

2014 COMPUTERS AND NETWORKING CONTRACT

This **2014 COMPUTERS & NETWORKING CONTRACT** (the "Contract") is entered into as of the date of last signature below ("Effective Date") by and between **REMC Association of Michigan (herein referred to as REMCAM)**, whose address is **611 Hagadorn Rd. Rd., Mason, MI 48854** and **Cisco Systems, Inc.**, a corporation, whose address is 170 West Tasman Drive, San Jose, CA 95134 (the "Vendor"). REMCAM and Vendor may each be referred to herein as a "Party" and collectively as the "Parties."

RECITALS

A. REMCAM issued an Invitation To Bid (**ITB**) for 2014 Computers & Networking dated March 28, 2014, the purpose of which was to obtain Bids from qualified Bidders in order to achieve aggregated, high-volume contract pricing for Computers, Networking and related products and services (the "Products") for all Eligible Agencies as well as the provision of equipment and other services as requested.

B. Whereas, in response to the ITB, Vendor submitted to REMCAM a Computers & Networking Bid dated **April 29, 2014** ("Vendor's Bid") to provide Products and services contemplated by the ITB.

C. On June 13, 2014, REMCAM approved Vendor's Bid for the prices indicated on **Attachment A** which is attached hereto and incorporated herein by reference.

D. The Parties agree that certain terms, conditions and provisions of the ITB **may** be further clarified and that certain additional terms and conditions **may** need to be expressly set forth by way of this Contract.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants set forth herein, the Parties agree as follows:

I. RESTATEMENT CONSTITUTES THE CONTRACT

A. Incorporation by Reference. The object of this Contract is to formalize in one document the complete agreement between the Parties, and to do so by specifically incorporating by reference into this Contract the ITB, all Addenda to the ITB, Vendor's Bid and other related documents, and by including certain additional necessary or appropriate Contract terms, particularly where the Contract terms agreed to by the Parties during the ITB negotiation process do not correspond with the ITB.

B. Order of Precedence. The Contract Documents, which are all incorporated herein by reference, include the following:

1. This Contract, including all Attachments hereto;
2. The ITB; and
3. Vendor's Bid.

To the extent that the terms and conditions of the Contract Documents are in conflict, the terms and conditions shall be interpreted in the above-referenced order from 1 to 3. However, the Parties also agree that where there is not a conflict between any of the terms and conditions contained in the above-referenced Contract

Documents, all of the Contract Documents shall be binding upon both Parties, except to the extent the Exceptions contained in the Vendor's Bid are not expressly accepted by REMCAM in writing and incorporated into this Contract as Attachment C.

II. CONTRACT TERM

- A. **Term.** The term of this Contract shall begin **and end** on the dates contained in the REMCAM's Bid Award Letter To Vendor.

III. PRICING AND ADMINISTRATIVE FEE

- A. **Pricing.** As outlined in the ITB, all Vendor Pricing is based on an educational discount and non-educational discount off the current List Price for education or non-education Eligible Agencies, as applicable, and such discount(s) are confirmed in Vendor's Products Pricing Form attached hereto as **Attachment A** and REMCAM's Bid Award Letter To Vendor which is incorporated herein by reference and attached hereto as **Attachment B**.
- B. **Administrative Fee.** As outlined in the ITB, Vendor must pay an Administrative Fee of one (1.0%) percent to REMCAM for the Products and services awarded under the ITB and contained in **Attachments A and B**. The Administrative Fee shall be submitted quarterly and is based on the actual sales of all Products and services reported quarterly to REMC SAVE by Vendor. The Administrative fee is included in Vendor's Bid pricing.

IV. CONTRACTUAL TERM AND CONDITIONS

- A. **General Indemnification.** Each party agrees to indemnify, defend and hold harmless the other (and in the case of Cisco, such indemnity will include REMCAM, its Board of Directors, in their official and individual capacities, REMC SAVE Project staff, Eligible Entities and Customers, their respective Boards of Education, in their official and individual capacities, and administrators), and each party's employees, agents, successors and assignees, from and against any and all claims, losses, liabilities, damages, and expenses (including, without limitation, reasonable attorneys' fees), including without limitation, those based on contract or tort, arising out of or in connection with a claim, suit, or proceeding brought by a third party based upon bodily injury (including death) or damage to tangible personal property (not including lost or damaged data) arising from the negligence or willful misconduct of the indemnifying party or its subcontractors, or the officers, directors, employees, agents, successors, and assigns of any of them. In the event that the indemnified party's or a third party's negligence or wilful misconduct contributed to cause the injury or damage for which a claim of indemnity is being asserted against the indemnifying party hereunder, the damages and expenses (including, without limitation, reasonable attorneys' fees) shall be allocated or reallocated, as the case may be, between the indemnified party, the indemnifying

party, and any other party bearing responsibility in such proportion as appropriately reflects the relative fault of such parties, or their subcontractors, or the officers, directors, employees, agents, successors, and assigns of any of them, and the liability of the indemnifying party shall be proportionately reduced.

