



CITY OF COLUMBIA
AGENDA MEMORANDUM

MEETING DATE: May 17, 2016

DEPARTMENT: Purchasing

FROM: *Sandra Wright, Purchasing Agent*

SUBJECT: Server Environment Hardware Upgrade Purchase

FINANCIAL IMPACT:

ORIGINAL BUDGET: \$187,326.51

STRATEGIC GOALS: Invest in Infrastructure

The Information Technology Department requests City Council's approval for the purchase of a Cisco UCS Solution Server Environment Hardware Upgrade. We respectfully request approval for this purchase using the SC State Contract #4400007892 vendor, Egroup Holding Company, LLC, at the following cost plus sales tax.

| | |
|-----------------------------------|------------------|
| Cisco UCS Solution-Server Upgrade | \$173,450.47 |
| Sales Tax | <u>13,876.04</u> |
| Total | \$187,326.51 |

Egroup Holding Company, LLC is located in Mount Pleasant, SC 29464

This will be charged as follows:

| | |
|---|--------------|
| Technology Replacement/ Computer Equipment/Hardware 6218954-627500 | \$187,326.51 |
|---|--------------|

Sec 2-204. (9) of the City Ordinance. Competitive sealed bidding required; exceptions allow the City to purchase goods and services without competitive sealed bidding when purchasing through state contracts.

ATTACHMENTS:

- Egroup Quote (PDF)



PROCUREMENT SERVICES

Contract 4400007892

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Validity Start 03/04/2014

Validity End 11/11/2016

Target Value \$ 2,000,000.00

FEIN 46-4020783

Bid Invitation [5400001882 - FPB: Cisco Network Products](#)

Contract Notes

Vendor 7000208493

Vendor Address EGROUP HOLDING COMPANY LLC
482 WANDO PARK BLVD
MOUNT PLEASANT SC 29464

District CHARLESTON

Telephone (843) 284-0146

Minority Status Not Applicable

Home Page <http://egroup-us.com>

E-mail insidesales@egroup-us.com

Fax Number (843) 284-0150

Other URL

Vendor Contacts

3 Contacts found, displaying all Contacts.

| Contact Name | Function | Phone | E-mail |
|-------------------|-------------------------|----------------|--|
| GADDY, BEN | Primary Contact | (843) 284-0146 | insidesales@egroup-us.com |
| MCDOWELL, COLLEEN | OPERATIONS | (843) 284-0146 | info@egroup-us.com |
| SALES, INSIDE | INSIDE SALES DEPARTMENT | (843) 284-0146 | insidesales@egroup-us.com |

Attachments

One Attachment found.

| Attachment Title | attachmentDate |
|----------------------------------|----------------|
| Egroup Award.doc | 02/21/2014 |

Contract Items

4 Items found, displaying all Items.
Item Pricing

- 00001 Cisco Network Products
Material Group: 20664 - network components: adapter cards, bridges, connectors, expansion modules/ports, hubs, line drivers, msaus, routers, transceivers,
Agency: Statewide
- 00002 Cisco Maintenance/Installation Service
Material Group: 93900 - equipment maintenance and repair services for computers, office, photographic, and radio/television equipment
Agency: Statewide
- 00003 Cisco Network Products
Material Group: 20664 - network components: adapter cards, bridges, connectors, expansion modules/ports, hubs, line drivers, msaus, routers, transceivers,
Agency: Statewide
- 00004 cisco Maintenance/Installation Service
Material Group: 93900 - equipment maintenance and repair services for computers, office, photographic, and radio/television equipment
Agency: Statewide

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eGroup
Technology Solutions for Serious Competitors

City of Columbia

Cisco UCS Solution

1.877.eGroup.1 (1.877.347.6871)
www.eGroup-us.com
sales@eGroup-us.com



CLOUD SERVICES



APPLICATION SERVICES



END-USER COMPUTING



Quotation for City of Columbia

Quote # 006611 / 1

City of Columbia
 Michael Vukovich
 1737 Main St
 Columbia, SC 29201-2819
 Email: mvukovich@columbiasc.net

Date: Wednesday, April 13, 2016
 Expires on: Friday, May 13, 2016
 Rep: Derek Clements
 State Contract # 4400007892

| Cisco | Price | Qty | Ext. Price |
|---|------------|-----|--------------------|
| Cisco (2) UCS 5108 Chassis with 3 years 24x7x4 SNTP SMARTnet Support | | | |
| UCS SP Select 5108 AC2 Chassis w/2208 IO, 4x SFP cable 3m | \$5,903.33 | 2 | \$11,806.66 |
| SNTC-24X7X4OS UCS SP Select 5108 AC2 Chassis w/2208 IO, 4x S | \$713.93 | 2 | \$1,427.86 |
| Cabinet Jumper Power Cord, 250 VAC 16A, C20-C19 Connectors | \$0.00 | 8 | \$0.00 |
| 10GBASE-CU SFP+ Cable 3 Meter | \$0.00 | 8 | \$0.00 |
| UCS 2208XP I/O Module (8 External, 32 Internal 10Gb Ports) | \$0.00 | 4 | \$0.00 |
| Single phase AC power module for UCS 5108 | \$0.00 | 2 | \$0.00 |
| Accessory kit for UCS 5108 Blade Server Chassis | \$0.00 | 2 | \$0.00 |
| Blade slot blanking panel for UCS 5108/single slot | \$0.00 | 16 | \$0.00 |
| Fan module for UCS 5108 | \$0.00 | 16 | \$0.00 |
| UCS 5108 Packaging for chassis with half width blades. | \$0.00 | 2 | \$0.00 |
| 2500W Platinum AC Hot Plug Power Supply - DV | \$0.00 | 8 | \$0.00 |
| UCS Blade Server Chassis FW Package 3.1 | \$0.00 | 2 | \$0.00 |
| Section Subtotal | | | \$13,234.52 |
| Cisco - (4) B200 M4 blades with two (2) 3.4 GHz 6 Core processors, 768GB memory, VIC 1340 mLOM, two (2) 32GB SD cards, Cisco One Foundation, and 3 Years of 24x7x4 SNTP SMARTnet Support | | | |
| UCS B200 M4 w/o CPU, mem, drive bays, HDD, mezz (UPG) | \$1,055.06 | 4 | \$4,220.24 |
| SNTC-24X7X4OS UCS B200 M4 w/o CPU,m,dr b, HDD,m (UPG) | \$1,082.59 | 4 | \$4,330.36 |
| Cisco UCS VIC 1340 modular LOM for blade servers | \$528.06 | 4 | \$2,112.24 |
| 32GB SD Card for UCS servers | \$66.00 | 8 | \$528.00 |
| FlexStorage blanking panels w/o controller, w/o drive bays | \$0.00 | 8 | \$0.00 |
| CPU Heat Sink for UCS B200 M4/B420 M4 (Front) | \$0.00 | 4 | \$0.00 |
| CPU Heat Sink for UCS B200 M4/B420 M4 (Rear) | \$0.00 | 4 | \$0.00 |
| 3.40 GHz E5-2643 v4/135W 6C/20MB Cache/DDR4 2400MHz | \$2,003.32 | 8 | \$16,026.56 |
| 32GB DDR4-2400-MHz RDIMM/PC4-19200/dual rank/x4/1.2v | \$444.07 | 96 | \$42,630.72 |
| Cisco ONE Foundation Perpetual UCS 1-9 | \$986.36 | 4 | \$3,945.44 |



| Cisco | Price | Qty | Ext. Price |
|---|------------|-----|-------------|
| SWSS UPGRADES C1 Foundation Perpetual UCS | \$983.11 | 4 | \$3,932.44 |
| Cisco ONE Foundation UCS Central per Server | \$0.00 | 4 | \$0.00 |
| Cisco ONE Energy Mgmt Perpetual Lic - 1 DC End Point | \$0.00 | 4 | \$0.00 |
| Nexus 1000V Essential Edition, Qty=2 | \$0.00 | 4 | \$0.00 |
| Cisco ONE Foundation Subsr Intercloud Fabric For Business | \$0.00 | 4 | \$0.00 |
| SWSS UPGRADES Cisco ONE Foundation | \$0.00 | 4 | \$0.00 |
| Cisco ONE Prime Service Catalog Foundation Per Server | \$0.00 | 4 | \$0.00 |
| Cisco ONE UCS Director Foundation Compute Per Server (50 VM) | \$0.00 | 4 | \$0.00 |
| Cisco ONE UCS Performance Manager Express Edition | \$0.00 | 4 | \$0.00 |
| Section Subtotal | | | \$77,726.00 |
| Cisco - (1) B200 M4 blades with two (2) 3.4 GHz 6 Core processors, 512GB memory, VIC 1340 mLOM, two (2) 32GB SD cards, Cisco One Foundation, and 3 Years of 24x7x4 SNTP SMARTnet Support | | | |
| UCS B200 M4 w/o CPU, mem, drive bays, HDD, mezz (UPG) | \$1,055.06 | 1 | \$1,055.06 |
| SNTP-24X7X4OS UCS B200 M4 w/o CPU,m,dr b, HDD,m (UPG) | \$1,082.59 | 1 | \$1,082.59 |
| Cisco UCS VIC 1340 modular LOM for blade servers | \$528.06 | 1 | \$528.06 |
| 32GB SD Card for UCS servers | \$66.00 | 2 | \$132.00 |
| FlexStorage blanking panels w/o controller, w/o drive bays | \$0.00 | 2 | \$0.00 |
| CPU Heat Sink for UCS B200 M4/B420 M4 (Front) | \$0.00 | 1 | \$0.00 |
| CPU Heat Sink for UCS B200 M4/B420 M4 (Rear) | \$0.00 | 1 | \$0.00 |
| 3.40 GHz E5-2643 v4/135W 6C/20MB Cache/DDR4 2400MHz | \$2,003.32 | 2 | \$4,006.64 |
| 32GB DDR4-2400-MHz RDIMM/PC4-19200/dual rank/x4/1.2v | \$387.50 | 16 | \$6,200.00 |
| Cisco ONE Foundation Perpetual UCS 1-9 | \$986.36 | 1 | \$986.36 |
| SWSS UPGRADES C1 Foundation Perpetual UCS | \$983.11 | 1 | \$983.11 |
| Cisco ONE Prime Service Catalog Foundation Per Server | \$0.00 | 1 | \$0.00 |
| Cisco ONE Foundation UCS Central per Server | \$0.00 | 1 | \$0.00 |
| Cisco ONE UCS Director Foundation Compute Per Server (50 VM) | \$0.00 | 1 | \$0.00 |
| Cisco ONE UCS Performance Manager Express Edition | \$0.00 | 1 | \$0.00 |
| Cisco ONE Energy Mgmt Perpetual Lic - 1 DC End Point | \$0.00 | 1 | \$0.00 |
| Nexus 1000V Essential Edition, Qty=2 | \$0.00 | 1 | \$0.00 |
| Cisco ONE Foundation Subsr Intercloud Fabric For Business | \$0.00 | 1 | \$0.00 |
| SWSS UPGRADES Cisco ONE Foundation | \$0.00 | 1 | \$0.00 |
| Section Subtotal | | | \$14,973.82 |



| Cisco | Price | Qty | Ext. Price |
|--|------------|-----|---------------------|
| Cisco - (1) B200 M4 blades with (1) 1.7 GHz 8 Core processor, 16GB memory, (1) 300GB 10k Drive, VIC 1340 mLOM, two (2) 32GB SD cards, and 3 Years of 24x7x4 SNTP SMARTnet Support | | | |
| UCS B200 M4 w/o CPU, mem, drive bays, HDD, mezz (UPG) | \$1,190.32 | 1 | \$1,190.32 |
| SNTC-24X7X4OS UCS B200 M4 w/o CPU,m,dr b, HDD,m (UPG) | \$1,172.85 | 1 | \$1,172.85 |
| Cisco UCS VIC 1340 modular LOM for blade servers | \$595.76 | 1 | \$595.76 |
| CPU Heat Sink for UCS B200 M4/B420 M4 (Front) | \$0.00 | 1 | \$0.00 |
| Cisco ONE Data Center Compute Opt Out Option | \$0.00 | 1 | \$0.00 |
| 1.70 GHz E5-2609 v4/85W 8C/20MB Cache/DDR4 1866MHz | \$435.99 | 1 | \$435.99 |
| 16GB DDR4-2400-MHz RDIMM/PC4-19200/single rank/x4/1.2v | \$258.34 | 1 | \$258.34 |
| Cisco FlexStorage 12G SAS RAID controller with Drive bays | \$297.68 | 1 | \$297.68 |
| 300GB 12G SAS 10K RPM SFF HDD | \$234.88 | 2 | \$469.76 |
| UCS Multi-Domain Manager (Central) Per Server License | \$105.68 | 1 | \$105.68 |
| SW APP SUPP + UPGR UCS Multi-Domain Manager (Central) Per Se | \$161.59 | 1 | \$161.59 |
| Section Subtotal | | | \$4,687.97 |
| Cisco (4) UCS 6248 Fabric Interconnects , (24) 1000BASE SFP's, (8) X2 SFP Adaptors, and 3 years of 24x7x4 SNTP SMARTnet Support | | | |
| UCS SP Select 6248 FI w/ 12p LIC 2Pk | \$0.00 | 2 | \$0.00 |
| (Not sold Standalone)UCS SP Select 6248 FI w/ 12p LIC | \$7,567.59 | 4 | \$30,270.36 |
| SNTC-24X7X4OS (Not sold Standalone)UCS SP Select 6248 FI w/ | \$2,820.59 | 4 | \$11,282.36 |
| Cabinet Jumper Power Cord, 250 VAC 10A, C14-C13 Connectors | \$0.00 | 8 | \$0.00 |
| 10GBASE-CU SFP+ Cable 3 Meter | \$0.00 | 16 | \$0.00 |
| 8 Gbps Fibre Channel SW SFP+, LC | \$0.00 | 16 | \$0.00 |
| 10GBASE-SR SFP Module | \$0.00 | 16 | \$0.00 |
| UCS 6248UP Chassis Accessory Kit | \$0.00 | 4 | \$0.00 |
| UCS 6200 Series Expansion Module Blank | \$0.00 | 4 | \$0.00 |
| UCS 6248UP Fan Module | \$0.00 | 8 | \$0.00 |
| UCS 6248 Layer 2 Daughter Card | \$0.00 | 4 | \$0.00 |
| UCS 6248UP Power Supply/100-240VAC | \$0.00 | 8 | \$0.00 |
| UCS Manager v3.1 | \$0.00 | 4 | \$0.00 |
| 1000BASE-SX SFP transceiver module, MMF, 850nm, DOM | \$314.81 | 24 | \$7,555.44 |
| X2 to SFP+ Adaptor module | \$120.00 | 8 | \$960.00 |
| Section Subtotal | | | \$50,068.16 |
| Cisco Subtotal | | | \$160,690.47 |



| Services | Price | Qty | Ext. Price |
|-------------------------------------|-------------|-----|--------------------|
| eGroup Professional Services | | | |
| UCS Implementation | \$12,760.00 | 1 | \$12,760.00 |
| Services Subtotal | | | \$12,760.00 |

| Quote Summary | Amount |
|---------------|---------------------|
| Cisco | \$160,690.47 |
| Services | \$12,760.00 |
| Total | \$173,450.47 |

Taxes, shipping, handling and other fees may apply.

