

STATE OF VERMONT  
CONTRACT AMENDMENT

It is hereby agreed by and between the State of Vermont, Department of Buildings and General Services, Office of Purchasing & Contracting (the "State") and Cisco Systems Inc. with a principal place of business in San Jose, CA (the "Contractor") that the contract between them originally dated as of September 1, 2015, Contract # 30046, as amended to date, (the "Contract") is hereby amended as follows:

- I. **Contract Term.** The Contract end date, wherever such reference appears in the Contract, shall be changed from May 31, 2020 to May 31, 2021.

**Taxes Due to the State.** Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, the Contractor is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont.

**Child Support (Applicable to natural persons only; not applicable to corporations, partnerships or LLCs).** Contractor is under no obligation to pay child support or is in good standing with respect to or in full compliance with a plan to pay any and all child support payable under a support order as of the date of this amendment.

**Certification Regarding Suspension or Debarment.** Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, neither Contractor nor Contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Contractor further certifies under pains and penalties of perjury that, as of the date this contract amendment is signed, Contractor is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing-contracting/debarment>

**SOV Cybersecurity Standard 19-01.** All products and service provided to or for the use of the State under this Contract shall be in compliance with State of Vermont Cybersecurity Standard 19-01, which Contractor acknowledges has been provided to it, and is available on-line at the following URL:

<https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives>

This document consists of 2 pages. Except as modified by this Amendment No. 2, all provisions of the Contract remain in full force and effect.

*[Remainder of Page Intentionally Left Blank]*

The signatures of the undersigned indicate that each has read and agrees to be bound by this Amendment to the Contract.

**STATE OF VERMONT**

**By:** \_\_\_\_\_

**Name:** Christopher Cole

**Title:** Commissioner

**Date:** Buildings & General Services

**CISCO SYSTEMS INC**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

STATE OF VERMONT  
CONTRACT AMENDMENT

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- I. **Contract Term.** The Contract end date, wherever such reference appears in the Contract, shall be changed from May 31, 2019 to May 31, 2020.

**Taxes Due to the State.** Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, the Contractor is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont.

**Child Support (Applicable to natural persons only; not applicable to corporations, partnerships or LLCs).** Contractor is under no obligation to pay child support or is in good standing with respect to or in full compliance with a plan to pay any and all child support payable under a support order as of the date of this amendment.

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Contractor further certifies under pains and penalties of perjury that, as of the date this contract amendment is signed, Contractor is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing-contracting/debarment>

**SOV Cybersecurity Standard 19-01.** All products and service provided to or for the use of the State under this Contract shall be in compliance with State of Vermont Cybersecurity Standard 19-01, which Contractor acknowledges has been provided to it, and is available on-line at the following URL:

<https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives>

This document consists of 2 pages. Except as modified by this Amendment No. 1, all provisions of the Contract remain in full force and effect.

*[Remainder of Page Intentionally Left Blank]*

STATE OF VERMONT  
PARTICIPATING ADDENDUM NO. 30046

DATA COMMUNICATIONS PRODUCTS AND SERVICES 14-19  
UTAH NASPO VALUEPOINT MASTER AGREEMENT NO. AR233

CISCO SYSTEMS, INC.


1. **Parties.** This Participating Addendum is a contract between the **State of Vermont**, Department of Buildings and General Services, Office of Purchasing & Contracting (hereinafter "State" or "Vermont"), and **Cisco Systems Inc.**, a for-profit corporation with principal place of business in San Jose, CA, (hereinafter "Contractor" or "Cisco"). It is the Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, the Contractor is required to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter.** The subject matter of this Participating Addendum is the purchase of data communication products and services pursuant the Utah NASPO ValuePoint (formerly, WSCA\_NASPO) State Cooperative Contract Number AR233 for Data Communications Products and Services 14-19 (hereinafter the "Master Agreement"), which is hereby incorporated by reference and shall apply to purchases made under this Participating Addendum.
3. **Contract Term.** The period of Contractor's performance shall begin on September 1, 2015 and end on May 31, 2019, unless terminated earlier in accordance with the terms of this Participating Addendum or the Master Agreement.
4. **Prior Approvals.** In accordance with current State law, bulletins, and interpretations, this Participating Addendum shall not be binding until it has been approved by the Vermont Attorney General's Office, the Secretary of Administration, and the State's Chief Information Officer.
5. **Agreement; Amendment.** This Participating Addendum and the Master Agreement (including all amendments and attachments thereto) represents the entire agreement between the parties. No changes, modifications, or amendments in the terms and conditions of this Participating Addendum shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
6. **Attachments.** This Participating Addendum consists the following attachments which are incorporated herein and shall apply to the purchase of any products or services made under this Participating Addendum:
  - Attachment A: General Provisions of Contract
  - Attachment B: Payment Provisions
  - Attachment C: "Standard State Provisions for Contracts and Grants" effective 3/01/15, as modified by
  - Attachment D
  - Attachment D: Standard State Provisions for Information Technology Contracts
  - Attachment E: Reserved
  - Attachment F: Reserved
  - Attachment G: List of Hosted Services or "X as a Service" Offerings
7. **Order of Precedence.** Any ambiguity, conflict or inconsistency between the provisions which constitute this agreement shall be resolved according to the following order of precedence:
  - 1) This Participating Addendum (including all Attachments with Attachment D primary, then Attachment C, then the remaining Attachments in alphabetical order)

2) The NASPO ValuePoint State Cooperative Contract Number AR233

8. **Entire Agreement.** This Participating Addendum and the Master Agreement (including all amendments and attachments thereto) constitute the entire agreement between the parties concerning the subject matter of this Participating Addendum and replaces any prior oral or written communications between the parties, all of which are excluded. There are no conditions, understandings, agreements, representations or warranties, expressed or implied, that are not specified herein. This Participating Addendum may be modified only by a written document executed by the parties hereto.

By signing below the Contractor agrees to offer the same products and/or services as on the Utah NASPO ValuePoint State Cooperative Contract Number AR233 for Data Communications Products and Services 14-19, at prices equal to or lower than the prices on that contract.

IN WITNESS WHEREOF, the parties have executed this Participating Addendum as of the date of execution by both parties below.

