Cisco Systems, Inc. Response to Request for Proposal 3491557JC

Cooperative Term Contract For Cisco Products, Maintenance, and Services

March 30, 2010, 2:00 PM

The information contained in this document and marked "Proprietary" is proprietary and confidential to Cisco Systems, Inc. (Cisco). Such proprietary information is furnished in confidence to the party requesting this information with the understanding that it will not, without the express written permission of Cisco, be used or disclosed for other than evaluation purposes.

VCU buys green
Virginia Commonwealth University

CISCO

VIRGINIA ASSOCIATION OF STATE COLLEGE & UNIVERSITY PURCHASING PROFESSIONALS
VASCUPP
College of William and Mary
George Mason University
James Madison University
Old Dominion University
Radford University
The University of Virginia
Virginia Commonwealth University
Virginia Military Institute
Virginia Tech

Cisco Systems, Inc. Response to Request for Proposal 3491557JC

Cooperative Term Contract For Cisco Products, Maintenance, and Services

College of William and Mary
George Mason University
James Madison University
Old Dominion University
Radford University
The University of Virginia
Virginia Commonwealth University
Virginia Military Institute
Virginia Tech

March 30, 2010

Cisco Systems, Inc.
SLED Central-East Area, Atlantic Operation
1051 East Cary Street, 5th Floor Three James Center
Richmond, VA 23219

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Legal Disclaimer

Cisco Systems, Inc. ("Cisco") is extremely pleased to present this proposal for your evaluation and consideration. Cisco recognizes that public sector customers have particular procurement rules and processes that they must follow, including the review and consideration of proposals, and we will gladly work with you to ensure that we appropriately address and follow your procurement rules and processes. Please note that some of the information contained in this proposal is proprietary and confidential to Cisco, is identified as such, and is furnished in confidence to you with the understanding that it will not, without the express written permission of Cisco, be used or disclosed for other than proposal evaluation purposes.

Please note that this proposal includes information of a type that Cisco considers to be a trade secret and not subject to disclosure under any public records act. Where such information is identified per the solicitation requirements, Cisco retains all rights and remedies available under the public records act and requests that you provide us with written notice and an opportunity to respond in the event that a third party seeks disclosure of all or part of this response pursuant to such statutes.

Cisco retains full ownership of its copyright and intellectual property rights on any and all material submitted in this response or in any resultant contract.

Thank you for considering Cisco for this exciting opportunity. We look forward to further assisting you with your technology requirements.

Trademarks

Every effort has been made to identify trademark information in the accompanying text. However, this information may unintentionally have been omitted in referencing particular products. Product names that are not so noted may also be trademarks of their respective manufacturers.

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REQUEST FOR PROPOSALS RFP# 3491557JC

Issue Date: February 26, 2010

Title: Cooperative Term Contract For Cisco Products, Maintenance and Services

Issuing and Using Agency: Virginia Commonwealth University
Attention: Jackie Colbert, C.P.M.
10 S 6th St., 2nd Floor
POB 980616
Richmond, Virginia 23298-0616

Proposals For Furnishing The Services Described Herein Will Be Received Until: 11:00 AM local time on March 26, 2010.

All Inquiries For Information Should Be Directed To: ISSUING AGENCY, address listed above at Phone: (804) 828-0163, Fax: (804) 828-7837, email: jcolbert@vcu.edu, VOICE TDD: (800) 828-1120

This solicitation & any addenda are posted on our website at: http://www.vcu.edu/procurement

HARD-COPY, ORIGINAL PROPOSALS MUST BE RECEIVED IN VIRGINIA COMMONWEALTH UNIVERSITY'S DEPARTMENT OF PROCUREMENT AND PAYMENT ON OR BEFORE THE DATE AND TIME DESIGNATED ON THIS SOLICITATION. ELECTRONIC SUBMISSIONS AND FACSIMILE SUBMISSIONS WILL NOT BE ACCEPTED IN LIEU OF THE HARD-COPY, ORIGINAL PROPOSAL. VENDORS ARE RESPONSIBLE FOR THE DELIVERY OF THEIR PROPOSAL. PROPOSALS RECEIVED AFTER THE OFFICIAL DATE AND TIME WILL BE REJECTED. THE OFFICIAL DATE AND TIME USED IN RECEIPT OF RESPONSES IS THAT TIME ON THE CLOCK OR AUTOMATIC TIME STAMP IN THE DEPARTMENT OF PROCUREMENT AND PAYMENT.