The foregoing indemnification obligations are conditioned upon the indemnified party promptly upon actual knowledge, notifying the indemnifying party in writing of the claim, suit, or proceeding for which the indemnifying party is obligated under this Section, cooperating with, assisting at no cost, and providing information to, the indemnifying party as reasonably required, and granting the indemnifying party the exclusive right to defend or settle such claim, suit, or proceeding.

B. Intellectual Property Indemnification.

1. **Claims.** Cisco will defend any claim against REMCAM, REMC SAVE Project staff, Eligible Entities, and Customers that a Cisco-Branded Product provided under this Agreement infringes third-party patents, copyrights, or registered trademarks (the "Claim") and will indemnify REMCAM, its Board of Directors, in their official and individual capacities, REMC SAVE Project staff, Eligible Entities and Customers, their respective Boards of Education, in their official and individual capacities, employees, agents, contractors, successors, and assignees against the final judgment entered by a court of competent jurisdiction or any settlements arising out of a Claim.
2. Customer shall: (a) promptly notify Cisco in writing of the Claim (or threat thereof), and any subsequent litigation updates; and (b) cooperate at no cost with Cisco in the defense of the Claim (including any statements to third parties regarding the Claim), and grant Cisco full and exclusive control of the defense and settlement of the Claim and any subsequent appeal. If Customer fails to notify Cisco promptly of the Claim, and that failure materially prejudices Cisco's ability to defend, settle, or respond to the Claim, then Cisco's obligation to defend or indemnify Customer with respect to that Claim will be reduced to the extent Cisco has been prejudiced. In addition, such failure to provide prompt notification shall relieve Cisco of any obligation to reimburse for Customer attorneys' fees incurred prior to notification.
3. **Additional Remedies.** If a Claim is made or appears likely, Customer agrees to permit Cisco to procure for Customer the right to continue using the Cisco-Branded Product, or to replace or modify the Cisco-Branded Product with one that is of equal or greater quality. If Cisco determines that none of those alternatives is reasonably available, then Customer will return the Cisco-Branded Product and Cisco will refund Customer's remaining net book value of the Cisco-Branded Product calculated according to generally accepted accounting principles.
4. **Exclusions.** Cisco has no obligation for any Claim based on:
 - a) compliance with any designs, specifications, requirements, or instructions provided by Customer or a third party on Customers behalf;

- b) modification of a Cisco-Branded Product by Customer or a third party;
- c) the amount or duration of use made of the Cisco-Branded Product, revenue earned by Customer, or services offered by Customer to external or internal customers; or
- d) combination, operation, or use of a Cisco-Branded Product with non-Cisco products, software, or business processes.

5. **Sole and Exclusive Remedy.** This Section IV.B states Cisco's entire obligation and Customer's exclusive remedy regarding any claims for intellectual property infringement.

C. Compliance with Laws. The Vendor shall comply with any and all Federal and State laws, rules, regulation, ordinances, policies applicable to the provision of Products and services under this Contract.

D. Suspension/Debarment. The Vendor warrants that it has not been suspended or debarred from doing business with the federal government and does not appear on SAM (System for Award Management) as an Excluded Party.

E. License. Conditioned upon compliance with the terms and conditions of the Vendor's End User License Agreement, Vendor grants to Customer a nonexclusive and nontransferable license to use for Customer's internal business purposes the Software and the Documentation for which Customer has paid the required license fees, subject to the terms herein and Cisco's End User License Agreement available at http://www.cisco.com/c/en/us/td/docs/general/warranty/English/EUIKEN_.html and the Cisco Software Transfer and Re-licensing Policy available at http://www.cisco.com/c/en/us/products/cisco_software_transfer_relicensing_policy.html.