State of Vermont	Contractor: Cisco Systems, Inc.
By: SIGNED by DEBORAH DAMOF on 2015-09-18 16:27:50 GMT	By: 
Name: <b>Deborah Damore</b>	Name: <b>Juan Pablo Brockmann</b>
Title:	Title: <b>Director, Finance</b>
Date:	Date: <b>September 8, 2015</b>

**Director  
Purchasing & Contracting**

**APPROVED BY LEGAL**

## ATTACHMENT A: GENERAL PROVISIONS OF CONTRACT

1. **Available Products & Services:** The following products and services listed in the Master Agreement are available for purchase under this Participating Addendum:
  - a. 5.2.1 Data Center Application Services
  - b. 5.2.2 Networking Software
  - c. 5.2.3 Network Optimization and Acceleration
  - d. 5.2.4 Optical Networking
  - e. 5.2.5 Routers
  - f. 5.2.6 Security
  - g. 5.2.7 Storage Networking
  - h. 5.2.8 Switches
  - i. 5.2.9 Wireless
  - j. 5.3.0 Unified Communications
  - k. 5.3.1 Services
2. **Disallowed Products & Services:** State Purchasers may not procure hosted services or "as-a-Service" offerings (XaaS) (as set forth in Attachment G) without first preparing specific terms for the procurement, which supplemental terms must be executed by both the State and Contractor, and obtaining prior approval from the Chief Procurement Officer, Office of the Attorney General and State CIO/DII Commissioner. Contractor's Fulfillment Partners are not authorized to sell such services to State Purchasers without verification from State Purchasers that these requisite approvals have been obtained. These restrictions do not apply to Additional Purchasers.
3. **Participation:** This Participating Addendum may be used by all departments, offices, institutions, and other agencies of the State of Vermont and counties (hereinafter "State Purchasers") according to the process for ordering and other restrictions applicable to State Purchasers set forth herein.

Political subdivisions of the State of Vermont under 29 V.S.A. § 902(a) and any institution of higher education chartered in Vermont and accredited or holding a certificate of approval from the State Board of Education (hereinafter "Additional Purchasers") may participate in this contract at the same prices, terms and conditions. Further, items furnished to Additional Purchasers will be billed directly to and paid for by the Additional Purchaser. Neither the State of Vermont nor its Commissioner of Buildings and General Services, personally or officially, assumes any responsibility or liability for Additional Purchasers.

4. **Reporting:** Contractor shall submit quarterly reports electronically in the same format as set forth under the Master Agreement, detailing the purchasing of all items under this Participating Addendum. The reports shall be submitted and sent as an attachment to [SOV.ThePathForward@vermont.gov](mailto:SOV.ThePathForward@vermont.gov). Reports shall contain accurate descriptions of the products, goods or services procured, purchaser information, quantities procured and prices paid. This report shall include all sales under this Participating Addendum. Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result in corrective action, up to and including termination for cause. Contractor's reporting shall state "no activity" for any quarter in which there is no activity during a quarterly reporting period.

Quarterly reports must be submitted in accordance with the following schedule:

Reporting Period	Report Due
January 1 - March 31	May 31st
April 1 - June 30	August 31st
July 1 - September 30	November 30th
October 1 - December 31	February 28th

5. **Primary Contacts:** The primary contact individuals for this this Participating Addendum are as follows (or their named successors):

Contractor

Name	Mimi Nguyen-Farr, Sr. Manager, US Public Sector Contracts Management Office
Address	170 West Tasman Drive San Jose, CA 95134
Telephone	408.527.2627
Fax	408.608.1802
E-mail	mimnguye@cisco.com

#### State of Vermont

Name	State of Vermont, Stephen Fazekas
Address	10 Baldwin Street, Montpelier, VT 05633-7501
Telephone	802/828-2210
Fax	802/828-2222
E-mail	stephen.fazekas@vermont.gov

The Parties will keep and maintain current at all times a primary point of contact for administration of this Participating Addendum.

6. **Orders:** Any order placed by the State or an Additional Purchaser for a product or service available under this Participating Addendum (hereinafter "Purchase Order") shall be deemed to be a sale governed by the prices and other terms and conditions of this Participating Addendum, provided that the Master Agreement Number and the Participating Addendum Number must appear on every Purchase Order placed under this Participating Addendum.

Purchase Orders may only be placed directly through Cisco or through a third-party reseller that is both approved by Cisco and authorized by the State of Vermont (hereinafter "Reseller"). A Reseller shall not solicit or otherwise fulfill any Purchase Order unless the Reseller (i) is an approved Fulfillment Partner listed on Cisco's dedicated (cooperative contract) website as an entity approved by Cisco, in accordance with Cisco's established qualifying criteria, to provide sales and service support to participants in the Master Agreement on Cisco's behalf and (ii) has executed a separate agreement with the State that directly obligates Reseller to fulfill Purchase Orders in accordance with the terms and conditions set forth in this Participating Addendum and the Master Agreement.

Cisco may, in its sole discretion, add Fulfillment Partners at any time during the term of this Participating Addendum. Contractor may designate a minimum of two Fulfillment Partners and no set maximum number of Fulfillment Partners to provide sales and services support. Contractor, in its sole discretion, is not required to add, and may delete upon thirty (30) days written notice, any Fulfillment Partner who does not meet Contractor's established qualifying criteria, or where the addition of the entity would violate any state or federal law or regulation. Except as otherwise set forth in the Master Agreement, Cisco will not, directly or indirectly, restrict any Reseller's participation or ability to quote pricing for the State. Resellers shall not offer less favorable pricing discounts than the discounts established under the Master Agreement. However, a Reseller may offer any additional incremental discounts to the State or any Additional Purchaser, and such additional discounts, if offered, may be provided to the State or an Additional Purchaser in the discretion and at the sole legal obligation of the Reseller.

The Master Agreement Number and the Participating Addendum Number must appear on every Purchase Order placed under this Participating Addendum.

- a. **Method of Ordering for State Purchasers:** Any purchases under this Participating Addendum made by State Purchasers shall be coordinated through the Vermont Department of Information and Innovation, Director of Telecommunications (hereinafter "DII Telecommunications"). Individual State Departments and Agencies, as well as the Judicial Branch and the Legislative Branch are not authorized to purchase directly utilizing this Participating Addendum except through DII Telecommunications. For the purposes of overall Network integrity and Security requirements, all procurements under this Participating Addendum require DII approval as specified herein.

State agencies and departments wishing to make a purchase under this Participating Addendum must submit a work order to DII Telecommunications. DII Telecommunications will solicit bids and issue Purchase Orders to the Contractor. The Contractor acknowledges and agrees that any annual values or quantities included such bid solicitations are estimates only based on prior usage and that actual purchases

may be higher or lower depending on Vermont's needs.