IF PROPOSALS ARE MAILED, SEND DIRECTLY TO VIRGINIA COMMONWEALTH UNIVERSITY, PROPOSAL PROCESS DEPARTMENT, POB 980616, RICHMOND, VA 23298-0616. IF PROPOSALS ARE HAND DELIVERED OR SENT BY COURIER, DELIVER TO: VIRGINIA COMMONWEALTH UNIVERSITY, DEPARTMENT OF PROCUREMENT AND PAYMENT, 10 S 6TH ST., 2nd FLOOR, RICHMOND, VA 23219. THE RFP NUMBER, DATE AND TIME OF PROPOSAL SUBMISSION DEADLINE, AS REFLECTED ABOVE, MUST CLEARLY APPEAR ON THE FACE OF THE RETURNED PROPOSAL PACKAGE.

In Compliance With This Request for Proposals And To All Conditions Imposed Therein and Hereby Incorporated By Reference, The Undersigned Offers And Agrees To Furnish The Goods/Services Described Herein In Accordance With The Attached Signed Proposal Or As Mutually Agreed Upon By Subsequent Negotiation. Furthermore, The Undersigned Agrees Not To Start Any Work Relative To This Particular Solicitation Until A Resulting Formal Signed Purchase Order Is Received By The Contractor From University Purchasing. Any Work Relative To This Solicitation Performed By The Contractor Prior To Receiving A Formal Signed Purchase Order Shall Be At The Contractor's Own Risk And Shall Not Be Subject To Reimbursement By The University.

NAME AND ADDRESS OF FIRM:

Cisco Systems, Inc. Date: March 30, 2010

170 West Tasman Drive By *(Signature In Ink)*: _____

San Jose Zip Code 94513 Name Typed: Dana Giampetroni

E-Mail Address: deverlin@cisco.com Title: Director, Finance

Telephone: (408) 526-4000 Fax Number: (408) 526-4100
Toll free, if available **Toll free, if available**

DUNS NO.: **15-380-4570** FEI/FIN NO.: **77-0059951**

MINORITY-OWNED BUSINESS: ( ) YES (X) NO WOMEN-OWNED: ( ) YES (X) NO
REGISTERED WITH eVA: (X) YES ( ) NO SMALL BUSINESS: ( ) YES (X) NO
DMBE CERTIFIED: ( ) YES (X) NO DMBE CERTIFICATION#: N/A

THIS SOLICITATION CONTAINS 58 PAGES.

Virginia Commonwealth University

RFP - Addendum

DATE: March 18, 2010

ADDENDUM NO. 1 TO ALL OFFERORS:

Reference - Request for Proposals: RFP# 3491557JC

Commodity/Title:	Cooperative Term Contract For Cisco Products, Maintenance and Services
Issue Date:	February 26, 2010
Proposal Due:	March 26, 2010 at 11:00 AM
Revised Due Date:	March 30, 2010 at 2:00 PM

The above is hereby changed to read: **See Attached.**

NOTE: A signed acknowledgment of this addendum must be received by this office either prior to the proposal due date and hour or attached to your proposal. Signature of this addendum does not constitute your signature on the original proposal document. The original proposal document must also be signed.

Very truly yours,

Jackie Colbert

Jackie Colbert

Phone: (804) 828-0163

Cisco Systems, Inc.

Name of Firm

/Director, Finance

Signature/Title

March 30, 2010

Date

Reference Page 1 due date and time: Revise as follows:

Proposals For Furnishing The Services Described Herein Will Be Received Until: 2:00 PM local time on March 30, 2010.

POINT-BY-POINT RESPONSE

Requirement

I. PURPOSE:

The intent and purpose of this Request for Proposals (RFP) is to establish a term contract with a qualified firm for all of the products, maintenance and services on the most current version of the Cisco Systems, Inc. Global Price List and professional information technology (IT) services in conjunction with the Cisco Systems products. The contract is required by Virginia Commonwealth University (VCU) as the purchasing vehicle for the acquisition of compatible equipment to upgrade, enhance and extend the existing campuswide communication network infrastructure. Cisco Systems, Inc. manufactures all hardware and software currently supporting routing protocols at VCU.

The initial contract term is for one year with the option to renew for four (4) additional one year terms.

It is the intent of this solicitation and resulting contract(s) to allow for cooperative procurement. Accordingly, any public body, public or private health or educational institution or lead-issuing institution's affiliated foundations may access any resulting contract(s) if authorized by the contractor.

