IOWA OFFICE OF CHIEF INFORMATION OFFICER
CONTRACTS DECLARATION & EXECUTION PAGE

Title of Contract:		Contract Number:
SalesForce and BasicGov Services		2015-BUS-004

This Agreement is entered into between the State of Iowa (by and through its agency, the Office of Chief Information Officer (OCIO)) and the Contractor named below:

State Agency's Name:
Iowa Office of Chief Information Officer (OCIO)

Contractor's Name:
Carahsoft Technology Corp.

Contract to Begin:	Date of Expiration:	Annual Extensions:
August 10, 2015	August 9, 2016	5

The parties agree to comply with the terms and conditions of the applicable agreements as designated within this Agreement

IN WITNESS WHEREOF, in consideration of the mutual covenants set forth in this Agreement and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into this Agreement and have caused their duly authorized representatives to execute this Agreement.

Vendor: Carahsoft Technology Corp.

Ellen Lord
By *(Authorized Signature)*

Date Signed: 8-10-15

Ellen Lord, Contracts Manager
Printed Name and Title of Person Signing

1860 Michael Faraday Drive, Suite 100, Reston, VA 20190
Address

State of Iowa, acting by and through the Office of the Chief Information Officer

By *(Authorized Signature)*

Date Signed: 8/10/2015

Robert von Wolffradt, Chief Information Officer
Printed Name and Title of Person Signing

Address
Iowa Office of the Chief Information Officer
Hoover Bldg. – Level B
1305 E Walnut St.
Des Moines, IA 50319

BD 8.10.15
MB 8/10/15

SERVICES CONTRACT

This Agreement for professional services and other deliverables (this "Agreement"), made and effective as of August 10, 2015 ("Effective Date"), by and between the State of Iowa, acting by and through the Office of the Chief Information Officer (the "Department") and Carahsoft Technology Corp., a corporation organized under the laws of Maryland (the "Contractor"); each individually a "party" and collectively the "parties". The parties enter into this agreement pursuant to authority granted to the OCIO, Iowa Code 8B.24(5b). This authority authorizes the OCIO to enter into agreements for the purchase of information technology pursuant to current federal supply contracts. Applicable to and specifically for purposes of this agreement, the federal supply contract is GSA Schedule No. GS-35F-0119Y.

This Agreement establishes terms and conditions under which State agencies (including any board, instrumentality, commission, or other political body) and Iowa political subdivisions, such as counties, municipalities, and townships, may acquire the Contractor's Services or Deliverables at the pricing identified below. This Agreement, however, only permits such; it is not a requirements contract and does not obligate any State agency or political subdivision to acquire the Contractor's products or services.

The parties agree as follows:

A. PURPOSE AND TERMS

1. Purpose. The parties have entered into this Agreement for the purpose of retaining Contractor to provide Software as a Service, professional services and other deliverables in connection with the development, implementation, and maintenance of the Salesforce.com platform, including, as desired, BasicGov and other related Salesforce.com applications made available through Force.com or AppExchange for the Department and the State of Iowa (the "State"), as more fully described in this Agreement and Statement(s) of Work.

2. Term. The initial term of this Agreement is from August 10, 2015, through August 9, 2016, unless terminated earlier in accordance with the terms of this Agreement. After expiration of the initial term, the Department shall have the option to extend/renew this Agreement for up to four additional one-year renewal terms. The decision to extend the Agreement will be at the sole option of the Department and may be exercised by the Department by providing written notice to Contractor.

B. DEFINITIONS AND GENERAL INFORMATION

The following words shall be defined as set forth below:

1. **"Authorized Persons"** means the service provider's employees, contractors, subcontractors or other agents who need to access the State's personal data to enable the service provider to perform the services required.

2. **"Acceptance"** means that the Department has determined that one or more Deliverables satisfy the Department's Acceptance Tests. Final Acceptance means that the Department has determined that all Deliverables satisfy the Department's Acceptance Tests.

Non-acceptance means that the Department has determined that one or more Deliverables have not satisfied the Department's Acceptance Tests.

3. **"Acceptance Criteria"** means the Specifications, goals, performance measures, testing results and/or other criteria designated by the Department and against which the Deliverables may be evaluated for purposes of Acceptance or Non-acceptance thereof.

4. **"Acceptance Tests" or "Acceptance Testing"** mean the tests, reviews and other activities that are performed by or on behalf of Department to determine whether the Deliverables meet the Acceptance Criteria or otherwise satisfy the Department, as determined by the Department in its sole discretion.

5. **"Breach of security" or "Security Breach"** as defined in Iowa Code 715C.1 means unauthorized acquisition of personal information maintained in computerized form by a person that compromises the security, confidentiality, or integrity of the personal information. Good faith acquisition of personal information by a person or that person's employee or agent for a legitimate purpose of that person is not a breach of security, provided that the personal information is not used in violation of applicable law or in a manner that harms or poses an actual threat to the security, confidentiality, or integrity of the personal information.

6. **"Contract"** means the collective documentation memorializing the terms of the agreement between the Department and the Contractor identified on the Contract Declarations & Execution Page(s) and includes the signed Contract Declarations & Execution Page(s), these General Terms for Services Contracts, any Special Contract Attachments, and all other attachments to the Contract Declarations & Execution Page(s).

7. **"Contract Declarations & Execution Page(s)"** means the document that contains basic information about the Contract and incorporates by reference these General Terms for Services Contracts, and all other attachments to the Contract Declarations and Executions Page(s).

8. **"Deficiency"** means a defect, flaw, anomaly, failure, omission, interruption of service, or other problem of any nature whatsoever with respect to a Deliverable, including, without limitation, any failure of a deliverable to conform to or meet an applicable specification. Deficiency also includes the lack of something essential or necessary for completeness or proper functioning of a Deliverable.

9. **"Deliverables"** means all of the goods, products, services, work, work product, items, materials and property to be created, developed, produced, delivered, performed or provided by or on behalf of, or made available through, Contractor (or any agent, contractor or subcontractor of Contractor) in connection with this Contract.

10. **"Documentation"** means any and all technical information, commentary, explanations, design documents, system architecture documents, database layouts, test materials, training materials, guides, manuals, worksheets, notes, work papers, and all other information, documentation and materials related to or used in conjunction with the Deliverables, in any medium, including hard copy, electronic, digital, and magnetically or optically encoded media.

11. **"Governmental Entity"** shall mean any Governmental Entity, as defined in Iowa

Code Section 8A.101(4), or any successor provision to that section. The term Governmental Entity shall include Iowa agencies, independent agencies, departments, boards, authorities, institutions, establishments, divisions, bureaus, commissions, committees, councils, examining boards, offices of elective constitutional or statutory officers, and other units or entities of government. Governmental Entity, for the purposes of this contract, also means other governmental entities in other states in the United States outside of the State of Iowa.

12. **"Individually Identifiable Health Information"** means information that is a subset of health information, including demographic information collected from an individual, and (1) is created or received by a health care provider, health plan, employer or health care clearinghouse; and (2) relates to the past, present or future physical or mental health or condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (a) that identifies the individual; or (b) with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

13. **"Non-Public Data"** means data, other than personal data, that is not subject to distribution to the public as public information as defined as a Confidential Record by Iowa Code Section 22.7. It is deemed to be sensitive and confidential by the State because it contains information that is exempt by statute, ordinance or administrative rule from access by the general public as public information.

14. **"Personal Data"** means data that includes information relating to a person that identifies the person by name and has any of the following personally identifiable information (PII): government-issued identification numbers (e.g., Social Security, driver's license, passport); financial account information, including account number, credit or debit card numbers; or protected health information (PHI) relating to a person.

15. **"Personally Identifiable Information"** as defined in Iowa Code 715.3 means any of the following information with respect to the owner or operator of a computer:

i. The first name or first initial in combination with the last name.
ii. A home or other physical address including street name.
iii. An electronic mail address.
iv. Credit or debit card number, bank account number, or any password or access code associated with a credit or debit card or bank account.
v. Social security number, tax identification number, driver's license number, passport number, or any other government-issued identification number.
vi. Account balance, overdraft history, or payment history that personally identifies an owner or operator of a computer.

16. **"Protected Health Information" (PHI)** means individually identifiable health information transmitted by electronic media, maintained in electronic media, or transmitted or maintained in any other form or medium. PHI excludes education records covered by the Family Educational Rights and Privacy Act (FERPA), as amended, 20 U.S.C. 1232g, records described at 20 U.S.C. 1232g(a)(4)(B)(iv) and employment records held by a covered entity in its role as employer.15

17. **"Special Contract Attachments"** means any attachment to this Contract indicated on the Contract Declarations & Execution Page(s).

18. **"Special Terms"** means the Contract attachment entitled "Special Terms" that contains terms specific to this Contract, including but not limited to the Scope of Work, contract payment terms, and any amendments to these General Terms and Conditions for Services Contracts. If

there is a conflict between the General Terms for Services Contracts and the Special Terms, the Special Terms shall prevail.

19. **"Specifications"** means all specifications, requirements, technical standards, performance standards, representations and other criteria related to the Deliverables stated or expressed in this Contract, the Documentation, the RFP, and the Proposal. Specifications shall include the Acceptance Criteria and any specifications, standards or criteria stated or set forth in any applicable state, federal, foreign and local laws, rules and regulations. The Specifications are incorporated into this Contract by reference as if fully set forth in this Contract.

20. **"State"** means the State of Iowa, the Department, and all State of Iowa agencies, boards, and commissions, and when this Contract is available to political subdivisions, any political subdivisions of the State of Iowa.

21. **"State Data"** means all data created or in any way originating with the State, and all data that is the output of computer processing of or other electronic manipulation of any data that was created by or in any way originated with the State, whether such data or output is stored on the State's hardware, the service provider's hardware or exists in any system owned, maintained or otherwise controlled by the State or by the service provider.

22. **"State Identified Contact"** means the Office of the Chief Information Officer's Chief Information Security Officer (CISO).

23. **"Security Incident"** means the potentially unauthorized access by non-authorized persons to personal data or non-public data the service provider believes could reasonably result in the use, disclosure or theft of a State's unencrypted personal data or non-public data within the possession or control of the service provider. A security incident may or may not turn into a security breach.

24. **"Service Provider"** means the contractor and its employees, subcontractors, agents and affiliates who are providing the services agreed to under the contract.

25. **"Software-as-a-Service" (SaaS)** means the capability provided to the consumer to use the provider's applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin-client interface such as a Web browser (e.g., Web-based email) or a program interface. The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.

C. Duration of Contract.

The term of the Contract shall begin and end on the dates specified on the Contract Declarations & Execution Page(s), unless extended or terminated earlier in accordance with the termination provisions of this Contract. The Department may, in its sole discretion, exercise any applicable extension by giving the Contractor written notice of the extension decision at least sixty (60) days prior to the expiration of the initial term or renewal term.

D. Scope of Work.

Contractor shall provide Services and Deliverables as described in the Statement(s) of Work or Price Quote.

E. Compensation

1. **Certification of Accuracy.** The Contractor certifies that the Contractor's prices under this contract are the prices at which the Contractor currently offers each Service and Deliverable to the US Government under the GSA's Multiple Award Schedule Program. The Contractor further certifies that the above representations will apply and be true with respect to all future pricing information submitted to revise this Contract.