F. Limitation of Liability.

1. NOTHING IN THIS AGREEMENT LIMITS OR EXCLUDES THE LIABILITY OF:

(a) EITHER PARTY TO THE OTHER PARTY FOR:

(i) **DAMAGE TO TANGIBLE PERSONAL PROPERTY (EXCLUDING LIABILITY FOR LOST OR DAMAGED/CORRUPTED DATA, PROVIDED THAT VENDOR SHALL, SUBJECT TO SECTION IV.F.2 BE LIABLE FOR THE COST TO VENDOR TO RESTORE THE LAST BACKUP OF SUCH DATA HELD BY THE CUSTOMER) RESULTING DIRECTLY FROM GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE OTHER PARTY;**

(ii) **BODILY INJURY OR DEATH RESULTING DIRECTLY FROM THE NEGLIGENCE OF THE OTHER PARTY,**

(iii) **FRAUD OR FRAUDULENT MISREPRESENTATION,**

(iv) **A BREACH OF SECTION IV.G (CONFIDENTIALITY); OR**

- (v) ANY LIABILITY THAT CANNOT BE LIMITED OR EXCLUDED UNDER APPLICABLE LAW;**
- (b) CUSTOMER TO CISCO ARISING OUT OF:
- (i) CUSTOMER'S BREACH OF THE END USER LICENSE AGREEMENT IN IV.E (EULA); OR
 - (ii) ANY AMOUNTS DUE TO CISCO UNDER THIS AGREEMENT.
2. SUBJECT TO SECTION IV. F.1 ABOVE AND SECTION IV. F.3 BELOW, EACH PARTY'S TOTAL AGGREGATE LIABILITY IS LIMITED TO THE GREATER OF:
- (a) ONE HUNDRED THOUSAND DOLLARS (US\$100,000); OR
 - (b) THE MONEY PAID TO CISCO UNDER THIS AGREEMENT DURING THE TWELVE (12) MONTH PERIOD PRIOR TO THE EVENT THAT FIRST GAVE RISE TO SUCH LIABILITY.
3. SUBJECT TO SECTION IV. F.1 ABOVE, AND NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY WILL BE LIABLE FOR ANY:
- (a) SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES; OR
 - (b) LOSS OF ANY OF THE FOLLOWING: PROFITS, REVENUE, BUSINESS, ANTICIPATED SAVINGS, USE OF ANY PRODUCT OR SERVICE, OPPORTUNITY, GOODWILL OR REPUTATION.
4. REFERENCES IN THIS SECTION IV.F TO (A) A PARTY INCLUDES A PARTY'S AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS AND SUPPLIERS, TO INCLUDE VENDOR, REMCAM, CUSTOMER AND ELIGIBLE AGENCIES, AND (B) LIABILITY INCLUDES LIABILITY ARISING FROM CONTRACT, TORT (INCLUDING NEGLIGENCE), UNDER ANY INDEMNITY, STRICT LIABILITY, OR OTHERWISE, IN EACH CASE, EVEN IF A PARTY HAS BEEN INFORMED OF THE POSSIBILITY OF THAT LIABILITY. IN SECTION X.3, REFERENCES TO LOSS REFERS TO ANY AND ALL KINDS OF LOSS OR DAMAGE INCLUDING, WITHOUT LIMITATION, ANY DAMAGES, FINES, COSTS, CHARGES, FEES, OR OTHER LIABILITY.

G. Confidential Information.

1. "Confidential Information" to be disclosed by Customer under this Agreement is information regarding Customer's network operations and technical plans and marketing and financial data, and "Confidential Information" to be disclosed by Cisco under this Agreement is information regarding Cisco's hardware, software, and service products; and technical, financial, and marketing data; and information posted on CCO. The Receiving Party may use the Confidential Information solely for the purpose of furtherance of the business relationship between the parties, as provided in this Agreement and shall not disclose the

Confidential Information to any third party, other than to Affiliates and to employees of the Receiving Party and its Affiliates who have a need to have access to and knowledge of the Confidential Information, solely for the purpose authorized above. Each party shall take appropriate measures by instruction and agreement prior to disclosure to such employees to assure against unauthorized use or disclosure. Information (other than that on CCO) disclosed by the Disclosing Party in written or other tangible form will be considered Confidential Information only if such information is conspicuously designated as "Confidential," "Proprietary," or a similar legend. Information disclosed orally shall only be considered Confidential Information if: (i) identified as confidential, proprietary, or the like at the time of disclosure, and (ii) confirmed in writing within thirty (30) days of disclosure. Confidential Information disclosed to the Receiving Party by any Affiliate or agent of the Disclosing Party is subject to this Agreement.