Participation in this cooperative procurement is strictly voluntary. If authorized by the Contractor(s), the resultant contract(s) may be extended to the entities indicated above to purchase at contract prices in accordance with contract terms. *The Contractor shall notify the lead-issuing institution in writing of any entities accessing the contract.* No modification of this contract or execution of a separate contract is required to participate. The Contractor shall provide semi-annual usage reports for all entities accessing the Contract. Participating entities shall place their own orders directly with the Contractor(s) and shall fully and independently administer their use of the contract(s) to include contractual disputes, invoicing and payments without direct administration from the lead-issuing *institution*. The lead-issuing *institution* shall not be held liable for any costs or damages incurred by any other participating entity as a result of any authorization by the Contractor to extend the contract. It is understood and agreed that the *lead-issuing institution* is not responsible for the acts or omissions of any entity, and will not be considered in default of the Agreement no matter the circumstances.

Use of this contract(s) does not preclude any participating entity from using other contracts or competitive processes.

Cisco Response:

Read and acknowledged.

Cisco will provide semi-annual usage reports for all entities accessing the contract. Cisco will collect data from our systems and contract partners to assemble and deliver on a semi-annual basis.

The reports will include the following data:

- Purchasing Entity name
- Purchase Order Number
- Products and Services purchased
- Quantity
- Discount to the Purchaser = Net price
- Partner Name
- Reporting Period.

Requirement

II. OPTIONAL USE CONTRACT:

The resulting contract(s) will be an optional use contract. VCU is in no way required to make purchases from the Contractor and may in its sole discretion purchase the identical and/or similar goods/services from other sources. Any estimates/quantities contained herein do not represent a purchase commitment by VCU.

Cisco Response:

Read and understood.

Requirement

III. THE UNIVERSITY:

Virginia Commonwealth University is ranked nationally by the Carnegie Foundation as a top research institution in the United States. With more than 29,000 students, VCU is the largest public urban doctoral-granting university in Virginia. The university offers 181 certificate, undergraduate, graduate, professional and doctoral programs in 15 schools and one college. It is also home to one of the nation's leading academic medical centers.

VCU ranks among the top 100 universities in the country in sponsored research, with more than $200 million in sponsored programs during fiscal year 2005. Twenty of the university's graduate and professional programs are ranked among the best in the nation in *U.S. News & World Report's* "America's Best Graduate Schools." These include the number one ranked sculpture and nurse anesthesia programs.

VCU has a full-time instructional faculty of 1,700 -- many of them nationally and internationally recognized for excellence in the humanities, arts, sciences, engineering, education, social work, business and all of the health care professions. Dr. John B. Fenn, research professor in the department of chemistry and affiliate professor of chemical engineering, was one of three international scientists to be awarded the 2002 Nobel Prize in chemistry.

VCU Life Sciences is developing as a university-wide discipline that builds upon the university's traditional scientific strengths in the biological sciences, basic biomedical sciences, patient care, biomedical engineering and biotechnology. VCU Life Sciences is comprehensive in its involvement of all levels of students in the study of life sciences, from freshmen to students in the professional programs to Ph.D. candidates, and integrates diverse disciplines from all over the university, including the academic medical center as well as arts and humanities.

The Virginia Commonwealth University Medical Center stands alone as the only academic medical center in Central Virginia. The medical center includes the 780-bed MCV Hospitals and outpatient clinics, MCV Physicians -- a 600-physician-faculty group practice, and the health sciences schools of Virginia Commonwealth University. The VCU Medical Center offers state-of-the art care in more than 200 specialty areas, many of national and international note, including organ transplantation, head and spinal cord trauma, burn healing and cancer treatment. The VCU Medical Center is the site for the region's only Level 1 Trauma Center. As a leader in healthcare research, the VCU Medical Center offers patients the opportunity to choose to participate in programs that advance evolving treatment, such as those sponsored by the National Cancer Institute through VCU's Massey Cancer Center, Virginia's first NCI-designated cancer center.

VCU's nationally recognized theatre, music and dance programs offer more than 365 concerts, performances and recitals a year. The VCU Anderson Gallery showcases regional art as well as work by international artists.

VCU is an urban leader, forging ties with business, industry and government in such innovative projects as the VCU School of Engineering and the Virginia Biotechnology Research Park. With the completion of the new Philip Morris Research and Technology Center, the Park will be two-thirds developed and encompass more than 1.2 million square feet of space in nine buildings that house more than 2,000 scientists, researchers, engineers and technicians in fields that include drug development, medical diagnostics, biomedical engineering, forensics and environmental analysis.