2. **Pricing.** The Contractor will be compensated in accordance with the payment terms outlined in the Contract Payment Terms and the Statement(s) of Work or Price Quote. In consideration of Contractor providing the Department with the Services and Deliverables in accordance with the terms and conditions of this Agreement, Contractor shall be entitled to receive the fees or other compensation associated with such Services and Deliverables as specified in a Statement of Work or Price Quote, subject to all terms and conditions of this Agreement. The Department shall not be obligated to pay any other compensation, fees, expenses, costs, charges or other amounts to Contractor in connection with this Agreement or any Statement of Work or Price Quote. All fees and compensation payable hereunder to Contractor are fixed, not-to-exceed amounts. Contractor hourly rates and software license fees can be found in Exhibit A of this agreement.

3. **Price Adjustments.** If the Contractor has relied on its GSA Multiple Award Schedule pricing, the State will be entitled to any price decreases that the Contractor offers to the GSA for any of its products and services during the Term of this Contract. The Contractor must notify the State of any reduction in its GSA Multiple Award Schedule pricing within 30 days of its occurrence and immediately reduce the price of the affected Service or Deliverable to the State under this Contract. The Contractor must also notify the State within 30 days of any general reduction in the price of any Service or Deliverable covered by this Contract, even if the general reduction does not place the price of the Service or Deliverable below the price available to the State under this Contract. The purpose of this notice of a general reduction in price is to allow the State to assess the value the State believes it is receiving under this Contract in light of the general reduction. If the State believes it is appropriate, the State may ask to renegotiate the Contract price for the Services and Deliverables affected by the general reduction in price. If the Contractor and the State cannot agree on a renegotiated price, then on written notice to the Contractor, the State may immediately remove the affected products and services from this Contract.

   Pricelist. The Services and Deliverables that the Contractor may provide to the State under this Contract are attached as Exhibit A. Exhibit A may be modified by written amendment when signed and authorized by both the State and the Contractor. The Contractor may not provide any other Services or Deliverables under this Contract not identified in Exhibit A or amendments thereto. The Contractor may not at any time charge the State greater prices for Services and Deliverables than those prices listed in Exhibit A. If Exhibit A contains or incorporates by reference any terms or conditions other than a description of the scope of license for software, a description of the Contractor's Services , and the prices for those Services and Deliverables, those

terms and conditions are excluded from this Contract and are of no effect.

4. **Invoices / Payment Terms**: The Contractor shall submit invoices for Deliverables rendered in accordance with this Contract. The invoice shall comply with all applicable rules concerning payment of such claims. The Department shall verify the Contractor's performance of the Deliverables outlined in the invoice before making payment. The Department shall pay all approved invoices in arrears and in conformance with Iowa Code 8A.514. The Department may pay in less than sixty (60) days, but an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code § 8A.514.

   Unless otherwise agreed in writing by the parties, the Contractor shall not be entitled to receive any other payment or compensation from the State for any Deliverables provided by or on behalf of the Contractor under this Contract. The Contractor shall be solely responsible for paying all costs, expenses and charges it incurs in connection with its performance under this Contract.

5. **The State has established rules for limitations on reimbursement expenses.** Please reference Department of Administrative Services - State Accounting Enterprise Procedure 210-245 (accessible on the internet) for limits on travel expenses.

6. **Withholding Payments.** In addition to pursuing any other remedy provided herein or by law, the Department may withhold compensation or payments to Contractor, in whole or in part, without penalty to the Department or work stoppage by Contractor, in the event the Department determines that: (i) Contractor has failed to perform any of its duties or obligations as set forth in this Contract; or (ii) any Deliverable has failed to meet or conform to any applicable Specifications or contains or is experiencing a Deficiency caused by the contractor. No interest shall accrue or be paid to Contractor on any compensation or other amounts withheld or retained by the Department under this Contract.

7. **Setoff Against Sums Owed by the Contractor.** In the event that Contractor owes the State any sum under the terms of this Contract, any other contract or agreement, pursuant to a judgment, or pursuant to any law, the State may, in its sole discretion, set off any such sum against: (1) any sum invoiced by, or owed to, Contractor under this Contract, or (2) any sum or amount owed by the State to Contractor, unless otherwise required by law. The Contractor agrees that this provision constitutes proper and timely notice under any applicable laws governing setoff.

8. **Administrative Fees**. Without affecting the approved product and/or services prices or discounts specified in the contract, the contractor shall provide to the State of Iowa a 1.00% administrative fee on all sales made against this agreement. The 1.00% administrative fee is to be paid quarterly to the Iowa Office of the Chief Information Officer, Business Service Division, Hoover State Office Building, Level B, Des Moines IA 50319, Attn: Business Services Division Administrator. Payment shall be made in accordance with the following schedule:

Period End	Fee Due

June 30	July 31
September 30	October 31
December 31	January 31
March 31	April 30

F. Termination.
To the extent permitted by Iowa Code 8F and Iowa Department of Administrative Services Accounting Policy 230.550 Payment Policies (available at https://das.iowa.gov/sites/default/files/acct_sae/sae_manual/230/230-550.pdf), fees for the Salesforce and Basic Gov SaaS solution, not including implementation services or other time and materials billing, will be invoiced for 12 months in advance for the base period of performance for each new agency project and then annually in advance thereafter. If the contract is terminated by the Department for any reason, the service fees are nonrefundable mid service term. The period of performance for each agency will be determined on an agency by agency basis based on date of license purchase. The Contractor will manage the various renewal cycles for each agency.

1. **Termination for Cause by the Department.** The Department may terminate this Contract upon written notice for the breach by Contractor of any material term, condition or provision of this Contract, if such breach is not cured within the time period specified in the Department's notice of breach or any subsequent notice or correspondence delivered by the Department to Contractor, provided that cure is feasible. The Department will give Contractor 60 days to cure any breaches. In addition, the Department may terminate this Contract effective immediately without penalty and without advance notice or opportunity to cure for any of the following reasons:

i. Contractor furnished any statement, representation, warranty or certification in connection with this Contract, the RFP or the Proposal that is false, deceptive, or materially incorrect or incomplete;

ii. Contractor or any of Contractor's officers, directors, employees, agents, subsidiaries, affiliates, contractors or subcontractors has committed or engaged in fraud, misappropriation, embezzlement, malfeasance, misfeasance, or bad faith;

iii. Contractor or any parent or affiliate of Contractor owning a controlling interest in Contractor dissolves;

iv. Contractor terminates or suspends its business;

v. Contractor's corporate existence or good standing in Iowa is suspended, terminated, revoked or forfeited, or any license or certification held by Contractor related to Contractor's performance under this Contract is suspended, terminated, revoked, or forfeited;

vi. Contractor has failed to comply with any applicable international, federal, state (including, but not limited to Iowa Code chapter 8F), or local laws, rules, ordinances, regulations or orders when performing within the scope of this Contract;

vii. The Department determines or believes the Contractor has engaged in conduct that: (a) has or may expose the Department or the State to material liability, or (b) has caused or may cause a person's life, health or safety to be jeopardized;

viii. Contractor infringes or allegedly infringes or violates any patent, trademark, copyright,

trade dress or any other intellectual property right or proprietary right, or Contractor misappropriates or allegedly misappropriates a trade secret;

ix. Contractor fails to comply with any applicable confidentiality laws, privacy laws, or any provisions of this Contract pertaining to confidentiality or privacy; or

x. Any of the following has been engaged in by or occurred with respect to Contractor or any corporation, shareholder or entity having or owning a controlling interest in Contractor:

a. Commencing or permitting a filing against it which is not discharged within ninety (90) days, of a case or other proceeding seeking liquidation, reorganization, or other relief with respect to itself or its debts under any bankruptcy, insolvency, or other similar law now or hereafter in effect; or filing an answer admitting the material allegations of a petition filed against it in any involuntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts; or consenting to any such relief or to the appointment of or taking possession by any such official in any voluntary case or other proceeding commenced against it seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or other similar law now or hereafter in effect with respect to it or its debts;

b. Seeking or suffering the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets;

c. Making an assignment for the benefit of creditors;

d. Failing, being unable, or admitting in writing the inability generally to pay its debts or obligations as they become due or failing to maintain a positive net worth and such additional capital and liquidity as is reasonably adequate or necessary in connection with Contractor's performance of its obligations under this Contract; or

e. Taking any action to authorize any of the foregoing. The Department's right to terminate this Contract shall be in addition to and not exclusive of other remedies available to the Department, and the Department shall be entitled to exercise any other rights and pursue any remedies, in law, at equity, or otherwise.

2. **Termination upon Notice.**

a) Following thirty (30) days written notice, the Department may terminate this Contract in whole or in part without penalty and without incurring any further obligation to Contractor. Termination can be for any reason or no reason at all.

b) Following thirty (30) days written notice, Contractor may terminate this Contract in whole or in part without penalty and without incurring any further obligation to the Department. Termination can be for any reason or no reason at all.

3. **Termination Due to Lack of Funds or Change in Law.** Notwithstanding anything in this Contract to the contrary, and subject to the limitations set forth below, the Department shall have the right to terminate this Contract without penalty and without any advance notice

as a result of any of the following:

i. The legislature or governor fail in the sole opinion of the Department to appropriate funds sufficient to allow the Department to either meet its obligations under this Contract or to operate as required and to fulfill its obligations under this Contract; or

ii. If funds are de-appropriated, reduced, not allocated, or receipt of funds is delayed, or if any funds or revenues needed by the Department to make any payment hereunder are insufficient or unavailable for any other reason as determined by the Department in its sole discretion; or

iii. If the Department's authorization to conduct its business or engage in activities or operations related to the subject matter of this Contract is withdrawn or materially altered or modified; or

iv. If the Department's duties, programs or responsibilities are modified or materially altered; or

v. If there is a decision of any court, administrative law judge or an arbitration panel or any law, rule, regulation or order is enacted, promulgated or issued that materially or adversely affects the Department's ability to fulfill any of its obligations under this Contract. The Department shall provide Contractor with written notice of termination pursuant to this section.

4. Limitation of the State's Payment Obligations. In the event of termination of this Contract for any reason by either party (except for termination by the Department pursuant to Section F.1), the Department shall pay only those amounts, if any, due and owing to Contractor hereunder for Deliverables actually and satisfactorily provided in accordance with the provisions of this Contract up to and including the date of termination of this Contract and for which the Department is obligated to pay pursuant to this Contract; provided however, that in the event the Department terminates this Contract pursuant to Section F.3, the Department's obligation to pay Contractor such amounts and other compensation shall be limited by, and subject to, legally available funds. Payment will be made only upon submission of invoices and proper proof of Contractor's claim. Notwithstanding the foregoing, this Section F.4 in no way limits the rights or remedies available to the Department and shall not be construed to require the Department to pay any compensation or other amounts hereunder in the event of Contractor's breach of this Contract or any amounts withheld by the Department in accordance with the terms of this Contract. The Department shall not be liable, under any circumstances, for any of the following:

i. The payment of unemployment compensation to Contractor's employees;

ii. The payment of workers' compensation claims, which occur during the Contract or extend beyond the date on which the Contract terminates;

iii. Any costs incurred by Contractor in its performance of the Contract, including, but not limited to, startup costs, overhead or other costs associated with the performance of the Contract;

iv. Any damages or other amounts associated with the loss of prospective profits, anticipated sales, goodwill, or for expenditures, investments or commitments made in connection with this Contract;

v. Any taxes Contractor may owe in connection with the performance of this Contract, including, but not limited to, sales taxes, excise taxes, use taxes, income taxes or property taxes.

