the acceptance of the software Product by the Commonwealth. Notwithstanding the foregoing, the Commonwealth may terminate the license at anytime. All licenses granted to the Commonwealth are for the use of the software Product at the Commonwealth's computing facilities at the sites identified in any executed Attachment or Order referencing this Agreement. This license is perpetual and in no event shall Contractor's remedies for any breach of this Agreement include the right to terminate any license or support services hereunder.

52. CONTRACTOR'S WARRANTY POINT-OF-CONTACT

The Contractor shall provide the Commonwealth with designated points-of-contact and make arrangements to enable its Warranty representative to receive such notification or other continuous telephone coverage to permit the Commonwealth to make such contact.

53. WARRANTY AGAINST SHUTDOWN DEVICES

Contractor warrants that the Products provided under this Agreement shall not contain any lock, counter, CPU reference, virus, worm or other device capable of halting operations or erasing or altering data programs. Contractor further warrants that neither the Contractor, nor its agents, employees or subcontractors shall insert any such device after execution of this Agreement.

54. PERIODIC PROGRESS REPORTS/INVOICES

For Contracts requiring the submission of periodic Contract performance progress reports or program status reports, the offeror will include a section on involvement of small businesses and business owned by women and minorities. This section will specify the actual dollars Contracted to-date with such businesses, actual dollars expended to-date with such businesses and the total dollars planned to be contracted for with such businesses on this Contract. This information shall be provided separately for small businesses, minority-owned businesses and women-owned businesses.

If the Contract does not require the submission of periodic progress reports, the offeror will provide the above required information on actual involvement of small businesses and businesses owned by minorities and women as part of their periodic invoices.

55. FINAL ACTUAL INVOLVEMENT REPORT

The Contractor will submit, prior to completion or at completion of the Contract and subject to final payment, a report on the actual dollars spent with small businesses and businesses owned by women and minorities during the performance of the Contract. At a minimum, this report shall include for each firm Contracted with and for each business class (i.e. small, minority-owned, women-owned) the total actual dollars spent on this Contract, the planned involvement of the firm and business class as specified in the proposal, and the actual percent of the total estimated Contract value.

56. BUY OUTS – THIRD PARTY ACQUISITION

Contractor shall promptly notify the VITA Contracts Manager in the event that the intellectual property in or business associated with any Product or Service covered by this Agreement is acquired from the Contractor by a third party or in the event the Contractor or substantially all of its assets is acquired by a third party.

The terms and conditions of this Agreement including but not limited to the license rights and related services shall not be affected in such event identified above even if the successor or assignee already has an agreement with the Commonwealth covering products and services of the type covered by this Agreement. The Contractor's responsibilities under this Agreement shall not be released by such acquisition. In addition, prior to any acquisition, Contractor shall obtain for the Commonwealth's benefit the assignee's agreement to fully perform this Agreement.

The successor or assignee, by taking any benefit, including acceptance of payment, under this Agreement ratifies this Agreement.

The failure of any successor or assignee of the Contractor to acknowledge its obligation to adhere to the terms and conditions of this Agreement shall constitute a breach of this Agreement for which the successor or assignee and the original Contractor shall be liable and subject to debarment.

57. ORDERS

Authorized Users of this Contract may order Products and Software from this Contract by one of the following Order methods:

A. Purchase Order: An official Purchase Order form issued by an Authorized User.

B. Delivery Order (DO): A DO issued by the Office of Acquisition Services, VITA.

C. EVA: eVA is the Commonwealth's total e-procurement solution. Contractor shall accept any and all orders issued through eVA.

D. Charge/Credit Card:

1) Any order/payment transaction processed through the Commonwealth's contract with American Express (AMEX). Each order must not exceed $5,000, or the then current charge card limit. Payment will made by AMEX to Contractor within three (3) business days.

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

This ordering authority is limited to issuing orders for the Products/Software available under this Agreement. Under no circumstances shall any Authorized User of the Commonwealth have the authority to modify this Agreement.

Contractor acknowledges that the forgoing is not limited to preclude the Commonwealth from issuing Orders against subject Contract as it so chooses.

58 INVOICING

The Contractor shall remit each invoice to the ordering entity, or Authorized User. The Contractor shall issue invoices, identifying at a minimum, the components listed below.

a. manufacturer's product number
b. product description
c. price per unit
d. quantities of merchandise
e. extended price
f. date ordered
g. date delivered
h. listing of returns

59. COMMONWEALTH'S RIGHTS TO COMPUTER SOFTWARE

Notwithstanding anything to the contrary in this Agreement, the Commonwealth shall have:

a. Unlimited use of the Software Products on the machines for which it is acquired and on any replacement equipment;
b. Use of such Software Products with a backup system if the system(s) for which it was acquired is for any reason, inoperative or during an emergency, or the performance of engineering changes in features or model;
c. The right to use such Software Products at any Commonwealth installation to which the machine(s) may be transferred by the Commonwealth;
d. The right to copy such software for safekeeping or backup purposes;

e. The right to modify such Software Product or combine it with other programs or material at the Commonwealth's risk; and
f. The Commonwealth shall have the right to reproduce any and all physical documentation supplied under the terms of this Agreement, provided, however, that such reproduction shall be for the sole use of the Commonwealth and shall be subject to the same restrictions or use and disclosure as are contained elsewhere in this Agreement.

Nothing contained herein shall be construed to restrict or limit the Commonwealth's rights to use any technical data that the Commonwealth may already possess or acquire under proper authorization from other sources.

60. MAINTENANCE RENEWAL

Maintenance under this agreement shall be renewed at the option of the State. The State shall issue a written notification to the Contractor for each twelve (12) month period that maintenance services are required after the initial three (3) year warranty/maintenance period.

61. COMPLIANCE WITH FEDERAL LOBBYING ACT

a. Contractor shall not, in connection with this Agreement, engage in any activity prohibited by 31 U.S.C.A. Section 1352 (entitled "Limitation on use of appropriated funds to influence certain Federal Contracting and financial transactions") or by the regulations issued from time to time there under (together, the "Lobbying Act"), and shall promptly perform all obligations mandated by the Lobbying Act in connection with this Agreement, including, without limitation, obtaining and delivering to the Commonwealth all necessary certifications and disclosures.

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

c. A representative of Contractor shall sign the certification attached as Attachment "C" and deliver such certification to the Commonwealth simultaneously with the execution and delivery of this Agreement. Contractor shall have the certification signed by a representative with knowledge of the facts and shall fulfill the promises of undertakings set forth in the certification.

62. CONTRACTOR'S REPORT OF SALES

The Contractor shall provide reporting on a monthly basis that breaks out the spend amounts by Agency, Institution of Higher Education, Municipality and other Public Body, as well as the departmental and/or divisional levels that are buying. Reports shall

be provided on the 15th of each month, reporting transactions that took place in the immediately prior month. At any time thereafter, as appropriate, additional reports may be agreed upon.

All reports are expected to be forwarded electronically via Email using Microsoft Excel Spreadsheet format to a list of email addresses that will be provided later. The specific types of information expected to be captured in each report are detailed below and in the "Reporting Format" spreadsheet, an example of which is contained in Appendix "B" to this Agreement.

a. Spend by Agency, Institution of Higher, Public Body, etc. at 3 levels:
   - COV Agency/Institution/Municipality level (refer to "COV Level" worksheet)
   - System level (refer to "System Level" worksheet)
   - Component level (refer to "Component Level" worksheet)
b. A column where you indicate whether the line item was a Standard Configuration or a Off-spec purchase
c. For each component, index price, discount offered (according to discount schedule) and actual price charged
d. Invoice Payment speed in days by Agency, Institution of Higher Education, Public Body, etc. for calculation of early payment discounts, if applicable
e. An indication whether an item was ordered through eVA
f. Other information that is necessary to the state for the proper monitoring and tracking of spending and any rebates due

Electronic copies of reports are expected to be provided to the Commonwealth no later than 15 days following the end of each month. Late delivery or non-delivery of required reports may result in cancellation of the award and in preclusion from bidding on any future requirements.

You will be provided a listing of the proper name and spelling of each Agency and Institution of Higher Education and Public Body, to be used in your reporting.

63. SURCHARGE ADJUSTMENT

The Contractor must pay the Department of General Services (DGS), a Surcharge Adjustment (SCA) fee under this contract. The Contractor must remit the SCA within 30 days after the end of each quarterly reporting period as established in the clause entitled "Contractor's Report of Sales". The SCA equals two percent (2%) of the total quarterly sales reported. Contractor shall remit the SCA together with a copy of the Contractor's Report of Sales as delineated in the paragraph herein entitled "Contractor's Report of Sales". The SCA reimburses the Commonwealth and defrays the costs for Spend Management procurements and the administration of the subsequent awards. The SCA amount due must be paid by check with identification of "Contract number", "report amounts", and "report period", on either the check stub or other remittance material. DGS may at its discretion, agree to an electronic funds transfer, in lieu of a check,

however in the absence of an express written agreement from DGS that validates agreement, then the payment shall be made by check as described herein made payable to the Department of General Services.