2. The Receiving Party shall have no obligation with respect to information which (i) was rightfully in possession of or known to the Receiving Party without any obligation of confidentiality prior to receiving it from the Disclosing Party; (ii) is, or subsequently becomes, legally and publicly available without breach of this Agreement; (iii) is rightfully obtained by the Receiving Party from a source other than the Disclosing Party without any obligation of confidentiality; (iv) is developed by or for the Receiving Party without use of the Confidential Information and such independent development can be shown by documentary evidence; (v) becomes available to the Receiving Party by wholly lawful inspection or analysis of products offered for sale; (vi) is transmitted by a party after receiving written notification from the other party that it does not desire to receive any further Confidential Information; (vii) is disclosed by the Receiving Party pursuant to a valid order issued by a court or government agency, provided that the Receiving Party provides (a) prior written notice to the Disclosing Party of such obligation, and (b) the opportunity to oppose such disclosure. Upon written demand by the Disclosing Party, the Receiving Party shall: (i) cease using the Confidential Information, (ii) return the Confidential Information and all copies, notes, or extracts thereof to the Disclosing Party within seven (7) days of receipt of demand, and (iii) upon request of the Disclosing Party, certify in writing that the Receiving Party has complied with the obligations set forth in this paragraph.
3. The terms of confidentiality under this Agreement shall not be construed to limit either party's right to independently develop or acquire products without use of the other party's Confidential Information. The Disclosing Party acknowledges that the Receiving Party may currently, or in the future, be developing information internally, or receiving information from other parties, that is similar to the Confidential Information. Accordingly, nothing in this Agreement will be construed as a representation or agreement that the Receiving Party will not develop or have developed for it products, concepts, systems, or techniques that are similar to or compete with the products, concepts, systems, or techniques

contemplated by or embodied in the Confidential Information, provided that the Receiving Party does not violate any of its obligations under this Agreement in connection with such development. Further, either party shall be free to use for any purpose the residuals resulting from access to or work with such Confidential Information, provided that such party shall maintain the confidentiality of the Confidential Information as provided herein. The term "residuals" means information in non-tangible form which may be retained by persons who have had access to the Confidential Information, including ideas, concepts, know-how, or techniques contained therein, provided such Confidential Information is not expressly incorporated in a tangible form provided by the Disclosing Party. Neither party shall have any obligation to limit or restrict the assignment of such persons or to pay royalties for any work resulting from the use of residuals.

4. Each party shall retain all right, title, and interest to such party's Confidential Information. No license under any trademark, patent, or copyright, or application for same which are now or thereafter may be obtained by such party is either granted or implied by the conveying of Confidential Information. The Receiving Party shall not reverse-engineer, decompile, or disassemble any software disclosed to it and shall not remove, overprint, or deface any notice of copyright, trademark, logo, legend, or other notices of ownership from any originals or copies of Confidential Information it obtains from the Disclosing Party. WITHOUT PREJUDICE TO THE EXPRESS WARRANTIES PROVIDED ELSEWHERE IN THIS AGREEMENT, CONFIDENTIAL INFORMATION IS PROVIDED "AS IS" WITH ALL FAULTS. IN NO EVENT SHALL THE DISCLOSING PARTY BE LIABLE FOR THE ACCURACY OR COMPLETENESS OF THE CONFIDENTIAL INFORMATION. None of the Confidential Information disclosed by the parties constitutes any representation, warranty, assurance, guarantee, or inducement by either party to the other with respect to the infringement of trademarks, patents, copyrights, any right of privacy, or any rights of third persons.

5.

- H. **Product Acceptance.** Customer has thirty (30) days after Product delivery to inspect the Product for external damage and for any concealed damage ("Acceptance Period"). If external or concealed damage is revealed during the Acceptance Period, then Customer shall notify Vendor. At Vendor's option, Vendor shall 1) repair such damage, 2) ship a replacement, or 3) refund the purchase price (upon return of the Product). After such Acceptance Period the Products shall be deemed accepted. After Product Acceptance, Cisco will address product defects pursuant to our standard warranty terms available at <http://www.cisco.com/c/en/us/td/docs/general/warranty/English/SL3D EN.html>.