5. **Contractor's Termination Duties.** Upon receipt of notice of termination or upon request of the Department, Contractor shall:

i. Cease work under this Contract and take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within thirty (30) days of the date of notice of termination, describing the status of all work performed under the Contract and such other matters as the Department may require.

ii. Immediately cease using and return to the Department any property or materials, whether tangible or intangible, provided by the Department to Contractor.

iii. Cooperate in good faith with the Department and its employees, agents and independent contractors during the transition period between the notification of termination and the substitution of any replacement service provider.

iv. Immediately return to the Department any payments made by the Department for Deliverables that were not rendered or provided by Contractor.

v. Immediately deliver to the Department any and all Deliverables for which the Department has made payment (in whole or in part) that are in the possession or under the control of the Contractor or its agents or subcontractors in whatever stage of development and form of recordation such property is expressed or embodied as that time.

G. Confidential Information.

1. **Access to Confidential Information.** The Contractor's employees, agents and subcontractors may have access to confidential information, as defined in Iowa Code Chapter 22.7, maintained by the Department to the extent necessary to carry out its responsibilities under the Contract. The Contractor shall presume that all information received pursuant to this Contract is confidential unless otherwise designated by the Department. The Contractor shall provide to the Department a written description of its policies and procedures to safeguard confidential information. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats. The Contractor must designate one individual who shall remain the responsible authority in charge of all data collected, used, or disseminated by the Contractor in connection with the performance of the Contract. The Contractor shall provide adequate supervision and training to its agents, employees and subcontractors to ensure compliance with the terms of this Contract. The private or confidential information shall remain the property of the Department at all times.

2. **No Dissemination of Confidential information.** No confidential information collected, maintained, or used in the course of performance of the Contract shall be disseminated by Contractor except as authorized by law and only with the prior written consent of the Department, either during the period of the Contract or thereafter. Any data supplied by the Department to the Contractor or created by the Contractor in the course of the performance of

this Contract shall be considered the property of the Department. The Contractor must return any and all data collected, maintained, created or used in the course of the performance of the Contract in whatever form it is maintained promptly at the request of the Department. The Contractor may be held civilly or criminally liable for improper disclosure of confidential information.

3. **Subpoena.** In the event that a subpoena or other legal process is served upon the Contractor for records containing confidential information, the Contractor shall promptly notify the Department and cooperate with the Department in any lawful effort to protect the confidential information.

4. **Reporting of Unauthorized Disclosure.** The Contractor shall immediately report to the Department any unauthorized disclosure of confidential information in compliance with Iowa Code 715C.

5. **Survives Termination.** The Contractor's obligations under this section shall survive termination or expiration of this Contract.

H. Indemnification.

1. **By the Contractor.** The Contractor agrees to indemnify and hold harmless the State and its officers, appointed and elected officials, board and commission members, employees, volunteers and agents (collectively the "Indemnified Parties"), from any and all costs, expenses, losses, claims, damages, liabilities, settlements and judgments including, without limitation, the reasonable value of the time spent by the Attorney General's Office and the costs, expenses and attorneys' fees of other counsel retained by the Indemnified Parties directly or indirectly related to, resulting from, or arising out of this Contract, including but not limited to any claims related to, resulting from, or arising out of:

i. Any breach of this Contract;

ii. Any negligent, intentional or wrongful act or omission of the Contractor or any agent or subcontractor utilized or employed by the Contractor;

iii. The Contractor's performance or attempted performance of this Contract, including any agent or subcontractor utilized or employed by the Contractor;

iv. Any failure by the Contractor to make all reports, payments and withholdings required by federal and state law with respect to social security, employee income and other taxes, fees or costs required by the Contractor to conduct business in the State of Iowa;

v. Any claim of misappropriation of a trade secret or infringement or violation of any intellectual property rights, proprietary rights or personal rights of any third party, including any claim that any Deliverable or any use thereof (or the exercise of any rights with respect thereto) infringes, violates or misappropriates any patent, copyright, trade secret, trademark, trade dress, mask work, utility design, or other intellectual property right or proprietary right of any third party.

2. **Notification.** In the event that a claim is brought against the State for which the

State is seeking indemnification under this contact the State will diligently defend against such claim. The State will provide Contractor with notice of any such claim or other circumstance giving rise to Contractor's obligation to defend, indemnify and hold harmless the State. Notwithstanding Section H, Contractor shall not be obligated to indemnify the State for any losses incurred by the State that were caused solely by the negligence of the State or its employees.

3. **Survives Termination.** Contractor's duties and obligations under this section shall survive the termination of this Contact and shall apply to all acts or omissions taken or made in connection with the performance of this Contract regardless of the date any potential claim is made or discovered by the Department or any other Indemnified Party.

I. **Limitations of Contractor Liability.** The maximum liability of the Contractor under this Agreement shall be one times the Contract Value (Contract Value is defined as the aggregate total compensation pertaining to the Project to be paid by the State to the Contractor under the entire term of the Agreement, including all renewals and extensions); provided, however, that under no circumstances shall the foregoing limitation apply to:

1. Intentional torts, criminal acts, fraudulent conduct, intentional or willful misconduct, or gross negligence of Contractor, its officers, directors, employees, agents, subsidiaries, affiliates, contractors or subcontractors,
2. Claims related to death, bodily injury, or damage to real or personal property,
3. Any contractual obligations of the Contractor pertaining to indemnification, intellectual property, liquidated damages, compliance with applicable laws, or confidential information
4. Claims arising under provisions of the agreement calling for indemnification of the state for third-party claims against the state for bodily injury to persons or for damage to real or tangible personal property caused by the vendor's negligence or willful conduct.

J. Insurance.

1. **Insurance Requirements.** The Contractor, and any subcontractor, shall maintain in full force and effect, with insurance companies licensed by the State of Iowa, at the Contractor's expense, insurance covering its work during the entire term of this Contract and any extensions or renewals thereof. The Contractor's insurance shall, among other things, be occurrence based and shall insure against any loss or damage resulting from or related to the Contractor's performance of this Contract regardless of the date the claim is filed or expiration of the policy. The State of Iowa and the Department shall be named as additional insureds or loss payees, or the Contractor shall obtain an endorsement to the same effect, as applicable.

2. **Types and Amounts of Insurance Required.** Unless otherwise requested by the Department in writing, the Contractor shall cause to be issued insurance coverages insuring the Contractor and/or subcontractors against all general liabilities, product liability, personal injury, property damage, and (where applicable) professional liability in the amount specified on the Contract Declarations and Execution Page for each occurrence. In addition, the Contractor shall ensure it has any necessary workers' compensation and employer liability insurance as required by Iowa law.

3. **Certificates of Coverage.** Contractor shall maintain all insurance policies required by this Contract in full force and effect during the entire term of this Contract and any extensions or

renewals thereof, and shall not permit such policies to be canceled or amended except with the advance written approval of the Department. The Contractor shall submit certificates of the insurance, which indicate coverage and notice provisions as required by this Contract, to the Department upon execution of this Contract. The certificates shall be subject to approval by the Department. The insurer shall state in the certificate that no cancellation of the insurance will be made without at least thirty (30) days' prior written notice to the Department. Approval of the insurance certificates by the Department shall not relieve the Contractor of any obligation under this Contract.

4. **Waiver of Subrogation Rights.** The Contractor shall obtain a waiver of any subrogation rights that any of its insurance carriers might have against the State. The waiver of subrogation rights shall be indicated on the certificates of insurance coverage supplied to the State.

J. Project Management & Reporting. The necessity of a project manager and reporting measures shall be determined on a project by project basis and shall only apply if requested by the State.

1. **Project Manager.** At the time of execution of this Contract, each party shall designate, in writing, a Project Manager to serve until the expiration of this Contract or the designation of a substitute Project Manager. During the term of this Contract, each Project Manager shall be available to meet monthly, unless otherwise mutually agreed, to review and plan the Deliverables being provided under this Contract.

2. **Review Meetings.** During the review meetings the Project Managers shall discuss progress made by the Contractor in the performance of this Contract. Each party shall provide a status report, as desired by a Project Manager, listing any problem or concern encountered since the last meeting. Records of such reports and other communications issued in writing during the course of Contract performance shall be maintained by each party.

3. **Reports.** At the next scheduled meeting after which any party has identified in writing a problem, the party responsible for resolving the problem shall provide a report setting forth activities undertaken, or to be undertaken, to resolve the problem, together with the anticipated completion dates of such activities. Any party may recommend alternative courses of action or changes that will facilitate problem resolution. For as long as a problem remains unresolved, written reports shall identify:

i. Any event not within the control of the Contractor or the Department that accounts for the problem;

ii. Modifications to the Contract agreed to by the parties in order to remedy or solve the identified problem;

iii. Damages incurred as a result of any party's failure to perform its obligations under this Contract; and

iv. Any request or demand by one party that another party believes is not included within the terms of this Contract.

4. **Problem Reporting Omissions.** The Department's acceptance of a problem report shall

not relieve the Contractor of any obligation under this Contract or waive any other remedy under this Contract or at law or equity that the Department may have. The Department's failure to identify the extent of a problem or the extent of damages incurred as a result of a problem shall not act as a waiver of performance or damages under this Contract. Where other provisions of this Contract require notification of an event in writing, the written report shall be considered a valid notice under this Contract provided the parties required to receive notice are notified.

5. **Change Order Procedure.** The Department may at any time request a modification to the Scope of Work using a change order. The following procedures for a change order shall be followed:

i. Written Request. The Department shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Work.

ii. The Contractor's Response. The Contractor shall submit to the Department a firm cost proposal for the requested change order within five (5) business days of receiving the change order request.

iii. Acceptance of the Contractor Estimate. If the Department accepts the cost proposal presented by the Contractor, the Contractor shall provide the modified Deliverable subject to the cost proposal included in the Contractor response. The Contractor's provision of the modified deliverables shall be governed by the terms and conditions of this Contract.

iv. Adjustment to Compensation. The parties acknowledge that a change order for this Contract may or may not entitle the Contractor to an equitable adjustment in the Contractor's compensation or the performance deadlines under this Contract.

K. Legislative Changes. The Contractor expressly acknowledges that the contracted Deliverables are subject to legislative change by either the federal or state government. Should either legislative body enact measures which alter the project, the Contractor shall not hold the Department liable in any manner for the resulting changes. The Department shall use best efforts to provide thirty (30) days' written notice to the Contractor of any legislative change. During the thirty (30)-day period, the parties shall meet and make a good faith effort to agree upon changes to the Contract to address the legislative change. Nothing in this Subsection shall affect or impair the Department's right to terminate the Contract pursuant to the termination provisions.