If the full amount of the SCA is not paid within 30 calendar days after the end of the applicable reporting period, it shall constitute a Contract debt to the Commonwealth of Virginia, and the State may exercise all rights and remedies available under law. Failure to submit sales reports, falsification of sales reports, and or failure to pay the SCA in a timely manner may result in termination or cancellation of this Contract. Willful failure or refusal to furnish the required reports, falsification of sales reports, or failure to make timely payment of the SCA constitutes sufficient cause for terminating this Contract for default.

It is the intent of the Commonwealth to capture 2% of all sales, including but not limited to temporary reduced pricing, fire sales, one time sales, trade ins, and promotional items that have been marked down under this Contract.

64. NONVISUAL ACCESS TO TECHNOLOGY:

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 non-visual 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 non-visual means;

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

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

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

Compliance with the foregoing non-visual 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 non-visual access because the essential elements of the Technology are visual and (ii) non-visual equivalence is not available.

Installation of hardware, software, or peripheral devices used for non-visual 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 non-visual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing non-visual 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.

65. CONTINGENT FEE WARRANTY

The Contractor represents and warrants that the Contractor has not employed or retained any company or person, except Contractor's regular, full-time employees, for the purpose of soliciting or securing this Agreement and has not given or agreed to give anything of value to any such company or person contingent upon the award or making of this Agreement. If either or both of the foregoing representations is untrue, the Commonwealth shall have the right to terminate this Agreement without liability or, in its discretion, recover from the Contractor the full amount of any such contingent compensation.

66. PRIME CONTRACTOR RESPONSIBILITY

If the Contractor's proposal includes any goods or services to be supplied by another party, the Contractor agrees as follows:

a. The Contractor shall act as prime contractor for the procurement and maintenance of the entire proposed configuration and shall be the sole point of contact with regard to all obligations under this Agreement.
b. The Contractor hereby represents and warrants that the Contractor has made such other party aware of the proposed use and disposition of the other party's Product or services, and that such other party has agreed in writing that it has no objection thereto.

67. THIRD PARTY BILLING

All goods or services provided under this Contract, that are to be paid for with public funds, shall be billed by the Contractor at the contract price, regardless of which public agency is being billed.

68. OPERATIONAL RESTRICTIONS

Contractor warrants that, except as specifically agreed in writing all Products may be operated at any time for the convenience of the Commonwealth (exclusive of time required for preventive maintenance, remedial maintenance and approved engineering

changes). Without limiting the foregoing, Contractor warrants that there are no restrictions as to consecutive hours or length of personnel shifts. The Commonwealth may make the Products available to any Commonwealth agency or any other users under conditions where the Commonwealth supervises such use.

69. TYPE CONTRACT

This is an Indefinite Delivery, Indefinite Quantity requirements Master Contract.

70. INSPECTION/LATENT DEFECTS

All Equipment is subject to inspection and test. Equipment that does not meet specifications may be rejected. Failure to reject, however, does not relieve the Contractor of liability for latent or hidden defects subsequently revealed when goods are used after acceptance has occurred. If latent defects are found at any time during the term of this Agreement, the Contractor shall repair or replace the defective goods. This remedy shall be in addition to any other remedies or obligations under this Agreement or provided by law.

71. DELIVERY DATE

The Contractor shall deliver the Equipment, ready for testing, by the delivery date specified in any executed Attachment or Order referencing the Agreement. If delivery of all Equipment is not completed within thirty (30) days after receipt of order by the vendor, the Commonwealth may, at their sole discretion, cancel the Agreement without further obligation. The Commonwealth may postpone any delivery date by notifying the Contractor at least seven (7) days prior to the delivery date. However, the delivery date shall not be postponed more than a total of thirty (30) days.

72. RECORDS

The Commonwealth shall maintain appropriate daily records documenting performance during the acceptance period and such records shall be conclusive for purposes of determining acceptance.

73. WARRANTY

In this Agreement "Warranty" of Equipment shall mean: (1) all labor, parts and travel necessary to keep the Equipment in good operating condition and preserve its operating efficiency in accordance with its technical specifications; and (2) Any necessary shipment and insurance costs; and (3) Any Software and Firmware maintenance costs.

Warranty of Equipment shall not include electrical work external to the Equipment, the furnishing of supplies, or adding or removing accessories, attachments, or other devices not provided under this Agreement. Warranty of Equipment also shall not include repair of damage resulting from transportation by the Commonwealth between

Commonwealth sites or from accident, unless the accident is caused by negligent or intentional acts or omissions of Contractor or its agents.

The Warranty prices listed in this Agreement include Equipment costs of labor, parts, travel, factory overhaul, rehabilitation, transportation and substitute Equipment as necessary. If it is necessary to remove any Equipment from a Commonwealth location where On-site warranty is specified, the Contractor shall provide substitute Equipment at the time of removal. Substitute Equipment shall be comparable to the Equipment removed. In instances where it is necessary for the Contractor to return the Equipment to the factory, the Contractor shall be responsible for all costs of the Equipment from the time it leaves the Commonwealth site until it is returned to the Commonwealth site in good operating condition. Only new standard parts or parts equal in performance to new parts shall be used in effecting repairs. Parts that have been replaced shall become the property of the Contractor. Replacement parts installed shall become the property of the Commonwealth.

All desktops, notebooks, and servers delivered under this Agreement shall include a three (3) year On-site Warranty that commences after Equipment Acceptance, except as otherwise agreed upon as apart of an upgrade option or downgrade option on the original purchase of the product.

As part of call flow, Contractors Support Centers utilize "Diagnose Before Dispatch" procedures to isolate and resolve hardware and software problems. During the initial call, Contractor specialists will isolate the problem to a level where it is determined the problem is hardware, firmware, or software related. If the problem is determined to be software or firmware, the specialist will offer patches or revisions if they are made available from the original manufacturer. If the solution is not immediately available, the specialist will offer the end-user direction in order to receive a solution; sometimes including a warm transfer to the Original Manufacturer.

74. COMMONWEALTH'S RESPONSIBILITIES DURING WARRANTY

a. During any term of Warranty, Commonwealth personnel shall not perform or attempt repairs to the Equipment except as authorized in writing by the Contractor.
b. The Commonwealth shall permit access to the Equipment which is to be maintained, subject to the installation site's security regulations,
c. The Commonwealth may provide storage space for spare parts and working space, including heat, light, ventilation, electric current and outlets, and telephones (for local calls only) for the use of maintenance personnel.
d. The Commonwealth shall maintain the site in accordance with the equipment environmental specifications furnished by the Contractor.

75. PRINCIPAL PERIOD OF MAINTENANCE (WARRANTY)

For standard on-site warranty response, the Principal Period of Maintenance (PPM), for desktops, notebooks and servers shall be from 8:00 a.m. to 5:00 p.m., Monday through Friday, excluding State/Institutions of Education holidays. Warranties with longer PPMs may be purchased. Please note that holidays may vary across individual Institutions of Higher Education.

76. RESPONSE TIME

During the PPM, the Contractor shall respond by telephone within two (2) hours after notification from the Commonwealth of a problem for desktops, notebooks and servers. The Contractor shall make all repairs with a Next Business Day response on a best effort basis. Warranty options with shorter response times may be purchased.

77. EQUIPMENT REPLACEMENT DURING WARRANTY

If the Equipment provided fails to perform in accordance with technical specifications and functional descriptions contained or referenced in this Agreement and is subject to warranty response three (3) or more times during any ninety (90) day period, then the Contractor shall, upon the Commonwealth's request, replace the Equipment at no cost to the Commonwealth. The replacement Equipment shall be delivered no later than fifteen (15) working days after the Commonwealth's request is received by the Contractor.

78. DISPOSITION OF SOFTWARE

Unless otherwise instructed by the Contractor, the State shall erase, destroy or otherwise render unusable the Software Product within thirty (30) days from the date of the Commonwealth's termination of the license. A letter certifying this destruction shall be sent to the Contractor as soon as this process is completed. The Commonwealth shall have the right to retain one copy for archival purposes.

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

HEWLETT-PACKARD COMPANY	COMMONWEALTH OF VIRGINIA
BY:	BY:
NAME: RON SMITH	NAME: Joe A. Parr
TITLE: MGR, PUBLIC SECTOR CONTRACTS	TITLE: Tech Contracts Mgr
DATE: 8/5/03	DATE: 8/8/03

ATTACHMENT "A"
TO
AGREEMENT VA - 030801 – HP

PRODUCT PRICING

Attachment "A" is hereby incorporated into and made an integral part of Agreement Number VA - 030801 – HP between Hewlett-Packard Company and the Commonwealth of Virginia. In the event of any consistency between this Attachment "A" and Agreement VA- 030801 - HP, the provisions of Agreement VA- 030801 - HP shall Control

PRODUCTS AND PRICING

Desktop, notebook and server products and associated pricing/discounts are delineated in Tables 1, 2, 3, 4, and 5 to this Attachment "A". Tables 1, 2, 3, 4, and 5 are incorporated herein and made an integral part of this Attachment "A" to the Agreement.