Signature

Date

Terms & Conditions



1. **AGREEMENT** – THE TERMS OF PAYMENT AND CONDITIONS OF CREDIT IF ANY EXTENDED TO CUSTOMER ARE PROVIDED BY EGROUP. THE TERMS OF BUSINESS GOVERNING THE RELATIONSHIP BETWEEN EGROUP AND CUSTOMER SHALL BE (I) THE TERMS AND CONDITIONS OF SALE & SERVICE ON THE EGROUP CREDIT APPLICATION; OR (II) THESE TERMS HEREIN, AND NO TERMS OFFERED BY CUSTOMER WILL PREVAIL, EXCEPT FOR THOSE SPECIFICALLY AGREED UPON, IN WRITING, BY BOTH PARTIES. THESE TERMS AND CONDITIONS OF SALE & SERVICE SHALL GOVERN ALL MATTERS BETWEEN THE PARTIES FOR THE DURATION OF THIS CONTRACT.
2. **PROFESSIONAL SERVICES ORDERS** - CUSTOMER SHALL, UPON AND SUBJECT TO APPROVAL BY EGROUP, PURCHASE PROFESSIONAL SERVICES BY ISSUING A PURCHASE ORDER. EACH PURCHASE ORDER MUST BE SIGNED/SEALED, AS APPLICABLE, IF REQUESTED BY EGROUP, OR (IN THE CASE OF ELECTRONIC TRANSMISSION) SENT, BY AN AUTHORIZED REPRESENTATIVE, INDICATING THE SOW PROJECT NAME, SPECIFIC EGROUP PROFESSIONAL SERVICES, QUANTITY, TOTAL PURCHASE PRICE, BILL-TO AND SHIP-TO ADDRESSES, AND ANY OTHER SPECIAL INSTRUCTIONS. NO CONTINGENCY CONTAINED ON ANY PURCHASE ORDER SHALL BE BINDING UPON EGROUP. THE TERMS OF THIS AGREEMENT SHALL APPLY, REGARDLESS OF ANY ADDITIONAL OR CONFLICTING TERMS ON ANY PURCHASE ORDER OR OTHER CORRESPONDENCE OR DOCUMENTATION SUBMITTED BY CUSTOMER TO EGROUP, AND ANY SUCH ADDITIONAL OR CONFLICTING TERMS ARE DEEMED REJECTED BY EGROUP.
3. **PROFESSIONAL SERVICES – DESCRIPTIONS AND STATEMENTS OF WORK.**
 - a. PROFESSIONAL SERVICES WILL BE PROVIDED BY EGROUP PURSUANT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT. EGROUP MAY USE SUBCONTRACTORS (UNDER SEPARATE CONTRACT TO EGROUP) TO PERFORM THE SERVICES, OR PORTION(S) THEREOF.
 - b. EGROUP WILL NOT PROCEED WITH PERFORMING SOW-BASED PROFESSIONAL SERVICES UNTIL BOTH CUSTOMER AND EGROUP HAVE SIGNED THE APPLICABLE SOW. EACH SOW, ONCE SIGNED BY BOTH PARTIES, WILL BECOME A PART OF THIS AGREEMENT. EACH SOW WILL MINIMALLY INCLUDE:
 - i. A DESCRIPTION OF EACH PARTY'S OBLIGATIONS;
 - ii. AN ESTIMATED PERFORMANCE SCHEDULE, INCLUDING MILESTONES, WHEN APPLICABLE;
 - iii. COMPLETION CRITERIA THAT EGROUP WILL MEET TO FULFILL ITS OBLIGATIONS UNDER THE SOW; AND
 - iv. IDENTIFICATION OF PRIMARY CONTACTS FOR EGROUP AND CUSTOMER.
 - c. SOWS MAY ONLY BE AMENDED BY A WRITTEN DOCUMENT SIGNED BY EACH PARTY'S AUTHORIZED REPRESENTATIVE, AND PER THE CHANGE MANAGEMENT PROCEDURES SET FORTH THEREIN.
 - d. THE APPLICABLE SOW(S) AND/OR SUPPORT AGREEMENT(S) EXCLUSIVELY DEFINE THE SCOPE OF THE PROFESSIONAL SERVICES THAT EGROUP SHALL PROVIDE TO CUSTOMER. TO THE EXTENT THERE IS A CONFLICT BETWEEN THE TERMS OF A SOW OR SUPPORT AGREEMENT DESCRIPTION AND THIS AGREEMENT, THE TERMS OF THIS AGREEMENT CONTROL, UNLESS EXPLICITLY STATED OTHERWISE IN THE SOW.
4. **PROFESSIONAL SERVICES PRICING**
 - a. PRICES FOR PROFESSIONAL SERVICES WILL BE SPECIFIED IN ONE OF THE FOLLOWING, AS APPLICABLE TO THE PROFESSIONAL SERVICES TO BE PROVIDED:
 - i. THOSE SPECIFIED IN EGROUP'S THEN-CURRENT PRICE LIST, LESS ANY APPLICABLE DISCOUNT AT THE TIME OF EGROUP'S ACCEPTANCE OF CUSTOMER'S PURCHASE ORDER; ii. THOSE SPECIFIED IN A WRITTEN PRICE QUOTATION SUBMITTED BY EGROUP; OR
 - iii. THOSE SPECIFIED IN THE SOW; OR
 - iv. THOSE CONTRACTED OUTSIDE THE SCOPE OF THE CONTRACT (EX. OUTSIDE BUSINESS HOURS OR WEEKENDS)
 1. PREMIUM RATES OUTSIDE NORMAL BUSINESS HOURS DURING THE BUSINESS WEEK WILL BE BILLED AT ONE AND ONE-HALF TIMES THE AGREED UPON LABOR RATE.
 2. PREMIUM RATES ON WEEKENDS AND US HOLIDAYS WILL BE BILLED AT TWICE THE AGREED UPON LABOR RATE.
 - b. ALL PRICES ARE EXCLUSIVE OF ANY TAXES, FEES, DUTIES OR OTHER APPLICABLE AMOUNTS. CUSTOMER SHALL PAY THE TAXES RELATED TO PROFESSIONAL SERVICES PURCHASED PURSUANT TO THIS AGREEMENT, OR CUSTOMER SHALL PRESENT AN EXEMPTION CERTIFICATE ACCEPTABLE TO THE TAXING AUTHORITIES. APPLICABLE TAXES, IF ANY, WILL BE BILLED AS A SEPARATE ITEM ON THE INVOICE. EGROUP RESERVES THE RIGHT TO INCREASE THE PROFESSIONAL SERVICE FEE IN THE EVENT CUSTOMER DETERMINES ANY WITHHOLDING TAX OBLIGATION PREVENTS EGROUP FROM RECEIVING THE SPECIFIED PRICES FOR SUCH PROFESSIONAL SERVICES PURSUANT TO SECTION 4(A) ABOVE.
5. **PROFESSIONAL SERVICES PAYMENT AND INVOICING**
 - a. PAYMENT. ALL PURCHASE ORDERS ARE SUBJECT TO CREDIT APPROVAL AND, SUBJECT THERETO, PAYMENT TERMS ARE NET 30 DAYS. ANY SUM NOT PAID BY CUSTOMER WITHIN SIXTY (60) DAYS FROM THE DATE OF THE INVOICE WILL BEAR INTEREST FROM THE DATE OF THE INVOICE UNTIL PAID AT A RATE OF: (I) TEN (10) PER CENT PER ANNUM OR (II) THE MAXIMUM RATE PERMITTED BY LAW, WHICHEVER IS LESS.
 - b. INVOICING. AS SET FORTH BELOW, EGROUP WILL INVOICE CUSTOMER DEPENDING ON THE TYPE OF PROFESSIONAL SERVICES:
 - i. EGROUP SERVICE DESCRIPTION-BASED PROFESSIONAL SERVICES INVOICING. UNLESS OTHERWISE AGREED BY THE PARTIES, EGROUP WILL INVOICE PROFESSIONAL SERVICES PERFORMED UNDER AN PROFESSIONAL SERVICE DESCRIPTION IN ADVANCE OF PERFORMANCE OF SUCH PROFESSIONAL SERVICES.
 - ii. SOW-BASED PROFESSIONAL SERVICES INVOICING. EGROUP WILL INVOICE CUSTOMER UPON COMPLETION OF EACH MILESTONE AS DEFINED IN THE SOW, PER THE SOW'S MILESTONE SCHEDULE. INVOICES MAY CONTAIN MULTIPLE MILESTONES. THE SOW MILESTONE SCHEDULE SUPERSEDES ANY MILESTONES IDENTIFIED IN A PURCHASE ORDER; NEVERTHELESS, UNLESS OTHERWISE MUTUALLY AGREED UPON VIA A CHANGE MANAGEMENT PROCEDURE, THE TOTAL INVOICED AMOUNTS FOR SOW MILESTONES SHALL NOT EXCEED THE TOTAL AMOUNT OF CUSTOMER'S PURCHASE ORDER. IF A SOW DOES NOT CONTAIN A MILESTONE SCHEDULE, EGROUP WILL INVOICE PROFESSIONAL SERVICES PERFORMED UNDER SUCH SOW AS SET FORTH IN SUCH SOW.
6. **TERM AND TERMINATION.**
 - a. THE TERM OF THIS AGREEMENT WILL COMMENCE ON THE DATE UPON WHICH THIS AGREEMENT IS ACCEPTED (THE "EFFECTIVE DATE") AND WILL CONTINUE INDEFINITELY, UNTIL EITHER PARTY GIVES NOTICE TO THE OTHER OF ITS INTENT TO TERMINATE THIS AGREEMENT AS PROVIDED HEREIN.
 - b. THE TERM OF EACH NON-SOW BASED PROFESSIONAL SERVICE WILL COMMENCE ON THE DATE SPECIFIED IN THE ASSOCIATED PURCHASE ORDER AND CONTINUE: (I) UNTIL COMPLETION OF THE SPECIFIED PROFESSIONAL SERVICE IN THE EVENT A MILESTONE CERTIFICATION OF COMPLETION (MCC) IS NOT REQUIRED; OR (II) UNTIL THE MCC HAS BEEN SIGNED OFF BY CUSTOMER IN THE EVENT A MCC IS REQUIRED.
 - c. THE TERM OF EACH SOW WILL COMMENCE ON LAST DATE OF SIGNATURE OF THE SOW AND CONTINUE UNTIL LAST MILESTONE COMPLETION, UNLESS OTHERWISE SPECIFIED IN THE SOW.
 - d. EGROUP SHALL HAVE A LEAD-TIME OF UP TO THIRTY (30) DAYS FROM ACCEPTANCE OF PURCHASE ORDER FOR SCHEDULING OF PROFESSIONAL SERVICES.
 - e. THIS AGREEMENT, AND ANY PROFESSIONAL SERVICES BEING PERFORMED HEREUNDER, MAY BE TERMINATED IMMEDIATELY BY EITHER PARTY UPON WRITTEN NOTICE:
 - i. IF THE OTHER PARTY BREACHES ANY OF THE MATERIAL PROVISIONS OF THIS AGREEMENT AND THE BREACH IS NOT CAPABLE OF BEING CURED OR AFTER PROVIDING THIRTY (30) DAYS WRITTEN NOTICE TO THE BREACHING PARTY IF THE BREACHING PARTY FAILS TO CURE SUCH BREACH WITHIN SUCH PERIOD;
 - ii. IF THE OTHER PARTY: CEASES, OR THREATENS TO CEASE TO CARRY ON BUSINESS AS A GOING CONCERN; OR BECOMES OR MAY BECOME THE OBJECT OF THE INSTITUTION OF VOLUNTARY OR INVOLUNTARY PROCEEDINGS IN BANKRUPTCY OR LIQUIDATION, OR A RECEIVER OR SIMILAR OFFICER IS APPOINTED WITH RESPECT TO THE WHOLE OR A SUBSTANTIAL PART OF ITS ASSETS; OR AN EVENT SIMILAR TO ANY OF THE FOREGOING OCCURS UNDER APPLICABLE LAW; OR
 - iii. IF, EXCEPT AS PROVIDED BELOW, EITHER PARTY ASSIGNS (BY OPERATION OF LAW OR OTHERWISE, INCLUDING MERGER) OR TRANSFERS ANY OF THE RIGHTS OR RESPONSIBILITIES GRANTED UNDER THIS AGREEMENT, ANY SUPPORT AGREEMENT, OR ANY SOW, WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER PARTY, OR IN THE EVENT OF A SALE OF ALL OR SUBSTANTIALLY ALL OF SUCH PARTY'S ASSETS, OR TRANSFER OF A CONTROLLING INTEREST IN SUCH PARTY TO AN UNAFFILIATED THIRD PARTY. NOTWITHSTANDING THE FOREGOING, EGROUP RESERVES THE RIGHT TO SUBCONTRACT PROFESSIONAL SERVICES TO ANY AFFILIATE OR THIRD PARTY ORGANIZATION TO PROVIDE PROFESSIONAL SERVICES TO CUSTOMER, AND EGROUP MAY ASSIGN THIS AGREEMENT OR ALL OR ANY PORTION OF ITS RIGHTS AND OBLIGATIONS HEREUNDER, TO ANY AFFILIATE OF EGROUP.
 - f. IF PROFESSIONAL SERVICES FEES ARE NOT PAID WHEN DUE AND PAYMENT HAS NOT BEEN RECEIVED WITHIN THIRTY (30) DAYS AFTER NOTICE FROM EGROUP OF SUCH PAST DUE PAYMENT, EGROUP MAY WITHHOLD THE PROVISION OF PROFESSIONAL SERVICES UNTIL ALL AMOUNTS PAST DUE ARE PAID IN FULL, AND/OR IMMEDIATELY TERMINATE THIS AGREEMENT OR ANY PROFESSIONAL SERVICES PROVIDED HEREUNDER.
 - g. EGROUP RESERVES THE RIGHT TO CHANGE THE SCOPE AND CONTENT OF ANY OF THE PROFESSIONAL SERVICES UPON NINETY (90) DAYS PRIOR NOTICE. SUCH CHANGES WILL BECOME EFFECTIVE UPON CUSTOMER'S RENEWAL OF THE APPLICABLE PROFESSIONAL SERVICES.
 - h. IF, FOLLOWING TERMINATION OF THIS AGREEMENT, CUSTOMER PLACES PURCHASE ORDERS AND EGROUP ACCEPTS SUCH PURCHASE ORDERS, THEN ANY SUCH PURCHASE ORDERS WILL BE GOVERNED BY THE TERMS AND CONDITIONS OF THIS AGREEMENT NOTWITHSTANDING THE EARLIER TERMINATION OF THIS AGREEMENT; PROVIDED, HOWEVER, THAT ACCEPTANCE BY EGROUP OF ANY SUCH PURCHASE ORDER WILL NOT BE CONSIDERED A RENEWAL OF THIS AGREEMENT.
 - i. EACH PROFESSIONAL SERVICE PROVIDED HEREUNDER WILL TERMINATE IMMEDIATELY UPON TERMINATION OF THIS AGREEMENT, UNLESS OTHERWISE AGREED BY THE PARTIES. NOTWITHSTANDING THE FOREGOING, THE PARTIES' ONGOING OBLIGATIONS UNDER ANY NON-TERMINATED SOWS WILL CONTINUE THROUGH THE END OF THEIR DEFINED TERM, UNLESS OTHERWISE AGREED BY THE PARTIES IN WRITING.
 - j. UPON TERMINATION OF THIS AGREEMENT OR ANY PROFESSIONAL SERVICES, CUSTOMER SHALL PAY EGROUP FOR ALL WORK EGROUP HAS PERFORMED UP TO THE EFFECTIVE DATE OF TERMINATION AT THE AGREED UPON PRICES, FEES AND EXPENSE REIMBURSEMENT RATES.