L. Intellectual Property.

1. **Ownership and Assignment of Deliverables.** State acknowledges and agrees that except for software owned by third parties, all software, source and object code including, without limitation, databases, documentation, specifications, manuals, instructions and other data and materials created by Contractor in connection with the Contract including all future domestic and foreign patents, copyrights and trade secrets related thereto are and shall remain exclusively owned by Contractor. Contractor hereby grants State and Governmental Entities non-exclusive, non-revocable, non-transferable license to use, distribute, modify, create derivative works, and license others the right to use the Deliverables.

2. **Waiver.** To the extent any of Contractor's rights in any Deliverables are not subject to assignment or transfer hereunder, including any moral rights and any rights of attribution and of integrity, Contractor hereby irrevocably and unconditionally waives all such rights and enforcement thereof and agrees not to challenge the State's rights in and to the Deliverables.

1. Further Assurances. At the Department's request, Contractor will execute and deliver such instruments and take such other action as may be requested by the Department to establish, perfect or protect the State's rights in and to the Deliverables and to carry out the assignments, transfers and conveyances set forth in Section L.1.

2. Data Ownership. The State and Governmental Entities will be and remain the sole and exclusive owners of all data of any kind relating in any way to this Agreement, the Deliverables provided hereunder, and/or Vendor's performance of its duties under this Agreement, including, without limitation, all data in any way provided, submitted, modified, processed, abstracted, adapted, compiled, reproduced, utilized or altered by or on behalf of the State, any Governmental Entity or any User (including by or through Contractor on behalf of the State or any Governmental Entity).

The Governmental Entity that collects, stores, generates, or maintains information or data shall be considered a Data Custodian. The Data Custodian shall retain ownership of any and all such data, including any data associated with their application at any time. The Data Custodian must approve all access to its data. The service provider shall not access State user accounts or State data, except (1) in the course of data center operations, (2) in response to service or technical issues, (3) as required by the express terms of this contract or (4) at the State's written request. In the interest of clarity, "data" as referred to in this Section L.4 is not intended to refer to Source Code or Software except to the extent that any of these include, incorporate or otherwise utilize data that is owned by the State, including without limitation all data of any kind relating in any way to the Contractor, this Agreement, the Deliverables provided hereunder, and/or Contractor's performance of its duties under this Agreement, including, but not limited to, all data in any way provided, submitted, modified, processed, abstracted, adapted, compiled, reproduced, utilized or altered by or on behalf of the State, any Governmental Entity or any User (including by or through Contractor on behalf of the State or any Governmental Entity), in which case, any such data that is included or incorporated into, or otherwise utilized in connection with, the Contractor's proprietary Source Code or Software shall be and remain exclusively owned by the State, and Contractor hereby assigns any and all of its right title and interest in and to such data. Also, in the interest of clarity, to the extent Contractor incorporates or uses any data described above or otherwise owned by the State and incorporates such data into reports or other documents, software or deliverables, such data will not lose its status as State-owned data by virtue of such incorporation or use, and Contractor hereby assigns any and all of its right title and interest in and to such data.

M. Warranties.

1. Construction of Warranties Expressed in this Contract with Warranties Implied by Law. Warranties made by the Contractor in this Contract, whether: (a) this Contract specifically denominates the Contractor's promise as a warranty; or (b) the warranty is created by the Contractor's affirmation or promise, by a description of the Deliverables to be provided, or by provision of samples to the Department, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties that arise through course of dealing or usage of trade. The warranties expressed in this Contract are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the Deliverables provided by the Contractor. The provisions of this section apply during the

term of this Contract and any extensions or renewals thereof.

2. **Contractor represents and warrants that:** (i) all Deliverables shall be wholly original with and prepared solely by Contractor; or it owns, possesses, holds, and has received or secured all rights, permits, permissions, licenses and authority necessary to provide the Deliverables to the Department hereunder and to assign, grant and convey the rights, benefits, licenses and other rights assigned, granted or conveyed to the Department hereunder or under any license agreement related hereto without violating any rights of any third party; (ii) Contractor has not previously and will not grant any rights in any Deliverables to any third party that are inconsistent with the rights granted to the Department herein; and (iii) the Department shall peacefully and quietly have, hold, possess, use and enjoy the Deliverables without suit, disruption or interruption.

3. **Contractor represents and warrants that:** (i) the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables); and (ii) the Department's use of, and exercise of any rights with respect to, the Deliverables (and all intellectual property rights and proprietary rights arising out of, embodied in, or related to such Deliverables), do not and will not, under any circumstances, misappropriate a trade secret or infringe upon or violate any copyright, patent, trademark, trade dress or other intellectual property right, proprietary right or personal right of any third party. Contractor further represents and warrants there is no pending or threatened claim, litigation or action that is based on a claim of infringement or violation of an intellectual property right, proprietary right or personal right or misappropriation of a trade secret related to the Deliverables. Contractor shall inform the Department in writing immediately upon becoming aware of any actual, potential or threatened claim of or cause of action for infringement or violation or an intellectual property right, proprietary right, or personal right or misappropriation of a trade secret. If such a claim or cause of action arises or is likely to arise, then Contractor shall, at the Department's request and at the Contractor's sole expense: (i) procure for the Department the right or license to continue to use the Deliverable at issue; (ii) replace such Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation or misappropriation; (iii) modify or replace the affected portion of the Deliverable with a functionally equivalent or superior Deliverable free of any such infringement, violation or misappropriation; or (iv) accept the return of the Deliverable at issue and refund to the Department all fees, charges and any other amounts paid by the Department with respect to such Deliverable. In addition, Contractor agrees to indemnify, defend, protect and hold harmless the State and its officers, directors, employees, officials and agents as provided in the Indemnification section of this Contract, including for any breach of the representations and warranties made by Contractor in this section. Department For any breach of the above warranty, the State's exclusive remedy, and Contractor's entire liability, shall be the re-performance of the Contract. If Contractor is unable to re-perform the Contract as warranted, the State shall be entitled to recover the fees paid to Contractor up to the value of the contract.

4. **Contractor represents and warrants that the Deliverables (in whole and in part) shall:** (i) be free from material Deficiencies; and (ii) meet, conform to and operate in accordance with all Specifications and in accordance with this Contract during the 60 day Warranty Period. During the Warranty Period Contractor shall, at its expense, repair, correct or replace any Deliverable that contains or experiences material Deficiencies or fails to meet, conform to or operate in accordance with Specifications within five (5) business days of

receiving notice of such Deficiencies or failures from the Department or within such other period as the Department specifies in the notice. In the event Contractor is unable to repair, correct or replace such Deliverable to the Department's satisfaction, Contractor shall refund the fees or other amounts paid for the Deliverables and for any services related thereto. The foregoing shall not constitute an exclusive remedy under this Contract, and the Department shall be entitled to pursue any other available contractual, legal or equitable remedies. Contractor shall be available at all reasonable times to assist the Department with questions, problems and concerns about the Deliverables, to inform the Department promptly of any known Deficiencies in any Deliverables, repair and correct any Deliverables not performing in accordance with the warranties contained in this Contract, notwithstanding that such Deliverable may have been accepted by the Department, and provide the Department with all necessary materials with respect to such repaired or corrected Deliverable.

5. Notification and Cure. The State must report any deficiencies in the Deliverables to Contractor in writing within sixty (60) days of performance of the Contract in order to receive warranty remedies. The State may correct any Deficiencies with respect to any Deliverable or cure any Contractor default under this Agreement without prejudice to any other remedy it may have if Contractor fails to correct such Deficiencies as required in this Agreement or if Contractor otherwise defaults or fails to set a cure period to perform any provision of the Agreement within the time period specified in a notice of default from the State. The State may provide or procure the services reasonably necessary to correct any Deficiencies or cure any Contractor default, in which event Contractor shall reimburse the State for the actual costs incurred by the State for such services (or for the reasonable value of the time expended by any State employees who provide such services). In addition, Contractor shall cooperate with the State or any Third Parties retained by the State who assist in curing such default, including by allowing access to any pertinent materials or work product of Contractor; provided, however, Contractor shall not be required to provide access to its Confidential Information to any Third Party unless such Third Party has executed a written confidentiality agreement with the State containing restrictions against disclosure.

6. Contractor represents, warrants and covenants that all services to be performed under this Contract shall be performed in a professional, competent, diligent and workmanlike manner by knowledgeable, trained and qualified personnel, all in accordance with the terms and Specifications of this Contract and the standards of performance considered generally acceptable in the industry for similar tasks and projects. In the absence of a Specification for the performance of any portion of this Contract, the parties agree that the applicable specification shall be the generally accepted industry standard. So long as the Department notifies Contractor of any services performed in violation of this standard, Contractor shall re-perform the services at no cost to the Department, such that the services are rendered in the above-specified manner, or if the Contractor is unable to perform the services as warranted, Contractor shall reimburse the Department any fees or compensation paid to Contractor for the unsatisfactory services.

7. Contractor represents and warrants that the Deliverables will comply with any applicable federal, state, foreign and local laws, rules, regulations, codes, and ordinances in effect during the term of this Contract, including applicable provisions of Section 508 of the Rehabilitation Act of 1973, as amended, and all standards and requirements established by the Architectural and Transportation Barriers Access Board and the Office of the Chief Information Officer.

8. **Obligations Owed to Third Parties.** The Contractor represents and warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by the Contractor pursuant to this Contract are or will be fully satisfied by the Contractor so that the Department will not have any obligations with respect thereto.

N. Acceptance Testing. Except as otherwise specified in the Scope of Work, all Deliverables shall be subject to the Department's Acceptance Testing and Acceptance, unless otherwise specified in the Statement of Work. Upon completion of all work to be performed by Contractor with respect to any Deliverable, Contractor shall deliver a written notice to the Department certifying that the Deliverable meets and conforms to applicable Specifications and is ready for the Department to conduct Acceptance Tests; provided, however, that Contractor shall pretest the Deliverable to determine that it meets and operates in accordance with applicable Specifications prior to delivering such notice to the Department. At the Department's request, Contractor shall assist the Department in performing Acceptance Tests at no additional cost to the Department if stated in the Statement of Work and at the Department's request. Within a reasonable period of time after the Department has completed its Acceptance Testing, the Department shall provide Contractor with written notice of Acceptance or Non-acceptance with respect to each Deliverable that was evaluated during such Acceptance Testing. If the Department determines that a Deliverable satisfies its Acceptance Tests, the Department shall provide Contractor with notice of Acceptance with respect to such Deliverable. If the Department determines that a Deliverable fails to satisfy its Acceptance Tests, the Department shall provide Contractor with notice of Non-acceptance with respect to such Deliverable. In the event the Department provides notice of Non-acceptance to Contractor with respect to any Deliverable, Contractor shall correct and repair such Deliverable and submit it to the Department within ten (10) days of Contractor's receipt of notice of Non-acceptance so that the Department may re-conduct its Acceptance Tests with respect to such Deliverable. In the event the Department determines, after re-conducting its Acceptance Tests with respect to any Deliverable that Contractor has attempted to correct or repair pursuant to this section, that such Deliverable fails to satisfy its Acceptance Tests, then the Department shall have the continuing right, at its sole option, to:

i. require Contractor to correct and repair such Deliverable within such period of time as the Department may specify in a written notice to Contractor;

ii. refuse to accept such Deliverable without penalty and without any obligation to pay any fees or other amounts associated with such Deliverable (or receive a refund of any fees or amounts already paid with respect to such Deliverable);

iii. accept such Deliverable on the condition that any fees or other amounts payable with respect thereto shall be reduced or discounted to reflect, to the Department's satisfaction, the Deficiencies present therein and any reduced value or functionality of such Deliverable or the costs likely to be incurred by the Department to correct such Deficiencies; or

iv. terminate this Contract and/or seek any and all available remedies, including damages. Notwithstanding the provisions of Section F.1 of this Contract, the Department may terminate this Contract pursuant to this section without providing Contractor with any notice or opportunity to cure provided for in Section F.1. The Department's right to exercise the foregoing rights and remedies, including termination of this Contract, shall remain in effect until Acceptance Tests are successfully completed to the Department's satisfaction and the Department has provided Contractor with written notice of Final Acceptance. If the Department determines that all Deliverables satisfy its Acceptance Tests, the Department shall provide Contractor with notice of Final Acceptance with respect to such Deliverables.