Standard Configuration Pricing Applicability

Category	Expectations
Future Configs Pricing	The % discount off index for each of the standard configs will be applicable to all future standard configurations that replace current ones, as was stipulated in the Section III.C of the RFP
Pricing Involving Options	If an option in the options list associated with each config is purchased (this could refer to substitution, addition or deletion of a component), the price of the resulting machine will be: ▪ Discounted Price of Standard config components + Discounted Price of option components
	If an option that is NOT in the options list associated with each config is purchased (this could refer to substitution, addition or deletion of a component), the price of the resulting machine will be: ▪ Discounted Price of Standard Config components + (Index Price of Option component x (1 – Off-spec Discount for Option component))
Pricing Involving Component Removal from Standard Configs	If one or more Components within a standard config is removed, the resulting machine will be: ▪ Discounted Price of Standard Config components – Sum of Discounted Prices of Components removed ▪
Future Options Pricing	Future option Components that replace current ones will be priced at the same discounts off index as the current ones
Date used for Discounted Price Calculation	The date of index pricing with respect to which discounts will be applied to arrive at discounted price will be the order date, NOT quote date

VIRGINIA PUBLIC SCHOOL TEACHER PURCHASE PROGRAM

All public school teachers' purchases are subject to the following provisions:

a. Public school teachers may purchase Personal Computers (PCs) from this Agreement. All public school teachers' purchases shall be in compliance with the procedures set forth herein.
b. In no instance shall the Commonwealth be responsible for any debts incurred by public school teachers or any debts incurred by their actions.
c. All public school teacher purchases are limited to the Products identified on the Agreement, at the prices identified on the Agreement.
d. The Contractor shall only sell Products to public school teachers who have executed the separate sales agreement as identified as Attachment D, to this Agreement.
e. The Contractor shall only sell Products to public school teachers who have completed a "Public School Teacher Certification Form" on line and obtained an Authorization Number from the Commonwealth.
f. The Contractor is responsible for verifying the Authorization Number, on-line, prior to the sale.
g. The Contractor shall identify to the Commonwealth, its (the Contractor's) web site that the teachers can be forwarded to, or hyperlinked to, to order on-line.
h. In no instance shall the Commonwealth be obligated or otherwise responsible in any way for the Contractor being remiss in not obtaining an executed sales agreement as identified in Attachment D, to this Agreement, and verification of an Authorization Number from the Commonwealth.
i. Attachment D to this Agreement is attached hereto and is hereby incorporated herein and made an integral component of the Agreement.
j. In any occurrence whereby the Contractor has identified "a prime Contractor sponsored promotion" under the Agreement, it is at the sole discretion of the Contractor to provide the same promotion to public school teachers.
k. The Contractor shall include a separate category entitled "Public School Teacher purchases" in all of its SCA reporting.

SHIP TO BILL TO ADDRESSES

The shipping and billing addresses will be included on individual orders referencing this Contract

DELIVERY

Shipment by the Contractor shall be FOB destination. Shipping charges will be included in the discounted price of the units. No additional charges will be allowed. Units will be pre-assembled, with the exception of attaching peripheral devices. All internal cards, modems, etc. will be installed, along with appropriate drivers. Delivery will not exceed 21 days ARO. Contractor will notify the ordering Agency within 5 days if all or part of the order will not meet the delivery requirement. The ordering Authorized User, at its

option, may elect to establish a new delivery date, or amend or cancel the order. Emergency/rush delivery requiring special shipping and handling will be at Authorized Users' expense (with prior approval only). Rush delivery that occurs as a result of the Contractor's error will be free of charge

RETURN OF SYSTEM

If a system is returned to a Contractor for failure of performance, the Contractor will, at the Authorized User's discretion, refund all amounts paid to the Contractor for such system or replace the system, and the following shall apply:

1. Within twenty (20) days of written notification by the using Authorized User, the Contractor will make arrangements for the return of the system.
2. All shipping and insurance costs will be borne by the Contractor.
3. Contractor will be liable for damages to the system, unless caused by fault or negligence of the Authorized User that occur during the return process.
4. If the system is returned to the Contractor for any other reason within thirty (30) days of receipt of the system, then the Authorized User will be responsible for all costs associated with the preparation of the system for shipping, and for shipping costs to the Contractor's nearest service location.

SELF-MAINTAINER PROGRAM

The Contractor's Self-Maintainer program is delineated in the HP Self-Maintainer for Computer & Peripheral Products Program Information Guide, pages 1 through 3 which is attached hereto and is incorporated herein to this Attachment "A" to the Agreement. The Contractor agrees to the following reimbursement rates:

Self Maintainer Reimbursement Rate - Basic Level

If the product has a NBD warranty - $75.00
If the product has a 2ND Business Day warranty - $60.00
If it is an end user replaceable part (i.e. Keyboard) - $41.00
If it is a Monitor - $30.00

The Contractor may revise its program and pricing thereof at any time at its sole discretion without prior notification to the Commonwealth.

TECHNOLOGY REFRESH

Both parties recognize that the marketplace changes with the continuing advance and progress of technology. It is the intent of both parties to review and assess the viability of the technology on a quarterly basis. Therefore, for the purposes of this Contract, in any instance whereby the Contractor requests a change in configurations, options, revisions, and/or updates, the Contractor will provide those in writing to the Commonwealth. Upon

receipt of those changes by the Commonwealth, and acceptance, a written modification to the Contract shall be executed by both parties.

VITA POINTS OF CONTACT

Contract Compliance Information:

Mrs. T. J. Hudson, CPPB, VCO
Contracts Administrator
Phone: 804-371-5971
E-Mail: tj.hudson@vita.virginia.gov
Fax: 804-371-5969

Contract Management:

Joe A. Parr, CPPO, VCO
Contract officer
Phone: 804-371-5991
E-Mail: joe.parr@vita.virginia.gov
Fax: 804-371-5969

HP POINTS OF CONTACT

Sales and Technical Information:

John Hagerty
Senior Account Manager
Hewlett-Packard Company
2838 Woodbridge Crossing Court
Midlothain, VA 23112
Phone: 804-763-4078
E-Mail: john.haggerty@hp.com
Fax : 804-968-5601

State and Local Government
Phone: 888-202-4682
K12 Education
Phone: 800-888-3224
Higher Education
Phone: 877-480-4433

Technical Support

Phone: 800-OK-COMPAQ

Contract Management

Stacey Wohleber
Consultant Negotiator
Phone: 256-539-6339
Fax: 281-926-1047
E-Mail: stacey.wohleber@hp.com
20555 SH 249

MS: CCM0301-040
ATTN: Virginia Public Sector Contracts
Houston, TX 77070

Ordering Information:

Ordering Fax:
800-825-2329

Mail orders to:
HP Direct
C10GM
10810 Farnam Drive
Omaha, NE 68154

ATTACHMENT "C"
TO
RFP # 2003-040
THE VIRGINIA INFORMATION TECHNOLOGIES AGENCY

CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

Signature: Ron Smith

Printed Name: RON SMITH

Organization: MGR. PUBLIC SECTOR CONTRACTS HEWLETT-PACKARD

Date: 8/5/03

HP Self-Maintainer
for Computer & Peripheral Products

Program Information

Overview

HP's Self-Maintainer Program is intended for end-user customers purchasing at least $250,000 annually in eligible HP Products who have specific requirements to service the HP products that they own and operate. Customers who do not meet the minimum purchase volume requirement should develop a relationship with a local HP Service Delivery Partner.

Benefits

Parts-Only Tier - HP will provide free replacement parts under factory warranty only. No labor reimbursements.

Parts-and-Labor Tier- HP will provide free replacement parts under factory warranty and labor reimbursement.

Minimum Requirements:

Parts-Only Tier:

- Must meet annual product purchase volume requirement of $ 250,000 in eligible HP products.
  Note:
  Parts-Only Tier minimum product purchase volume requirement of $250,000 do not apply to the following customers:
  1. State/Local/Federal Government Agencies
  2. Non-profit organizations
  3. Education sector

  However, above-mentioned customers must meet the minimum product purchase volume requirement of $ 1 Million to qualify for Parts-and-Labor Tier.
- Must own or lease the equipment being serviced. The equipment must be located at the customer site.
- $ 200 Annual Fee (does not include optional Tool kit)
  Notes:
  Annual Fee do not apply to the following customers
  1. State/Local/Federal Government Agencies
  2. Non-profit organizations
  3. Education sector

  Toolkit that includes tools and information kit is optional. Self-Maintainers may order the following for a fee.