Purchase orders must be used to order items available under this Participating Addendum. If verbal orders are given a confirming Purchase Order must be issued.

This restriction is not applicable to Additional Purchasers.

- b. **Transactions over \$500,000:** In accordance with 22 V.S.A. § 901 (a)(4)(A), State Purchasers must obtain prior written approval from the State Chief Information Officer for any individual Purchase Order with a cost in excess of \$500,000, and such written approval must be affixed to the Purchase Order. Contractor shall not execute or fulfill any individual Purchase Order in excess of \$500,000 unless such Purchase Order is accompanied by specific written approval from Vermont's Chief Information Officer. This restriction is not applicable to Additional Purchasers.
  - c. **No Lease Agreements:** State Purchasers are prohibited from leasing under this Participating Addendum. This restriction is not applicable to Additional Purchasers.
  - d. **Delivery:** Liability for product delivery remains with the Contractor until the product is properly delivered and accepted in accordance with this Participating Addendum. Contractor shall ensure that shipments are securely and properly packed, according to accepted commercial practices, without extra charge for packing cases or other containers. Upon delivery, such containers will become the property of the State unless otherwise stated. All products sold under the Participating Addendum are subject to the warranty terms as set forth in Attachment A, Section 30 of the Master Agreement. The State does not agree to reimburse Contractor for expenses except as may be specified in Attachment B to this Participating Agreement.
  - e. **Quality:** All products provided by Contractor under this contract will be new and unused, unless otherwise stated. Factory seconds, refurbished or remanufactured products will not be accepted unless specifically requested by the State. All products provided by Contractor must meet all federal, and state, standards for quality and safety requirements. Products not meeting these standards will be deemed unacceptable and returned to Contractor for credit at no charge to the State under the warranty return process.
  - f. **Business Associate Agreement (BAA), and the Agency of Human Services Standard State Contract Provisions:** The parties agree that the Business Associate Agreement (BAA), and the Agency of Human Services Standard State Contract Provisions, as mutually negotiated, shall be incorporated into this Agreement, by amendment as applicable.
7. **Notices:** Notwithstanding anything contained in the Master Agreement to the contrary, all notices required or permitted under this Participating Addendum will be in writing and will be deemed given: (a) when delivered personally; (b) when sent by confirmed facsimile or electronic mail (in the case of Cisco to [Agreement-notice@cisco.com](mailto:Agreement-notice@cisco.com) ); (c) three (3) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) one (1) day after deposit with a commercial express courier specifying next day delivery, with written verification of receipt. All communications will be sent to the addresses set forth Section 4 of this Attachment A (and notices to Cisco shall be further addressed to the Office of the General Counsel, Attn: Contract Notice).



## ATTACHMENT B: PAYMENT PROVISIONS

1. **Payment Terms:** Net 30 from the date the State receives an error-free invoice.
2. **Pricing:** For all product offerings and complete details of product pricing, please refer to Attachment C – Pricing of the State of Utah Contract # AR233 on-line at: [https://s3-us-west-2.amazonaws.com/wsca-uploads/1420829009\\_Data%20Comm%2014-19-Cisco%20AR233%20Master%20Agreement-140320.pdf](https://s3-us-west-2.amazonaws.com/wsca-uploads/1420829009_Data%20Comm%2014-19-Cisco%20AR233%20Master%20Agreement-140320.pdf).
3. As set forth in Attachment C of the Master Agreement, Cisco discounts are off the entire then-current U.S. Global Price Lists as set forth in the Cost Schedule. The discounts provided will remain valid for the Contract Term and will be applied to Cisco's then-current U.S. Global Price Lists.

The discounts provided are floor discounts (minimum guarantees) and individual transactions may qualify for additional, incremental discounts or incentives provided by Cisco's Authorized Resellers at their sole discretion. NASPO ValuePoint, the Participating States and/or the Participating Entities may also actively solicit Cisco's Authorized Resellers for deeper discounts than the minimum contract pricing as set forth in the Cost Schedule. In any event, final transactional pricing shall be determined by the Authorized Resellers and not by Cisco; provided, however, that the minimum discounts set forth on the Cost Schedule are met.

The discounts on the Cost Schedule for new products are also applicable to Cisco's certified refurbished equipment. The price list for Cisco's certified refurbished equipment may be separate from the U.S. Global Price Lists for new products, since they (i) are subject to inventory availability and (ii) are value priced considerably lower than equivalent new products.

Contractor's not-to-exceed post-sale on-site service consulting rates are fully loaded (inclusive of travel, lodging, and meals) for each service category, as set forth below. Remote access rates for non-warranty and consultation services are expressed as a separate net hourly labor rate. Contractor's rates are set forth in Section 5.3.1 of Attachment C of the Master Agreement.

4. **Invoicing:** Invoices shall be submitted on the Contractor or its Reseller's standard billhead and forwarded directly to the institution or agency ordering materials or services and shall specify the address to which payments will be sent. Invoices must include the Purchase Order Number(s) for which the invoice is being submitted.
5. **Purchasing Card:** The State Purchasing Card may be used by State Purchasers for the payment of invoices. Use of the Purchasing Card requires all required documentation applicable to the purchase. The Purchasing Card is a payment mechanism, not a procurement approach and, therefore, does not relieve departments from adhering to all procurement laws, regulations, policies, procedures, and best practices. This includes but is not limited to the application of all sales and use tax laws, rules and policies as applicable to the purchase.

## ATTACHMENT C: STANDARD STATE PROVISIONS

### FOR CONTRACTS AND GRANTS

1. **Entire Agreement:** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. **Applicable Law:** This Agreement will be governed by the laws of the State of Vermont.
3. **Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
4. **Appropriations:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, and in the event federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.
5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
6. **Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit.

After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.