Contractor's receipt of any notice of Acceptance, including Final Acceptance, with respect to any Deliverable(s) shall not be construed as a waiver of any of the Department's rights to enforce the terms of this Contract or require performance in the event Contractor breaches this Contract or any Deficiency caused by the contractor is later discovered with respect to such Deliverable(s).

O. Contract Administration.

1. **Independent Contractor.** The status of the Contractor shall be that of an independent contractor. The Contractor, its employees, agents and any subcontractors performing under this Contract are not employees or agents of the State or any Department, division or department of the State simply by virtue of work performed pursuant to this Contract. Neither the Contractor nor its employees shall be considered employees of the Department or the State for federal or state tax purposes simply by virtue of work performed pursuant to this Contract. The Department will not withhold taxes on behalf of the Contractor (unless required by law).

2. **Compliance with the Law.** The Contractor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations and orders when providing Deliverables under this Contract, including without limitation, all laws that pertain to the prevention of discrimination in employment and in the provision of services. For employment, this would include equal employment opportunity and affirmative action, and the use of targeted small
businesses as subcontractors or suppliers. The Contractor may be required to provide a copy of its affirmative action plan, containing goals and time specifications, and non- discrimination and accessibility plans and policies regarding services to clients. Failure
to comply with this provision may cause this contract to be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for future state contracts or be subject to other sanctions as provided by law or rule. The Contractor, its employees, agents and subcontractors shall also comply with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work performed under this Contract. The Contractor may be required to submit its affirmative action plan to the Department of Management to comply with the requirements of 541 IAC chapter 4. If all or a portion of the funding used to pay for the Deliverables is being provided through a grant from the Federal Government, Contractor acknowledges and agrees that pursuant to applicable federal laws, regulations, circulars and bulletins, the awarding Department of the Federal Government reserves certain rights including, without limitation a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes, the Deliverables developed under this Contract and the copyright in and to such Deliverables.

3. **Non-Exclusive Rights.** This Contract is not exclusive. The Department reserves the right to select other contractors to provide Deliverables similar or identical to those described in the Scope of Work during the term of this Contract.

4. **Non-Supplanting Requirement.** To the extent required by state or federal law, federal and state funds made available under this Contract shall be used to supplement and increase the level of state, local and other non-federal funds that would in the absence of such federal and state funds be made available for the programs and activities for which funds are provided and will in no event take the place of state, local and other non-federal funds.

5. **Compliance with Iowa Code chapter 8F.** If the Contract is subject to the provisions of Iowa Code chapter 8F, the Contractor shall comply with Iowa Code chapter 8F with respect to any subcontracts it enters into pursuant to this Contract. Any compliance documentation, including but not limited to certifications, received from subcontractors by the Contractor shall be forwarded to the Department.

6. **Amendments.** This Contract may be amended in writing from time to time by mutual consent of the parties.

7. **Third Party Beneficiaries**. There are no third party beneficiaries to this Contract. This Contract is intended only to benefit the State and the Contractor.

8. **Use of Third Parties.** The Department acknowledges that the Contractor may contract with third parties for the performance of any of the Contractor's obligations under this Contract. The Contractor shall notify the Department in writing of all subcontracts relating to Deliverables to be provided under this Contract prior to the time the subcontract(s) become effective. The Department reserves the right to review and approve all subcontracts. The Contractor may enter into these contracts to complete the project provided that the Contractor remains responsible for all Deliverables provided under this Contract. All restrictions, obligations and responsibilities of the Contractor under this Contract shall also apply to the subcontractors and the Contractor shall include in all of its subcontracts a clause that so states. The Department shall have the right to request the removal of a subcontractor from the Contract for good cause.

9. **Choice of Law and Forum.** . This Agreement shall be governed in all respects by, and construed in accordance with, the laws of the state of Iowa, without giving effect to the choice of law principles thereof. Any and all litigation or actions commenced in connection with this Agreement, including after expiration or termination of this Agreement, shall be brought in Des Moines, Iowa, in Polk County District Court for the State of Iowa. Contractor hereby irrevocably: (i) consents and agrees that any legal or equitable action or proceeding arising under, in connection with or arising out of this Agreement shall be brought and maintained exclusively in the aforesaid court; (ii) submits to and accepts, with respect to any such action or proceeding, for it and in respect of its properties and assets regardless of the physical or legal situs thereof, generally and unconditionally, the jurisdiction of the aforesaid courts; and (iii) waives any objection to such jurisdiction based on forum non conveniens or otherwise. This provision shall not be construed as waiving any immunity to suit or liability, in state or federal court, which may be available to the Department, including sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States, or otherwise. The Contractor irrevocably consents to service of process by certified or registered mail addressed to the Contractor's designated agent. Nothing in this provision will alter the right of the Department to serve process in any other manner permitted by law. This Section 10 shall survive termination of this Agreement. "

10. **Assignment and Delegation.** Contractor may not assign, transfer or convey in whole or in part this Contract without the prior written consent of the Department. For the purpose of construing this clause, a transfer of a controlling interest in the Contractor shall be considered an assignment. The Contractor may not delegate any of its obligations or duties under this Contract without the prior written consent of the Department. The Contractor may not assign, pledge as collateral, grant a security interest in, create a lien against, or otherwise encumber, any payments that may or will be made to the Contractor under this Contract.

11. Integration. This Contract represents the entire Contract between the parties. The parties shall not rely on any representation that may have been made which is not included in this Contract.

12. Headings or Captions. The paragraph headings or captions used in this Contract are for identification purposes only and do not limit or construe the contents of the paragraphs.

13. Not a Joint Venture. Nothing in this Contract shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent and principal relationship) between the parties hereto. Each party shall be deemed to be an independent contractor contracting for services and acting toward the mutual benefits expected to be derived herefrom. No party, unless otherwise specifically provided for herein, has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Contract.

14. Joint and Several Liability. If the Contractor is a joint entity, consisting of more than one individual, partnership, corporation or other business organization, all such entities shall be jointly and severally liable for carrying out the activities and obligations of this Contract, and for any default of activities and obligations.

15. Supersedes Former Contracts or Agreements. This Contract supersedes all prior contracts or agreements between the Department and the Contractor for the Deliverables to be provided in connection with this Contract.

16. Waiver. Except as specifically provided for in a waiver signed by duly authorized representatives of the Department and the Contractor, failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Contract shall not be construed as affecting any subsequent right to require performance or to claim a breach.

17. Notice. Any and all notices, designations, consents, offers, acceptances or any other communication provided for herein shall be given in writing by a reliable carrier which shall be addressed to the person who signed the Contract on behalf of the party at the address identified in the Contract Declarations & Execution Page(s) at the address specified on the forms. Each such notice shall be deemed to have been provided:

i. At the time it is actually received; or,

ii. Within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day delivery; or,

iii. Within five (5) days after it is deposited in the U.S. Mail in the case of registered U.S. Mail. From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

18. Cumulative Rights. The various rights, powers, options, elections and remedies of any party provided in this Contract, shall be construed as cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or

legal remedy to which any party may be entitled.

19. **Severability.** If any provision of this Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of this Contract.

20. **Time is of the Essence.** Time is of the essence with respect to the Contractor's performance of the terms of this Contract. Contractor shall ensure that all personnel providing Deliverables to the Department are responsive to the Department's requirements and requests in all respects.

21. **Authorization.** Contractor represents and warrants that:

i. It has the right, power and authority to enter into and perform its obligations under this Contract.

ii. It has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Contract, and this Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.

22. **Successors in Interest.** All the terms, provisions, and conditions of the Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

23. **Records Retention and Access.** The Contractor shall maintain accurate, current, and complete records of the financial activity of this Contract which sufficiently and properly document and calculate all charges billed to the Department throughout the term of this Contract and for a period of at least five (5) years following the date of final payment or completion of any required audit (whichever is later). If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five (5) year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five (5) year period, whichever is later. The Contractor shall permit the Department, the Auditor of the State or any other authorized representative of the State and where federal funds are involved, the Comptroller General of the United States or any other authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records or other records of the Contractor relating to orders, invoices or payments or any other documentation or materials pertaining to this Contract, wherever such records may be located. The Contractor shall not impose a charge for audit or examination of the Contractor's books and records. Based on the audit findings, the Department reserves the right to address the Contractor's board or other managing entity regarding performance and expenditures. When state or federal law or the terms of this Contract require compliance with OMB Circular A-87, A-110, or other similar provision addressing proper use of government funds, the Contractor shall comply with these additional records retention and access requirements:

i. Records of financial activity shall include records that adequately identify the source and application of funds. When the terms of this Contract require matching funds, cash contributions made by the Contractor and third party in- kind (property or service) contributions must be verifiable from the Contractor's records. These records must contain information

pertaining to contract amount, obligations, unobligated balances, assets, liabilities, expenditures, income and third-party reimbursements.

ii. The Contractor shall maintain accounting records supported by source documentation that may include but are not limited to cancelled checks, paid bills, payroll, time and attendance records, and contract award documents.

iii. The Contractor, in maintaining project expenditure accounts, records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from administrative or compliance reviews and audits. Such adjustments shall be set forth in the financial reports filed with the Department.

iv. The Contractor shall maintain a sufficient record keeping system to provide the necessary data for the purposes of planning, monitoring and evaluating its program.

v. The Contractor shall retain all medical records for a period of six (6) years from the last date of service for each patient; or in the case of a minor patient or client, for a period consistent with that established by Iowa Code section 614.1(9).
Client records, which are non-medical, must be maintained for a period of five (5) years.