Technician's Basic Tool Box (Quickfind)	US $399.00
Quick Reference Guide	US $ 39.00

- $ 5,000 credit requirement (line of credit)
- Must have an existing service department staffed with employees of the end-user customer
- Must have a certified technician on HP Evo and/or HP Proliant Products
  Note: This initial requirement applies only if end-user customer owns and operates such products and has plans to perform hardware repair service on such products. Service qualification requirement on other HP Products will follow after the Self-Maintainer Agreement is signed)
- Must maintain a designated service contact known to HP at all times

Parts-and-Labor Tier:

- Must meet annual product purchase volume requirement of $ 1 Million in eligible HP products.
  Note:
  The following customers must meet the minimum product purchase volume requirement of $ 1 Million to qualify for Parts-and-Labor Tier:
  1. State/Local/Federal Government Agencies
  2. Non-profit organizations
  3. Education sector
- Must own or lease the equipment being serviced. The equipment must be located at the customer site.
- $ 200 Annual Fee (does not include Tool kit)
  Notes:
  Annual Fee do not apply to the following customers
  1. State/Local/Federal Government Agencies
  2. Non-profit organizations
  3. Education sector

  Toolkit that includes tools and information kit is optional. Self-Maintainers may order the following for a fee.

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Quick Reference Guide	US $ 39.00

- $ 5,000 credit requirement (line of credit)
- Must have an existing service department staffed with employees of the end-user customer
- Must have a certified technician on HP Evo and/or Proliant Products
  Note: This initial requirement applies only if end-user customer owns and operates such products and plans to perform hardware repair service on such products. Service qualification requirement on other HP Products will follow after the Self-Maintainer Agreement is signed)
- Must maintain a designated service contact known to HP at all times

Eligible Products:

- Commercial desktops
- Commercial notebooks with specialization
- Intel servers
- LaserJet printers
- Selected DeskJet printers
- Selected storage products
- DesignJet plotters

Toolkit:

Toolkit is optional and may be ordered by Self-Maintainers for a fee.

Technician's Basic Tool Box (Quickfind)	US $399.00
Quick Reference Guide	US $ 39.00

What is included in the Toolkit?

- Service Advisories and Bulletins for pre-merger Compaq products

  Service Advisories contain latest service-related information regarding administrative procedures, products, programs, special offers and non-critical technical information. Service Bulletins are published whenever there is a need to communicate critical service information

- New Product Announcement Kits for pre-merger Compaq products

  Product Announcement Kits contain literature about newly announced HP Products. Included is information on configurations, applications, pricing and purchasing channels. The kits provide the latest information on cutting edge technology produced by HP.

- Service Reference Guide for pre-merger Compaq products

The Quick Reference Guide (QRG) is a pocket-sized guide that includes information on all HP computers. It includes information on board switches, jumper settings, system ROM revisions and locations, frequently used part numbers and memory upgrade charts

- Service Welcome Kit for pre-merger Compaq products

- Quick Find CD-ROM for pre-merger Compaq products

HP offers the latest hardware documentation and diagnostics information that includes:

- Hardware Maintenance Manuals
- Illustrated Parts Breakdowns
- Service Advisories and Bulletins
- Revision Matrices
- Diagnostics Listings

The CD-ROM is updated once a month and delivered to subscribing Self-Maintainer. Weekly updates are available via modem. The update process is explained in the Quick Find guide.

How to order Toolkit?

1. Go to HP Channel Services Network at http://www.hp.com/partners/csn
2. Enter site by using your assigned HP CSN Username and password
3. Under Compaq section, select "support tools and information"
4. Select "technicians toolbox"
5. Enter the quantities for Quick Reference Guide and Technicians Toolbox Basic Toolkit
6. Select "Order Now"

Table 1
Attachment "A"
Contract VA-030801-HP

H-P Desktops
Configuration 1

	Cfg. Req.	H-P response
Network Optimized	Business Network Grade	EVO D310V
Processor:	Intel® Celeron®	Intel Celeron
Chassis	Tower	Tower
CPU Speed:	1.80GHz	1.80 Ghz
Cache:	128K	128K
Memory:	256MB DDR Non-ECC	256 mb, 1 DIMM
Keyboard:	PS/2 Keyboard, No Hot	PS2 Keyboard
Monitors:	17 inch CRT color monitor (16.0 viewable)	S7500 17" color monitor
Video Board:	Integrated Video	Integrated Intel
Boot Hard Drive:	20GB EIDE 7200RPM	40 Gb hard drive,
Floppy Drive:	1.44MB 3.5 Inch Floppy	Floppy
Operating System:	Windows® XP Professional Version with CD	Windows XP Profesional
Mouse:	PS/2 2 button mouse	PS2 mouse
Network Adapters (NICs):	10/100 Ethernet	10/100 Ethernet
1st Removable Media	CD-ROM	CD-ROM
1st Removable Speed	24x	48X
I/O Ports	Min of 4, with 2 in front on remainder in the back	6 USB + standard legacy
PCI Slots	Min of 1 open	Min 1 open
Audio Solutions:	Embedded Sound Blaster Compatible	Sound Blaster Compat.
Speakers:	Internal or External Audio	Integrated Audio
Documentation:	Resource CD contains Diagnostics and Driver	CD resource coc.
Energy Star Label:	Energy Star Label	Energy Star
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 years part, labor, next bus. Day

OEM	H-P
Model	Evo D310V
Reference	NEP Pricing
Discount	15.0%

Table 1-1

Table 1 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Desktops
Configuration 2

	Cfg Req	H-P response
Network Optimized	Business Network Grade	EVO D510
Processor:	Pentium® 4 Processor	Pentium 4 Processor
Chassis	Tower	Tower
CPU Speed:	2.20GHz, 533FSB	2.4 Ghz
Cache:	256K	256K
Memory:	256MB DDR Non-ECC SDRAM, 1	256 Mb,1 DIMM
Keyboard:	PS/2 Keyboard, No Hot Keys	PS/2 Keyboard
Monitors:	17 inch CRT color monitor (16.0 viewable)	S7500 17" color monitor
Video Board:	Integrated Video	Integrated Intel Video
Boot Hard Drive:	40GB EIDE 7200RPM	40 Gb 7200 RPM
Floppy Drive:	1.44MB 3.5 Inch Floppy Drive	Floppy
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Mouse:	PS/2 2-Button Mouse	PS/2 mouse
Network Adapters (NICs):	10/100 Ethernet	10/100 Ethernet
1st Removable Media	CD-ROM	CD-ROM
1st Removable Speed	24x	48X
I/O Ports	Min of 4, with 2 in front on remainder in the back	6 USB + standard legacy
PCI Slots	Min of 1 open	Min 1 open
Audio Solutions:	Embedded Sound Blaster Compatible	Sound Blaster compat.
Speakers:	Internal or External Audio Speaker	Integrated Audie
Documentation:	Resources CD contains Diagnostics and Driver	CD resource doc.
Energy Star Label:	Energy Star Label	Energy Star
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 year parts, labor, next bus day onsite

OEM	H-P
Model	Evo D510c
Reference	NEP Pricing
Discount	23.0%

Table 1-2

Table 1 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Desktops
Configuration 3

	Cfg Req	H-P response
Network Optimized	Business Network Grade	EVO D510
Processor:	Pentium® 4 Processor	Pentium 4 Processor
Chassis	Tower	Tower
CPU Speed:	2.53GHz, 533FSB	2.53 GHz
Cache:	512K Cache	512K
Memory:	512MB DDR Non-ECC SDRAM, 1	512 Mb, 1 DIMM
Keyboard:	PS/2 Keyboard, No Hot Keys	PS/2 Keyboard
Monitors:	17 inch CRT color monitor (16.0 viewable)	S7500 17" color monitor
Video Board:	Integrated Video	Integrated Intel Video
Boot Hard Drive:	80GB EIDE 7200RPM	80Gb 7200 RPM
Floppy Drive:	1.44MB 3.5 Inch Floppy Drive	Floppy
Operating System:	Windows® XP Professional Version with CD	Windows XP Professsional
Mouse:	PS/2 2-Button Mouse	PS/2 mouse
Network Adapters (NICs):	10/100 Ethernet	10/100 Ethernet
1st Removable Media	CD-RW	CD-RW
1st Removable Speed	24x	48X
I/O Ports	Min of 4, with 2 in front on remainder in the back	6 USB + standard legacy
PCI Slots	Min of 1 open	Min 1 open
Audio Solutions:	Embedded Sound Blaster Compatible	Sound Blaster compat.
Speakers:	Internal or External Audio Speaker	Integrated Audio
Documentation:	Resources CD contains Diagnostics and Driver	CD Resource doc.
Energy Star Label:	Energy Star Label	Energy Star
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yr parts, labor , next bus day on-site