V. MISCELLANEOUS

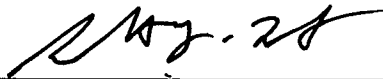
- A. **Governing Law.** The Contract shall be governed by and construed in accordance with the laws of the State of Michigan. The Parties hereby agree to the exclusive jurisdiction and venue of courts sitting in **Ingham** County, Michigan.
- B. **Taxes.** Vendor is responsible for sales taxes and any other applicable taxes related to the Products and services provided under this Contract.
- C. **Assignment.** The Contract and any other interest herein may not be assigned or transferred, in whole or in part, by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, and any assignment or transfer without such consent shall be null and void. This Contract shall be binding upon the successors, and subject to the above, assigns of either Party. Notwithstanding the foregoing, upon notice prior to assignment (i) either party may, without the other party's consent, assign or delegate its rights or obligations under this Agreement to its parent or majority-owned subsidiary company of sufficient net worth to meet any potential liability under this Agreement, and (ii) Cisco may, without Customer's consent, assign the right to receive any amount due.
- D. **No Waiver.** No waiver of any term or condition of this Contract shall be valid or binding on either Party unless the same shall have been mutually assented to in writing by both Parties. The failure of either Party to enforce at any time any of the provisions of this Contract, or the failure to require at any time performance by the other Party of any of the provisions of this Contract, shall in no way be construed to be a present or future waiver of such provisions, nor in any way affect the validity of either Party to enforce each and every such provision thereafter.
- E. **Severability.** If any provision of this Contract is held invalid or unenforceable, the remainder of this Contract shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.
- F. **Independent Contractor; No Joint Venture.** It is expressly agreed that Vendor is acting hereunder as an independent contractor and under no circumstances shall any of the employees of either Party be deemed the employees of the other for any purpose. This Contract shall not be construed as authority for either Party to act for the other Party in any agency or other capacity or to make commitments of any kind for the account of, or on behalf of, the other Party, except to the extent, and for the purposes, expressly provided for and set forth herein, and no partnership or joint venture is created hereby.
- G. **Modifications.** No provision of this Contract or any Exhibit hereto may be modified without the prior written consent of both Parties.
- H. **Notices.** Unless otherwise provided in this Contract, all notices, requests, demands and other communications shall be provided in writing and are effective three (3) days after deposit in the U.S. mail, certified and postage paid, or upon receipt if personally delivered or sent by next-business-day delivery via a nationally recognized overnight courier to the addresses set forth below. **REMCAM** or the

Vendor may from time to time designate any other address for this purpose by providing written notice to the other Party.


To REMCAM. All required notices to the shall be delivered to REMC SAVE Bid Project, 611 Hagadorn Rd., Mason, MI 48854

1. **To the Vendor.** All required notices to the Vendor shall be delivered to Cisco Systems, Inc., Attention: General Counsel, 170 West Tasman Drive, San Jose, CA 95134.

**REMC ASSOCIATION
OF MICHIGAN**

By: 
Its: President
Date: 6/24/14

CISCO SYSTEMS, INC.

By: 
Its: Controller Finance
Date: JUN 18 2014

APPROVED BY LEGAL

**Cisco
Awarded Items
Computers & Networking 2014-2019**

REMC Item No.	Manufacturer/Model	Contract Price
146212	Cisco Catalog Discount	various
146213	Cisco Catalog Discount	various

Total no. items awarded: 2

ATTACHMENT B

REMCAM's Bid Award Letter To Vendor

(See Attached)

\$AVE Bid Project

REMC Association of Michigan



June 16, 2014

Dear REMC Awarded Vendor:

This letter serves as your company's Notice of Award for the REMC Computers and Networking Bid. The REMC Association of Michigan (REMCAM) Board of Directors voted on June 13, 2014 to approve a contract with your company. The contract term is July 1, 2014- June 30, 2019. The award is approved in accordance with the terms and conditions set forth in the original solicitation and your bid response with any subsequent clarification and verification documents. All purchases made through this contract will be placed by and shipped to the various REMC customers throughout the state of Michigan.

✓ **CONTRACT SIGNING:** Two copies of your contract will be e-mailed to you under separate cover. REVIEW, PRINT AND SIGN two copies. Signed copies must be received by Thursday, June 19, 2014.

✓ **RETURN by mail, two (2) signed copies of the Contract to:**

REMC SAVE Bid Project
Ingham ISD
611 Hagadorn Road
Mason, MI 48854

✓ **PRODUCT IMAGES:** UPLOAD, as a single Zip file, all images for awarded items (web-quality .jpg format) on a white or transparent background. For catalog discount awarded items, please use a company or manufacturer logo for the image file. Individual image file names must be labeled only with the REMC awarded item number, as follows: 14xxxx.jpg.

✓ **MARKETING PLAN LAUNCH:** UPLOAD marketing pieces for review and approval prior to release. Approval is required when referencing the Contract or utilizing REMC SAVE logo. You will receive an email notification when the piece has been reviewed.

UPLOADS are made to the Vendor Center: <http://vendorcenter.remc bids.org>

VISIT the REMC Vendor Toolkit: <http://remcvendor.wikispaces.com>

E-MAIL questions to remcbids@remc.org.

Handwritten signature of Nancy Corner in black ink.

Nancy Corner
PROJECT DIRECTOR

Handwritten signature of Erik Drake in black ink.