24. Audits. Local governments and non-profit subrecipient entities that expend $500,000 or more in a year in federal awards (from all sources) shall have a single audit conducted for that year in accordance with the provisions of OMB Circular A-133 "Audit of States, Local Governments, and Non-Profit Organizations." A copy of the final audit report shall be submitted to the Department if either the schedule of findings and questioned costs or the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Department. If an audit report is not required to be submitted per the criteria above, the subrecipient must provide written notification to the Department that the audit was conducted in accordance with Government Auditing Standards and that neither the schedule of findings and questioned costs nor the summary schedule of prior audit findings includes any audit findings related to federal awards provided by the Department. See A-133 Section 21 for a discussion of subrecipient versus Contractor relationships. Contractor shall provide the Department with a copy of any written audit findings or reports, whether in draft or final form, within 24 hours following receipt by the Contractor. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

25. Qualifications of Staff. The Contractor shall be responsible for assuring that all persons, whether they are employees, agents, subcontractors or anyone acting for or on behalf of the Contractor, are properly licensed, certified or accredited as required under applicable state law and the Iowa Administrative Code. The Contractor shall provide standards for service providers who are not otherwise licensed, certified or accredited under state law or the Iowa Administrative Code.

26. Solicitation. The Contractor represents and warrants that no person or selling Department has been employed or retained to solicit and secure this Contract upon an agreement or understanding for commission, percentage, brokerage or contingency excepting bona fide employees or selling agents maintained for the purpose of securing business.

27. Obligations Beyond Contract Term. This Contract shall remain in full force and effect

to the end of the specified term or until terminated pursuant to this Contract. All obligations and transition duties of the Department and the Contractor incurred or existing under this Contract as of the date of expiration or termination will survive the termination or expiration of this Contract.

28. **Counterparts.** The parties agree that this Contract has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.

29. **Delays or Impossibility of Performance.** Neither party shall be in default under the Contract if performance is prevented, delayed or made impossible to the extent that such prevention, delay, or impossibility is caused by a "force majeure." The term "force majeure" as used in this Contract includes an event that no human foresight could anticipate or which if anticipated, is incapable of being avoided. Circumstances must be abnormal and unforeseeable, so that the consequences could not have been avoided through the exercise of all due care, such as acts of God, war, civil disturbance and other similar causes. The delay or impossibility of performance must be beyond the control and without the fault or negligence of the parties. "Force majeure" does not include: financial difficulties of the Contractor or any parent, subsidiary, affiliated or associated company of Contractor; claims or court orders that restrict Contractor's
ability to deliver the Deliverables contemplated by this Contract; strikes; labor unrest; or supply chain disruptions. If delay results from a subcontractor's conduct, negligence or failure to perform, the Contractor shall not be excused from compliance with the terms and obligations of the Contract unless the subcontractor or supplier is prevented from timely performance by a "force majeure" as defined in this Contract. If a "force majeure" delays or prevents the Contractor's performance, the Contractor shall immediately use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be determined solely by the Department. The party seeking to exercise this provision and not perform or delay performance pursuant to a "force majeure" shall immediately notify the other party of the occurrence and reason for the delay. The parties shall make every effort to minimize the time of nonperformance and the scope of work not being performed due to the unforeseen events. Dates by which performance obligations are scheduled to be met will be extended only for a period of time equal to the time lost due to any delay so caused.

30. **Suspensions and Debarment.** The Contractor certifies pursuant to 48 CFR Part 9 that neither it nor its principles are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Contract by any federal Department or Department. The Contractor certifies that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any contracts with the State of Iowa.

31. **Conflict of Interest.** Contractor represents, warrants, and covenants that no relationship exists or will exist during the Contract period between the Contractor and the Department that is a conflict of interest. No employee, officer or agent of the Contractor or subcontractor shall participate in the selection or in the award or administration of a subcontract if a conflict of interest, real or apparent, exists. The provisions of Iowa Code ch. 68B shall apply to this Contract. If a conflict of interest is proven to the Department, the Department may terminate this Contract, and the Contractor shall be liable for any excess costs to the Department as a result of

the conflict of interest. The Contractor shall establish safeguards to prevent employees, consultants, or members of governing bodies from using their positions for purposes that are, or give the appearance of being, motivated by the desire for private gain for themselves or others with whom they have family, business, or other ties. The Contractor shall report any potential, real, or apparent conflict of interest to the Department.

32. Certification regarding sales and use tax. By executing this Contract, the Contractor certifies it is either (a) registered with the Iowa Department of Revenue, collects, and remits Iowa sales and use taxes as required by Iowa Code chapter 423; or (b) not a "retailer" or a "retailer maintaining a place of business in this state" as those terms are defined in Iowa Code subsections 423.1(42) & (43). The Contractor also acknowledges that the Department may declare the Contract void if the above certification is false. The Contractor also understands that fraudulent certification may result in the Department or its representative filing for damages for breach of contract.

33. Right to Address the Board of Directors or Other Managing Entity. The Department reserves the right to address the Contractor's board of directors or other managing entity of the Contractor regarding performance, expenditures and any other issue as appropriate. The Department determines appropriateness.

34. Repayment Obligation. In the event that any State and/or federal funds are deferred and/or disallowed as a result of any audits or expended in violation of the laws applicable to the expenditure of such funds, the Contractor shall be liable to the Department for the full amount of any claim disallowed and for all related penalties incurred. The requirements of this paragraph shall apply to the Contractor as well as any subcontractors.

35. Further Assurances and Corrective Instruments. The parties agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such amendments hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Contract.

36. Reporting Requirements. If this Contract permits other State agencies and political subdivisions to make purchases off of the Contract, the Contractor shall keep a record of the purchases made pursuant to the Contract and shall submit a report to the Department on a quarterly basis. The report shall identify all of the State agencies and political subdivisions making purchases off of this Contract and the quantities purchased pursuant to the Contract during the reporting period.

37. Immunity from Liability. Every person who is a party to the Contract is hereby notified and agrees that the State, the Department, and all of their employees, agents, successors, and assigns are immune from liability and suit for or from Contractor's and/or subcontractors' activities involving third parties and arising from the Contract.

38. Public Records. The laws of the State require procurement records to be made public unless otherwise provided by law.

39. Use of Name or Intellectual Property. Contractor agrees it will not use the Department and/or State's name or any of their intellectual property, including but not limited to, any State, state Department, board or commission trademarks or logos in any manner, including commercial advertising or as a business reference, without the expressed prior written consent of the Department and/or the State.

40. Taxes. The State is exempt from Federal excise taxes, and no payment will be made for any taxes levied on Contractor's employee's wages. The State is exempt from State and local sales and use taxes on the Deliverables.

41. No Minimums Guaranteed. The contract does not guarantee any minimum level of purchases or any minimum amount of compensation.

42. Compliance to Iowa IT Policies and Standards

Contractor will comply with and adhere to all Department and State information technology standards, including, without limitation, all technical and security standards, procedures and protocols, and provide training to Contractor's employees and subcontractors concerning such standards, procedures and protocols. Current standards are accessible online at http://das.ite.iowa.gov/standards/ Contractor will take all precautions and actions necessary to: (i) prevent unauthorized access to the Department's and the State's systems, networks, computers, property, records, data, and information; and (ii) ensure that all of the Department's and the State's documentation, electronic files, data, and systems are developed, used, and maintained in a secure manner, protecting their confidentiality, integrity and availability. Contractor agrees that it will not copy, reproduce, transmit, or remove any Department (or State) information or data without the prior written consent of the Department. Contractor agrees that it shall be liable for any damages, losses, and expenses suffered or incurred by the Department or the State as a result of: (a) any breach of this section, or (b) any breaches of security (including those described below) that are caused by any action or omission of Contractor or Contractor's employees, agents and subcontractors. Breaches of security include, but are not limited to:

a. Disclosure of confidential or sensitive information;
b. Unauthorized access to Department or State systems;
c. Illegal technology transfer;
d. Sabotage or destruction of Department or State information or information systems;
e. Compromise or denial of Department or State information or information systems;
f. Damage to or loss of Department or State information or information systems; and
g. Theft.

The Contractor shall immediately report to the Department any such breach of security. In the event of a breach of this section or any breach of security as described herein, the Department may terminate this Agreement immediately without penalty or liability to the Department and the State and without affording Contractor any opportunity to cure.

43. Off-Shore Sourcing: The State requires that all state data (including directory data and metadata) stays within the continental United States at all times (at rest and in transport). The State agrees that from time to time, contractor may access non-State data in Canada in order to perform services associated with contract.

P. Software as a Service

The State agrees that the below provisions as they relate to software as a service are only

applicable if a subscribing agency purchases the Government Cloud Premier+ Success Support Plan which includes the additional security requirements requested by the State in the below sections. For the sake of clarity, the purchase of anything other than the . Government Cloud Premier+ Success Support Plan requires the advanced written approval of the Chief Information Officer of the State of Iowa.
The State has determined that Salesforce products meet the below requirements. The functionality of Salesforce products available under this contract shall not materially decrease during a subscription (alternatively referred to in this contract as a license) term. Additional functionality through product updates may be provided at no additional cost.

1. Data Ownership: The State and Governmental Entities will be and remain the sole and exclusive owners of all data of any kind relating in any way to this Agreement, the Deliverables provided hereunder, and/or Vendor's performance of its duties under this Agreement, including, without limitation, all data in any way provided, submitted, modified, processed, abstracted, adapted, compiled, reproduced, utilized or altered by or on behalf of the State, any Governmental Entity or any User (including by or through Contractor on behalf of the State or any Governmental Entity).

The Governmental Entity that collects, stores, generates, or maintains information or data shall be considered a Data Custodian. The Data Custodian shall retain ownership of any and all such data, including any data associated with their application at any time. The Data Custodian must approve all access to its data. The service provider shall not access State user accounts or State data, except (1) in the course of data center operations, (2) in response to service or technical issues, (3) as required by the express terms of this contract or (4) at the State's written request. In the interest of clarity, "data" as referred to in this Section L.4 is not intended to refer to Source Code or Software except to the extent that any of these include, incorporate or otherwise utilize data that is owned by the State, including without limitation all data of any kind relating in any way to the Contractor, this Agreement, the Deliverables provided hereunder, and/or Contractor's performance of its duties under this Agreement, including, but not limited to, all data in any way provided, submitted, modified, processed, abstracted, adapted, compiled, reproduced, utilized or altered by or on behalf of the State, any Governmental Entity or any User (including by or through Contractor on behalf of the State or any Governmental Entity), in which case, any such data that is included or incorporated into, or otherwise utilized in connection with, the Contractor's proprietary Source Code or Software shall be and remain exclusively owned by the State, and Contractor hereby assigns any and all of its right title and interest in and to such data. Also, in the interest of clarity, to the extent Contractor incorporates or uses any data described above or otherwise owned by the State and incorporates such data into reports or other documents, software or deliverables, such data will not lose its status as State-owned data by virtue of such incorporation or use, and Contractor hereby assigns any and all of its right title and interest in and to such data.