VCU is an economic engine in the greater Richmond area. The university and its medical center have combined budgets that exceed $1.5 billion. Together, VCU and the VCU Medical Center are the largest-single employer in the Richmond area with about 9,800 full-time and 5,500 part-time employees. Two-thirds of VCU's 110,000 alumni also live and work in Virginia.

VCU's 16 varsity sports compete at the NCAA Division I level as members of the Colonial Athletic Association. In recent years, VCU has participated in NCAA Tournaments in basketball, baseball, golf, men's soccer and men's and women's tennis.

It is the policy of the Commonwealth of Virginia to contribute to the establishment, preservation, and strengthening of small businesses and businesses owned by women and minorities and to encourage their participation in State procurement activities. The Commonwealth encourages Contractors to provide for the participation of small businesses and businesses owned by women and minorities through partnerships, joint ventures, subcontracts or other contractual opportunities. By submitting a proposal, Offerors certify that all information provided in response to the Request for Proposals is true and accurate. Failure to provide information required by this Request for Proposals will ultimately result in rejection of the Proposal.

Cisco Response:

Read and understood. Cisco hopes to continue our many years of support to VCU.

IV. STATEMENT OF NEEDS:

Requirement

A. The Contractor should furnish and deliver on an "as needed" basis the full line of products on the most current version of the Cisco Systems, Inc. Global Product and Price List. All equipment and products furnished under the contract shall be new, unused equipment. Orders for Cisco products will be placed directly with the Contractor by the individual VASCUPP institutions of higher education and other authorized users of the cooperative contract.

Cisco Response:

Cisco will provide contract buyers with access to the entire Cisco products portfolio on our Global Price List (GPL) as found on the Cisco Web site at:
http://www.cisco.com/en/US/ordering/index.shtml

This Web site may be accessed with a password available from Cisco, or the GPL may be requested from the Cisco partners on this contract.

Cisco will only provide new, un-used equipment and proposes the delivery (ordering, fulfillment, and invoicing) of these products to continue to be done through our partners directly with the individual buyers on the contract. Cisco will continue to keep VCU unburdened with any transaction-based administrative effort when the buyer is another institution.

Requirement

B. It is anticipated that the price offers for equipment and maintenance shall be expressed as a percentage discount off the Cisco Systems, Inc. Global Product and Price List. The discounted price shall include all associated costs for equipment including the freight terms F.O.B. Destination/Prepaid with inside delivery. Contract discounts shall be considered the minimum discounts for the duration of the contract terms including any renewals.

Cisco Response:

Cisco agrees and has presented our pricing as a minimum discount from our GPL (Global Product and Price List). The discount provided includes FOB destination and will include inside delivery when installation is also purchased.

Requirement

C. The Contractor may authorize Certified Cisco Partner Subcontractors to accept orders directly from individual VASCUPP institutions of higher education.

Cisco Response:

Cisco has an existing network of certified partner subcontractors used to fulfill requirements, including accepting orders directly. We propose a similar method for this new contract. As a new contract, we will re-solicit both the existing partners and interested new partners for inclusion in the subcontractor network. That network will accept orders directly on Cisco's behalf, and fulfill orders and invoice as well. They will report their sales to Cisco who will consolidate such information in the semi-annual usage report.

Requirement

D. This contract is a requirements contract.

Cisco Response:

Cisco understands this is a requirements contract.

Requirement

E. Last year VASCUPP spent a combined amount of approximately 4.5 million dollars for Cisco products. This annual volume is provided for informational purposes only as a guideline for preparing the RFP offer. It is not a guarantee of the total amount for the term contract. Actual quantities may be more or less than the estimated volume.

Cisco Response:

Acknowledged.

Requirement

F. For the purpose of this solicitation and the resulting contract, proposals will only be accepted for Cisco products either directly from the manufacturer or from a Certified Cisco Partner. If requested by VCU, the Offeror must provide proof of the Cisco certification prior to award.

Cisco Response:

Cisco is proposing only Cisco products and related services for this contract.

Requirement

G. Proposals will only be accepted for Cisco System, Inc. products. No substitute in the requested products is acceptable.

Cisco Response:

Cisco is proposing only Cisco products and related services for this contract.

Requirement

H. The Contractor should have a presence within the Commonwealth of Virginia with one or more local offices located in key commerce centers within the state.