The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party

for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence

\$1,000,000 General Aggregate

\$1,000,000 Products/Completed Operations Aggregate

\$ 50,000 Fire/ Legal/Liability

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

8. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.
9. **Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the subrecipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends \$750,000 or more in federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

- 10. Records Available for Audit:** The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.
- 11. Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of Title 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.
- 12. Set Off:** The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.
- 13. Taxes Due to the State:**
- Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
  - Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
  - Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
  - Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.
- 14. Child Support:** (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:
- is not under any obligation to pay child support; or
  - is under such an obligation and is in good standing with respect to that obligation; or
  - has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

- 15. Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in all subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.
- 16. No Gifts or Gratuities:** Party shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.
- 17. Copies:** All written reports prepared under this Agreement will be printed using both sides of the paper.
- 18. Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.
- Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at:  
<http://bgs.vermont.gov/purchasing/debarment>
- 19. Certification Regarding Use of State Funds:** In the case that Party is an employer and this Agreement is a State Funded Grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.
- 20. Internal Controls:** In the case that this Agreement is an award that is funded in whole or in part by Federal funds, in accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- 21. Mandatory Disclosures:** In the case that this Agreement is an award funded in whole or in part by Federal funds, in accordance with 2CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.
- 22. Conflict of Interest:** Party must disclose in writing any potential conflict of interest in accordance with Uniform Guidance §200.112, Bulletin 5 Section X and Bulletin 3.5 Section IV.B.

(End of Standard Provisions)

ATTACHMENT D  
STANDARD STATE PROVISIONS  
FOR INFORMATION TECHNOLOGY CONTRACTS

**1. ORDER OF PRECEDENCE; CONTRACTOR DOCUMENTATION.**

The parties specifically agree that any language or provisions contained in a Contractor Document is of no force and effect if such language or provisions conflict with the terms of Attachment C or Attachment D to this Contract. Further, in no event shall any Contractor Document: (a) require indemnification by the State of the Contractor; (b) waive the State's right to a jury trial; (c) establish jurisdiction in any venue other than the Superior Court of the State of Vermont, Civil Division, Washington Unit; (d) designate a governing law other than the laws of the State of Vermont; (e) constitute an implied or deemed waiver of the immunities, defenses, rights or actions arising out of State's sovereign status or under the Eleventh Amendment to the United States Constitution; (f) limit the time within which an action may be brought hereunder; or (g) require the State to maintain the confidentiality of the Contractor without regard to the laws of the State of Vermont.

For purposes of this Attachment D, "Contractor Document" shall mean one or more document, agreement or other instrument required by the Contractor in connection with the procurement of the products or services under this Participating Addendum, regardless of format, including the Exhibits to Attachment A of the Master Agreement and any other paper or "shrinkwrap," "clickwrap" or other electronic version thereof.

No modification or addition to the limited warranties set forth in this Agreement is authorized unless it is set forth in an amendment to this Contract.

**2. TERM OF CONTRACTOR'S DOCUMENTS.**

Contractor acknowledges and agrees that, to the extent a Contractor Document provides for alternate term or termination provisions, including automatic renewals, such sections shall be waived and shall have no force and effect. All Contractor Documents shall run concurrently with the term of this Contract.

**3. OWNERSHIP AND LICENSE IN DELIVERABLES**

**3.1 Contractor Intellectual Property.**

Contractor shall retain all right, title and interest in and to all Contractor Intellectual Property as set forth in Section 17 of Attachment A of the Master Agreement.

**3.2 State Intellectual Property; State Intellectual Property; User Name**

The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, "State Intellectual Property").

Contractor may not use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

#### **4. CONFIDENTIALITY AND NON-DISCLOSURE; SECURITY BREACH REPORTING**

**4.1 Confidentiality of Contractor Information.** The Contractor acknowledges and agrees that this Contract and any and all Contractor information obtained by the State in connection with this Contract are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

The State will not disclose information for which a reasonable claim of exemption can be made pursuant to 1 V.S.A. § 317(c), including, but not limited to, trade secrets, proprietary information or financial information, including any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to the Contractor, and which gives the Contractor an opportunity to obtain business advantage over competitors who do not know it or use it.

The State shall immediately notify Contractor of any request made under the Access to Public Records Act, or any request or demand by any court, governmental agency or other person asserting a demand or request for Contractor information. Contractor may, in its discretion, seek an appropriate protective order, or otherwise defend any right it may have to maintain the confidentiality of such information under applicable State law within three business days of the State's receipt of any such request. Contractor shall indemnify the State for any costs or expenses incurred by the State, including, but not limited to, attorneys' fees awarded in accordance with 1 V.S.A. § 320, in connection with any action brought in connection with Contractor's attempts to prevent or unreasonably delay public disclosure of Contractor's information.

The State agrees that (a) it will use the Contractor information only as may be necessary in the course of performing duties, receiving services or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of Contractor information as it provides to protect its own similar confidential and proprietary information; (c) except as required by the Access to Records Act, it will not disclose such information orally or in writing to any third party unless that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the Contractor's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity. Contractor may affix an appropriate legend to Contractor information that is provided under this Contract to reflect the Contractor's determination that any such information is a trade secret, proprietary information or financial information at time of delivery or disclosure.

**4.2 Confidentiality of State Information.** In performance of this Contract, and any exhibit or schedule hereunder, the Party acknowledges that certain State Data (as defined below), to which the Contractor may have access may contain individual federal tax information, personal protected health information and other individually identifiable information protected by State or federal law. Before receiving or controlling State Data, the Contractor will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy

of such policy to the State, which Cisco considers to be protected as trade secret from public disclosure under applicable public records laws. To the extent a State Purchaser purchases a product or service that remotely stores State Data, State Data shall not be stored, accessed from, or transferred to any location outside the continental United States. State Data, for purposes of this US-based storage requirement, shall be defined as State Purchaser data stored by Cisco in the course of delivering services under this Contract which is necessary to provide the basic functionality as described in the applicable service description. State Data shall not include Incidental Data, which is defined as data collected from State Purchaser as part of Contractor's maintenance and support services, or configuration and administrative data transmitted by customer for cloud-enabled on-premise appliances. Data centers used to store Incidental Data (even where such records contain customer data), shall not be subject to the US-based storage requirement. To the extent any State Purchaser or Additional Purchaser has additional security requirements, for an increased cost, Contractor offers a classified technical support service staffed by personnel holding federal security clearances and located in U.S.-based facilities in compliance with applicable federal law.

Unless otherwise instructed by the State, Contractor agrees to keep confidential all information received and collected by Contractor in connection with this Contract ("State Data"). The Contractor agrees not to publish, reproduce, or otherwise divulge any State Data in whole or in part, in any manner or form or authorize or permit others to do so. Contractor will take reasonable measures as are necessary to restrict access to State Data in the Contractor's possession to only those employees on its staff who must have the information on a "need to know" basis. The Contractor shall use State Data only for the purposes of and in accordance with this Contract. The Contractor shall provide at a minimum the same care to avoid disclosure or unauthorized use of State Data as it provides to protect its own similar confidential and proprietary information.