2. Data Protection: Protection of personal privacy and data shall be an integral part of the business activities of the service provider to ensure there is no inappropriate or unauthorized use of State information at any time. To this end, the service provider shall safeguard the confidentiality, integrity and availability of State information and comply with the following conditions:

a. The service provider shall implement and maintain appropriate administrative, technical and organizational security measures to safeguard against unauthorized access, disclosure or theft of personal data and non-public data. Such security measures shall be in accordance with recognized industry practice (ISO27001:2013 standards and controls) and not less

stringent than the measures the service provider applies to its own personal data and non-public data of similar kind.

b. All data obtained by the service provider in the performance of this contract shall become and remain the property of the State.

c. All transitions of data in motion between the public jurisdiction and the services are SSL/TLS encrypted with a 2048-bit Public Key. The Services use International/Global Step Up SSL certificates, with AES 256-bit encryption by default. The service includes a feature to encrypt custom text fields (ECF) for data at rest. The fields can be masked appropriately for specific data types.

d. At no time shall any data or processes — that either belong to or are intended for the use of a State or its officers, agents or employees — be copied, disclosed or retained by the service provider or any party related to the service provider for subsequent use in any transaction that does not include the State.

e. The service provider shall not use any information collected in connection with the service issued from this proposal for any purpose other than fulfilling the service.

3. Data Location: The service provider shall provide its services to the State and its end users solely from data centers in the continental United States of America. Storage of State data at rest and all backups shall be located solely in data centers in the continental United States of America. The service provider shall not allow its personnel or contractors to store State data on portable devices, including personal computers, except for devices that are used and kept only at its continental United States of America data centers. The service provider shall permit its personnel and contractors to access State data remotely only as required to provide technical support.

4. Security Incident or Security Breach Notification: The service provider shall inform the State of any security incident or Security Breach.

a. Incident Response: The service provider may need to communicate with outside parties regarding a security incident, which may include contacting law enforcement, fielding media inquiries and seeking external expertise as mutually agreed upon, defined by law or contained in the contract. Discussing security incidents with the State should be handled on an urgent as-needed basis, as part of service provider communication and mitigation processes as mutually agreed upon, defined by law or contained in the contract.

b. Security Incident Reporting Requirements: The service provider shall report a security incident to the State identified contact within twenty-four (24) hours.

c. Breach Reporting Requirements: If the service provider has actual knowledge of a confirmed Security Breach that affects the security of any State content that is subject to applicable Security Breach notification law as required by Iowa Code 715C.2, the service provider shall (1) promptly notify the State identified contact within 24 hours or sooner, unless shorter time is required by applicable law, and (2) take best effort measures to address the Security Breach in a timely manner.

d. Service will promptly notify the Customer in the event of any security breach of the Services resulting in an actual or reasonably suspected unauthorized disclosure of customer data. Notification will be to the State Identified Contact and public posting on trust.salesforce.com.

5. Security Breach Responsibilities: This section only applies when a Security Breach occurs with respect to Personal Data within the possession or control of the Service Provider.

a. The service provider, unless stipulated otherwise, shall within twenty four (24) hours notify the State identified contact by telephone if it reasonably believes there has been a security incident.

b. The service provider, unless stipulated otherwise, shall promptly notify the State identified contact within 24 hours or sooner by telephone or email, , if it confirms that there is, or reasonably believes that there has been a Security Breach. The service provider shall (1) cooperate with the State as requested by the State to investigate and resolve the Security Breach, (2) promptly implement necessary remedial measures, if necessary, and (3) document responsive actions taken related to the Security Breach, including any post-incident review of events and actions taken to make changes in business practices in providing the services, if necessary.

6. Notification of Legal Requests: The service provider shall contact the State upon receipt of any electronic discovery, litigation holds, discovery searches, public information requests, and expert testimonies related to the State's data under this contract, or which in any way might reasonably require access to the data of the State. The service provider shall not respond to subpoenas, service of process and other legal requests related to the State without first notifying the State.

7. Termination and Suspension of Service:

a. In the event of a termination of the contract, the service provider shall implement an orderly return of State data in a set of comma-separated value (CSV) files.

b. During any period of service suspension, the service provider shall not take any action to erase any State data.

c. In the event of termination of any services or agreement in entirety, the service provider shall not take any action to intentionally erase any State data for a period of:

- 30 days after the effective date of termination, if the termination is in accordance with the contract period
- 30 days after the effective date of termination, if the termination is for convenience
- 30 days after the effective date of termination, if the termination is for cause

After such period, the service provider shall have no obligation to maintain or provide any State data and shall thereafter, unless legally prohibited, delete all State data in its systems or otherwise in its possession or under its control.

d. The State shall be entitled to any post-termination assistance generally made available with respect to the services, unless a unique data retrieval arrangement has been established as part of the SLA.

e. The service provider shall securely dispose of all requested data in all of its forms, such as disk, CD/ DVD, backup tape and paper, when requested by the State. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST)-approved methods. Certificates of destruction shall be provided to the State.

8. Background Checks:

Contractor will engage in the services of a background screening vendor to conduct background checks including address verification for the past 7 years, a criminal background check at the state, federal and national searches to identify felony and misdemeanor convictions within the last 7 years, global sanctions and enforcement check, federal debarment check, healthcare sanctions check, education verification, and employment history. A hiring decision is then made based the information collected.

As a security company, the service provider conducts a national criminal backgroung checks. Salesforce currently utilizes a third-party provider (HireRight) to perform background investigations on all incoming employees in the U.S. The background investigation is initiated after an offer letter is sent to an applicant. If an investigation turns up negative information, the information will be evaluated on a case-by-case basis to determine whether it will affect our hiring decision.

The following details our current background check policy for the U.S. and is subject to change at any time:

1) Address check: Using an applicant's social security number, all residential addresses for the past seven years are verified.

2) Criminal background check:

(a) County court records search for any state felony and misdemeanor convictions within the last 7 years. This is done using the applicant's social security number, and the search is conducted via hands-on research and/or direct access to court records. The county criminal background check is conducted in those states in which the applicant has lived or applied for credit in the past 7 years.

(b) Federal court records search for any federal felony and misdemeanor convictions within the last 7 years. This is also done using the employee's social security number. The federal search is conducted in those districts in which the applicant has lived or applied for credit in the past 7 years.

(c) National criminal database search for any state felony and misdemeanor convictions within the last 7 years. This database includes criminal convictions in county and state records in 36 states that roll into the database; accordingly, it is more comprehensive than the county-only search. The Office of Foreign Assets Control ("OFAC") is part of the National Criminal Database search. This search is done using the employee's name and date of birth.

3) Global sanctions and enforcement check: Includes, but is not limited to, a check against the Bureau of Industry and Security Denied Persons List.

4) Federal debarment check: A General Services Administration (GSA) Excluded Parties List check and Office of Inspector General (OIG) Exclusion List check identifies individuals who have been excluded from receiving government funds or participating in government contracts.

5) Healthcare sanctions check: A check of the Fraud and Abuse Control Information System (FACIS), an extensive database search of disciplinary actions taken by federal, state, and more than 800 licensing and certification agencies in 50 States (including the FDA).

6) Education verification: Verification of highest level of education attained, including educational institution, start and end dates, and degree title.

7) Employment history: Start date, end date, position and salary for up to three of the applicant's most recent places of employment in the past 7 years.

9. Access to Security Logs and Reports: The State can access reports containing information on latency statistics, user access, user access IP address, user access history and security logs for all State files related to this contract within the service.

10. Contract Audit: The service provider shall allow the State to audit conformance to the contract terms. The State may perform this audit or contract with a third party at its discretion and at the State's expense.

11. Data Center Audit: The service provider shall perform an independent audit of its data centers at least annually at its expense, and provide a redacted version of the audit report upon request. The service provider may remove its proprietary information from the redacted version. An ISO 27001:2013 audit report or approved equivalent sets the minimum level of a third-party audit.

12. Change Control and Advance Notice: The service provider shall give mutually agreeable advance notice to the State of any upgrades (e.g., major upgrades, minor upgrades, system changes) that may impact service availability and performance. A major upgrade is a replacement of hardware, software or firmware with a newer or better version in order to bring the system up to date or to improve its characteristics. It usually includes a new version number.

13. Security: The service provider shall disclose its non-proprietary security processes and technical limitations to the State such that adequate protection and flexibility can be attained between the State and the service provider. For example: virus checking and port sniffing — the State and the service provider shall understand each other's roles and responsibilities.

14. Non-disclosure and Separation of Duties: The service provider shall enforce separation of job duties, require best effort non-disclosure agreements, and limit staff knowledge of State data to that which is absolutely necessary to perform job duties.

15. Import and Export of Data: The State shall have the ability to import or export State data in piecemeal or in entirety at its discretion without interference from the service provider. This includes the ability for the State to import or export data to/from other service providers.

16. Responsibilities and Uptime Guarantee: The service provider shall be responsible for the acquisition and operation of all hardware, software and network support related to the services being provided. The technical and professional activities required for establishing, managing and maintaining the environments are the responsibilities of the service provider. The system shall be available 24/7/365 (with agreed-upon downtime).

17. Right to Remove Individuals: The State shall have the right at any time to require that the service provider remove from interaction with State any service provider representative who has direct involvement with the state in a sales, implementation and customer support function. The State shall provide the service provider with notice of its determination, and the reasons it requests the removal. If the service provider agrees that the action of the individual is detrimental to the state, it shall remove the individual. If the State signifies that a potential security violation exists with respect to the request, the service provider shall immediately remove such individual. The service provider shall not assign the person to any aspect of the contract or future work

orders without the State's consent.

18. Business Continuity and Disaster Recovery: If requested, the service provider shall provide a business continuity and disaster recovery plan.

19. Compliance with Accessibility Standards: The service provider shall comply with and adhere to Accessibility Standards of Section 508 Amendment to the Rehabilitation Act of 1973. Information on the accessibility status of the Salesforce products can be found at http://www.salesforce.com/company/legal/508_accessibility.jsp.

20. Encryption of Data at Rest: The service provider shall ensure hard drive encryption consistent with validated cryptography standards as referenced in FIPS 140-2, Security Requirements for Cryptographic Modules for all personal data, unless the State approves the storage of personal data on a service provider portable device in order to accomplish work as defined in the statement of work.

Exhibit A

Carahsoft's GSA Price List for Contract #GS-35F-0119Y

Pricing Information – Licenses and Additional Products

License pricing represents a minimum discount offering off of licenses and support. This published discount does not prevent the service provider from extending a greater discount to the State.

License and Product Type	GSA Price
Salesforce.com	4.26%
BasicGov	4.26%

Pricing Information—Implementation Services

Commercial Labor Category	SKU	GSA Price
Consulting Engineer	CON-CE	$ 200.00
Senior Information Architect	CON-SIA	$ 250.00
Senior Consulting Engineer	CON-SCE	$ 230.00
Senior Project Manager	CON-SPM	$ 244.57
Information Architect	CON-IA	$ 195.00
Project Manager	CON-PM	$ 195.00

For purposes of this agreement, and as set forth in section E4 (Pricelist), the above listed items represent those Services and Deliverables that may be provided by Vendor, unless otherwise subsequently amended by mutual agreement.

Any subsequent amendment(s) to this Exhibit A that contemplate additional Services and/or Deliverables which may be provided to the State, shall be extended at a sum no greater than currently applicable GSA schedule pricing.

The most recent version of Carahsoft's GSA Price List for Contract #GS-35F-0119Y can be found at https://www.gsaadvantage.gov/advantage/main/start_page.do.