Cisco Response:

Cisco has a number of offices throughout the State, including a large campus in Herndon, VA and offices in Richmond, Reston, and Salem. We also have "mobile" Cisco employees located throughout the State. Our partner network also has extensive resources throughout the State.

Requirement

I. The Contractor must have the authority to grant the users of the contract any necessary software licenses required to use the Cisco products purchased from the contract in accordance with the Cisco Software License Terms in Attachment A.

Cisco Response:

Cisco has such authority.

Requirement

J. The Contractor shall provide either directly or through the manufacturer SMARTNet Next-Business Day (NBD) maintenance services as specified in the Cisco Systems SMARTnet Exhibit included with the solicitation as Attachment B and all other types of maintenance services on the Cisco Systems, Inc. Global Product and Price List.

Cisco Response:

Cisco proposes SMARTnet Next-Business Day (NBD) maintenance services and all other SMARTnet and other related services as found in our Pricing offer and detailed in our Global Product and Price List.

Requirement

K. During the contract term(s), the Contractor shall provide the specified Cisco products and services on Cisco Systems, Inc. Global Product and Price List at the contract discounts. The discounted price shall be to furnish and deliver all products and maintenance. Pricing shall include all applicable charges, incidentals, peripherals and freight terms F.O.B. Destination/Prepaid with inside delivery; extra charges shall not be allowed.

Cisco Response:

Cisco agrees and has presented our pricing as a minimum discount from our Global Product and Price List for the contract term.

Requirement

L. As specified in Attachment C, the Cisco Standard Commercial Limited Warranty, repair parts may be either new or warranted as new parts for covered warranty repairs. The Purchasing Agency has the option to request at the time of return *only* new replacement parts for covered warranty repairs. For SMARTnet maintenance repairs, repair parts may be either new or warranted as new parts. The Purchasing Agency has the option to request that *only* new replacement parts be used maintenance repairs.

Cisco Response:

Purchasing agencies have the right to request a new hardware warranty replacement by using the following process:

- Initiate an online "TAC Service Request" in accordance with Cisco's online Web case creation RMA tool at:

  https://tools.cisco.com/ServiceRequestTool/create/authc/forms/CDClogin.fcc
- Call Cisco TAC or include a note in the "TAC Service Request" online indicating that the District is placing a "Product RMA" for new equipment
- Include the following language: "Service Level: Mfg New - 3rd Bus Day NON BILLABLE."

The Purchasing Agency acknowledges that any new, in-kind warranty replacement is subject to Cisco's then applicable standard manufacturing delivery lead times.

Similar requests may be made for maintenance repairs using the same method as above, and Cisco will endeavor to fulfill such requests where possible. However, Cisco cannot always guarantee the availability of new replacements under SMARTnet coverage. For example, a product may be in its 4th year of SMARTnet coverage but is no longer manufactured new. Cisco will continue to honor the SMARTnet coverage, but a new product may not exist to be delivered as a whole unit replacement – only new components, or refurbished whole units. In such cases, Cisco will replace components or whole units as needed to continue operations as provided under SMARTnet coverage.

Requirement

M. The Contractor should provide professional IT services that are not on the Cisco Systems, Inc. Global Product and Price List for deployment including but not limited to software configuration and site testing for Cisco products. Any pre-sale engineering services should be provided at no cost. The Contractor should have technicians on staff or as Subcontractors that are certified by Cisco to provide the professional IT services. The professional IT services should be provided on an "as needed" basis per University requirements at the contract rates. The Contractor should provide professional IT services rates both with and without travel and living expenses. Any travel and living expenses not included in services rates shall be reimbursed based on the Virginia Commonwealth University Travel Policy. See the VCU Travel Policy available at http://www.vcu.edu/procurement/faapr09.doc for additional information.

Cisco Response:

Cisco proposes professional IT services.

Basic pre-sales engineering, to include configuration advice and general consultation, will be provided at no cost.

Post-sale services as described in the Pricing Schedule will be delivered by Cisco partners and by the extensive staff listed in response to question 4.b in this proposal.

Rates are provided in the Pricing Schedule.

Requirement

N. The Contractor or any Subcontractors should provide a quote to the ordering institution that provides all of the following information: product number, product or services description, list price, contract discount, contract price, delivery lead time after receipt of order and contract number.

Cisco Response:

Cisco and Cisco partners will provide, upon request, quotes as described in this requirement. Discounts will be at or more than the contractual requirement.