Erik Drake
PROJECT COORDINATOR

Attachment C

1.202- "Vendor shall consider orders from Eligible Entities in Michigan to be REMC SAVE orders only if such Purchase Orders (POs) expressly references the REMC SAVE contract number. Given that Eligible Entities have multiple procurement vehicle options to purchase Cisco products and services, any PO received by Cisco or any of its Authorized Resellers (as defined in Cisco's response to Section 1.6 below) that does not contain any reference to any contract number (i.e. it is silent), shall not be assumed or deemed as placed under the REMC SAVE contract. It is the sole responsibility of the Eligible Entities to expressly notify the Authorized Resellers during the quoting process that the Eligible Entities are interested in receiving quotes for Cisco products and services under the pricing and terms and conditions of the REMC SAVE contract. If such Eligible Entities proceed with issuing POs based on the quotes received, then the Eligible Entities shall expressly note the REMC SAVE contract number on the issued POs. Only POs that expressly reference the REMC SAVE contract number shall be reported in accordance with the agreed upon reporting requirements and the appropriate administrative fees shall be paid accordingly."

1.202 Product Acceptance - "Customer has thirty (30) days after Product delivery to inspect the Product for external damage and for any concealed damage ("Acceptance Period"). If external or concealed damage is revealed during the Acceptance Period, then Customer shall notify Contractor. At Contractor's option, Contractor shall 1) repair such damage, 2) ship a replacement, or 3) refund the purchase price (upon return of the Product). After such Acceptance Period the Products shall be deemed accepted. After Product Acceptance, Cisco will address product defects pursuant to our standard warranty terms available at <http://www.cisco.com/c/en/us/td/docs/general/warranty/English/SL3D EN .html> "

1.202 Multi-Point Orders – Multi-point orders are placed with multiple ship-to locations. Failure to honor multi-point may result in cancellation of current contract and dropping the Vendor from future Bids. Cisco Response: Because Cisco is using Authorized Resellers as subcontractors, Cisco is unable to obligate its Authorized Resellers to fulfill this requirement, given the varying capabilities of each Authorized Reseller.

1.205 - Cisco is a just-in-time manufacturer. Our lead times change weekly. The current lead times for the products offered in this response range from 3 days to 40 days. Please note that the following circumstances may affect lead times: (i) new products purchased within the first three (3) months of release of the product which are subject to Cisco's then current published leadtimes, (ii) third-party stand-alone products which are not a component of equipment resold by Cisco, (iii) end-of-life products where the termination of the product has been announced by Cisco, (iv) products which have been line-stopped due to software discrepancies, reconfiguration, industry-wide product shortages, or alleged infringement claims, or (vi) situations where government-rated orders create delays in lead-times.

1.206 (ITB)- Cisco agrees to provide reports 45 days after the end of the calendar quarter as follows:

Quarterly reports must coincide with the quarters in the fiscal year as outlined below:

Quarter #1: July 1 through September, due annually by November 14

Quarter #2: October 1 through December 31, due annually by February 14

Quarter #3: January 1 through March 31, due annually by May 15

Quarter #4: April 1 through June 30, due annually by August 14

Cisco also takes exception to adding the official school district code for the bill-to agency and official school building code for the ship-to agency in the sales reports.

1.207- All sales are final. Except as provided in Cisco's Limited Warranty - <http://www.cisco.com/c/en/us/td/docs/general/warranty/English/SL3DEN.html>, Cisco only permits the return of un-opened products due to Cisco's shipping or order processing error, or damage in transit. No other returns are authorized under this Agreement. Warranty returns will not be subject to any restocking charges.

1.301 - Price Stability Guarantee -Cisco agrees to provide a minimum discount off of our standard commercial price list. Consistent with Section 2.209 of the RFP, Cisco is not offering fixed pricing because our commercial price list changes frequently.

Pricing Structure- Cisco offers educational discount pricing only to Eligible Entities that are educational institutions. Cisco offers our standard discount pricing to non-education Eligible Entities (e.g., local governments). This is our standard pricing practice, and due to other contractual obligations, we cannot deviate from this model.

Price Reduction Guarantee- Cisco will work with REMC to provide periodic price list updates to reflect new products, remove end-of-life products, and adjust list pricing based on adjustments to our global price list. Any price decreases will be communicated to REMC via our standard price list update process.

Free on Board (FOB) Delivered/Destination -Cisco agrees to FOB Destination. Cisco is not offering FOB Destination (Inside Delivery).

1.302 - Please note that Cisco is providing discount off list pricing for Educational Eligible Entities and a separate discount for non-educational Eligible Entities. Cisco is not offering high-volume pricing at this time, although Cisco resellers may offer additional incremental discounts to Eligible Entities in particular transactions.