Terms & Conditions

7. **DEPOSIT, PURCHASE & PAYMENT** - EGROUP reserves the right to charge a deposit for payment on any customer order when customer has requested EGROUP purchase items (or provide services) whether by oral, telephonic, electronic, written or other means. Then customer's acceptance of (i) any terms and delivered, or (ii) any services (as performed) constitutes agreement by customer to make full payment for any invoice(s) presented for above said terms) and services (as) EGROUP reserves the right to invoice customer upon and for each service rendered or product delivered, where delivery is for shipping from the distributor. Customer cannot refuse to make payment for partial delivery of services or products. Customer shall pay all charges on terms established by EGROUP including reasonable charges for shipping, handling and insurance on any products delivered.
8. **RETURNS** - No item will be accepted for return without a valid return number, due to manufacturer's restrictions. EGROUP reserves the right to refuse a product for return. Certain items such as software, special orders and discontinued products are sold "as is" and cannot be returned. If a returned product is not defective, EGROUP reserves the right to assess a restocking charge. Final acceptance of the return is conditional upon receipt of the product in like new condition with all parts, packing materials and documentation intact. EGROUP reserves the right to refuse a return which is not in like new condition. COD shipments will be refused.
9. **DISPUTED CHARGES** - Written notice of any disputed charge must be received by EGROUP within 20 days of the date of issuance of the invoice in question or description of the basis for customer withholding payment. Notice of any disputed charge does not release customer from the obligation of paying any remaining balance of the invoice under the terms specified upon resolution of the disputed charge. EGROUP will issue a credit memo or customer will pay the total amount outstanding referenced by the dispute. Any disputed charge resolved in EGROUP's favor shall be liable to accrue late payment fees based on the terms of purchase.
10. **LATE PAYMENT** - If customer fails to pay an invoice within thirty (30) days from the date of the invoice, the customer will incur late fees from the date of the invoice at a rate of (i) ten (10) percent per annum or (ii) the maximum rate permitted by law, whichever is less until the payment date or until three consecutive months of late fees have been assessed against the outstanding balance. If payment has not been received within the three month late fee period after the due date, EGROUP will have no other option but to undertake collection and enforcement efforts. If collection and enforcement efforts are undertaken by EGROUP, customer shall be liable for all costs thereof, including reasonable fees. If customer is in arrears on any invoice, EGROUP may, on giving notice, apply any deposit thereto and withhold or cancel further performance of services or delivery of products until all arrearages are brought current.
11. **TAXES** - All sales, use, excise and personal property taxes, tariffs, and other governmental charges shall be paid by customer and are customer's responsibility except as expressly limited by law. A valid tax exemption certificate must support exception to this provision and be on file with EGROUP. Customer holds EGROUP harmless from paying such taxes and charges on customer's behalf.
12. **SECURITY INTEREST & SELLERS OPTION**
FOR AND IN CONSIDERATION OF THE GRANTING OF TERMS TO CUSTOMER BY EGROUP, CUSTOMER HEREBY GRANTS TO EGROUP A SECURITY INTEREST IN ANY AND ALL EQUIPMENT, PURCHASED BY CUSTOMER FROM EGROUP TO SECURE ALL OBLIGATIONS OF CUSTOMER TO EGROUP, INCLUDING BUT NOT LIMITED TO ANY OBLIGATION OF PAYMENT. THE SECURITY INTEREST GRANTED TO EGROUP SHALL ALSO COVER ALL PROPERTY OF THE SAME CHARACTER AS THAT COVERED BY THIS SECURITY AGREEMENT THAT THE CUSTOMER MAY LATER ACQUIRE AT ANY TIME UNTIL THE TERMINATION OF THIS SECURITY AGREEMENT. CUSTOMER AGREES TO EXECUTE ANY ADDITIONAL DOCUMENTS NECESSARY TO PERFECT OR CONTINUE THE SECURITY INTEREST CREATED BY THIS AGREEMENT.
EGROUP MAY, AT ITS SOLE OPTION, WITHHOLD DELIVERY OF ALL OR ANY PART OF ALL OR ANY ORDER OR CANCEL THE ORDER IF AT ANY TIME CUSTOMER'S ACCOUNT WITH EGROUP IS IN ARREARS. CUSTOMER IS IN ARREARS ON ACCOUNT EGROUP MAY THEN CANCEL THIS AGREEMENT AND SEEK REDRESS FOR DAMAGES, INCLUDING IN LAST PROFIT, OFFSETTING ANY DEPOSIT THERE AGAINST, AND FURTHER RECOVER ITS COSTS INCLUDING REASONABLE ATTORNEY FEES. EGROUP IS NOT RESPONSIBLE FOR CUSTOMER'S LOSS OF DATA. CUSTOMER IS RESPONSIBLE FOR MAINTAINING CURRENT BACKUPS OF ALL DATA. ANY WARRANTY OR SERVICE CONTRACT DOES NOT COVER INFLECTION OF ANY CUSTOMER SYSTEM WITH A VIRUS. ALL WORK NECESSARY FOR EGROUP TO REMOVE A VIRUS WILL BE BILLED TO CUSTOMER. WORK PERFORMED UNDER A SERVICE CONTRACT IS GOVERNED BY THE TERMS OF SAID SERVICE CONTRACT IN ADDITION TO THESE TERMS AND CONDITIONS OF SALE AND SERVICE.
13. **DISCLAIMER OF WARRANTIES** - THE WARRANTY PROVIDED BY EGROUP IS SPECIFICALLY LIMITED TO WHAT IS DESCRIBED HEREIN. NO OTHER WARRANTY, EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (AS MADE BY EGROUP) AND NONE SHALL BE IMPLIED OR PRESUMED. FORCE MAJEURE - EGROUP MAY, WITHOUT LIABILITY, DELAY PERFORMANCE OR CANCEL THIS AGREEMENT ON ACCOUNT OF FORCE MAJEURE OR OTHER CIRCUMSTANCES BEYOND ITS CONTROL, INCLUDING, BUT NOT LIMITED TO, STRIKES, ACTS OF GOD, POLITICAL UNREST, EMBARGO, FAILURE OF SOURCE OF SUPPLY, OR CASUALTY.
14. **LIMITATION OF LIABILITY** - EGROUP'S LIABILITY UNDER THIS AGREEMENT, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), UNDER ANY WARRANTY, OR OTHERWISE, IS ABSOLUTELY LIMITED TO CORRECTION OF ANY NONCONFORMITIES IN ANY SERVICES, OR REFUND OF THE PURCHASE PRICE, OR REFUND OF SPECIFIC AMOUNTS PAID FOR PRODUCTS OR SERVICES WHICH FAIL TO CONFORM. AT EGROUP'S SOLE OPTION AND THE AGREED AMOUNT THEREOF FOR ALL CLAIMS RELATING TO ANY PARTICULAR PRODUCT OR SERVICE SHALL IN NO EVENT EXCEED AN AMOUNT EQUAL TO THE FEES PAID TO EGROUP UNDER THIS AGREEMENT FOR THE PARTICULAR PROJECT WHICH GIVES RISE TO THE CLAIM. UNDER NO CIRCUMSTANCES SHALL EGROUP BE LIABLE FOR ANY AND ALL INDIRECT, GENERAL, CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, OR OTHER DAMAGES (INCLUDING LOST PROFITS, LOST SAVINGS, LOSS OF DATA OR LOSS OF USE), EVEN IF EGROUP HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR COULD HAVE REASONABLY FORESEEN SUCH DAMAGES, NOR FOR ANY CLAIMS ARISING FROM CUSTOMER'S USE OR TRANSFER OF ANY SERVICES SOLD HEREUNDER, NO ACTION, REGARDLESS OF THE FORM, ARISING OUT OF THIS AGREEMENT MAY BE BROUGHT BY CUSTOMER MORE THAN ONE (1) YEAR AFTER THE OCCURRENCE OF THE EVENT WHICH GAVE RISE TO THE CAUSE OF ACTION. THE PRINCIP OF ALL SERVICES AND THE TERMS AND CONDITIONS OF ALL SALES ARE BASED UPON THIS LIMITATION OF LIABILITY. THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY SHALL BE TERMINATION OF THIS AGREEMENT.
15. **WARRANTY**
WITH RESPECT TO SERVICES PERFORMED BY EGROUP, IF WARRANTIES TO CUSTOMER, UNLESS OTHERWISE SPECIFIED IN WRITING, THAT THE SERVICES AS AND WHEN DELIVERED OR RENDERED, WILL CONFORM TO THE STANDARD OF CARE EXHIBITED BY REASONABLY SKILLED CONTRACTORS IN THE INDUSTRY (NETWORK SYSTEMS INTEGRATION). CUSTOMER SHALL NOTIFY EGROUP IN WRITING WITHIN THIRTY (30) DAYS AFTER COMPLETION OF THE SERVICES IN QUESTION WHEN ANY OF THE SERVICES FAIL TO CONFORM TO THE STANDARD OF CARE SET FORTH IN THIS AGREEMENT. THE PASSAGE OF THE THIRTY (30) DAY PERIOD AFTER COMPLETION OF THE SERVICES WITHOUT THE NOTIFICATION DESCRIBED HEREIN SHALL CONSTITUTE CUSTOMER'S FINAL ACCEPTANCE OF THE SERVICES.
EGROUP MAKES NO WARRANTIES WITH RESPECT TO PARTICULAR MANUFACTURED OR SUPPLIED BY THIRD PARTIES TO EGROUP FOR RESALE TO CUSTOMER. EGROUP MAKES NO WARRANTIES OF ANY KIND IN ADDITION TO OR EXCEEDING THE WARRANTY SUPPLIED OR OFFERED BY THE RESPECTIVE MANUFACTURER OR SUPPLIER, WHICH SHALL BE TRANSFERRED OR ASSIGNED TO CUSTOMER, AND CUSTOMER'S RECOVERY IS LIMITED TO RECOVERY AGAINST SUCH MANUFACTURER OR SUPPLIER FOR BREACH OF ANY APPLICABLE WARRANTY ESTABLISHED BY THE MANUFACTURER OR SUPPLIER. IN THE EVENT OF A CLAIM BY CUSTOMER FOR BREACH OF PRODUCT WARRANTY, EGROUP MUST FOLLOW THE WARRANTY POLICY ESTABLISHED BY THE MANUFACTURER. THIS POLICY MAY REQUIRE RETURN OF THE WARRANTY ITEM TO THE MANUFACTURER FOR REPAIR. AT CUSTOMER'S REQUEST, EGROUP AGREES TO TAKE ALL ACTIONS REASONABLY NECESSARY OR APPROPRIATE TO SECURE CUSTOMER'S RIGHTS AND TO PROTECT ITS INTERESTS UNDER SUCH THIRD PARTY WARRANTIES. WORK PERFORMED BY EGROUP, NOT COVERED BY PRODUCT WARRANTY, WILL BE BILLED TO CUSTOMER AT THE APPLICABLE EGROUP RATE.
16. **NO HIRE** - DURING THE TERM OF THIS AGREEMENT AND FOR A PERIOD OF ONE (1) YEAR FOLLOWING THE END OF THIS AGREEMENT, CUSTOMER SHALL NOT (I) OFFER EMPLOYMENT TO ANY EMPLOYEE OF EGROUP, (II) ATTEMPT TO DIRECTLY OR INDIRECTLY INDUCE ANY EMPLOYEE OF EGROUP TO TERMINATE HIS OR HER EMPLOYMENT, OR (III) OFFER EMPLOYMENT TO A FORMER EMPLOYEE OF EGROUP FOR THE TWELVE MONTH PERIOD IMMEDIATELY FOLLOWING THE FORMER EMPLOYEE'S TERMINATION. IN THE EVENT OF A BREACH OF THIS SECTION, MONEY OR DAMAGES MAY NOT BE AN ADEQUATE REMEDY, AND, THEREFORE, IN ADDITION TO ANY OTHER LEGAL OR EQUITABLE REMEDIES, EGROUP SHALL BE ENTITLED TO SEEK AN INJUNCTION AGAINST SUCH BREACH. THE OBLIGATIONS SET FORTH IN THIS SECTION ARE INDEPENDENT COVENANTS AND SHALL CONTINUE AFTER THIS CONTRACT IS ENDED.
17. **DISCUSSIONS, REPRESENTATIONS, DEMONSTRATIONS, NEGOTIATIONS, CORRESPONDENCE, WRITINGS AND OTHER AGREEMENTS AND TOGETHER STATES THE ENTIRE UNDERSTANDING AND AGREEMENT UPON WHICH EGROUP AND CUSTOMER RELY RESPECTING THE SUBJECT MATTER OF THIS AGREEMENT AND (II) MAY BE AMENDED OR MODIFIED. ENTIRE AGREEMENT** - THIS AGREEMENT (I) CONSTITUTES THE ENTIRE AGREEMENT ON THIS SUBJECT BETWEEN THE PARTIES AND SUPERSEDES AND MERGES ANY AND ALL PRIOR DISCUSSIONS, REPRESENTATIONS, DEMONSTRATIONS, NEGOTIATIONS, CORRESPONDENCE, WRITINGS AND OTHER AGREEMENTS AND TOGETHER STATES THE ENTIRE UNDERSTANDING AND AGREEMENT UPON WHICH EGROUP AND CUSTOMER RELY RESPECTING THE SUBJECT MATTER OF THIS AGREEMENT AND (II) MAY BE AMENDED OR MODIFIED. ONLY IN A WRITING AGREED TO AND SIGNED BY THE AUTHORIZED REPRESENTATIVES OF THE PARTIES.
18. **ARBITRATION** - EXCEPT TO THE EXTENT NOT PRECEPTED BY THE FEDERAL ARBITRATION ACT 9 U.S.C. § 1 ET SEQ. (1970) ANY CLAIM OR CONTROVERSY ARISING OUT OF OR RELATING TO ANY PROVISION OF THIS CONTRACT OR THE BREACH THEREOF, SHALL UPON WRITTEN DEMAND OF ASSOCIATION, TO THE EXTENT CONSISTENT WITH THE LAWS OF THE STATE OF SOUTH CAROLINA AND THE UNIFORM ARBITRATION ACT, 9 U.S.C. CODE § 1-14B-10 ET SEQ. (LAW, CO-OP 1978 AS AMENDED)