Exhibit B

Salesforce End User Service Terms

"**AppExchange**" means the online directory of on-demand applications that work with the Service, located at http://www.appexchange.com or at any successor websites.

"**Reseller**" means Carahsoft.

"**Service**" means the online, Web-based application provided by SFDC via http://www.salesforce.com and/or other designated websites, including associated offline components but excluding AppExchange applications.

"**SFDC**" means salesforce.com, inc. and its affiliates.

"**Third-Party Applications**" means online, Web-based applications and offline software products that are provided by third parties, interoperate with the Service, and are identified as third-party applications, including but not limited to those listed on the AppExchange.

"**User Guide**" means the online user guide for the Services, accessible via http://www.salesforce.com, as updated from time to time.

"**Users**" means Your employees, representatives, consultants, contractors or agents who are authorized to use the Service and have been supplied user identifications and passwords by You (or by Salesforce.com or Your Reseller at Your request).

"**You**" and "**Your**" means the entity which has contracted to purchase subscriptions to use the Service subject to the conditions of these SFDC Service Terms.

"**Your Data**" means all electronic data or information submitted by You to the Service.

1. **Use of Service**.

(a) User subscriptions cannot be shared or used by more than one User (but may be reassigned from time to time to new Users who are replacing former Users who have terminated employment with You or otherwise changed job status or function and no longer require use of the Service).

(b) You (i) are responsible for all activities occurring under Your User accounts; (ii) are responsible for the content of all Your Data; (iii) shall use commercially reasonable efforts to prevent unauthorized access to, or use of, the Service, and shall notify Your Reseller or Salesforce.com promptly of any such unauthorized use You become aware of; and (iv) shall comply with all applicable local, state, federal and foreign laws and regulations in using the Service.

(c) You shall use the Service solely for Your internal business purposes and shall not: (i) license, sublicense, sell, resell, rent, lease, transfer, assign, distribute, time share or otherwise commercially exploit or make the Service available to any third party, other than to Users or as otherwise contemplated by these SFDC Service Terms; (ii) send spam or otherwise

duplicative or unsolicited messages in violation of applicable laws; (iii) send or store infringing, obscene, threatening, libelous, or otherwise unlawful or tortious material, including material that is harmful to children or violates third party privacy rights; (iv) send or store viruses, worms, time bombs, Trojan horses and other harmful or malicious code, files, scripts, agents or programs; (v) interfere with or disrupt the integrity or performance of the Service or the data contained therein; or (vi) attempt to gain unauthorized access to the Service or its related systems or networks.

(d) You shall not (i) modify, copy or create derivative works based on the Service; (ii) frame or mirror any content forming part of the Service, other than on Your own intranets or otherwise for its own internal business purposes; (iii) reverse engineer the Service; or (iv) access the Service in order to (A) build a competitive product or service, or (B) copy any ideas, features, functions or graphics of the Service.

2. **Service Provision**. SFDC will use commercially reasonable efforts to make the Services available 24 hours a day, 7 days a week, except for: (a) planned downtime (of which SFDC shall give at least 8 hours notice via the Services and which SFDC shall schedule to the extent practicable during the weekend hours from 6:00 p.m. Pacific time Friday to 3:00 a.m. Pacific time Monday), or (b) any unavailability caused by circumstances beyond SFDC's reasonable control, including without limitation, acts of God, acts of government, flood, fire, earthquakes, civil unrest, acts of terror, strikes or other labor problems (other than those involving SFDC employees), or Internet service provider failures or delays, and (iii) provide the Services only in accordance with applicable laws and government regulations.

3. **Support and Your Data**. Any exchange of data between You and Reseller, including Reseller's access of Your Data through the Service in connection with support matters, is solely between You and Reseller. SFDC shall not be responsible for any disclosure, modification or deletion of Your Data resulting from any such access by Reseller.

4. **Third-Party Products and Services**. Any acquisition by You of third-party products or services, including but not limited to Third-Party Applications and implementation, customization and other consulting services, and any exchange of data between You and any third-party provider, is solely between You and the applicable third-party provider. SFDC does not warrant or Support third-party products or services, whether or not they are designated by SFDC as "certified" or otherwise.

5. **Integration with Third-Party Applications**. If You install or enable Third-Party Applications for use with the Service, You acknowledge that SFDC may allow providers of those Third-Party Applications to access Your Data as required for the interoperation of such Third Party Applications with the Service. Salesforce.com shall not be responsible for any disclosure, modification or deletion of Your Data resulting from any such access by Third-Party Application providers. In addition, the Service may contain features designed to interoperate with Third-Party Applications (e.g., Google, Facebook or Twitter applications). To use such features, You may be required to obtain access to such Third-Party Applications from their providers. If the provider of any such Third-Party Application ceases to make the Third-Party Application available for interoperation with the corresponding Service features on reasonable terms, SFDC may cease providing such Service features without entitling You to any refund, credit, or other compensation.

6. **Proprietary Rights.** Subject to the limited rights expressly granted hereunder, Salesforce.com reserves all rights, title and interest in and to the Service, including all related intellectual property rights. The Service is deemed Salesforce.com confidential information, and You will not use it or disclose it to any third party except as permitted in these SFDC Service Terms.

7. **Your Data.** As between Salesforce.com and You, You exclusively own all rights, title and interest in and to all of Your Data. Your Data is deemed your confidential information.

8. **Compelled Disclosure.** If either You or Salesforce.com is compelled by law to disclose confidential information of the other party, it shall provide the other party with prior notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at the other party's cost, if the other party wishes to contest the disclosure.

9. **Suggestions.** You agree that Salesforce.com shall have a royalty-free, worldwide, transferable, sublicenseable, irrevocable, perpetual license to use or incorporate into the Service any suggestions, enhancement requests, recommendations or other feedback provided by You or Your Users relating to the operation of the Service.

10. **Fees.** Contracted for fees for use of the Service represent a firm commitment: i.e., an order cannot be canceled during the term of the subscriptions, and the number of User subscriptions contracted for cannot be reduced in the middle of a subscription term.

11. **Termination.** You may not cancel or terminate an executed subscription order. Salesforce.com reserves the right to immediately terminate Your use of the Service without notice due to a breach of the terms of these SFDC Service Terms by You or any User.

12. **Data Storage.** You are entitled to a cumulative amount of storage per User subscription for no additional charge as set forth in the User Guide for the Service subscription type purchased. You may purchase additional storage if necessary, and you may contact Your Reseller for then-current rates.

13. **No Warranty.** SALESFORCE.COM MAKES NO WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE REGARDING THE SERVICE AND/OR SUPPORT, AND SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW. IN THE EVENT THAT YOUR AGREEMENT WITH YOUR RESELLER PROVIDES ANY WARRANTIES WITH RESPECT TO THE SERVICE AND/OR SUPPORT, SUCH WARRANTIES ARE SOLELY BETWEEN YOU AND YOUR RESELLER.

14. **No Liability.** IN NO EVENT SHALL SALESFORCE.COM HAVE ANY LIABILITY TO YOU OR ANY USER FOR ANY DAMAGES WHATSOVER, INCLUDING BUT NOT LIMITED TO DIRECT, INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR DAMAGES BASED ON LOST PROFITS,

HOWEVER CAUSED AND, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER THEORY OF LIABILITY, WHETHER OR NOT EITHER YOU OR SALESFORCE.COM HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

15. **Further Contact.** Salesforce.com may contact you regarding new Salesforce.com service features and offerings.

16. **Third Party Beneficiary.** SFDC shall be a third party beneficiary to the agreement between You and Reseller solely as it relates to these SFDC Service Terms.

Exhibit C

Government Cloud Terms

Success Plan Description: Government Cloud Premier + Success Plan provides for products the support described in the Premier + Success Plan (http://www.salesforce.com/assets/pdf/misc/salesforce_premierplans.pdf) ("Premier + Plan"), as amended by the following. Support Personnel: Government Cloud Premier + Success Plan support will be provided by Qualified US Citizens, subject to these terms. "Qualified US Citizens" are individuals who (1) are United States citizens; (2) are physically located within the United States while performing the support; and (3) have completed a background check as a condition of their employment with Salesforce. Research and development personnel and personnel that provide Administration Services under Government Cloud Premier + Success Plan support, that have logical access to Customer Data, and infrastructure support personnel that provide Government Cloud Premier + Success Plan support that have physical access to the Salesforce Government Cloud infrastructure, will be Qualified US Citizens. All other personnel, including, Customer Success Managers, Success Account Managers, Customer Success Technologists and any other personnel engaged in customer success roles and providing customer success services (collectively referred to as "Success Representatives"), will not be Qualified US Citizens and will not have access to Customer Data unless Customer provides such personnel a User ID or otherwise enables the sharing of Customer Data with such personnel.

Telephone Support: Telephone support is available in English only, and twenty-four hours a day, seven days a week.

Submitting a Case: Users may submit a case in the following ways, (1) In the Services by logging in, clicking "Help & Training," clicking "Contact Support," and clicking "Open a Case," then providing the requested information and clicking "Submit" ("On-Line Case Submission"). Cases submitted via this route shall be automatically routed to a team of Qualified US Citizens. (2) By telephone call to Customer Support as described in the Premier + Plan. Calls for support received via telephone shall be initially responded to by individuals who are not Qualified US Citizens and who may be located outside the United States. These individuals will route cases to a team of Qualified US Citizens. These individuals will access the following information about Users in order to route the calls to Qualified US Citizens: first and last name, email address, username, phone number, and physical business address. To submit a case for Severity Level 1 issues, Customer must call Customer Support. (3) Cases submitted via Chat will not be responded to by Qualified US Citizens and will not be subject to the applicable response time described in the Target Initial Response Time table of the Premier + Plan.

The available products on the Salesforce Government Cloud may change at Salesforce's sole discretion and without advance notice. Customer acknowledges that Government Cloud products may not be fully compatible with non-Government Cloud Products resulting in decreased functionality. Any products on this Quote that do not include the term "Gov Cloud" in the product name are not Government Cloud products and are not hosted on the Salesforce Government Cloud.

Customers on SFDC commercial instance migrating to Government Cloud:

Customer's data is scheduled to begin migration on [SFDC will insert the agreed upon date on which the Org is scheduled to migrate] from its current infrastructure to the Salesforce Government Cloud infrastructure. Customer acknowledges and agrees that the migration from its current infrastructure to the Salesforce Government Cloud infrastructure requires a planned service downtime. During this planned service downtime, the customer's Salesforce.com org will be completely unavailable for use, the duration of the planned service downtime may range from a few hours for small orgs to up to 48 hours or more for larger orgs depending on a number of factors, include the amount of file storage and data storage the customer is using. Additionally, Customer acknowledges and agrees to the following conditions for this Quote and any add on Quotes executed prior to the completion of the migration process: 1) Customer shall receive the Government Cloud Premier+ Success plan, but may not receive all of the plan's features; 2) Customer's data shall reside on standard commercial infrastructure; and 3) the standard commercial infrastructure may include commercial customer data. Upon completion of migration, Customer data for products ordered under this Quote shall reside in the Salesforce Government Cloud infrastructure, unless otherwise specified in this Quote or any add on Quotes.