The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State Data to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order.

**4.3 Security of State Information.** The Contractor represents and warrants that it has implemented and it shall maintain during the term of this Contract industry standard administrative, technical, and physical safeguards and controls consistent with ISO 27001 and designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures shall include at a minimum: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Contractor employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Data which shall include industry standard authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Data; (6) measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of



any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

**4.4 System Back-Up :** To the extent the State purchases hosted services or “X as a Service” offerings, Contractor agrees to maintain a fully redundant backup data center geographically separated from its main data center that maintains near realtime replication of data from the main data center. Contractor shall provide the State with a summary of Cisco’s Disaster Recovery policies upon request, which policies Cisco considers to be trade secrets under applicable public records law.

**4.5 Security Breach Reporting.** The Contractor acknowledges that in the performance of its obligations under this Contract, it will be a “data collector” pursuant to Chapter 62 of Title 9 of the Vermont Statutes (9 V.S.A. §2430(3)). In the event of any security breach the Contractor either suffers or learns of that either compromises or could compromise State Data (including PII, PHI or ePHI) in any format or media, whether encrypted or unencrypted (for example, but not limited to: physical trespass on a secure facility; intrusion or hacking or other brute force attack on any State environment; loss or theft of a PC, laptop, desktop, tablet, smartphone, removable data storage device or other portable device; loss or theft of printed materials; or failure of security policies) (collectively, a “Security Breach”), and in accordance with 9 V.S.A. § 2435(b)(2), the Contractor shall promptly notify appropriate State personnel of such Security Breach.

The Contractor’s report shall identify: (i) the nature of the Security Breach; (ii) the State Data used or disclosed; (iii) who made the unauthorized use or received the unauthorized disclosure; (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and (v) what corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. The Contractor shall provide such other information, including a written report, as reasonably requested by the State.

The Contractor agrees to comply with all applicable laws, as such laws may be amended from time to time (including, but not limited to, Chapter 62 of Title 9 of the Vermont Statutes, HIPAA and/or HITECH) that require notification in the event of unauthorized release of personally-identifiable information or other event requiring notification. In the event of a breach of any of the Contractor’s security obligations or other breach event for which Contractor is responsible requiring notification under applicable law (“Notification Event”), the Contractor agrees to fully cooperate with the State. To the extent of a breach of any of the Contractor’s security obligations, Contractor shall assume all reasonable costs associated with a Security Breach and Notification Event, incurred by the State to the extent such costs were the direct result of Contractor’s material breach of this Section 4, including but not limited to, notice, outside investigation and services (including mailing, call center, forensics, counsel and/or crisis management), and/or credit monitoring, in the sole determination of the State. To the extent a) a Security Breach was not the result of Contractor’s material breach as described above, or b) a Security Breach is the result of Customer’s or a third party’s negligence or willful misconduct (including, without limitation, Customer’s failure to implement industry standard security processes and procedures such as password protection or encryption of sensitive personal information, or resulted from actions of disgruntled employees, hackers and other criminal or malicious third parties, or state instrumentalities), the damages and expenses subject to a claim of reimbursement under this Section 4 shall be allocated or reallocated, as the case may be, between the Customer, Contractor and any other party bearing responsibility in such proportion as appropriately reflects the relative fault of such parties, or their subcontractors, or the officers, directors, employees, agents, successors and assigns of any of them, and the liability of Contractor for reimbursement shall be proportionately reduced.

In addition to any other indemnification obligations in this Contract, subject to Section 19 below, the Contractor shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure of State Data by the Contractor, its officers, agents, employees, and subcontractors.

This Section 4.6 states Contractor's entire obligation and Customer's sole and exclusive remedy for damages and expenses related to a Security Breach.

## **5 SUBCONTRACTORS**

Contractor shall be responsible for directing and supervising each of its subcontractors and any other person performing any of the Work under an agreement with Contractor. Contractor shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing any of the Work under an agreement with Contractor or any subcontractor.

## **6 CONTRACTOR'S REPRESENTATIONS AND WARRANTIES**

**6.1 General Representations and Warranties.** The Contractor represents, warrants and covenants that:

- (i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.
- (ii) There is no outstanding litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.
- (iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.
- (iv) The Contractor has adequate resources to fulfill its obligations under this Contract.

**6.2 Contractor's Performance Warranties.** Contractor represents and warrants to the State that:

- (i) All deliverables will be free from material errors and shall perform in accordance with the specifications therefor.
- (ii) Except as set forth in the applicable Documentation, any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.

**6.3 Limitation on Disclaimer.** The express warranties set forth in this Contract shall be in lieu of all other warranties, express or implied.

## **7 INDEMNIFICATION.**

The Contractor acknowledges and agrees that the laws and the public policy of the State of Vermont prohibit the State from agreeing to defend, indemnify, or hold harmless contractors and other parties. The Contractor agrees that, to the extent a Contractor Document expressly provides for or implies indemnification of the Contractor and/or other third parties by the State, such sections shall be waived and shall have no force and effect with respect to the State.

Notwithstanding anything to the contrary set forth in Attachment C of this Contract, the Contractor shall have no obligation to indemnify the state, its officers or employees from and against any claims, suits, actions, losses, damages, liabilities, costs and expenses attributable solely to the acts or omissions of the State, its officers, employees or agents.

## **8 PROFESSIONAL LIABILITY INSURANCE COVERAGE.**

In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of \$2,000,000 per claim or wrongful act, \$3,000,000 aggregate, and first party Breach Notification Coverage of not less than \$2,000,000.

## **9 SOVEREIGN IMMUNITY.** The Contractor acknowledges that the State reserves all immunities, defenses, rights or actions arising out of the State's sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of any such immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State's entry into this Contract.

## **10 DISPUTE RESOLUTION**

**10.1 Governing Law; Jurisdiction.** The Contractor agrees that this Contract, including any Contractor Document, shall be governed by and construed in accordance with the laws of the State of Vermont and that any action or proceeding brought by either the State or the Contractor in connection with this Contract shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Contractor irrevocably submits to the jurisdiction of such court in respect of any such action or proceeding.