Terms & Conditions



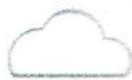
21. **GENERAL PROVISIONS** - THIS AGREEMENT AND THE PERFORMANCE OF ANY OBLIGATION HEREUNDER MAY NOT BE ASSIGNED, DELEGATED OR OTHERWISE TRANSFERRED BY CUSTOMER WITHOUT THE PRIOR WRITTEN CONSENT OF EGROUPE. IF ANY PROVISION OF THIS AGREEMENT IS FOUND BY ANY COURT OF COMPETENT JURISDICTION TO BE INVALID OR UNENFORCEABLE, THE INVALIDITY OF SUCH PROVISION SHALL NOT AFFECT THE OTHER PROVISIONS OF THIS CONTRACT, AND ALL PROVISIONS NOT AFFECTED BY SUCH INVALIDITY SHALL REMAIN IN FULL FORCE AND EFFECT. IT IS THE INTENT OF THE PARTIES TO ACKNOWLEDGE AND AGREE THAT A COURT CAN BLUE PENCIL OR STRIKE THROUGH ANY PORTIONS OF THIS AGREEMENT THAT ARE DEEMED BY A COURT TO BE UNENFORCEABLE. THE WAIVER BY EITHER PARTY OF A BREACH OR DEFAULT IN ANY OF THE PROVISIONS OF THIS AGREEMENT BY THE OTHER PARTY SHALL NOT BE CONSTRUED AS A WAIVER OF ANY SUCCEEDING BREACH OF THE SAME OR OTHER PROVISIONS; NOR SHALL ANY DELAY OR OMISSION ON THE PART OF EITHER PARTY TO EXERCISE OR AVAIL ITSELF OF ANY RIGHT, POWER OR PRIVILEGE THAT IT HAS OR MAY HAVE HEREUNDER OPERATE AS A WAIVER OF ANY BREACH OR DEFAULT BY THE OTHER PARTY. THIS AGREEMENT AND ANY DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF SOUTH CAROLINA, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES. THE FEDERAL AND STATE COURTS WITHIN THE STATE OF SOUTH CAROLINA SHALL HAVE EXCLUSIVE JURISDICTION TO ADJUDICATE ANY DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS CONTRACT.
22. **CONFIDENTIALITY**- THE PARTIES MAY DISCLOSE, OR MAY HAVE DISCLOSED, TO EACH OTHER, BOTH ORALLY AND IN WRITING OR IN OTHER TANGIBLE FORM, CERTAIN CONFIDENTIAL INFORMATION WITH RESPECT TO EGROUPE'S BUSINESS, AS WELL AS THE SERVICES PROVIDED UNDER THIS AGREEMENT. THE PARTIES HEREBY AGREE TO KEEP SUCH INFORMATION AND THE TERMS OF THIS AGREEMENT CONFIDENTIAL. THE PARTIES SHALL NOT DISCLOSE TO ANY OTHER PERSON (EXCEPT FOR LEGAL, TAX AND FINANCIAL ADVISORS) ANY INFORMATION RELATING TO THIS AGREEMENT OR ITS SUBJECT MATTER AND SHALL TREAT AS CONFIDENTIAL ALL INFORMATION AND DOCUMENTS RELATING HERETO
- NOTWITHSTANDING THE ABOVE, EGROUPE SHALL BE AUTHORIZED TO DISCLOSE CUSTOMER'S CONFIDENTIAL INFORMATION TO SUBCONTRACTORS, CONTRACTORS OR EMPLOYEES OF A EGROUPE ENTITY WHO HAVE A LEGITIMATE BUSINESS NEED TO HAVE ACCESS TO SUCH INFORMATION. THE RECEIVING PARTY SHALL IMMEDIATELY RETURN TO THE DISCLOSING PARTY ALL CONFIDENTIAL INFORMATION (INCLUDING COPIES THEREOF) IN THE RECEIVING PARTY'S POSSESSION, CUSTODY, OR CONTROL UPON TERMINATION AT ANY TIME AND FOR ANY REASON OF THIS AGREEMENT. THE OBLIGATIONS OF CONFIDENTIALITY DO NOT APPLY TO INFORMATION WHICH: (I) HAS ENTERED THE PUBLIC DOMAIN, EXCEPT WHERE SUCH ENTRY IS THE RESULT OF THE RECEIVING PARTY'S BREACH OF THIS AGREEMENT; (II) PRIOR TO DISCLOSURE HEREUNDER WAS ALREADY RIGHTFULLY IN THE RECEIVING PARTY'S POSSESSION; OR (III) SUBSEQUENT TO DISCLOSURE HEREUNDER IS OBTAINED BY THE RECEIVING PARTY ON A NON-CONFIDENTIAL BASIS FROM A THIRD PARTY WHO HAS THE RIGHT TO DISCLOSE SUCH INFORMATION TO THE RECEIVING PARTY. THE RECEIVING PARTY WILL BE AUTHORIZED TO DISCLOSE CONFIDENTIAL INFORMATION PURSUANT TO A VALID ORDER ISSUED BY A COURT, GOVERNMENT AGENCY OR RELEVANT REGULATORY AUTHORITY (INCLUDING A STOCK EXCHANGE), PROVIDED THAT THE RECEIVING PARTY PROVIDES WHERE PRACTICABLE: (I) PRIOR WRITTEN NOTICE TO THE DISCLOSING PARTY OF SUCH OBLIGATION AND (II) THE OPPORTUNITY TO OPPOSE SUCH DISCLOSURE.
 - NEITHER PARTY MAY DISCLOSE, ADVERTISE, OR PUBLISH THE TERMS AND CONDITIONS OF THIS AGREEMENT WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER PARTY. ANY PRESS RELEASE OR PUBLICATION REGARDING THIS AGREEMENT IS SUBJECT TO PRIOR REVIEW AND WRITTEN APPROVAL OF THE PARTIES.
23. **OWNERSHIP**
- EACH PARTY WILL RETAIN THE EXCLUSIVE OWNERSHIP OF ALL OF ITS PRE-EXISTING INTELLECTUAL PROPERTY, CONFIDENTIAL INFORMATION AND MATERIALS, INCLUDING, WITHOUT LIMITATION, PROPRIETARY IDEAS, SKETCHES, DIAGRAMS, TEXT, KNOW-HOW, CONCEPTS, PROOFS OF CONCEPTS, ARTWORK, SOFTWARE, ALGORITHMS, METHODS, PROCESSES, IDENTIFIER CODES OR OTHER TECHNOLOGY THAT ARE OWNED BY A PARTY PRIOR TO COMMENCEMENT OF ANY PROFESSIONAL SERVICES HEREUNDER, OR THAT ARE OTHERWISE DEVELOPED BY OR FOR SUCH PARTY OUTSIDE THE SCOPE OF THIS AGREEMENT ("PRE-EXISTING TECHNOLOGY").
 - EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR AN APPLICABLE SOW, EGROUPE OWNS AND WILL CONTINUE TO OWN ALL RIGHT, TITLE, AND INTEREST IN AND TO THE PROFESSIONAL SERVICES, PRODUCTS, DELIVERABLES, DATA COLLECTION TOOLS, REPORTS, SCRIPTS, SKETCHES, DIAGRAMS, TEXT, KNOW-HOW, CONCEPTS, PROOFS OF CONCEPTS, ARTWORK, SOFTWARE, ALGORITHMS, METHODS, PROCESSES, IDENTIFIER CODES OR OTHER TECHNOLOGY PROVIDED OR DEVELOPED BY EGROUPE (OR A THIRD PARTY ACTING ON EGROUPE'S BEHALF) PURSUANT TO THIS AGREEMENT, INCLUDING MODIFICATIONS, ENHANCEMENTS, IMPROVEMENTS OR DERIVATIVE WORKS OF ANY OF THE FOREGOING, REGARDLESS OF WHO FIRST CONCEIVES OR REDUCES TO PRACTICE, AND ALL INTELLECTUAL PROPERTY IN ANY OF THE FOREGOING (COLLECTIVELY "EGROUPE INTELLECTUAL PROPERTY").
 - AS BETWEEN CUSTOMER AND EGROUPE, CUSTOMER AT ALL TIMES RETAINS ALL RIGHT, TITLE AND INTEREST IN AND TO ALL OF CUSTOMER'S PRE-EXISTING TECHNOLOGY AND ALL INTELLECTUAL PROPERTY THAT IS DEVELOPED BY CUSTOMER OR BY A THIRD PARTY ON CUSTOMER'S BEHALF THEREAFTER, OTHER THAN EGROUPE INTELLECTUAL PROPERTY. THIRD PARTY PRODUCTS WILL AT ALL TIMES BE OWNED BY THE APPLICABLE THIRD PARTY, AND WILL BE SUBJECT TO ANY APPLICABLE THIRD PARTY LICENSE TERMS.
24. **GOOD FAITH** - EACH PARTY AGREES THAT, IN ITS RESPECTIVE DEALING WITH THE OTHER PARTY UNDER OR IN CONNECTION WITH THIS AGREEMENT, IT SHALL ACT IN GOOD FAITH AND THAT ITS AGREEMENT RELATIVE TO DECISIONS AND ACTIONS HEREUNDER WILL NOT BE UNREASONABLY WITHHELD.
25. **DEFAULT**- IF EITHER PARTY FAILS TO PERFORM ANY OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND SUCH DEFAULT IS CAPABLE OF BEING CURED AND CONTINUES FOR A PERIOD OF FIFTEEN (15) DAYS AFTER NOTICE OF THE DEFAULT IS GIVEN TO THE PARTY IN DEFAULT, THEN THE OTHER PARTY MAY, AT ANY TIME PRIOR TO THE DEFAULT BEING CURED, TERMINATE THIS AGREEMENT BY GIVING NOTICE OF TERMINATION TO THE PARTY IN DEFAULT. THE RIGHTS UNDER THIS PARAGRAPH ARE IN ADDITION TO, AND ARE NOT A LIMITATION ON OR IN SUBSTITUTION FOR, ANY OTHER RIGHTS WHICH A PARTY HAS BY REASON OF ANY DEFAULT, INCLUDING, WITHOUT LIMITATION, A CLAIM FOR DAMAGES OR INJUNCTION.
26. **WAIVER OR FAILURE TO ACT**- THE WAIVER OR FAILURE OF EITHER PARTY TO EXERCISE IN ANY RESPECT ANY RIGHT PROVIDED FOR SUCH PARTY HEREIN SHALL NOT BE DEEMED A WAIVER OF ANY FURTHER RIGHT HEREUNDER.
27. **CONSTRUCTION AND INTERPRETATION OF AGREEMENT** - SHOULD ANY PROVISION OF THE AGREEMENT REQUIRE JUDICIAL INTERPRETATION, IT IS AGREED THAT THE ARBITER OR COURT INTERPRETING OR CONSIDERING SAME SHALL NOT APPLY THE PRESUMPTION THAT THE TERMS HEREOF SHALL BE MORE STRICTLY CONSTRUED AGAINST A PARTY BY REASON OF THE RULE OR CONCLUSION THAT A DOCUMENT SHOULD BE CONSTRUED MORE STRICTLY AGAINST THE PARTY WHO ITSELF OR THROUGH ITS AGENT PREPARED THE SAME. IT IS AGREED AND STIPULATED THAT ALL PARTIES HERETO HAVE PARTICIPATED EQUALLY IN THE PREPARATION OF THIS AGREEMENT.