1.305 - Please note that Cisco is not offering high-volume pricing at this time, although Cisco resellers may offer additional incremental discounts to Eligible Entities in particular transactions.

1.6a - Please note that initially upon award, at its own discretion, Cisco will onboard Authorized Resellers that focus on K-12 customers only. We will re-evaluate opening the contract to all other Eligible Entities at a later date.

2.003 Glossary Terms and Definitions-

Catalog Discount- Please note that Cisco is providing discount off list pricing for Educational Eligible Entities and a separate discount for non-educational Eligible Entities.

Contract Term - Pursuant to the Q&A, Cisco understands the Contract Term to be from the July 1, 2014 to June 30, 2019, unless terminated earlier. Warranty obligations will not extend the term of the contract, but will survive the term of the contract.

List Price - Please note that Cisco is providing discount off list pricing for Educational Eligible Entities and a separate discount for non-educational Eligible Entities.

2.201A Cisco can agree to two codes only: 1 for product and 1 for service. This is consistent with what we provide to WSCA. These would be reflected on the REMC Save Cisco GPL updates and then in the quarterly report. Cisco and its Authorized Resellers will not be required to reference these codes in quotes, POs, or invoices to end customers.

2.201 B - Please note that software version updates and revised software documentation that are available for products already installed by a customer, and part of standard software maintenance and support will be offered to customers as such updates and documentation become available. Customer usage of the products would be significantly disrupted if such updates and revisions were required to be submitted via the Vendor Center for approval.

2.201 C - Cisco is a global company with standard processes in place, and needs time to communicate changes to numerous customers and our resellers. Cisco agrees to provide changes for reporting to the Vendor Center, or any changes to the toll-free contact number for customer service within 10 business days. Cisco will provide notice of changes for invoicing within 30 days, as Cisco's resellers will be issuing invoices.

2.204- Cisco takes exception to this section and requests that Cisco's standard End User License Agreement (EULA) (<http://www.cisco.com/c/en/us/td/docs/general/warrantv/English/EU1KEN.html>), Software Transfer and Relicensing Policy (<http://www.cisco.com/c/en/us/products/cisco/software-transfer-relicensing-policy.html>) and Standard Commercial Warranty terms (<http://www.cisco.com/c/en/us/td/docs/general/warranty/English/SL3DEN.html>), as set forth in the listed websites, will be incorporated into the contract. As Cisco acquires or develops new products and software, special terms and conditions and third party license terms, if applicable, are described in our links to our EULA, warranty, and related policies.

2.207 - Notification of Ownership - Cisco takes exception to the notice requirements because Cisco actively acquires companies in the ordinary course of business. Cisco agrees to notify REMC SAVE in writing only if a change in the valuation of its capitalized assets will have a material impact on Cisco's ability to perform the contract.

2.301 - Cisco takes exception to the representations and warranties. As a publicly traded company, non-standard representations and warranties impact Cisco's ability to recognize revenue. Cisco agrees that all Services provided hereunder shall be performed in a workmanlike manner. Customer shall notify Cisco promptly of any claimed breach of this Services warranty. Customer's sole and exclusive remedy for any breach of warranty shall be, at Cisco's option, re-performance of the Services or termination of the applicable Equipment List or SOW, and return of the portion of the fees paid to Cisco by Customer for such non-conforming Services. Cisco products will operate in accordance with the Standard manufacturer warranty

(<http://www.cisco.com/c/en/us/td/docs/general/warranty/English/SL3DEN.html>). Cisco does not warrant that the Products will operate in compliance with the Contract's requirements, or any other standards of performance or Specifications contained therein.

2.302- Cisco takes exception to the representation and warranty. As a publicly traded company, non-standard representations and warranties impact Cisco's ability to recognize revenue. Cisco affirms that based on our understanding of the Specifications, the Cisco products proposed herein meet or exceed the Specifications contained in the ITB. Cisco agrees that Products delivered to a Customer shall be the same Products bid and awarded unless the change or modification has been made and approved per Section 2.201 B of the ITB.

2.303- Cisco agrees to this section only if REMC SAVE agrees to Cisco's proposed definition of Product Acceptance above.

2.304- Cisco agrees to this section only if REMC SAVE agrees to Cisco's proposed definition of Product Acceptance above, and Cisco will not be obligated to correct the defects.

Customer's sole remedy shall be to return the Products to Cisco for a refund during the Acceptance Period.