OEM	H-P
Model	Evo D510c
Reference	NEP Pricing
Discount	23.0%

Table 1-3

Table 1 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Desktop Options

	cfg 1	cfg 2	cfg 3
Discount	**13.50%**	**13.50%**	**13.50%**

Upgrade/Downgrade Options

Change to Requirements Shown Above
Upgrade to Pentium Processor *(Specify Below)*
Specify Here
Upgrade 1 Processor Speed *(Specify Below)*
Specify Here
Change to Small Form Factor
Change to Desktop
No Monitor Option
Upgrade to 19" CRT Monitor
Upgrade to 21" CRT Monitor
Upgrade to 15" LCD Monitor
Upgrade to 17" LCD Monitor
Additional 128MB RAM
Additional 256MB RAM
Additional 512MB RAM
Add 56K Modem
Replace mouse with MS Intellimouse
Upgrade to 30GB Hard Drive
Upgrade to 40GB Hard Drive
Upgrade to 80GB Hard Drive
Change from Windows XP to Windows 2000
Upgrade to CDRW Drive
Upgrade to DVD Drive
Upgrade to DVD/CDRW Drive
Add separate 32MB Graphics Accelerator Card
Add separate 64MB Graphics Accelerator Card
Upgrade to 10/100/1000 Card
Upgrade to External Speakers
Add UPS
Upgrade Warranty 4hr Response Time, M-F 8am-6pm
Reduce warranty to 1 year
Reduce warranty to 2 years
Extend warranty to 4 years
Extend warranty to 5 years

Table 2
Attachment "A'
Contract VA-030801-HP

H-P Notebooks
Configuration 1

	Cfg Req	H-P Response
Laptop Type	Business Grade, Network Optimized	N1020V
Processor	Mobile Celeron™ Processor	Celeron Processor
CPU Speed	1.60GHz	1.60 Ghz
Cache	256K	512K
Memory:	256MB SDRAM, 1 DIMMS	256 mb
Hard Drive:	20GB Hard Drive, 5400 RPM	20Gb, 5400 RPM
Dedicated Video Memory	None	N/A
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Modem:	Internal 56K Modem	56K Modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	None	N/A
Floppy Disk Drive (Yes/No,	Yes, Modular or Fixed	Floppy - modular
Fixed Optical Device Options :	CD-ROM Drive	CD-ROM
Fixed Optical Device Speed	24X	24X
Display:	14.1in XGA Display	14.1 TFT Display & XGA
Battery Type	Lithium-Ion	Lithium-Ion
Minimum Battery Life	3hrs	3 hrs
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yrs parts, onsite, next bus day
Carrying Case	No Carrying Case	N/A
Weight in lbs		5.82 lbs
Other		N/A

OEM	H-P
Model	Evo N1020V
Reference	NEP Pricing
Discount	12.0%

Table 2-1

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Notebooks
Configuration 2

	Cfg Req	H-P response
Laptop Type	Business Grade, Network Optimized	N800C
Processor	Mobile Pentium® 4 Processor M	Pentium 4 Processor
CPU Speed	2.0GHz-M	2.0 Ghz
Cache	256K	512K
Memory:	256MB DDR SDRAM, 1 DIMMS	256 Mb
Hard Drive:	20GB Hard Drive, 5400 RPM	30 Gb hard drive, 5400 RPM
Dedicated Video Memory	None	N/A
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Modem:	Internal 56K Modem	56K modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	None	N/A
Floppy Disk Drive (Yes/No,	Yes, Modular or Fixed	Yes, modular
Fixed Optical Device Options	CD-ROM Drive	DVD-ROM
Fixed Optical Device Speed	24X	8X DVD
Display:	14.1in XGA Display	15" TFT discplay & XGA
Battery Type	Lithium-Ion	Lithium-Ion
Minimum Battery Life	3hrs	4 hours
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 years parts, labor, next bus day on-site
Carrying Case	No Carrying Case	N/A
Weight in lbs		5.82 lbs
Other		N/A

OEM	H-P
Model	Evo N800c
Reference	NEP Pricing
	19.0%

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Notebooks
Configuration 3

	Cfg Req	H-P response
Laptop Type	Business Grade, Network Optimized	N800C
Processor	Mobile Pentium® 4 Processor M	Pentium 4 processor
CPU Speed	2.2GHz-M	2.2 Ghz
Cache	512K	512K
Memory:	512MB, SDRAM, 1 DIMMS	512 Mb
Hard Drive:	30GB Hard Drive, 5400 RPM	60 Gb drive, 5400 RPM
Dedicated Video Memory	None	N/A
Operating System:	Windows® XP Professional Version with CD	Windows XP Professsional
Modem:	Internal 56K Modem	56K modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	None	N/A
Floppy Disk Drive (Yes/No, fixed/modular etc.)	Yes, Modular or Fixed	Yes, modular
Fixed Optical Device Options :	CD-RW Drive	DVD/CD/RW
Fixed Optical Device Speed	24X	8X DVD/CD/RW
Display:	15.0in XGA Display	15" TFT display & XGA
Battery Type	Lithium-Ion	Lithium-Ion
Minimum Battery Life	3hrs	4 hours
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yrs parts, labor, next bus day on-site
Carrying Case	No Carrying Case	N/A
Weight in lbs		5.82 lbs
Other		N/A

OEM	H-P
Model	Evo N800c
Reference	NEP Pricing
Discount	21.0%

Table 2-3

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Notebooks
Configuration 4

	Cfg Req	H-P response
Laptop Type	Business Grade, Network Optimized	N620C
CPU Speed	1.4 GHz	1.4Ghz
Cache	1MB	1Mb
Memory:	512MB, SDRAM, 1 DIMMS	1 Gb
Hard Drive:	30GB Hard Drive, 5400 RPM	40Gb, 5400 RPM
Dedicated Video Memory	None	None
Operating System:	Windows® XP Professional Version with CD	Windows XP Professional
Modem:	Internal 56K Modem	56K modem
Network Card	10/100 Ethernet Connector	10/100 Ethernet
Wireless Communications	Integrated 802.11b Wireless	802.11 b wireless
Floppy Disk Drive (Yes/No, fixed/modular etc.)	Yes, Modular or Fixed	Yes, modular
Fixed Optical Device Options :	CD-RW Drive	24X DVD/CDRW
Fixed Optical Device Speed	24X	24X
Display:	14.0in XGA Display	14 inch display & XGA
Battery Type	Lithium-Ion	Lithium-ion
Minimum Battery Life	3hrs	4 hours
Warranty	3Yr Parts + Onsite Labor (Next Business Day)	3 yrs, parts, labor, NBD
Carrying Case	No Carrying Case	NA
Weight in lbs		5.82 lbs
Other		NA

OEM	H-P
Model	Evo N620C
Reference	NEP Pricing
Discount	21.0%

Table 2-4

Table 2 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Options	cfg 1	cfg 2	cfg 3	cfg 4
	13.50%	**13.50%**	**13.50%**	**13.50%**
Upgrade to Pentium Processor *(Specify Below)*				
Specify Here				
Upgrade 1 Processor Speed *(Specify Below)*				
Specify Here				
Additional 128MB RAM				
Additional 256MB RAM				
Additional 512MB RAM				
Add 17" CRT Monitor				
Add 19" CRT Monitor				
Add 21" CRT Monitor				
Upgrade to 30GB Harddrive				
Upgrade to 40GB Harddrive				
Upgrade to 60GB Harddrive				
Upgrade to 802.11b Wireless LAN Card				
Upgrade to 802.11b Integrated Wireless				
Upgrade to CD-RW Drive				
Upgrade to DVD Drive				
Upgrade to DVD/CDRW Drive				
Add Port Replicator				
Add Docking Station				
Upgrade to SXGA Display				
Additional Battery (same specs as the one in base config)				
Change from Windows XP to Windows 2000				
Add Nylon Carrying Case				
3-yr Asset Tracking				
Reduce warranty to 1 year				
Reduce warranty to 2 years				
Extend warranty to 4 years				
Extend standard warranty to 5 years				
Upgrade Warranty 4hr Response Time, M-F 8am-6pm				

Table 3
Attachment "A"
Contract VA-030801-HP

H-P Off-Spec

			Revised Discounts
H-P	All Proliant Servers and associated peropherals, including storage products	NEP Pricing	19% for servers. 24% for server options
H-P	All Pentium based laptops, not including "V" series and Celeron	NEP Pricing	13.5%
H-P	All Pentium based desktops, excluding Celeron and D3xx series	NEP Pricing	13.5%
H-P	All Celeron and "V" series systems	NEP Pricing	4.0%

Table 4
Attachment "A"
Contract VA-030801-HP

H-P Servers	Configuration 1		Configuration 2	
	Cfg Req	H-P Resp	Cfg Req	H-P Resp
Number of U's	1	2	2	2
Chassis	Rack	Rack	Rack	Rack
Max # of Processors	2	2	2	2
Included # of Processors	1	1	1	1
Processor Speed	Intel Pentium III 1.13GHz	P4 2.4	Intel Xeon, 1.8GHz	Xeon 2.4 Ghz
L2 Cache size	512K	512K	512K	512K
Max Memory	4GB	6Gb	6GB	6Gb
Included Memory	512MB	512MB	1GB	1Gb
# Drive Bays	36GB	36GB	3	3
# Drives Included	10K RPM	10K	3	3
Hard Disk Capacity per Drive (SCSI)	438 GB	880Gb	36GB	72Gb
Hard Drive Speed	3	5	10K RPM	10K RPM
Max Internal Capacity	1	1	438 GB	880Gb
# Externally Accessible Bays	RAID 0, Dual Channel	Smart Array 5i plus	2	2
Primary Controller	Dual on board NICs, at least one with support for load balancing and failover	yes	RAID 5, Dual Channel	RAID 5, dual channel
Network card	CD-ROM Drive	yes	Dual on board NICs, at least one with support for load balancing and failover	Dual on board NIC's. Load bal. and failover support.
Fixed Optical Device	24X	24X	CD-ROM Drive	CD-ROM
Optical Device Speed	Yes, included	Yes	24X	24X
Number of PCI Slots	2 Total, at least 1 Hot Plug	3	3-4 Total	4
Remote Management Card	Yes, included	Integrated	Yes, included	Included
Operating System	None	none	None	none
Deployment Rails	Included	Included	Included	Included