City of Columbia

UCS Blade System Implementation

Statement of Work

SOW Number: CAE2016-COLA-101B
Revision B – April 8, 2016



Cloud Services



Application Services



End-User Computing

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1 Introduction

The City of Columbia ("City of Columbia") has engaged eGroup Holding Company, LLC ("eGroup") to implement new Cisco UCS blade systems in its two data centers. This Statement of Work CAE2016-COLA-101B dated April 8, 2016 ("SOW") sets forth the scope of services and deliverables to be provided by eGroup and the terms and conditions under which the services shall be conducted.

2 Project Background and Objectives

City of Columbia's current server infrastructure consists of dozens of rackmount systems supporting approximately one hundred (100) Windows-based application servers, as well as a vSphere Enterprise 5.5 infrastructure housing another one hundred (100) virtual servers, which are mostly Windows-based. This server infrastructure shares a collection of HP 3Par and EVA storage systems through an 8Gbps Fibre Channel storage area network (SAN). Network connectivity in each data center is provided through a Cisco-based 1Gbps Ethernet infrastructure that is anchored by a Catalyst 6509-E core chassis with a limited number of 10Gbps ports on its supervisor modules.

The components of the City of Columbia's IT infrastructure are currently distributed between two (2) data center facilities that are connected via dedicated fiber and share a common IP address space. Data is replicated between the two facilities using native 3Par and EVA replication software.

City of Columbia recognizes that the sprawling nature of the server infrastructure lends itself to a number of inefficiencies and has been engaged in a systematic program of server virtualization and consolidation. Seeking an even greater measure of efficiency, the City of Columbia plans to migrate much of its server population to blade-based systems and, in so doing, expects to gain the following benefits:

- Smaller physical footprint in the data center
- Lower environmental requirements, including power and cooling
- Reduced Ethernet and storage network cabling and port consumption
- Simplified management

The City of Columbia estimates that approximately 85-90% of its current physical server population could be virtualized, and blade-based platforms are particularly well-suited to this purpose. Due to various limitations, such as a dependence on telephony-specific adapters and USB-based license tokens, the remaining 10-15% of physical servers are not easily virtualized; however, this does not necessarily preclude the use of dedicated blade systems for these applications, so the City of Columbia plans to use blade technology for certain of these workloads as well.



3 Solution Overview

After careful consultation with leading blade system vendors, the City of Columbia has elected to build its blade infrastructure upon Cisco’s Unified Compute System (UCS) technology. The City of Columbia will start with a single UCS 5108 blade chassis in each of its two (2) data centers and will expand upon this infrastructure over time. A pair of UCS 6248UP Fabric Interconnects in each data center will provide connectivity between the UCS chassis and the local Ethernet network and Fibre Channel SAN. The Fabric Interconnects will also house the UCS Manager utility, which will facilitate the configuration and management of the UCS blades, including the application of Server Profiles. A separate instance of UCS Central will provide a consolidated interface through which to administer the multiple UCS domains. The components of the UCS solution are summarized below in Table 3-1.

| Component | Specification | Site A | Site B |
|------------------------|--|--------|--------|
| Blade Chassis | UCS 5108 chassis with: <ul style="list-style-type: none"> Two (2) 2208XP Fabric Extenders | 1 | 1 |
| Fabric Interconnects | UCS 6248UP with: <ul style="list-style-type: none"> Thirty-two (32) 10Gbps SFP+ Unified ports Twelve (12) ports licensed for use | 2 | 2 |
| Blade Servers | UCS B200 M4 blades with: <ul style="list-style-type: none"> Dual E5-2670 v3 2.3GHz 10-core CPUs 768GB of memory | 2 | 2 |
| | UCS B200 M4 blade as above but with 512GB memory | 1 | None |
| | UCS B200 M4 blade with: <ul style="list-style-type: none"> Single E5-2609 v3 1.9GHz 6-core CPUs 16GB of memory | None | 1 |
| Chassis Management | UCS Manager | √ | √ |
| Centralized Management | UCS Central for six (6) servers | √ | |

Table 3-1: UCS Infrastructure Components

In addition to supplying the above-listed components, eGroup shall provide a comprehensive set of services to deploy the new UCS infrastructure in the City of Columbia’s two (2) data center facilities. These services are described in more detail below in “Scope of Services.”

4 Current Environment Readiness

This Statement of Work assumes that City of Columbia’s physical facilities and data center and network infrastructures are prepared to accommodate the equipment and services to be provided by eGroup within the scope of this project. Upon discovering any deficiency that would prevent or otherwise hinder

project execution, eGroup shall notify City of Columbia of the deficiency in writing and work in good faith with City of Columbia to adjust the project schedule to accommodate City of Columbia's remediation of the issue. Services that are dependent on the remediation of the deficiency will be postponed or suspended until the remediation is complete. eGroup is not liable for any delays to the overall project plan necessitated by City of Columbia's remedial activities and shall be held harmless for changes in the schedule resulting from such activities.

5 Scope of Services

eGroup shall execute a comprehensive scope of services using the phased approach described in the sections that follow.

5.1 Project Initiation

The groundwork for achieving project success shall be established in the Project Initiation phase. eGroup shall collaborate with City of Columbia to define project controls and initiate project activities. The specific tasks to be completed by eGroup during this phase are as follows:

1. Conduct kick-off meeting with project participants to address the following:
 - a. Identify project roles and responsible parties.
 - b. Confirm understanding of project scope.
 - c. Confirm site preparedness (facilities access, power, cooling, racks).
 - d. Discuss project schedule.
2. Develop baseline master project plan describing tasks, assignments, and schedule.

Deliverables

| ID | Deliverable | State | Description |
|-----|-----------------------|---------------|--|
| PLN | Baseline Project Plan | Initial Draft | <ul style="list-style-type: none"> • Initial plan describing project tasks, assignments, dependencies, and timeline |

5.2 Design

In preparation for the deployment of the new vSphere infrastructure, eGroup shall prepare detailed configuration designs and implementation and testing plans for each of the components and activities encompassed by the project. These designs and plans shall reflect the unique parameters and attributes of City of Columbia's environment, and shall be documented in a series of deliverables that will guide the course of implementation and migration activities. eGroup shall complete the following tasks during this phase:



1. Gather information from the current environment as required to define configuration specifications for the following components to be deployed in each data center:
 - a. Site A
 - i. One (1) Cisco UCS 5108 chassis with two (2) 2208XP Fabric Extenders.
 - ii. Three (3) Cisco UCS B200 M4 blade servers within the UCS 5108 chassis.
 - iii. Two (2) Cisco UCS 6248UP Fabric Interconnects.
 - iv. One (1) instance of Cisco UCS Manager.
 - v. One (1) instance of Cisco UCS Central for centralized management of the UCS domains in both sites.
 - b. Site B
 - i. One (1) Cisco UCS 5108 chassis with two (2) 2208XP Fabric Extenders.
 - ii. Three (3) Cisco UCS B200 M4 blade servers within the UCS 5108 chassis.
 - iii. Two (2) Cisco UCS 6248UP Fabric Interconnects.
 - iv. One (1) instance of Cisco UCS Manager.
2. Develop a Low Level Design for the UCS blade system infrastructure in each data center that addresses the following:
 - a. Configuration specifications applicable to each technology, such as network addressing and storage connectivity.
 - b. UCS Server Profiles within UCS Manager.
 - c. UCS Central integration with the UCS Manager instances in each site.
3. Document the Low Level Design of each component of the UCS blade infrastructures and UCS Central in a common System Design deliverable, inclusive of cabling diagrams for each site.
4. Develop and document a Test Plan for confirming the successful operation of the UCS systems. The Test Plan shall address the following:
 - a. Manner in which successful operation is to be tested.
 - b. Definition of what behavior constitutes a successful test.
 - c. Resources, including personnel, that must be in position to execute the test.
 - d. Contingency plans should testing prove unsuccessful.

Deliverables

| ID | Deliverable | State | Description |
|-----|---------------|---------------|--|
| DES | System Design | Initial Draft | <ul style="list-style-type: none"> • Detailed configuration specifications for each of the technologies to be implemented |
| TST | Test Plan | Initial Draft | <ul style="list-style-type: none"> • Procedures for confirming the proper operation of the UCS blade infrastructure |



5.3 Deployment

eGroup shall implement the new vSphere infrastructure and conduct a pilot migration of a subset of City of Columbia's virtual servers from the current infrastructure to the new. eGroup shall perform the following tasks during this phase:

UCS Blade System Implementation

1. Physically install one (1) UCS blade system in the Site A data center, that includes the following:
 - a. One (1) Cisco UCS 5108 chassis with two (2) 2208XP Fabric Extenders.
 - b. Three (3) Cisco UCS B200 M4 blade servers within the UCS 5108 chassis.
 - c. Two (2) Cisco UCS 6248UP Fabric Interconnects.
2. Physically install one (1) UCS blade system in the Site B data center, that includes the following:
 - a. One (1) Cisco UCS 5108 chassis with two (2) 2208XP Fabric Extenders.
 - b. Three (3) Cisco UCS B200 M4 blade servers within the UCS 5108 chassis.
 - c. Two (2) Cisco UCS 6248UP Fabric Interconnects.
3. Establish physical connectivity among each UCS blade system's components and the current Ethernet and Fibre Channel networks in each site, including labeling of cables, in accordance with the System Design as follows:
 - a. Connect the management interfaces to the network infrastructure.
 - b. Connect each UCS 2208XP to its corresponding UCS 6248UP Fabric Interconnect.
 - c. Connect each UCS 6248UP to the Ethernet switch infrastructure.
 - d. Connect each UCS 6248UP to the Fibre Channel switch infrastructure.
4. Configure management access to each UCS 6248UP cluster in accordance with the System Design.
5. Configure port connectivity on each UCS 6248UP via UCS Manager in accordance with the System Design.
6. Update the operating code levels of each UCS blade system's components to the latest recommended release.
7. Configure the following attributes of each UCS blade system via UCS Manager in accordance with the System Design:
 - a. UCS resource pools, VLANs, and VSANs.
 - b. Virtual host bus adapter (vHBA) and virtual network interface card (vNIC) templates.
 - c. Server configuration and management policies.
 - d. NTP access.
8. Create up to four (4) UCS Server Profiles for each UCS blade system and associate each blade server with a Server Profile in accordance with the System Design.
9. Configure call home services and create a backup of the configuration of each UCS blade system.
10. Test the UCS infrastructure in each site in accordance with the Test Plan and remediate as required.



UCS Central Implementation

1. Provision virtual server resources in Site A for either a Standalone or Cluster Mode installation of UCS Central in accordance with the System Design.
2. Install the latest recommended version of UCS Central in either Standalone or Cluster Mode on virtual server resources within the Site A data center.
3. Configure NTP services on UCS Central in a manner consistent with the UCS blade systems.
4. Register each UCS Domain with UCS Central via each blade system's instance of UCS Manager.
5. Configure backup policies for UCS Central and the UCS domains in accordance with the System Design.
6. Configure Smart Call Home for UCS Central.

Assumptions

1. The Site A and Site B data centers have sufficient power, rack space, and free network ports to accommodate the new UCS equipment.
2. City of Columbia shall be responsible for installing and routing all network and Fibre Channel cabling.
3. City of Columbia shall be responsible for adjusting network switching and routing configurations to accommodate the introduction of the UCS equipment.
4. City of Columbia shall be responsible for all Fibre Channel and storage-related configuration tasks, such as zoning, necessary to integrate the UCS infrastructure with the current storage.
5. City of Columbia shall be responsible for installing the desired server operating systems, including but not limited to vSphere, on the new UCS servers.
6. City of Columbia shall be responsible for the migration of any current servers to the new UCS infrastructure.
7. City of Columbia shall provide virtual server and storage resources that at least meet UCS Central's minimum resource requirements and are preferably separate from the UCS blade systems in accordance with Cisco's best practice recommendations.
8. City of Columbia shall provide UCS Central with access to a compatible Oracle, SQL Server, or PostgreSQL database instance.

Deliverables

| ID | Deliverable | State | Description |
|------|----------------------------------|----------|--|
| SRVR | Operational UCS blade systems | Verified | <ul style="list-style-type: none"> • UCS blade systems installed and successfully tested in accordance with the Test Plan |
| CTRL | Operational UCS Central instance | Verified | <ul style="list-style-type: none"> • UCS Central installed and successfully tested in accordance with the Test Plan |



5.4 Knowledge Transfer

Following the implementation of the new infrastructure components, eGroup shall provide services to educate City of Columbia on the as-built UCS blade system infrastructure UCS Central and mentor City of Columbia personnel on routine system administration tasks associated with the technology. During the Support phase, eGroup shall perform the following tasks:

1. Finalize the System Design with the as-built configuration of the UCS blade system infrastructure and the UCS Central environment.
2. Conduct one (1) knowledge transfer session of up to four (4) hours' duration with City of Columbia to review the as-built configuration and routine UCS provisioning and administration tasks.

Deliverables

| ID | Deliverable | State | Description |
|----|--------------------------------------|-----------|---|
| SD | System Design | Finalized | <ul style="list-style-type: none"> • System Design finalized with the as-built configurations of the UCS blade systems and UCS Central |
| KT | Completed Knowledge Transfer session | Delivered | <ul style="list-style-type: none"> • Formal Knowledge Transfer session completed |

5.5 Project Management

eGroup shall provide project management services to lead the execution of the project from inception to completion. The project manager shall develop and implement project controls to facilitate the management of project tasks and communication of project status. The project manager shall work in close collaboration with City of Columbia to ensure the project is meeting expectations and to ensure that City of Columbia is also fulfilling its responsibilities on the project. The tasks to be performed by the eGroup project manager are as follows:

1. Secure resources to complete the project tasks assigned to eGroup.
2. Coordinate all eGroup-provided services throughout the course of the project.
3. Serve as the central contact for project communication, escalation, and issue resolution.
4. Build and maintain the master project plan.
5. Provide periodic status updates to designated customer contacts and project participants with at least weekly frequency.