2.304 A. Cisco takes exception. Cisco only offers the standard manufacturer's warranty for the Products. Additional support may

be purchased through Cisco SMARTNet maintenance services. After Product Acceptance, Cisco will address product defects pursuant to our standard warranty terms available at: <http://www.cisco.com/c/en/us/td/docs/general/warranty/English/SL3DEN.html>

2.034 B. Cisco takes exception to this paragraph. As a publicly traded company, non-standard representations and warranties impact Cisco's ability to recognize revenue. Cisco expressly disclaims all express or implied warranties of merchantability.

2.034 C. Cisco takes exception to this paragraph, As a publicly traded company, non-standard representations and warranties impact Cisco's ability to recognize revenue. Cisco expressly disclaims any express or implied warranty of fitness for a particular purpose.

2.034 D. Cisco takes exception to this paragraph, and expressly disclaims any warranty of title. As a publicly traded company, non-standard representations and warranties impact Cisco's ability to recognize revenue. Technology companies face intellectual property infringement allegations in the ordinary course of business. Any impact to the Customer will be addressed by Cisco's intellectual property infringement indemnity described herein.

2.307- It is customary to provide a cure period. Cisco requests a 30 day period to cure a breach.

2.308 C. As is customary with force majeure clauses, Cisco requests modification as follows: Vendor shall not be considered to be in default if performance is delayed or made impossible by events outside the defaulting party's reasonable control, including without limitation acts of God, earthquake, labor disputes, industry-wide shortages of supplies, actions of governmental entities, riots, war, terrorism, floods, fire, epidemics, or delays of common carriers or other circumstances beyond its reasonable control.

2.309- Termination for Convenience- Cisco requests a clarification that any termination for convenience under this provision shall not affect the rights and obligations of either party attending orders outstanding at the time of termination for convenience.

2.309- Termination for Non-Appropriation - Cisco requests a clarification that any termination for non-appropriation under this provision shall not affect the rights and obligations of either party attending orders outstanding at the time of termination for non-appropriation.

2.311 -Cisco takes exception to Termination Assistance because it is too open-ended and Cisco cannot estimate the cost or the impact on Cisco's ability to recognize revenue. Cisco can provide termination assistance based on negotiated price depending on the scope of work.

2.312 - Cisco is a large company with multiple subsidiaries, and occasionally uses finance partners where appropriate. Cisco requests clarification to this section that "such consent not to be unreasonably withheld or delayed, provided that any such assignment shall not relieve the assigning entity of any obligation to pay monies that were owed prior to the date of the assignment. Notwithstanding the foregoing, (i) either party may, without the other party's consent, assign or delegate its rights or obligations under this Agreement to its parent or majority-owned subsidiary company of sufficient net worth to meet any potential liability under this Agreement, and (ii) Cisco may, without Customer's consent, assign the right to receive any amount due."

3.001 -Cisco does not make warranties of third-party rights. Cisco takes exception to the second sentence and proposes the following: "The Bidder consents to such copying by submitting Bids and to Bidder's knowledge, such copying will not violate the rights of any third party."

3.104- Cisco offers educational discount pricing only to Eligible Entities that are educational institutions. Cisco offers our standard discount pricing to non-education Eligible Entities (e.g., local governments). This is our standard pricing practice, and due to other contractual obligations, we cannot deviate from this model.

3.106- Because Cisco is a global company with over 900,000+ established SKUs in our global pricebook, Cisco takes exception to this requirement. It would not be commercially reasonable for Cisco and its Authorized Resellers to do a conversion of Cisco's standard Product IDs {i.e., SKUs) to REMC Item Numbers, that would be required during the quoting, ordering, and invoicing processes as well as pricelist updates and sales reporting. Therefore, Cisco will use its standard Product ID {i.e., SKUs) numbers, which is also consistent with how Cisco products and services are offered under all our other direct contracts.

3.107- Cisco would like to clarify that it is not requesting piggybacking of the REMC contract with the WSCA contract or any other procurement vehicle in the marketplace. Cisco and its Authorized Resellers need to keep the REMC SAVE transactions (in accordance with Cisco's response to Section 1.202 above) completely separate from any other procurement vehicle purchases in the marketplace, including WSCA, so that there is no potential confusion or issue with respect to the sales reporting and administrative fees requirements as set forth hereunder.

3.108- A detailed description of this process can be found in Section 1.6 of the narrative response.

3.402- Cisco offers a Try and Buy Program and Demo Loan Program to allow customers to evaluate products prior to purchase. Cisco offers a 60- 90 day loan of equipment or solutions to Customers/Partners who return that equipment at the end of the loan period. Customers/Partners should contact their Cisco account manager for more information.