Requirement

V. REPORTING AND DELIVERY REQUIREMENTS:

REPORT ON THE PARTICIPATION OF SMALL BUSINESSES AND BUSINESSES OWNED BY WOMEN AND MINORITIES

Unless the contractor is a DMBE certified small business, the contractor shall submit quarterly reports on the involvement of Department of Minority Business Enterprises (DMBE) certified SWAM Businesses. The report shall specify the actual dollars spent to date with Small Businesses, Women-Owned Businesses, and Minority-Owned Businesses based upon the Contractor's commitment for utilization of DMBE SWAM Businesses.

The Contractor shall provide this information to:

Virginia Commonwealth University

Department of Procurement and Payment

Attn: Ms. Sarah O'Neill

10 S 6th St, POB 980616

Richmond, VA 23298-0616

Failure to submit the required information will be considered a contract compliance issue and will be addressed accordingly. In addition, failure to submit the required information will result in invoices being returned without payment.

Cisco Response:

Cisco agrees to submit the required quarterly reports as specified.

VI. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS:

A. GENERAL REQUIREMENTS:

Requirement

1. RFP Response: In order to be considered for selection, the **Offeror shall submit a complete response to this RFP. One (1) original and three (3) copies** of the proposal must be submitted to the issuing Purchasing Agency. **In addition, the Offeror shall submit <u>with the ORIGINAL hard copy of the proposal</u>, an unsecured electronic copy of the proposal on a disc (i.e. CD or DVD) EXCLUDING ANY PROPRIETARY INFORMATION: proposals submitted by the Offeror(s) awarded a contract through this solicitation will be posted on the VCU Department of Procurement and Payment website. VCU shall not be responsible for the Contractor's failure to exclude proprietary information submitted in the unsecured electronic format.** No other distribution of the proposal shall be made by the Offeror.

Cisco Response:

Read and understood. Cisco has marked the following areas as proprietary:

1. The entire response to question 4.a regarding references
2. The entire response to question 4.b regarding personnel
3. The entire response to question 6 regarding specific sales volumes to VASCUPP Institutions.

Numbers 1 and 2 are proprietary, as the public release of such information would violate confidentiality agreements we have with our customers, partners, and employees.

Number 3 is considered proprietary as our terms with the Securities and Exchange Commission (SEC), as a publicly held company, prohibit the public release of sales numbers unless done so to the entire investor audience, as through an annual report or other SEC filing. The information provided here is not a part of any SEC filing.

Requirement

2. The version of the solicitation issued by the Virginia Commonwealth University Purchasing Department as amended by any addenda is the mandatory controlling version of the document. Any modification of or additions to the solicitation by the Offeror shall not modify the official version of the solicitation issued by the Virginia Commonwealth University Purchasing Department unless accepted in writing by the University. Such modifications or additions to the solicitation by the Offeror may be cause for rejection of the proposal; however, Virginia Commonwealth University reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal. If the modifications or additions are not identified until after the award of the contract, the controlling version of the solicitation document shall still be the official state form issued by the Purchasing Department.

Cisco Response:

Read and acknowledged.

Requirement

3. Proposal Presentation:

   a) Proposals shall be signed by an authorized representative of the Offeror. The original proposal must be clearly marked on the outside of the proposal. All information requested must be submitted. Failure to submit all information requested may result in the Purchasing Agency requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by the Purchasing Agency. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.

   All information requested by this Request for Proposals on the ownership, utilization and planned involvement of small businesses, women-owned businesses and minority-owned businesses must be submitted. If an Offeror fails to submit all information requested, the Purchasing Agency may require prompt submission of missing information after the receipt of Contractors proposals.

Cisco Response:

Read and acknowledged.

Requirement:

   b) Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

Cisco Response:

Read and acknowledged.

Requirement:

   c) Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, subletter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and subletter should be repeated at the top of the next page. The proposal should contain a table of contents, which cross-references the RFP requirements. Information which the offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find the RFP requirements are specifically addressed.

Cisco Response:

Read and acknowledged. We have kept the proposal in the same format as the solicitation, with the same numbering scheme.

Requirement

d) Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.