6 Scope Exclusions

The following tasks are beyond the scope of services to be provided by eGroup during this engagement:

1. Physical installation of anything other than the UCS blade system components.
1. Installation and routing of network and Fibre Channel cabling.
2. Configuration of any networking equipment.
3. Installation of VMware vSphere ESXi.
4. Provisioning and configuration of any VMware virtual servers beyond those required for UCS Central.
5. Server migration.
6. Installation and configuration of database services required by UCS Central.
7. Performance analysis and tuning of the UCS blade system infrastructure beyond implementing the UCS blade systems in accordance with best practices.
8. Updating disaster recovery process documentation apart from providing the System Design.
9. Any tasks that are within the scope of third party services procured by City of Columbia in support of the project, such as vendor-provided professional services.
10. Any task not explicitly described as within the scope of this engagement.

7 Deliverables

At the conclusion of this engagement, eGroup shall deliver the finalized versions of the following deliverables produced and maintained throughout the course of project activities:

| ID | Deliverable | State | Description |
|----|---------------|-----------|---|
| SD | System Design | Delivered | <ul style="list-style-type: none"> • Final as-built configurations of the UCS blade systems and UCS Central. |

8 Estimated Duration

The estimated duration of this engagement is approximately one (1) to two (2) calendar weeks. This estimated duration is reflective of the work effort associated with each activity and is subject to change due to changes in scope or issues encountered during the course of execution.

9 Project Fees and Billing

The services associated with this project are being provided on a Fixed Fee basis. The fixed fee for this project is \$12,760, plus actual travel expenses. Project fees shall be billed at project inception.

The total estimated travel expense is \$1,500. Travel expenses shall be billed based on actual usage, on a weekly basis as incurred.

Terms of payment are due upon receipt. Late fees will be applied on invoices greater than 60 days from the date invoiced.

10 Assumptions and Customer Responsibilities

10.1 General Assumptions

This SOW is based upon the following assumptions:

1. eGroup will perform project work as required by the work breakdown structure without more than a two (2)-day break of activity with the exception of any planned Holidays, unless this break is requested by City of Columbia.
2. eGroup will provide project personnel knowledgeable with the aforementioned products based on the skills required at the appropriate times and in accordance with the work breakdown structure.
3. The normal "on-hours" work day for the project will be 8:00 AM to 6:00 PM Eastern Time, Monday through Friday.

10.2 Customer Responsibilities

If the project is to be successful, City of Columbia must commit to the following obligations:

1. City of Columbia will provide a single point of contact for project coordination between City of Columbia and eGroup and that person will be responsible for ensuring City of Columbia project personnel are on target with their assigned duties in accordance with the work breakdown structure.
2. City of Columbia will be responsible for backing up all City of Columbia data on existing equipment.
3. City of Columbia will ensure eGroup has appropriate access to buildings and spaces as required.
4. City of Columbia will ensure adequate access to wiring/equipment rack areas – if needed.
5. City of Columbia will provide eGroup with all relevant system and network documentation, as requested.
6. City of Columbia will provide escorts when eGroup personnel are required to access secure areas.



7. City of Columbia will make all essential stakeholders available to eGroup throughout the duration of this engagement.
8. City of Columbia will make the majority of the administrative and configuration information available to eGroup prior to the commencement of this engagement.
9. City of Columbia will make timely decisions in collaboration with eGroup regarding escalated or critical issues as they arise during the project.
10. City of Columbia will provide suitable work area spaces with desks, chairs, and telephones, as well as necessary customer systems accounts and passwords.
11. City of Columbia will provide LAN connections that enable access to the Internet and email for eGroup's on-site project team.
12. City of Columbia will assume responsibility for management and coordination of all non-eGroup managed vendors.
13. City of Columbia will provide access with proper licenses to all necessary tools, software, and third party products required for eGroup and City of Columbia to complete their assigned project tasks.
14. City of Columbia will maintain active vendor maintenance agreements for the technology impacted by this project or will otherwise obtain vendor maintenance as required to support this project throughout its duration.
15. City of Columbia will notify eGroup project management of any unscheduled or scheduled projects outside of this implementation that might interfere with the project schedule.
16. City of Columbia will obtain any downtime windows reasonably required to keep the project on schedule.
17. City of Columbia will provide eGroup with high priority access to the City of Columbia IT team members with knowledge of current technology configurations and operational processes and with responsibility for administering the technologies that will be impacted by this project.
18. City of Columbia will provide eGroup with advance notification of any change that is to be introduced in the IT environment and together assess the potential impact of the change to this engagement prior to its implementation. When City of Columbia's business needs preclude advance notification, such as timely response to a critical support issue, City of Columbia shall notify eGroup of such a change within the same business day that the change is implemented.
19. City of Columbia shall provide eGroup with the primary contact for each vendor supporting the City of Columbia IT infrastructure as requested, including, but not limited to, ISP and circuit providers.

_____ *Customer Initials confirming section 10*



11 Change Control Process

As eGroup and City of Columbia collaborate on this project, it is possible that either party will find reasons to change the scope, timeline, or overall budget. While this need might be identified by a member of City of Columbia's team or a member eGroup's team, eGroup's Project Manager will handle documentation and communication of the change to City of Columbia's designated point of contact. eGroup and City of Columbia shall work together in good faith to assess the impact of the change and determine whether the proposed change shall be accepted or rejected.

12 Project Team

eGroup Team

The Project Manager is the person responsible for ensuring that the Project Team completes the project. The Project Manager develops the Project Plan with the team and manages the team's performance of project tasks. It is also the responsibility of the Project Manager to secure acceptance and approval of deliverables from the Project Sponsor and Stakeholders. The Project Manager is responsible for communication, including status reporting, risk management, escalation of issues that cannot be resolved in the team, and, in general, making sure the project is delivered in budget, on schedule, and within scope.

Engineers are responsible for executing tasks and producing deliverables as outlined in the Project Plan and directed by the Project Manager, at whatever level of effort or participation has been defined for them.

The Executive Sponsor acts as a vocal and visible champion, legitimizes the project's goals and objectives, keeps abreast of major project activities, and is a decision-maker for the project.

Stakeholders are all those groups, units, individuals, or organizations, internal or external to our organization, which are impacted by, or can impact, the outcomes of the project

City of Columbia Team

eGroup engineers will work with a Primary Contact for each architecture type throughout the project. This person is responsible for maintaining the systems after the eGroup engineers have completed the project and providing key data as the project is being completed. This person will shadow eGroup's engineers as needed and should review documentation.

The Secondary Contact is someone who can handle issues and escalations should the primary contact be indisposed during the project and after the project is complete. This person will shadow eGroup's engineers as needed and should review documentation.



13 Acceptance

This Statement of Work CAE2016-COLA-101B dated April 8, 2016 ("SOW") is governed by the Terms and Conditions attached. This SOW, together with the Terms and Conditions, constitutes the full agreement ("Agreement") between eGroup and City of Columbia for the services described herein.

The undersigned parties acknowledge their acceptance of this Agreement and the terms and conditions described herein. Furthermore, the undersigned parties certify that they are authorized representatives of their respective companies with full authority to sign this SOW and enter into this Agreement on behalf of their respective organizations.

| Services | Price | Quantity | Ext. Price |
|---|----------|----------|-----------------|
| Fixed Fee Project | \$12,760 | 1 | \$12,760 |
| Travel – Estimated (Actuals to be billed) | \$1,500 | 1 | \$1,500 |
| Services Subtotal (Not Including Travel) | | | \$12,760 |

Accepted By:

eGroup Holding Company, LLC

City of Columbia

Signature _____

Signature _____
(Also need initials at end of section 10)

Printed Name _____

Printed Name _____

Title _____

Title _____

Date _____

Date _____



14 Terms and Conditions

1. **AGREEMENT** – THE TERMS OF PAYMENT AND CONDITIONS OF CREDIT IF ANY EXTENDED TO CUSTOMER ARE PROVIDED BY EGROUP. THE TERMS OF BUSINESS GOVERNING THE RELATIONSHIP BETWEEN EGROUP AND CUSTOMER SHALL BE (I) THE TERMS AND CONDITIONS OF SALE & SERVICE ON THE EGROUP CREDIT APPLICATION; OR (II) THESE TERMS HEREIN, AND NO TERMS OFFERED BY CUSTOMER WILL PREVAIL, EXCEPT FOR THOSE SPECIFICALLY AGREED UPON, IN WRITING, BY BOTH PARTIES, THESE TERMS AND CONDITIONS OF SALE & SERVICE SHALL GOVERN ALL MATTERS BETWEEN THE PARTIES FOR THE DURATION OF THIS CONTRACT.
2. **PROFESSIONAL SERVICES ORDERS** - CUSTOMER SHALL, UPON AND SUBJECT TO APPROVAL BY EGROUP, PURCHASE PROFESSIONAL SERVICES BY ISSUING A PURCHASE ORDER. EACH PURCHASE ORDER MUST BE SIGNED/SEALED, AS APPLICABLE, IF REQUESTED BY EGROUP, OR (IN THE CASE OF ELECTRONIC TRANSMISSION) SENT, BY AN AUTHORIZED REPRESENTATIVE, INDICATING THE SOW PROJECT NAME, SPECIFIC EGROUP PROFESSIONAL SERVICES, QUANTITY, TOTAL PURCHASE PRICE, BILL-TO AND SHIP-TO ADDRESSES, AND ANY OTHER SPECIAL INSTRUCTIONS. NO CONTINGENCY CONTAINED ON ANY PURCHASE ORDER SHALL BE BINDING UPON EGROUP. THE TERMS OF THIS AGREEMENT SHALL APPLY, REGARDLESS OF ANY ADDITIONAL OR CONFLICTING TERMS ON ANY PURCHASE ORDER OR OTHER CORRESPONDENCE OR DOCUMENTATION SUBMITTED BY CUSTOMER TO EGROUP, AND ANY SUCH ADDITIONAL OR CONFLICTING TERMS ARE DEEMED REJECTED BY EGROUP.
3. **PROFESSIONAL SERVICES – DESCRIPTIONS AND STATEMENTS OF WORK.**
 - a. PROFESSIONAL SERVICES WILL BE PROVIDED BY EGROUP PURSUANT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT. EGROUP MAY USE SUBCONTRACTORS (UNDER SEPARATE CONTRACT TO EGROUP) TO PERFORM THE SERVICES, OR PORTION(S) THEREOF.
 - b. EGROUP WILL NOT PROCEED WITH PERFORMING SOW-BASED PROFESSIONAL SERVICES UNTIL BOTH CUSTOMER AND EGROUP HAVE SIGNED THE APPLICABLE SOW. EACH SOW, ONCE SIGNED BY BOTH PARTIES, WILL BECOME A PART OF THIS AGREEMENT. EACH SOW WILL MINIMALLY INCLUDE:
 - i. A DESCRIPTION OF EACH PARTY'S OBLIGATIONS;
 - ii. AN ESTIMATED PERFORMANCE SCHEDULE, INCLUDING MILESTONES, WHEN APPLICABLE;
 - iii. COMPLETION CRITERIA THAT EGROUP WILL MEET TO FULFILL ITS OBLIGATIONS UNDER THE SOW; AND
 - iv. IDENTIFICATION OF PRIMARY CONTACTS FOR EGROUP AND CUSTOMER.
 - c. SOWS MAY ONLY BE AMENDED BY A WRITTEN DOCUMENT SIGNED BY EACH PARTY'S AUTHORIZED REPRESENTATIVE, AND PER THE CHANGE MANAGEMENT PROCEDURES SET FORTH THEREIN.
 - d. THE APPLICABLE SOW(S) AND/OR SUPPORT AGREEMENT(S) EXCLUSIVELY DEFINE THE SCOPE OF THE PROFESSIONAL SERVICES THAT EGROUP SHALL PROVIDE TO CUSTOMER. TO THE EXTENT THERE IS A CONFLICT BETWEEN THE TERMS OF A SOW OR SUPPORT AGREEMENT DESCRIPTION AND THIS AGREEMENT, THE TERMS OF THIS AGREEMENT CONTROL, UNLESS EXPLICITLY STATED OTHERWISE IN THE SOW.
4. **PROFESSIONAL SERVICES PRICING**
 - a. PRICES FOR PROFESSIONAL SERVICES WILL BE SPECIFIED IN ONE OF THE FOLLOWING, AS APPLICABLE TO THE PROFESSIONAL SERVICES TO BE PROVIDED:
 - i. THOSE SPECIFIED IN EGROUP'S THEN-CURRENT PRICE LIST, LESS ANY APPLICABLE DISCOUNT AT THE TIME OF EGROUP'S ACCEPTANCE OF CUSTOMER'S PURCHASE ORDER;
 - ii. THOSE SPECIFIED IN A WRITTEN PRICE QUOTATION SUBMITTED BY EGROUP; OR
 - iii. THOSE SPECIFIED IN THE SOW; OR
 - iv. THOSE CONTRACTED OUTSIDE THE SCOPE OF THE CONTRACT (EX. OUTSIDE BUSINESS HOURS OR WEEKENDS)
 1. PREMIUM RATES OUTSIDE NORMAL BUSINESS HOURS DURING THE BUSINESS WEEK WILL BE BILLED AT ONE AND ONE-HALF TIMES THE AGREED UPON LABOR RATE.
 2. PREMIUM RATES ON WEEKENDS AND US HOLIDAYS WILL BE BILLED AT TWICE THE AGREED UPON LABOR RATE.
 - b. ALL PRICES ARE EXCLUSIVE OF ANY TAXES, FEES, DUTIES OR OTHER APPLICABLE AMOUNTS. CUSTOMER SHALL PAY THE TAXES RELATED TO PROFESSIONAL SERVICES PURCHASED PURSUANT TO THIS AGREEMENT, OR CUSTOMER SHALL PRESENT AN EXEMPTION CERTIFICATE ACCEPTABLE TO THE TAXING AUTHORITIES. APPLICABLE TAXES, IF ANY, WILL BE BILLED AS A SEPARATE ITEM ON THE INVOICE. EGROUP RESERVES THE RIGHT TO INCREASE THE PROFESSIONAL SERVICE FEE IN THE EVENT CUSTOMER DETERMINES ANY WITHHOLDING TAX OBLIGATION PREVENTS EGROUP FROM RECEIVING THE SPECIFIED PRICES FOR SUCH PROFESSIONAL SERVICES PURSUANT TO SECTION 4(A) ABOVE.
5. **PROFESSIONAL SERVICES PAYMENT AND INVOICING**
 - a. PAYMENT. ALL PURCHASE ORDERS ARE SUBJECT TO CREDIT APPROVAL AND, SUBJECT THERETO, PAYMENT TERMS ARE DUE UPON RECEIPT. ANY SUM NOT PAID BY CUSTOMER WITHIN SIXTY (60) DAYS FROM THE DATE OF THE INVOICE WILL BEAR INTEREST FROM THE DATE OF THE INVOICE UNTIL PAID AT A RATE OF: (I) TEN (10) PER CENT PER ANNUM OR (II) THE MAXIMUM RATE PERMITTED BY LAW, WHICHEVER IS LESS.
 - b. INVOICING. AS SET FORTH BELOW, EGROUP WILL INVOICE CUSTOMER DEPENDING ON THE TYPE OF PROFESSIONAL SERVICES:
 - i. EGROUP SERVICE DESCRIPTION-BASED PROFESSIONAL SERVICES INVOICING. UNLESS OTHERWISE AGREED BY THE PARTIES, EGROUP WILL INVOICE PROFESSIONAL SERVICES PERFORMED UNDER AN PROFESSIONAL SERVICE DESCRIPTION IN ADVANCE OF PERFORMANCE OF SUCH PROFESSIONAL SERVICES.
 - ii. SOW-BASED PROFESSIONAL SERVICES INVOICING. EGROUP WILL INVOICE CUSTOMER UPON COMPLETION OF EACH MILESTONE AS DEFINED IN THE SOW, PER THE SOW'S MILESTONE SCHEDULE. INVOICES MAY CONTAIN MULTIPLE MILESTONES. THE SOW MILESTONE SCHEDULE SUPERSEDES ANY MILESTONES IDENTIFIED IN A PURCHASE ORDER; NEVERTHELESS, UNLESS OTHERWISE MUTUALLY AGREED UPON VIA A CHANGE MANAGEMENT PROCEDURE, THE TOTAL INVOICED AMOUNTS FOR SOW MILESTONES SHALL NOT EXCEED THE TOTAL AMOUNT OF CUSTOMER'S PURCHASE ORDER. IF A SOW DOES NOT CONTAIN A MILESTONE SCHEDULE, EGROUP WILL INVOICE PROFESSIONAL SERVICES PERFORMED UNDER SUCH SOW AS SET FORTH IN SUCH SOW.
6. **TERM AND TERMINATION.**
 - a. THE TERM OF THIS AGREEMENT WILL COMMENCE ON THE DATE UPON WHICH THIS AGREEMENT IS ACCEPTED (THE "EFFECTIVE DATE") AND WILL CONTINUE INDEFINITELY, UNTIL EITHER PARTY GIVES NOTICE TO THE OTHER OF ITS INTENT TO TERMINATE THIS AGREEMENT AS PROVIDED HEREIN.
 - b. THE TERM OF EACH NON-SOW BASED PROFESSIONAL SERVICE WILL COMMENCE ON THE DATE SPECIFIED IN THE ASSOCIATED PURCHASE ORDER AND CONTINUE: (I) UNTIL COMPLETION OF THE SPECIFIED PROFESSIONAL SERVICE IN THE EVENT A MILESTONE CERTIFICATION OF COMPLETION (MCC) IS NOT REQUIRED; OR (II) UNTIL THE MCC HAS BEEN SIGNED OFF BY CUSTOMER IN THE EVENT A MCC IS REQUIRED.
 - c. THE TERM OF EACH SOW WILL COMMENCE ON LAST DATE OF SIGNATURE OF THE SOW AND CONTINUE UNTIL LAST MILESTONE COMPLETION, UNLESS OTHERWISE SPECIFIED IN THE SOW.
 - d. EGROUP SHALL HAVE A LEAD-TIME OF UP TO THIRTY (30) DAYS FROM ACCEPTANCE OF PURCHASE ORDER FOR SCHEDULING OF PROFESSIONAL SERVICES.
 - e. THIS AGREEMENT, AND ANY PROFESSIONAL SERVICES BEING PERFORMED HEREUNDER, MAY BE TERMINATED IMMEDIATELY BY EITHER PARTY UPON WRITTEN NOTICE:
 - i. IF THE OTHER PARTY BREACHES ANY OF THE MATERIAL PROVISIONS OF THIS AGREEMENT AND THE BREACH IS NOT CAPABLE OF BEING CURED OR AFTER PROVIDING THIRTY (30) DAYS WRITTEN NOTICE TO THE BREACHING PARTY IF THE BREACHING PARTY FAILS TO CURE SUCH BREACH WITHIN SUCH PERIOD
 - ii. IF THE OTHER PARTY CEASES OR THREATENS TO CEASE TO CARRY ON BUSINESS AS A GOING CONCERN OR BECOMES OR MAY BECOME THE OBJECT OF THE INSTITUTION OF VOLUNTARY OR INVOLUNTARY PROCEEDINGS IN BANKRUPTCY OR LIQUIDATION, OR A RECEIVER OR SIMILAR OFFICER IS APPOINTED WITH RESPECT TO THE WHOLE OR A SUBSTANTIAL PART OF ITS ASSETS; OR AN EVENT SIMILAR TO ANY OF THE FOREGOING OCCURS UNDER APPLICABLE LAW; OR