**10.2 Costs and Fees.** The State shall not be liable for attorneys' fees in any proceeding (except as such fees may be contemplated under statute or applicable law) nor otherwise liable for the payment collection costs, costs of conducting a license and verification audit of Contractor (including, without limitation, any such costs contemplated under Attachment A, Exhibit 2, Section 18 of the Master Agreement).

**10.3 Trial by Jury.** The Contractor acknowledges and agrees that public policy prohibits the State from agreeing to arbitration and/or from waiving any right to a trial by jury. Therefore, Contractor further acknowledges and agrees that, to the extent a Contractor Document expressly provides for arbitration or waiver of the State's right to a jury trial of the Contractor and/or other third parties by the State, such sections shall be waived and shall have no force and effect with respect to the State.

**10.4 Trade Secret, Patent, and Copyright Infringement.** The State shall not be deemed to waive any of its rights or remedies at law or in equity in the event of Contractor's trade secret, patent and/or copyright infringement.

**10.5 Limits on Actions Prohibited.** The Contractor acknowledges and agrees that 12 V.S.A. § 465 renders null and void any contractual provision which limits the time in which an action may be brought under the contract, or waives the statute of limitations.

**10.6 Continuity of Performance.** In the event of a dispute between the Contractor and the State, each party will continue to perform its obligations under this Contract during the resolution of such dispute unless and until this Contract is terminated in accordance with its terms.

## **11 REMEDIES FOR DEFAULT.**

In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

## **12 TERMINATION.**

### **12.1**

The Contractor agrees, after receipt of a notice of termination, and except as otherwise directed by the State, the Contractor shall:

1. Stop work under the Contract on the date, and to the extent, specified in the notice;
2. Place no further orders or subcontracts for Services, except as may be necessary for completion of such portion of the work under the Contract that is not terminated as specified in writing by the State;
3. Perform, as the State may require, such knowledge transfer and other services as are required to allow the Services to continue without interruption or adverse effect and to facilitate orderly migration and transfer of the services to the successor provider;
4. Complete performance of such part of the work as shall not have been terminated; and
5. Take such action as may be necessary, or as the State may direct, for the protection and preservation of the property related to this Contract which is in the possession of the Contractor and in which the State has or may acquire an interest and to transfer that property to the State or a successor provider.

Contractor acknowledges that, if it were to breach, or threaten to breach, its obligation to provide the State with the foregoing assistance, the State would be immediately and irreparably harmed and monetary compensation would not be measurable or adequate. In such circumstances, the State shall be entitled to obtain such injunctive, declaratory or other equitable relief as the State deems necessary to prevent such breach or threatened breach, without the requirement of posting any bond and Contractor waives any right it may have to allege or plead or prove that the State is not entitled to injunctive, declaratory or other equitable relief. If the court should find that Contractor has breached (or attempted or threatened to breach) any such obligations, Contractor agrees that without any additional findings of irreparable injury or other conditions to injunctive or any equitable relief, Contractor will not oppose the entry of an order compelling its performance and restraining Contractor from any further breaches (or attempted or threatened breaches).

**12.2 Return of Property.** Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to State all State Intellectual Property and State Data (including without limitation any

Deliverables for which State has made payment in whole or in part), that are in the possession or under the control of Contractor in whatever stage of development and form of recordation such State property is expressed or embodied at that time, and, if specifically directed by the State, Contractor shall destroy all State Data in its possession, power or control in a manner that assures the State that the information is rendered unrecoverable.

**12.3 No Waiver of Remedies.** No delay or failure to exercise any right, power or remedy accruing to either party upon breach or default by the other under this Contract shall impair any such right, power or remedy, or shall be construed as a waiver of any such right, power or remedy, nor shall any waiver of a single breach or default be deemed a waiver of any subsequent breach or default. All waivers must be in writing.

**12.4 Contractor Bankruptcy.** Contractor acknowledges that if Contractor, as a debtor in possession, or a trustee in bankruptcy in a case under Section 365(n) of Title 11, United States Code (the "Bankruptcy Code"), rejects this Contract, the State may elect to retain its rights under this Contract as provided in Section 365(n) of the Bankruptcy Code. Upon written request of the State to Contractor or the Bankruptcy Trustee, Contractor or such Bankruptcy Trustee shall not interfere with the rights of the State as provided in this Contract, including the right to obtain the State Intellectual Property.

### **13 ACCESS TO STATE DATA:**

Within ten (10) business days of a request by State, the parties will mutually agreed upon a schedule and cost, if applicable, for the Contractor to make available to State a complete and secure (i.e. encrypted and appropriately authenticated) download file of State Intellectual Property and State Data in a format acceptable to both parties. *Provided, however*, in the event the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the Contractor shall immediately return all State Intellectual Property and State Data to State control; including, but not limited to, making all necessary access to applicable remote systems available to the State for purposes of downloading all State Data.

The Contractor's policies regarding the retrieval of data upon the termination of services have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

### **14 STATE FACILITIES.**

**14.1** During the term of this Contract, the State may make available to Contractor space in any State facility applicable to the Services, subject to the conditions that Contractor: (i) shall only use such space solely and exclusively for and in support of the Services; (ii) shall not use State facilities to provide goods or services to or for the benefit of any third party; (iii) shall comply with the leases, security, use and rules and agreements applicable to the State facilities; (iv) shall not use State facilities for any unlawful purpose; (v) shall comply with all policies and procedures governing access to and use of State facilities that are provided to Contractor in writing; (vi) instruct Contractor personnel not to photograph or record, duplicate, disclose, transmit or communicate any State information, materials, data or other items, tangible or intangible, obtained or available as a result of permitted use of State facilities; and (vii) return such space to the State in the same condition it was

in at the commencement of this Contract, ordinary wear and tear excepted. State facilities will be made available to Contractor on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

**14.2 Contractor Facilities.** Contractor will be responsible for procuring, managing, maintaining and otherwise making available all Contractor Resources necessary to provide the Services in accordance with the Requirements hereunder. Contractor will seek and obtain the State's prior written approval for any relocation of any Contractor Facilities at, from or through which the Services are provided and shall mitigate any impact to the State. Any such relocation shall be without additional cost to the State. No Contractor Facility providing Services pursuant to this Contract shall be located outside the United States.