Ownership of all data, materials and documentation originated and prepared for the State pursuant to the RFP shall belong exclusively to the State and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of Section 2.2-4342 F. of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. **The outside of the proposal must be marked to denote proprietary information is contained in the documents. The written notice must: 1) be submitted as an attachment to the Offeror's proposal; 2) specifically identify the applicable portions of the Offeror's proposal that contains data or materials to be protected (e.g. Tab 4, pages 1 through 3); and 3) state the reasons why protection is necessary. In addition, the specific (i.e. specific words, figures or paragraphs) proprietary or trade secret material submitted, must be identified on the applicable page(s) within the Offeror's proposal, by some distinct method, such as highlighting, underlining, etc. <u>The classification of an entire proposal document, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection and return of the proposal</u>.**

Cisco Response:

Read and acknowledged. Cisco has identified the proprietary sections in the answer to requirement IV.A.1 above, given reasons for each, and has marked the beginning of each named section as proprietary.

Requirement

4. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation of their proposal to the State Agency. This provides an opportunity for the Offeror to clarify or elaborate on the proposal. This is a fact finding and explanation session only and does not include negotiation. The Issuing State Agency will schedule the time and location of these presentations. Oral presentations are an option of the Purchasing Agency and may or may not be conducted.

Cisco Response:

Read and understood.

Requirement

B. SPECIFIC PROPOSAL REQUIREMENTS:

Proposals should be as thorough and detailed as possible so that VCU may properly evaluate your capabilities to provide the required goods/services. Offerors are required to submit the following items as a complete proposal:

1. The return of the entire RFP cover sheet and all addenda acknowledgments, if any, signed and filled out as required.

Cisco Response:

Read and understood.

Requirement

2. Proposed Price. Indicate in the Pricing Schedule, Section XI of the RFP.

Cisco Response:

Read and understood.

Requirement

3. Provide the proposed plans and approach for providing the products and services as specified in the RFP. Specifically indicate what is included in the offer to provide Cisco products by responding to all Items in Section IV, Statement of Needs, Items A through N. In addition, provide information for the Items listed below, but do not necessarily limit information to these Items:

   a. Utilization of the words "shall" or "must" in Section IV, Statement of Needs, Items A through N indicates a mandatory requirement:

      Does / Shall your company comply with mandatory requirements as presented in Section IV, Statement of Needs, Items A through N?

      Yes __X___ No _____

      If "NO," identify the specific requirement and the reason for non-compliance.

   Utilization of the words "should" or "may" in Section IV, Statement of Needs, Items A through N indicates a non-mandatory requirement.

      Does / Shall your company comply the non-mandatory requirements as presented in Section IV, Statement of Needs, Items A through N (i.e. "should" becomes "shall")?

      Yes __X___ No _____

      If "NO," identify the specific requirement and the reason for non-compliance.

Cisco Response:

Cisco will comply with the mandatory and non-mandatory requirements as presented in Section IV Statement of Needs, Items A through N.

Requirement

   b. Describe the proposed plans for providing Cisco products.

Cisco Response:

Cisco plans to continue to fulfill VCU and VASCUPP needs as we have been doing so successfully for many years, with continuing enhancements to include services, leasing, future product additions, and expanded partner coverage. Our model has been to combine the knowledge of the Cisco Account Team with the extensive resources of our Virginia-based partner community, and our experience is that this has worked extremely well.

Cisco and Partners: Working Together

The Cisco direct account teams supporting VASCUPP institutions, K-12, and localities in Virginia work closely with technical decision makers, technology architects, technical buyers, and procurement customers throughout Virginia's public sector market. The efforts provided include technology architectural discussions, product roadmaps, design recommendations, and configurations to meet our customer's needs for procurement of Cisco technology equipment and services. The Cisco account teams also work very closely with the Cisco partner network of subcontractors for account planning, supporting technology review, and recommendation efforts. Together, the Cisco account team and the partners engage with VASCUPP entities to ensure customer success in technology projects involving Cisco solutions.

Teamwork for VCU and other VASCUPP Buyers

Partners and Cisco work with procurement personnel to promote the VCU contract and answer any questions, as well as provide pricing quotations for projects to include product, services, and Cisco SMARTnet maintenance. Partners and Cisco account teams also work together to aid order fulfillment, tracking of shipments, and solving any equipment issues that may arise. Partners and Cisco teams provide management of SMARTnet maintenance contracts and monitor support activities for all SMARTnet maintained equipment as well as licensing of software. Together, we work to provide for emergency customer needs and to ensure overall customer satisfaction with every effort.