Table 4-1

Table 4
Attachment "A"
Contract VA-030801-HP

Warranty	3 YR Parts & Labor, NBD	yes	3 YR Parts & Labor, NBD	3 yr parts, labor, NBD
OEM	Hewlett Packard		Hewlett Packard	
Model	Proliant DL380G3		Proliant DL380 G3	
Reference	NEP Pricing		NEP Pricing	
Discount	34.0%		34%	

Table 4 (Cont.)
Attachment "A"
Contract VA-030801-HP

H-P Servers

Configuration 3	Cfg Req	H-P Response
Number of U's	4	4
Chassis	Rack	Rack
Max # of Processors	4	4
Included # of Processors	1	2
Processor Speed	Intel Xeon, 1.8GHz	Xeon 1.9Ghz
L2 Cache size	1MB	1MB
Max Memory	10GB	32Gb
Included Memory	2GB	2Gb
# Drive Bays	4	4
# Drives Included	4	4
Hard Disk Capacity per Drive (SCSI)	36GB	36Gb
Hard Drive Speed	10K RPM	10K RPM
Max Internal Capacity	584 GB	584 Gb
# Externally Accessible Bays	2	2
Primary Controller	RAID 5, Dual Channel	Raid 5, Dual Channel
Network card	Dual on board NICs, at least one with support for load balancing and failover	Dual NIC. Load bal and failover support
Fixed Optical Device	CD-ROM Drive	CD-ROM
Optical Device Speed	24X	24X
Number of PCI Slots	6 Total	6
Remote Management Card	Yes, included	included
Operating System	None	none
Deployment Rails	Included	included
Warranty	3 YR Parts & Labor, NBD	3 Yr parts, labor,NBD

OEM	H-P
Model	Proliant DL580 G2
Reference	NEP Pricing
Discount	23.0%

Table 4-3

Table 4 (Cont.)
Attachment "A'
Contract VA-030801-HP

H-P Options

	cfg 1	cfg 2	cfg 3
Discount	**24%**	**24%**	**24%**
Change from rack to tower chassis			
2nd Processor Option Kit - Same Speed			
Additional 128MB RAM			
Additional 256MB RAM			
Additional 512MB RAM			
Additional 1GB RAM			
Increase each disk capacity to 36GB, 10K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each disk capacity to 73GB, 10K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each disk capacity to 146GB, 10K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each drive speed to 15K RPM (quote pricing for ALL disks)			
Increase each disk capacity to 36GB, 15K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Increase each disk capacity to 73GB, 15K RPM, SCSCI Hot Plug (quote pricing for ALL disks)			
Remove Deployment Rails			
Internal SDLT Tape Drive (110 GB/220 GB)			
External DLT Tape Drive (40 GB/80 GB)			
Add CDRW Drive			
Add DVD Drive			
Add DVD/CDRW Drive			
Gigabit Network Connection			
Monitor Media and Documentation			
Linux Option			
Upgrade Warranty 4hr Response Time, M-F 8am-6pm			
Upgrade Warranty to 4hr Response Time, 7x24			
Add Win 2000 Server OS			
Remove Remote Management Card			
Upgrade from SCSI to Fibre Channel			

Table 5
Attachment"A"
Contract VA-030801-HP

HP

Imaging (copying of system config from a master to other machines)	$2,100 initial setup. $7 per image thereafter.	$2,100 initial setup. $7 per image thereafter.	$2,100 initial setup. $7 per image thereafter.
Asset Tagging	$7/unit	$7/unit	$7/unit
Deployment/Installation[1]	There are several service levels for deployment and installation. Location and level of support varies from account to account.	There are several service levels for deployment and installation. Location and level of support varies from account to account.	There are several service levels for deployment and installation. Location and level of support varies from account to account.
Data Transfer (from retired machine to new unit)	HP does not offer a "standard" price for data transfer. Each is customized to what agency requires to minimize paying for something they may not need.	HP does not offer a "standard" price for data transfer. Each is customized to what agency requires to minimize paying for something they may not need.	HP does not offer a "standard" price for data transfer. Each is customized to what agency requires to minimize paying for something they may not need.

[1]Need additional information to be able to set a price.

ATTACHMENT "B"
CONTRACT VA-030801-HP
REPORTING FORMAT

ILLUSTRATIVE

COV Spend Report for June 2003
This report shows the overall spend each month by Agency/Institution/Municipality

Supreme Court	200,000
DIT	500,000

ATTACHMENT "B"
CONTRACT VA-030801-HP
REPORTING FORMAT

System Level Report

ILLUSTRATIVE

This report provides the details of every system bought by each Agency/Institution/Municipality

11180	222[illegible]	Supreme Court	6/25/03	06/23/03	Y	30	1	Oregon Y200	Desktop	Desktop 1	S1234	Public Web Price	$ 2,000.00	$ 2,000.00	40%	$ 1,400.00	$ 1,400.00
11180	222[illegible]	DIT	6/25/03	06/23/03	Y	10	2	Lemon X110	Laptop	Laptop 2	S1230	Public Web Price	$ 3,000.00	$ 6,000.00	53%	$ 1,410.00	$ 2,820.00
11180	222[illegible]	DIT	6/25/03	06/23/03	Y	20	2	Lemon Y200	Laptop	Off-space	S1232	Public Web Price	$ 2,500.00	$ 5,000.00	30%	$ 1,550.00	$ 3,100.00

ATTACHMENT "B"
CONTRACT VA-030801-HP
REPORTING FORMAT

Component Level Report

ILLUSTRATIVE ILLUSTRATIVE

This report provides the detail of every single SKU of each system purchased

11108	222888	Supreme Court	6/25/03	6/23/03	Desktop	Orange Y208	Desktop 1	CPU	11111	2.00Hz Pentium 4	1	$ 300.00	$ 300.00	48%	$ 156.00	$ 156.00
								RAM	11112	512 MB 1 DIMM	1	$ 400.00	$ 400.00	48%	$ 208.00	$ 208.00
								Hardrive	11113	80GB 7200 RPM	1	$ 200.00	$ 200.00	48%	$ 104.00	$ 104.00
								Monitor	11114	17in CRT	1	$ 600.00	$ 600.00	48%	$ 312.00	$ 312.00
								Optical Device	11115	48X CD-ROM	1	$ 300.00	$ 300.00	48%	$ 156.00	$ 156.00
								Warranty	11116	3-yr NBD	1	$ 1,000.00	$ 1,000.00	48%	$ 520.00	$ 520.00
											Subtotal		$2,900.00	48%	$ 1,456.00	$ 1,456.00
11109	222889	DIT	6/25/03	6/23/03	Laptop	Lemon X118	Laptop 2	CPU	11117	1.5GHz Pentium M	2	$ 400.00	$ 800.00	53%	$ 188.00	$ 376.00
								RAM	11118	1GB 1 DIMM	2	$ 600.00	$ 1,200.00	53%	$ 282.00	$ 564.00
								Hardrive	11119	40 GB 7200 RPM	2	$ 200.00	$ 400.00	53%	$ 94.00	$ 188.00
								Monitor	11120	15.1 TFT	2	$ 600.00	$ 1,200.00	53%	$ 282.00	$ 564.00
								Optical Device	11121	48X CD-ROM	2	$ 300.00	$ 600.00	53%	$ 141.00	$ 282.00
								Warranty	11122	3-yr NBD	2	$ 900.00	$ 1,800.00	53%	$ 423.00	$ 846.00
											Subtotal		$5,000.00	53%	$ 1,410.00	$ 2,820.00

ATTACHMENT "C"
TO
RFP # 2003-040
THE VIRGINIA INFORMATION TECHNOLOGIES AGENCY

CERTIFICATION REGARDING LOBBYING

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

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

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

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

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

Signature: _____

Printed Name: _____

Organization: _____

Date: _____

Attachment "D"
Contract VA-030801-HP

HP Consumer Terms for Teacher Purchases

Unless Customer has another valid agreement with HP, the following terms and conditions will apply. HP's sale of Products and Support and HP's license of Software are governed by these HP Terms and Conditions of Sale and Service.