## 15 AUDIT

**15.1 Audit Rights.** Contractor will maintain and cause its permitted contractors to maintain a complete audit trail of all transactions and activities, financial and non-financial, in connection with this Contract as required by Generally Acceptable Accounting Procedures ("GAAP"). Upon reasonable request from Customer no more than once per annum, Cisco agrees that it will make available its principal place of business for the relevant Services for the sole purpose (and to the extent required only) to review Contractor's and Contractor Personnel's compliance with this the security and confidentiality obligations of the Contract during normal business hours. Such reviews will be conducted at mutually-convenient times, in a manner that does not materially disrupt Contractor's business operations by an agreed-upon, independent and accredited third party auditing Customer with ninety (90) business day prior written notice and at the expense of the Customer, subject to any non-disclosure terms between the parties. Customer shall provide to Contractor a copy of all findings from the review conducted hereunder and shall keep same confidential in accordance with this Agreement. If, as a result of such review, Customer determines that Contractor is not in material compliance with the security and confidentiality obligations of the Contract, it will notify Contractor of such non-compliance and Contractor will promptly attempt to correct any such deficiency. In the event that Contractor does not, within thirty (30) days of such notification, either (i) correct such deficiency; or (2) propose and implement a plan reasonably approved by Customer to correct such deficiency, Customer may immediately suspend or terminate Contractor's performance of those Services directly impacted by such deficiency until such issues are adequately resolved. Notwithstanding anything else in this Section, Contractor is under no obligation to submit to Customer's inspection any information, the disclosure of which would violate Contractor's own information security policies, applicable laws or a third party contract of Contractor. Contractor shall provide and cause its permitted contractors to provide full cooperation to such auditors, inspectors, regulators and representatives in connection with audit functions and with regard to examinations by regulatory authorities.

**15.2 Operations Security.** On an annual basis, within 90 days of the end of the Contractor's fiscal year, the Contractor shall transmit its annual audited financial statements to the State.

**15.3 License Verification.** In lieu of any provision that the State provide Contractor with access to its system for the purpose of determining State compliance with this Agreement (including, without limitation, Attachment A, Exhibit 2, Section 18 of the Master Agreement), upon request and not more frequently than annually, the State will provide Contractor with a certified report concerning the State's use of any software or service licensed for State use pursuant this Agreement. If, upon reviewing such certified report, Contractor reasonably believes that the State is in violation of the

license terms, Cisco and the State will mutually agree upon a third party auditor to examine the State's books, records and accounts during Customer's normal business hours and upon 30 days prior written notice. Such examination shall be limited in scope to verify compliance with the license granted under the EULA, provided such third party has executed a non-disclosure agreement in the form approved by the State. The State shall have the right to review any audit report prior to release to Cisco.

## **16 CONFLICTS OF INTEREST**

Contractor agrees that during the term of this Contract, its performance shall be in the best interest of the State. Contractor shall fully disclose, in writing, any such conflicts of interest, including the nature and extent of the work to be performed for any other person or entity so that the State may be fully informed prior to giving any consent. Contractor agrees that the failure to disclose any such conflicts shall be deemed an event of default under this Contract, and this Contract shall be terminable immediately.

## **17 MISCELLANEOUS**

**17.1 Taxes.** Most State purchases are not subject to federal or state sales or excise taxes and must be invoiced tax free. An exemption certificate will be furnished upon request covering taxable items. The Contractor agrees to pay all Vermont taxes which may be due as a result of this Contract.

**17.2 Marketing.** Neither party to this Contract shall refer to the other party in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties without the prior written consent of the other party.

## **18 INTELLECTUAL PROPERTY INFRINGEMENT INDEMNITY**

**18.1** Contractor will have the obligation to defend any claim, action, suit, or proceeding ("IPR Claim") brought against the State, its officers and employees so far as it is based on a claim that any product supplied under this Participating Addendum infringes Third Party IPR (as defined below). Contractor will indemnify the State, its officers and employees against any final judgment entered in respect of such an IPR Claim by a court of competent jurisdiction and against any settlements arising out of such an IPR Claim. Contractor's obligations to defend the IPR Claim and indemnify the Customer are conditional upon:

**18.1.1** State notifying Contractor reasonably promptly in writing of the IPR Claim or threat thereof, provided however, that the failure to give such prompt written notice shall not relieve the Contractor of its indemnification obligations, except and only to the extent that Contractor is materially prejudiced or otherwise forfeits rights or defenses by reason of such failure;

**18.1.2** State giving Contractor full and exclusive authority for the conduct of the defense and settlement of the IPR Claim and any subsequent appeal, provided however that (i) the State may, at its own expense, participate in the defense of any IPR Claim with counsel selected by it subject to Contractor's right to control the defense thereof and (ii) Contractor shall not, without the prior written consent of the State (which shall not be unreasonably withheld), settle, compromise or consent to the entry of any judgment with respect to any pending or threatened IPR Claim unless the settlement, compromise or consent provides for and includes an express, unconditional release of such IPR Claim against the State; and

**18.1.3** State giving Contractor all information and assistance reasonably requested by State in connection with the conduct of the defense and settlement of the IPR Claim and any subsequent appeal.

**18.2** For the purposes of this Participating Addendum, "Third Party IPR" means a United States copyright existing as at the date of order or a United States patent issued as at the date of order.

**18.3** If an IPR Claim has been made, or in Contractor's reasonable opinion is likely to be commenced, State agrees to permit Contractor, at its option and expense, either to: (a) procure for State the right to continue using the product; (b) replace or modify the product so that it becomes non-infringing; or (c) immediately terminate both parties' respective rights and obligations under this Letter Agreement with regard to the product, in which case State will return the Product to Contractor and Contractor will refund to State the price originally paid by State to Contractor for the product.

**18.4** Notwithstanding the foregoing, Contractor has no liability for any IPR Claim arising from:

**18.4.1** the combination, operation, or use of a product (which, for the avoidance of doubt, includes any third party components embedded within the product) supplied under this Participating Addendum with any product, device, or software not supplied by Contractor;

**18.4.2** the alteration or modification of any product supplied under this Participating Addendum from and after the date such product is so supplied and such alteration or modification is not made or authorized to be made by Contractor in writing and undertaken by the State in accordance with the request for the purposes of complying with Contractor's warranty obligations under this Participating Addendum, and provided that configuration changes made by the State as permitted in the Contractor's documentation shall not be considered modifications for purposes of this Section 18.4.2;

**18.4.3** Contractor's compliance with State's designs, specifications, or instructions; or

**18.4.4** State's use of the product after Contractor has informed State of modifications or changes in the product required to avoid such an IPR Claim if the alleged infringement would have been avoided by implementation of Contractor's recommended modifications or changes.