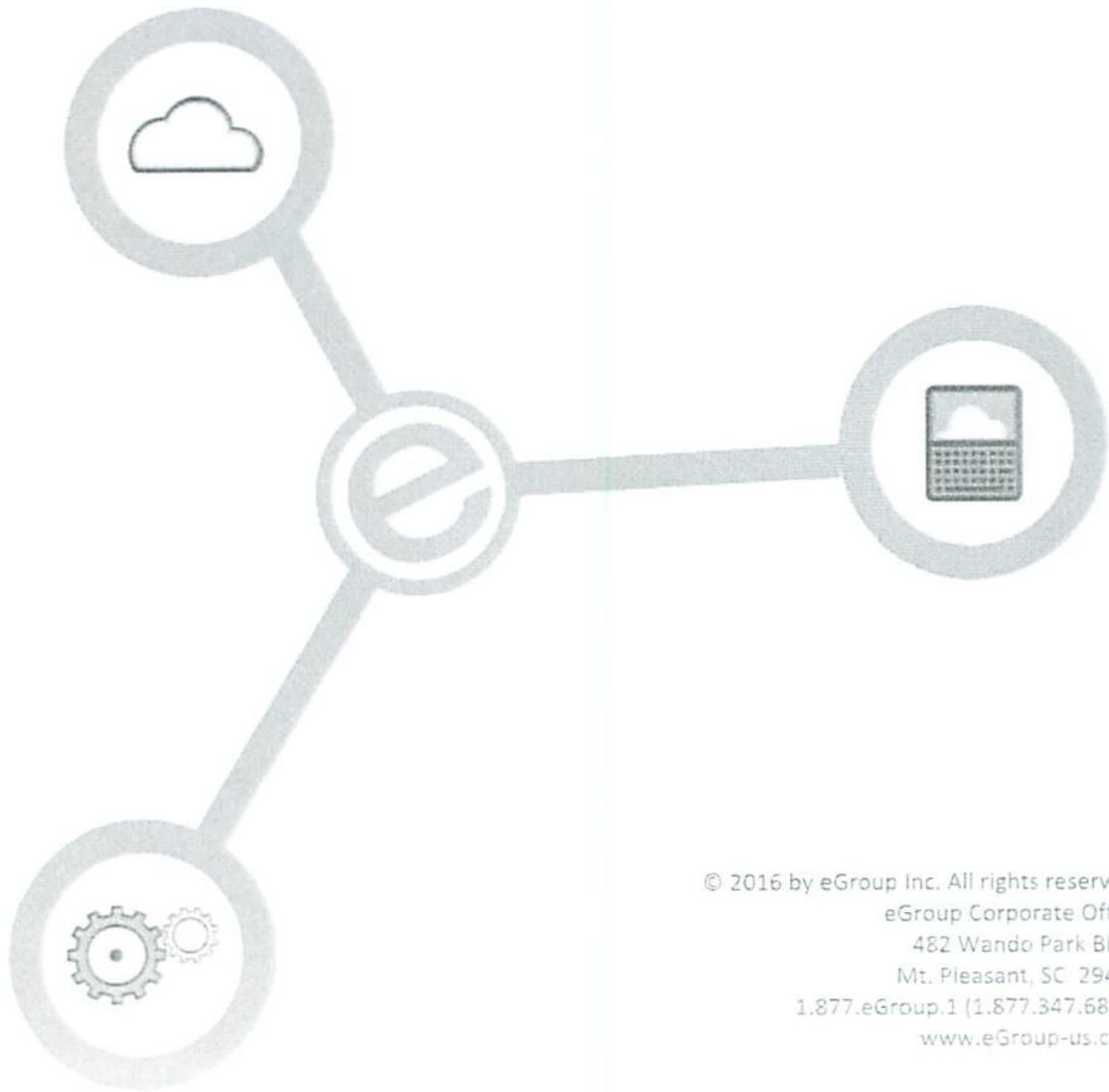


16. **LIMITATION OF LIABILITY** – EGROUP'S LIABILITY UNDER THIS AGREEMENT, WHETHER IN CONTRACT, IN TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY), UNDER ANY WARRANTY, OR OTHERWISE, IS ABSOLUTELY LIMITED TO CORRECTION OF ANY NONCONFORMITIES IN ANY SERVICES, OR REFUND OF THE PURCHASE PRICE, OR REFUND OF SPECIFIC AMOUNTS PAID FOR PRODUCTS OR SERVICES WHICH FAIL TO CONFORM, AT EGROUP'S SOLE OPTION AND THE AGGREGATE AMOUNT THEREOF FOR ALL CLAIMS RELATING TO ANY PARTICULAR PRODUCT OR SERVICE SHALL IN NO EVENT EXCEED AN AMOUNT EQUAL TO THE FEES PAID TO EGROUP UNDER THIS AGREEMENT FOR THE PARTICULAR PROJECT WHICH GIVES RISE TO THE CLAIM. UNDER NO CIRCUMSTANCES SHALL EGROUP BE LIABLE FOR ANY INDIRECT, GENERAL, CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, OR OTHER DAMAGES (INCLUDING LOST PROFITS, LOST SAVINGS, LOSS OF DATA OR LOSS OF USE), EVEN IF EGROUP HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR COULD HAVE REASONABLY FORESEEN SUCH DAMAGES, NOR FOR ANY CLAIMS ARISING FROM CUSTOMER'S USE OR TRANSFER OF ANY SERVICES SOLD HEREUNDER. NO ACTION, REGARDLESS OF THE FORM, ARISING OUT OF THIS AGREEMENT MAY BE BROUGHT BY CUSTOMER MORE THAN ONE (1) YEAR AFTER THE OCCURRENCE OF THE EVENTS WHICH GAVE RISE TO THE CAUSE OF ACTION. THE PRICING OF ALL SERVICES AND THE TERMS AND CONDITIONS OF ALL SALES ARE BASED UPON THIS LIMITATION OF LIABILITY. THE CUSTOMER'S SOLE AND EXCLUSIVE REMEDY SHALL BE TERMINATION OF THIS AGREEMENT.
17. **WARRANTY**
- a. WITH RESPECT TO SERVICES PERFORMED BY EGROUP, IT WARRANTS TO CUSTOMER, UNLESS OTHERWISE SPECIFIED IN WRITING, THAT THE SERVICES AS AND WHEN DELIVERED OR RENDERED, WILL CONFORM TO THE STANDARD OF CARE EXHIBITED BY REASONABLY SKILLED CONTRACTORS IN THE INDUSTRY (NETWORK SYSTEMS INTEGRATION). CUSTOMER SHALL NOTIFY EGROUP IN WRITING WITHIN THIRTY (30) DAYS AFTER COMPLETION OF THE SERVICES IN QUESTION WHEN ANY OF THE SERVICES FAIL TO CONFORM TO THE STANDARD OF CARE SET FORTH IN THIS AGREEMENT. THE PASSAGE OF THE THIRTY (30) DAY PERIOD AFTER COMPLETION OF THE SERVICES WITHOUT THE NOTIFICATION DESCRIBED HEREIN SHALL CONSTITUTE CUSTOMER'S FINAL ACCEPTANCE OF THE SERVICES.
- b. WITH RESPECT TO PARTICULAR PRODUCTS MANUFACTURED OR SUPPLIED BY THIRD PARTIES TO EGROUP FOR RESALE TO CUSTOMER, EGROUP MAKES NO WARRANTIES OF ANY KIND IN ADDITION TO OR EXCEEDING THE WARRANTY SUPPLIED OR OFFERED BY THE RESPECTIVE MANUFACTURER OR SUPPLIER, WHICH SHALL BE TRANSFERRED OR ASSIGNED TO CUSTOMER, AND CUSTOMER'S RECOVERY IS LIMITED TO RECOVERY AGAINST SUCH MANUFACTURER OR SUPPLIER FOR BREACH OF ANY APPLICABLE WARRANTIES OF MANUFACTURER OR SUPPLIER. IN THE EVENT OF A CLAIM BY CUSTOMER FOR BREACH OF PRODUCT WARRANTY, EGROUP MUST FOLLOW THE WARRANTY POLICY ESTABLISHED BY THE MANUFACTURER. THIS POLICY MAY REQUIRE RETURN OF THE WARRANTED ITEM TO THE MANUFACTURER FOR REPAIR. AT CUSTOMER'S REQUEST, EGROUP AGREES TO TAKE ALL ACTIONS REASONABLY NECESSARY OR APPROPRIATE TO SECURE CUSTOMER'S RIGHTS AND TO PROTECT ITS INTERESTS UNDER SUCH THIRD PARTY WARRANTIES. WORK PERFORMED BY EGROUP, NOT COVERED BY PRODUCT WARRANTY, WILL BE BILLED TO CUSTOMER AT THE APPLICABLE EGROUP RATE.
18. **NO HIRE** – DURING THE TERM OF THIS AGREEMENT AND FOR A PERIOD OF ONE (1) YEAR FOLLOWING THE END OF THIS AGREEMENT, CUSTOMER SHALL NOT (I) OFFER EMPLOYMENT TO ANY EMPLOYEE OF EGROUP; (II) ATTEMPT TO DIRECTLY OR INDIRECTLY INDUCE ANY EMPLOYEE OF EGROUP TO TERMINATE HIS OR HER EMPLOYMENT; OR (III) OFFER EMPLOYMENT TO A FORMER EMPLOYEE OF EGROUP FOR THE TWELVE MONTH PERIOD IMMEDIATELY FOLLOWING THE FORMER EMPLOYEE'S TERMINATION. IN THE EVENT OF A BREACH OF THIS SECTION, MONEY OR DAMAGES MAY NOT BE AN ADEQUATE REMEDY, AND, THEREFORE, IN ADDITION TO ANY OTHER LEGAL OR EQUITABLE REMEDIES, EGROUP SHALL BE ENTITLED TO SEEK AN INJUNCTION AGAINST SUCH BREACH. THE OBLIGATIONS SET FORTH IN THIS SECTION ARE INDEPENDENT COVENANTS AND SHALL CONTINUE AFTER THIS CONTRACT IS ENDED.
19. **ENTIRE AGREEMENT** – THIS AGREEMENT (I) CONSTITUTES THE ENTIRE AGREEMENT ON THIS SUBJECT BETWEEN THE PARTIES AND SUPERSEDES AND MERGES ANY AND ALL PRIOR DISCUSSIONS, REPRESENTATIONS, DEMONSTRATIONS, NEGOTIATIONS, CORRESPONDENCE, WRITINGS AND OTHER AGREEMENTS AND TOGETHER STATES THE ENTIRE UNDERSTANDING AND AGREEMENT UPON WHICH EGROUP AND CUSTOMER RELY RESPECTING THE SUBJECT MATTER OF THIS AGREEMENT AND (II) MAY BE AMENDED OR MODIFIED ONLY IN A WRITING AGREED TO AND SIGNED BY THE AUTHORIZED REPRESENTATIVES OF THE PARTIES.
20. **ARBITRATION** – EXCEPT TO THE EXTENT NOT PREEMPTED BY THE FEDERAL ARBITRATION ACT, 9 U.S.C. §1 ET SEQ. (1970), ANY CLAIM OR CONTROVERSY ARISING OUT OF, OR RELATING TO, ANY PROVISION OF THIS CONTRACT, OR THE BREACH THEREOF, SHALL UPON WRITTEN DEMAND OF ANY PARTY, BE SETTLED BY THREE (3) ARBITRATORS IN ACCORDANCE WITH THE COMMERCIAL ARBITRATION RULES THEN IN EFFECT OF THE AMERICAN ARBITRATION ASSOCIATION, TO THE EXTENT CONSISTENT WITH THE LAWS OF THE STATE OF SOUTH CAROLINA AND THE UNIFORM ARBITRATION ACT, S.C. CODE §15-48-10, ET SEQ., (LAW, CO-OP, 1976, AS AMENDED).
21. **GENERAL PROVISIONS** – THIS AGREEMENT AND THE PERFORMANCE OF ANY OBLIGATION HEREUNDER MAY NOT BE ASSIGNED, DELEGATED OR OTHERWISE TRANSFERRED BY CUSTOMER WITHOUT THE PRIOR WRITTEN CONSENT OF EGROUP. IF ANY PROVISION OF THIS AGREEMENT IS FOUND BY ANY COURT OF COMPETENT JURISDICTION TO BE INVALID OR UNENFORCEABLE, THE INVALIDITY OF SUCH PROVISION SHALL NOT AFFECT THE OTHER PROVISIONS OF THIS CONTRACT, AND ALL PROVISIONS NOT AFFECTED BY SUCH INVALIDITY SHALL REMAIN IN FULL FORCE AND EFFECT. IT IS THE INTENT OF THE PARTIES TO ACKNOWLEDGE AND AGREE THAT A COURT CAN BLUE PENCIL OR STRIKE THROUGH ANY PORTIONS OF THIS AGREEMENT THAT ARE DEEMED BY A COURT TO BE UNENFORCEABLE. THE WAIVER BY EITHER PARTY OF A BREACH OR DEFAULT IN ANY OF THE PROVISIONS OF THIS AGREEMENT BY THE OTHER PARTY SHALL NOT BE CONSTRUED AS A WAIVER OF ANY SUCCEEDING BREACH OF THE SAME OR OTHER PROVISIONS; NOR SHALL ANY DELAY OR OMISSION ON THE PART OF EITHER PARTY TO EXERCISE OR AVAIL ITSELF OF ANY RIGHT, POWER OR PRIVILEGE THAT IT HAS OR MAY HAVE HEREUNDER OPERATE AS A WAIVER OF ANY BREACH OR DEFAULT BY THE OTHER PARTY. THIS AGREEMENT AND ANY DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF SOUTH CAROLINA, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES. THE FEDERAL AND STATE COURTS WITHIN THE STATE OF SOUTH CAROLINA SHALL HAVE EXCLUSIVE JURISDICTION TO ADJUDICATE ANY DISPUTES ARISING OUT OF OR IN CONNECTION WITH THIS CONTRACT.