DEFINITIONS

a) "Delivery" means standard HP shipping to and arrival at the receiving area at the "Ship To" address specified in Customer's order.

b) "Exhibits" means attachments that describe or otherwise apply to the sale or license of Products or Support.

c) "License Fee" means the fee or fees designated by HP for Use of Software. Different License Fees may apply to particular Software if more than one Software License is available for that Software.

d) "Products" means hardware, Software, documentation, accessories, supplies, parts and upgrades that are determined by HP to be available from HP upon receipt of Customer's order. "Custom Products" means Products modified, designed or manufactured to meet Customer requirements.

e) "Software" means one or more programs capable of operating on a controller, processor or other hardware Product ("Device") and related documentation. Software is either a separate Product, included with another Product ("Bundled Software"), or fixed in a Device and not removable in normal operation ("Firmware").

f) "Software License" means the Software license grant and general license terms set forth herein. Each Software License has a corresponding License Fee.

g) "Specifications" means specific technical information about HP Products which is published in HP Product manuals and technical data sheets in effect on the date HP ships Customer's order.

h) "Support" means hardware maintenance and repair; Software updates and maintenance; training; and other standard support services provided by HP. "Custom Support" means any agreed non-standard Support, including consulting and custom project services.

i) "Use" means storing, loading, installing, executing or displaying Software on a Device.

PRICES

a) Prices are valid for the period quoted by HP or for the applicable purchase agreement ordering period, whichever expires first. Product prices for an order remain valid for ninety(90) days from the original order date unless otherwise quoted by HP. Change orders that extend Delivery beyond those validity periods become new orders at prices in effect when HP receives the change orders. Support prices, except for Custom and prepaid Support, may be changed by HP upon sixty(60) days written notice.

b) Prices are exclusive of, and Customer will pay, applicable sales, use, consumption, goods and service, value added or like taxes, unless Customer has provided HP with an appropriate exemption certificate for the Delivery jurisdiction.

ORDERS

a) All orders are subject to acceptance by HP. Product orders must specify Delivery within ninety(90) days from order date, unless otherwise agreed or quoted by HP.

b) Customer will specify Ship To addresses within the country where the order is placed, unless otherwise agreed. Customer may cancel orders for Products (except Custom Products) prior to shipment at no charge.

DELIVERY

HP will make reasonable efforts to meet Customer's Delivery requirements. If HP is unable to meet Customer's Delivery requirements, alternative arrangements may be agreed. In the absence of such agreement, Customer's sole remedy is to cancel the order.

SHIPMENT, RISK OF LOSS OR DAMAGE, AND TITLE

HP will ship according to HP's standard commercial practice, and risk of loss or damage and title will pass from HP to Customer at the Ship To address. Shipping and handling charges will be listed separately on HP's invoice when not included in the Product's purchase price. If Customer requested special packing or shipping instructions are agreed to by HP, charges will be billed separately to Customer, and risk of loss or damage and title will pass to Customer on delivery to Customer's carrier or designate.

INSTALLATION AND ACCEPTANCE

a) Product installation information is available with Products, on quotations or upon request. Installation by HP, when included in the purchase price, is complete when the Product passes HP's standard installation and test procedures.

b) For Products without installation included in the purchase price, acceptance by Customer occurs upon Delivery. For Products with installation included in the purchase price, acceptance by Customer occurs upon completion of installation by HP. If Customer schedules or delays installation by HP more than thirty(30) days after Delivery, Customer acceptance of the Product(s) will occur on the 31st day after Delivery.

PAYMENT

a) Payment terms are subject to HP credit approval. Payment is due thirty(30) days from HP's invoice date. Invoices for contractual support services and maintenance will be issued in advance of the Support period. HP may change credit or payment terms at any time when, in HP's opinion, Customer's financial condition, previous payment record, or the nature of Customer's relationship with HP so warrants.

b) HP may discontinue performance if Customer fails to pay any sum due, or fails to perform under this or any other HP agreement if, after ten(10) days written notice, the failure has not been cured.

WARRANTY

a) Product warranty period and additional information is available with Products, on quotations, or upon request.

b) Products purchased from HP will receive the standard warranty in the country of purchase. If Customer moves such Products to another country where HP has Support presence, then Customer will receive the destination country standard warranty.

c) Customer may receive a different warranty when the Product is purchased as part of a system. HP reserves the right to change the warranty. Such changes will affect only new orders.

d) The warranty period begins on the date of Delivery, or the date of installation if installed by HP. If Customer schedules or delays installation by HP more than thirty(30) days after Delivery, the warranty period begins on the 31st day after Delivery.

e) If Customer transfers a Product to another user, warranty service is available to that user for the remainder of the warranty period.

f) HP warrants HP hardware Products against defects in materials and workmanship. HP further warrants that HP hardware Products conform to Specifications.
g) HP warrants that Software will not fail to execute its programming instructions due to defects in materials and workmanship when properly installed and used on the Device designated by HP. HP further warrants that HP owned standard Software will substantially conform to Specifications. HP does not warrant that Software will operate in hardware and software combinations selected by Customer, or meet requirements specified by Customer.
h) HP does not warrant that the operation of Products will be uninterrupted or error free.
i) If HP receives notice of defects or non-conformance to hardware Specifications, or substantial non-conformance to HP owned standard Software Specifications during the warranty period, HP will, at its option, repair or replace the affected Products. If HP is unable, within a reasonable time, to repair, replace or correct a defect or non-conformance in a Product to a condition as warranted, Customer will be entitled to a refund of the purchase price upon prompt return of the Product to HP. Customer will pay expenses for return of such Products to HP. HP will pay expenses for shipment of repaired or replacement Products.
j) HP warrants that HP Support will be provided in a professional and workmanlike manner. Some newly manufactured HP Products may contain and HP Support may use remanufactured parts which are equivalent to new in performance.
k) The warranties provided herein will apply only to those Products and Support which are branded by HP with an HP trademark ("HP Branded"). HP does not warrant any third party Products or Support even if included with other HP Branded Products or Support. Furthermore, HP provides all such third party Products and Support AS IS. However, the original manufacturers or suppliers may provide their own warranties as specified in the documentation accompanying such third party Products and Support.
l) The above warranties do not apply to defects resulting from:
1) improper or inadequate maintenance by Customer;
2) Customer or third party supplied software, interfacing or supplies;
3) unauthorized modification;
4) improper use or operation outside of the Specifications for the Product;
5) abuse, negligence, accident, loss or damage in transit;
6) improper site preparation; or
7) unauthorized maintenance or repair.
m) THE ABOVE WARRANTIES ARE EXCLUSIVE AND NO OTHER WARRANTY, WHETHER WRITTEN OR ORAL, IS EXPRESSED OR IMPLIED. TO THE EXTENT PERMITTED BY LAW, HP SPECIFICALLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NONINFRINGEMENT.

SUPPORT

a) Customer may order Support from HP's then current Support offering. Some Support (and related Products) may not be available in all countries. Orders for Support are subject to the terms of the Support Exhibit or quotation in effect on the date of order.
b) To be eligible for Support, Products must be at current specified revision levels and, in HP's reasonable opinion, in good operating condition.

c) HP may, at no additional charge, modify Products to improve operation, supportability and reliability, or to meet legal requirements.
d) Relocation of Products is Customer's responsibility. Relocation may result in additional Support charges and modified service response times. Support of Products moved to another country is subject to availability.
e) HP will provide Support for products that are not HP Branded when approved by HP in writing. HP will provide Support for HP Products when Customer allows HP to perform modifications if requested by HP under Section 9. c) above. Customer is responsible for removing any products not eligible for Support to allow HP to perform Support services. If Support services are made more difficult because of such product(s), HP will charge Customer for the extra work at HP's standard rates.
f) Support does not cover any damage or failure caused by:
1) use of non-HP media, supplies and other products; or
2) site conditions that do not conform to HP's site specifications; or
3) neglect, improper use, fire or water damage, electrical disturbances, transportation by Customer, work or modification by people other than HP employees or subcontractors, or other causes beyond HP's control; or
4) inability of any non-HP products in Customer's environment to correctly process, provide or receive date data (i.e., representations for month, day, and year), and to properly exchange date data with the Products supplied by HP.
g) Customer is responsible for maintaining a procedure external to the Products to reconstruct lost or altered Customer files, data or programs. Customer will have a representative present when HP provides Support services at Customer's site. Customer will notify HP if Products are being used in an environment which poses a potential health or safety hazard to HP employees or subcontractors; HP may require Customer to maintain such Products under HP supervision and may postpone service until such hazard is remedied.
h) Customer may delete Products under Support or cancel Support orders upon thirty(30) days written notice unless otherwise agreed in a Support agreement. HP may cancel Support orders or delete Products no longer included in HP's Support offering upon sixty(60) days written notice unless otherwise agreed in a Support agreement.

LICENSES

a) In return for the License Fee, HP grants Customer a non-exclusive license to Use the object code version of the Software listed in Customer's order in conformance with:
1) the terms set forth herein; and
2) Use restrictions and authorizations for the Software specified by HP in its quotation, invoice or terms that accompany the Software; and
3) HP's third party suppliers' terms that accompany the Software.