**18.5** For IPR Claims that assert damages based upon the amount or duration of use which State makes of the product, revenue earned by State from services it provides which utilize the product, or services offered by State to external or internal customers ("Excluded Damages"), Contractor will have the obligation to defend an IPR Claim as set forth in Section 18.1. However, Contractor will not be liable for court-awarded damages against the State if such damages are Excluded Damages.

THIS SECTION STATES THE ENTIRE OBLIGATION OF CONTRACTOR AND THE EXCLUSIVE REMEDY OF THE STATE, IN RESPECT OF ANY INFRINGEMENT OR ALLEGED INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS OR PROPRIETARY RIGHTS. THIS INDEMNITY OBLIGATION AND REMEDY ARE GIVEN TO CUSTOMER SOLELY FOR ITS BENEFIT AND IN LIEU OF, AND CISCO DISCLAIMS, ALL WARRANTIES, CONDITIONS, AND OTHER TERMS OF NON INFRINGEMENT WITH RESPECT TO ANY PRODUCT.

## **19 LIMITATION OF LIABILITY**

LIMITS OF LIABILITY FOR STATE CLAIMS WHICH MAY BE AGREED BY THE STATE SHALL NOT APPLY TO STATE CLAIMS ARISING OUT OF: (A) CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE; (B) CONTRACTOR'S CONFIDENTIALITY OBLIGATIONS (NOT



INCLUDING DAMAGES RELATED TO SECURITY BREACH) TO THE STATE; (C) PERSONAL INJURY OR DAMAGE TO REAL OR PERSONAL PROPERTY; OR (D) CONTRACTOR'S GROSS NEGLIGENCE, FRAUD OR INTENTIONAL MISCONDUCT. THERE ARE NO THIRD PARTY BENEFICIARIES UNDER THIS CONTRACT, AND IN NO EVENT SHALL CONTRACTOR'S LIABILITY BE LIMITED FOR THIRD PARTY CLAIMS AGAINST THE CONTRACTOR WHICH MAY ARISE OUT OF CONTRACTOR'S ACTS OR OMISSIONS IN THE PERFORMANCE OF THIS CONTRACT.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, SPECIAL, INDIRECT DAMAGES, LOST PROFITS, REVENUE, BUSINESS, ANTICIPATED SAVINGS, OPPORTUNITY, GOODWILL OR REPUTATION, OR DAMAGES WHICH ARE NOT PROXIMATELY CAUSED BY A PARTY, OR LOST OR DAMAGED DATA (EXCEPT FOR A LOSS OF CUSTOMER DATA CAUSED BY CISCO'S NEGLIGENCE OR INTENTIONAL MISCONDUCT), ARISING OUT OF OR IN CONNECTION WITH THE SUBJECT MATTER OF THIS CONTRACT.

The provisions of this Section shall apply notwithstanding any other provisions of this Contract or any other agreement, and shall survive the expiration or termination of this Contract.

## **20 ADDITIONAL PURCHASERS**

Contractor agrees that Additional Purchasers shall be accorded the same protections accorded to State Purchasers hereunder; such that, where context indicates, references to the "State" shall be construed to include reference to both State Purchasers and Additional Purchasers.

## **21 MODIFICATION TO ATTACHMENT C**

**21.1 Attachment C, Section 6 (Independence; Liability), is hereby deleted and replaced with the following language:**

**6. Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

**21.2 Attachment C, Section 7 (Insurance), is hereby deleted and replaced with the following language:**

**7. Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall be:

\$1,000,000 Per Occurrence

\$1,000,000 General Aggregate

\$1,000,000 Products/Completed Operations Aggregate

\$ 50,000 Fire/ Legal/Liability

The insurance shall include the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement that falls within Party's indemnity obligations under this Agreement and that are otherwise covered by such insurance.

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall be: \$1,000,000 combined single limit.

The insurance shall include the State of Vermont and its officers and employees as additional insureds for liability arising out of the use of autos covered by such insurance.

**21.3 Attachment C, Section 10 (Audit), is hereby deleted and replaced with the following language:**

**10. Records Available for Audit:** The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party necessary to properly account for the payments made to the Party and any products or services provided in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

**21.4 Attachment C, Section 13 (Taxes Due the State), is hereby deleted and replaced with the following language:**

**13. Taxes Due to the State:**

- a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
- b. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan

to pay any and all taxes due the State of Vermont.

- c. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont. Upon Contractor's compliance with applicable tax requirements, final payment will be released to Contractor.
- d. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

**21.5 Attachment C, Section 15 (Sub-Agreements), is hereby deleted and replaced with the following language:**

**15. Sub-Agreements:** Party shall not assign, or subcontract or subgrant the performance of this Agreement to or any portion thereof to any other Party Fulfillment Partner without the prior written approval of the State. Contractor's use of subcontractors not specifically engaged to support this Participating Addendum, including but not limited to administrative support and technical support, shall not be covered by this Section. Party also agrees to include in all subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.

**21.6 Attachment C, Section 17 (Copies), is hereby deleted entirely.**

**21.7 Attachment C, Section 18 (Certification Regarding Debarment), is hereby deleted and replaced with the following language:**

**18. Certification Regarding Debarment:** Party certifies that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at:

<http://bgs.vermont.gov/purchasing/debarment>

**ATTACHMENT E**  
**BUSINESS ASSOCIATE AGREEMENT**  
**[RESERVED]**

**ATTACHMENT F**  
**AGENCY OF HUMAN SERVICES' CUSTOMARY CONTRACT PROVISIONS**  
**[RESERVED]**

## **Attachment G: List of Hosted Services or “X as a Service” Offerings**

Webex (Hosted Conferencing Services)  
Web-Based Security as a Service  
Email Security as a Service  
Energy Management as a Service  
Hosted Collaboration as a Service (HCS)  
Infrastructure as a Service

The signatures of the undersigned indicate that each has read and agrees to be bound by this Amendment to the Contract.

**STATE OF VERMONT**

**By:**  E-SIGNED by Jennifer Fitch  
on 2019-06-21 02:10:32 GMT

**Name:** Christopher Cole

**Title:** BGS Commissioner

**Date:** \_\_\_\_\_

**CISCO SYSTEMS INC**

**By:** 

**Name:** Jenn Pate

Authorized Signatory

**Title:** \_\_\_\_\_

**Date:** June 14, 2019

**APPROVED BY LEGAL**