22. **CONFIDENTIALITY**: THE PARTIES MAY DISCLOSE, OR MAY HAVE DISCLOSED, TO EACH OTHER, BOTH ORALLY AND IN WRITING OR IN OTHER TANGIBLE FORM, CERTAIN CONFIDENTIAL INFORMATION WITH RESPECT TO EGROUP'S BUSINESS, AS WELL AS THE SERVICES PROVIDED UNDER THIS AGREEMENT. THE PARTIES HEREBY AGREE TO KEEP SUCH INFORMATION AND THE TERMS OF THIS AGREEMENT CONFIDENTIAL. THE PARTIES SHALL NOT DISCLOSE TO ANY OTHER PERSON (EXCEPT FOR LEGAL, TAX AND FINANCIAL ADVISORS) ANY INFORMATION RELATING TO THIS AGREEMENT OR ITS SUBJECT MATTER AND SHALL TREAT AS CONFIDENTIAL ALL INFORMATION AND DOCUMENTS RELATING HERETO.
- a. NOTWITHSTANDING THE ABOVE, EGROUP SHALL BE AUTHORIZED TO DISCLOSE CUSTOMER'S CONFIDENTIAL INFORMATION TO SUBCONTRACTORS, CONTRACTORS OR EMPLOYEES OF A EGROUP ENTITY WHO HAVE A LEGITIMATE BUSINESS NEED TO HAVE ACCESS TO SUCH INFORMATION. THE RECEIVING PARTY SHALL IMMEDIATELY RETURN TO THE DISCLOSING PARTY ALL CONFIDENTIAL INFORMATION (INCLUDING COPIES THEREOF) IN THE RECEIVING PARTY'S POSSESSION, CUSTODY, OR CONTROL UPON TERMINATION AT ANY TIME AND FOR ANY REASON OF THIS AGREEMENT. THE OBLIGATIONS OF CONFIDENTIALITY DO NOT APPLY TO INFORMATION WHICH: (I) HAS ENTERED THE PUBLIC DOMAIN, EXCEPT WHERE SUCH ENTRY IS THE RESULT OF THE RECEIVING PARTY'S BREACH OF THIS AGREEMENT; (II) PRIOR TO DISCLOSURE HEREUNDER WAS ALREADY RIGHTFULLY IN THE RECEIVING PARTY'S POSSESSION; OR (III) SUBSEQUENT TO DISCLOSURE HEREUNDER IS OBTAINED BY THE RECEIVING PARTY ON A NON-CONFIDENTIAL BASIS FROM A THIRD PARTY WHO HAS THE RIGHT TO DISCLOSE SUCH INFORMATION TO THE RECEIVING PARTY. THE RECEIVING PARTY WILL BE AUTHORIZED TO DISCLOSE CONFIDENTIAL INFORMATION PURSUANT TO A VALID ORDER ISSUED BY A COURT, GOVERNMENT AGENCY OR RELEVANT REGULATORY AUTHORITY (INCLUDING A STOCK EXCHANGE). PROVIDED THAT THE RECEIVING PARTY PROVIDES WHERE PRACTICABLE: (I) PRIOR WRITTEN NOTICE TO THE DISCLOSING PARTY OF SUCH OBLIGATION AND (II) THE OPPORTUNITY TO OPPOSE SUCH DISCLOSURE.
- b. NEITHER PARTY MAY DISCLOSE, ADVERTISE, OR PUBLISH THE TERMS AND CONDITIONS OF THIS AGREEMENT WITHOUT THE PRIOR WRITTEN CONSENT OF THE OTHER PARTY. ANY PRESS RELEASE OR PUBLICATION REGARDING THIS AGREEMENT IS SUBJECT TO PRIOR REVIEW AND WRITTEN APPROVAL OF THE PARTIES.
23. **OWNERSHIP**
- a. EACH PARTY WILL RETAIN THE EXCLUSIVE OWNERSHIP OF ALL OF ITS PRE-EXISTING INTELLECTUAL PROPERTY, CONFIDENTIAL INFORMATION AND MATERIALS INCLUDING, WITHOUT LIMITATION, PROPRIETARY IDEAS, SKETCHES, DIAGRAMS, TEXT, KNOW-HOW, CONCEPTS, PROOFS OF CONCEPTS, ARTWORK, SOFTWARE, ALGORITHMS, METHODS, PROCESSES, IDENTIFIER CODES OR OTHER TECHNOLOGY THAT ARE OWNED BY PARTY PRIOR TO COMMENCEMENT OF ANY PROFESSIONAL SERVICES HEREUNDER, OR THAT ARE OTHERWISE DEVELOPED BY OR FOR SUCH PARTY OUTSIDE THE SCOPE OF THIS AGREEMENT ("PRE-EXISTING TECHNOLOGY").



- b. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR AN APPLICABLE SOW, EGROUP OWNS AND WILL CONTINUE TO OWN ALL RIGHT, TITLE, AND INTEREST IN AND TO THE PROFESSIONAL SERVICES, PRODUCTS, DELIVERABLES, DATA COLLECTION TOOLS, REPORTS, SCRIPTS, SKETCHES, DIAGRAMS, TEXT, KNOW-HOW, CONCEPTS, PROOFS OF CONCEPTS, ARTWORK, SOFTWARE, ALGORITHMS, METHODS, PROCESSES, IDENTIFIER CODES OR OTHER TECHNOLOGY PROVIDED OR DEVELOPED BY EGROUP (OR A THIRD PARTY ACTING ON EGROUP'S BEHALF) PURSUANT TO THIS AGREEMENT, INCLUDING MODIFICATIONS, ENHANCEMENTS, IMPROVEMENTS OR DERIVATIVE WORKS OF ANY OF THE FOREGOING, REGARDLESS OF WHO FIRST CONCEIVES OR REDUCES TO PRACTICE, AND ALL INTELLECTUAL PROPERTY IN ANY OF THE FOREGOING (COLLECTIVELY "EGROUP INTELLECTUAL PROPERTY").
 - c. AS BETWEEN CUSTOMER AND EGROUP, CUSTOMER AT ALL TIMES RETAINS ALL RIGHT, TITLE AND INTEREST IN AND TO ALL OF CUSTOMER'S PRE-EXISTING TECHNOLOGY AND ALL INTELLECTUAL PROPERTY THAT IS DEVELOPED BY CUSTOMER OR BY A THIRD PARTY ON CUSTOMER'S BEHALF THEREAFTER, OTHER THAN EGROUP INTELLECTUAL PROPERTY. THIRD PARTY PRODUCTS WILL AT ALL TIMES BE OWNED BY THE APPLICABLE THIRD PARTY, AND WILL BE SUBJECT TO ANY APPLICABLE THIRD PARTY LICENSE TERMS.
24. **GOOD FAITH** - EACH PARTY AGREES THAT, IN ITS RESPECTIVE DEALING WITH THE OTHER PARTY UNDER OR IN CONNECTION WITH THIS AGREEMENT, IT SHALL ACT IN GOOD FAITH AND THAT ITS AGREEMENT RELATIVE TO DECISIONS AND ACTIONS HEREUNDER WILL NOT BE UNREASONABLY WITHHELD.
 25. **DEFAULT**- IF EITHER PARTY FAILS TO PERFORM ANY OF ITS OBLIGATIONS UNDER THIS AGREEMENT AND SUCH DEFAULT IS CAPABLE OF BEING CURED AND CONTINUES FOR A PERIOD OF FIFTEEN (15) DAYS AFTER NOTICE OF THE DEFAULT IS GIVEN TO THE PARTY IN DEFAULT, THEN THE OTHER PARTY MAY, AT ANY TIME PRIOR TO THE DEFAULT BEING CURED, TERMINATE THIS AGREEMENT BY GIVING NOTICE OF TERMINATION TO THE PARTY IN DEFAULT, THE RIGHTS UNDER THIS PARAGRAPH ARE IN ADDITION TO, AND ARE NOT A LIMITATION ON OR IN SUBSTITUTION FOR, ANY OTHER RIGHTS WHICH A PARTY HAS BY REASON OF ANY DEFAULT, INCLUDING, WITHOUT LIMITATION, A CLAIM FOR DAMAGES OR INJUNCTION.
 26. **WAIVER OR FAILURE TO ACT**- THE WAIVER OF FAILURE OF EITHER PARTY TO EXERCISE IN ANY RESPECT ANY RIGHT PROVIDED FOR SUCH PARTY HEREIN SHALL NOT BE DEEMED A WAIVER OF ANY FURTHER RIGHT HEREUNDER.
 27. **CONSTRUCTION AND INTERPRETATION OF AGREEMENT** - SHOULD ANY PROVISION OF THE AGREEMENT REQUIRE JUDICIAL INTERPRETATION, IT IS AGREED THAT THE ARBITER OR COURT INTERPRETING OR CONSIDERING SAME SHALL NOT APPLY THE PRESUMPTION THAT THE TERMS HEREOF SHALL BE MORE STRICTLY CONSTRUED AGAINST A PARTY BY REASON OF THE RULE OR CONCLUSION THAT A DOCUMENT SHOULD BE CONSTRUED MORE STRICTLY AGAINST THE PARTY WHO ITSELF OR THROUGH ITS AGENT PREPARED THE SAME. IT IS AGREED AND STIPULATED THAT ALL PARTIES HERETO HAVE PARTICIPATED EQUALLY IN THE PREPARATION OF THIS AGREEMENT.





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