In the event of a conflict, the third party suppliers' terms that accompany the Software will take precedence over the Use restrictions and authorizations specified by HP and the terms set forth herein, and the Use restrictions and authorizations specified by HP will take precedence over the terms set forth herein.
b) Unless otherwise specified, in return for the applicable License Fee, HP grants Customer a license to Use one copy of the Software on one Device at any one time.

c) Unless otherwise specified, all Software Licenses will be perpetual unless terminated or transferred in accordance with Section 10. k).
d) If Customer is an HP authorized reseller, Customer may sublicense the Software to an end-user for its Use or (if applicable) sublicense the Software to an HP authorized reseller for subsequent distribution to an end-user for its Use. These sublicenses must incorporate the terms of this Software License in a written sublicense agreement, which will be made available to HP upon request. If Customer is not an HP authorized reseller, Customer may not sublicense the Software unless otherwise agreed to by HP in writing.
e) Software is owned and copyrighted by HP or by third party suppliers. Customer's Software License confers no title or ownership and is not a sale of any rights in the Software. Third party suppliers may protect their rights in the Software in the event of any infringement.
f) Unless otherwise permitted by HP, Customer may only make copies or adaptations of the Software for archival purposes or when copying or adaptation is an essential step in the authorized Use of the Software on a backup Device, provided that copies and adaptations are used in no other manner and provided further that the Use on the backup Device is discontinued when the original or replacement Device becomes operable.
g) Customer must reproduce all copyright notices in or on the original Software on all permitted copies or adaptations. Customer may not copy the Software onto any public or distributed network.
h) Bundled Software or Firmware provided to Customer may only be used when operating the associated Device in configurations as sold or subsequently upgraded by HP. Customer may transfer Firmware only upon transfer of the associated Device.
i) Updates, upgrades or other enhancements are available under HP Support agreements. HP reserves the right to require additional licenses and fees for Use of the Software on upgraded Devices.
j) Customer will not modify, disassemble or decompile the Software without HP's prior written consent. Where Customer has other rights under statute, Customer will provide HP with reasonably detailed information regarding any intended disassembly or decompilation. Customer will not decrypt the Software unless necessary for legitimate use of the Software.
k) Customer's Software License is transferable subject to HP's prior written authorization and payment to HP of any applicable fee(s). Upon transfer of the Software License, Customer will immediately deliver all copies of the Software to the transferee. The transferee must agree in writing to the terms of Customer's Software License. All Software License terms will be binding on involuntary transferees, notice of which is hereby given. Customer's Software License will automatically terminate upon transfer.
l) HP may terminate Customer's or any transferee's or sublicensee's Software License upon notice for failure to comply with any applicable Software License terms. Immediately upon termination, the Software and all copies of the Software will be destroyed or returned to HP. Copies of the Software that are merged into adaptations, except for individual pieces of data in Customer's or transferee's or sublicensee's database, will be removed and destroyed or returned to HP. With HP's written consent, one copy of the Software may be retained subsequent to termination for archival purposes.

m) If the Software is licensed for use in the performance of a U.S. government prime contract or subcontract, Customer agrees that Software is delivered as "Commercial computer software" as defined in DFARS 252.227-7014 (Jun 1995) or as a "commercial item" as defined in FAR 2.101(a), or as "Restricted computer software" as defined in FAR 52.227-19 (Jun 1987) (or any equivalent agency regulation or contract clause), whichever is applicable. Customer agrees that the regulations and obligations in Exhibit U1 apply to all such Software and that the Software is adequately marked when the Restricted Rights legend in Exhibit U1 is affixed to the Software media. Customer further agrees that the Software has been developed entirely at private expense.

INTELLECTUAL PROPERTY RIGHTS

a) HP will defend or settle any claim against Customer, (or third parties to whom Customer is authorized by HP to resell or sublicense), that HP Branded Products or Support (excluding Custom Products and Custom Support), delivered under these HP Terms and Conditions of Sale and Service infringe a patent, utility model, industrial design, copyright, trade secret, mask work or trademark in the country where Products are used, sold or receive Support, provided Customer:

1) promptly notifies HP in writing; and
2) cooperates with HP in, and grants HP sole control of the defense or settlement.

b) HP will pay infringement claim defense costs, settlement amounts and court-awarded damages. If such a claim appears likely, HP may modify the Product, procure any necessary license, or replace it. If HP determines that none of these alternatives is reasonably available, HP will refund Customer's purchase price upon return of the Product if within one year of Delivery, or the Product's net book value thereafter.

c) HP has no obligation for any claim of infringement arising from:

1) HP's compliance with Customer's designs, specifications or instructions;
2) HP's use of technical information or technology provided by Customer;
3) Product modifications by Customer or a third party;
4) Product use prohibited by Specifications or related application notes; or
5) Product use with products that are not HP Branded.

d) These terms state HP's entire liability for claims of intellectual property infringement.

LIMITATION OF LIABILITY AND REMEDIES

a) Products are not specifically designed, manufactured or intended for sale as parts, components or assemblies for the planning, construction, maintenance or direct operation of a nuclear facility. Customer is solely liable if Products or Support purchased by Customer are used for these applications. Customer will indemnify and hold HP harmless from all loss, damage, expense or liability in connection with such use.

b) To the extent HP is held legally liable to Customer, HP's total liability is limited to: payments described in Sections 8. i) and 11. b) above; damages for bodily injury; direct damages to tangible property up to a limit of U.S.$1,000,000; other direct damages for any claim based on a material breach of Support services, up to a maximum of 12 months of the related Support charges paid by Customer during the period of material breach; and other direct damages for any claim based on a material breach of any other term of these HP Terms and Conditions of Sale and Service, up to a limit of U.S.$1,000,000 or the amount paid to HP for the associated Product, whichever is less.

c) Notwithstanding Section 12. b) above, in no event will HP or its affiliates, subcontractors or suppliers be liable for any of the following: incidental, special or

consequential damages (including downtime costs or lost profits, but excluding payments described in Section 11 above and damages for bodily injury); damages relating to Customer's procurement of substitute products or services (i.e., "cost of cover"); or damages for loss of data, or software restoration.

d) THE REMEDIES IN THESE HP TERMS AND CONDITIONS OF SALE AND SERVICE ARE CUSTOMER'S SOLE AND EXCLUSIVE REMEDIES.

GENERAL

a) The Parties hereby agree that they may do business electronically, including contract formation, order placement and acceptance. Any orders placed by Customer and accepted by HP on any HP.com website or HP/Customer extranet site will create fully enforceable obligations that will be subject to the terms hereof. Such orders and acceptances will be deemed for all purposes to be

1) business records originated and maintained in documentary form,
2) a "writing" or "in writing, "
3) "signed" and
4) an "original" when printed from electronic files or records established and maintained in the normal course of business.

The Parties further agree not to contest the validity or enforceability of such transactions under the provisions of any applicable law relating to whether certain agreements are to be in writing or signed by the Party to be bound thereby and will be admissible if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceeding to the same extent and under the same conditions as other business records originated and maintained in documentary form. In addition, the Parties agree that transactions may be conducted through Electronic Data Interchange or other electronic methods, as agreed by the Parties. Customer and HP will adopt commercially reasonable security measures to limit access to passwords and to limit access to the sites to authorized persons. Each party will be responsible for any unauthorized use of the sites or issuance of messages caused by the failure of its security measures.

b) HP will not be liable for performance delays or for non-performance, due to causes beyond its reasonable control.

c) If either party becomes insolvent, is unable to pay its debts when due, files for bankruptcy, is the subject of involuntary bankruptcy, has a receiver appointed, or has its assets assigned, the other party may cancel any unfulfilled obligations.

d) Customer may not assign any rights or obligations hereunder without prior written consent from HP.

e) Customer who exports, re-exports or imports Products, technology or technical data purchased hereunder, assumes responsibility for complying with applicable laws and regulations, and for obtaining required export and import authorizations. HP may suspend performance if Customer is in violation of applicable regulations.

f) Disputes arising in connection with these HP Terms and Conditions of Sale and Service will be governed by the laws of the country and locality in which HP accepts the order.

g) Provisions herein which by their nature extend beyond the termination of any sale or license of Products or Support will remain in effect until fulfilled.

h) If any term or provision herein is determined to be illegal or unenforceable, the validity or enforceability of the remainder of the terms or provisions herein will remain in full force and effect.

i) Customer will not register or use any internet domain name which contains HP's trademarks (e.g. "HP", "hp" or "Hewlett-Packard") in whole or in part or any other name which is confusingly similar thereto.

j) These HP Terms and Conditions of Sale and Service and any Exhibits constitute the entire agreement between HP and Customer, and supersede any previous communications, representations or agreements between the parties, whether oral or written, regarding transactions hereunder. Customer's additional or different terms and conditions will not apply. Customer's purchase or license of Products and Support will constitute Customer's acceptance of these HP Terms and Conditions of Sale and Service, which may not be changed except by an amendment signed by an authorized representative of each party.