The Value of the Partner Network

Since our early days as a company, Cisco has relied upon the local knowledge and expertise of our partner companies. This is especially true on this contract, where the needs are diverse among VCU, VASCUPP institutions, other educational systems, and even local governments. From large to small and complex to straightforward, these needs can't all be adequately addressed by one company, including Cisco itself. Our partners are truly vital to the success of this contract, and as shown in question 4.b below, they provide extensive resources for this contract and the buyers who use it. This becomes more critical as Cisco continues to expand its product offerings outside of traditional core networking – new partners bring new expertise, benefitting all buyers on the contract. We thus believe that such a partner network, including the flexibility to adjust the partner list, is the largest single key to success on this contract. It is why we thus propose this plan.

Proven Success

Cisco has been actively performing on the current contract with solid success for many, many years. Under Cisco's leadership, the contract has become the procurement vehicle of choice for education systems and local buyers in Virginia, not just the VASCUPP institutions. Cisco has extensively grown the partner coverage, the contract usage, and the product selection available. Overall, Cisco considers this contract to be a flagship of success and a key part of our customers' future in the region. We hope to continue this success with this new contract.

Requirement

c. Confirm agreement with providing the Cisco products on an "as needed" or requirements basis.

Cisco Response:

Cisco has proposed a discount from List Price for the entire GPL and will provide those items at the contracted price on an "as needed" basis.

Requirement

d. What is the delivery lead time after receipt of an order (ARO) for the Cisco products. If the number of days varies by product or category, provide a list.

Cisco Response:

Cisco will use commercially reasonable efforts to schedule shipping dates as close to practicable to the requested delivery dates, based on Cisco's then-current lead times for the Cisco products. When expedited delivery is required, the purchase order must state "expedite," and Cisco will use all commercially reasonable efforts to ensure the earliest possible delivery.

Requirement

e. Provide an implementation schedule indicating how long after the award of the contract it shall take your company to begin accepting orders from authorized users of the contract and delivering Cisco products.

Cisco Response:

Approximately 1 week.

Prior to award, Cisco will prepare subcontracts for potential contract partners. The partners will also be vetted.

Upon award, Cisco will issue subcontracts electronically to all qualified partner companies. Upon the first partner's final acceptance of the subcontract, Cisco can begin accepting orders on the contract via that partner. We generally give partners 1 week to respond – and anticipate that most should be signed up by that point. The new subcontracts will be virtually identical to the old with the exception of new language reflecting the addition of partner services to the contract.

Although a partner or two may sign immediately and be ready to sell the day the subcontract is made available, our preference is that we don't "go live" until we have a majority of anticipated partners signed up. We expedite the process by making the subcontracts as "click-to-accept" online contracts not requiring time-consuming things like notarization.

Requirement

f. Describe the professional IT services offered. Provide information about any different competency levels. Explain how the determination is made about which competency level is assigned to a specific project.

Cisco Response:

Cisco will provide buyer access to partner-led services.

Cisco partners are screened for their minimum qualifications at both the corporate and individual level. Partner status and compensation are tied to customer satisfaction levels and are regularly audited.

Cisco further screens partners for this contract, to include number of engineers both pre-and post-sale in the Commonwealth of Virginia, so as to judge their ability to meet the requirements.

Those partners each must maintain a number of Cisco certified personnel to maintain their partner status.

Cisco certified personnel have a number of different career certifications:

Entry Level: "CCENT" certification stands for Cisco Certified Entry Networking Technician, and validates the ability to install, operate, and troubleshoot a small enterprise branch network, including basic network security.

Associate Level: "CCNA" and "CCDA" certifications stand for Cisco certified Network Associate and Design Associate. There are different CCNAs in areas such as security, storage, voice, and wireless. The certification validates the ability to install, configure, operate, and troubleshoot medium-size route and switched networks, including implementation and verification of connections to remote sites in a WAN.

Professional Level: "CCxP" certifications stand for a Cisco Certified (insert type) Professional. The types include voice, wireless, security design, and networking. Each validates a professional level within the type. For instance, a CCNP validates the ability to plan, implement, verify, and troubleshoot local and wide-area enterprise networks and work collaboratively with specialists on advanced security, voice, wireless, and video solutions.

Expert Level: Cisco's expert level career certification is the CCIE, or Cisco certified Internetwork Expert. A CCIE validates a person's expert network engineering skills and mastery of Cisco products and solutions.

Architect Level: Cisco Certified Architect is highest level of accreditation achievable within the Cisco Career Certification program. It is the pinnacle for individuals wishing to show their formal validation of Cisco technologies and infrastructure architecture.

A Cisco Certified Architect gathers the business requirements and objectives necessary to produce a blueprint for an integrated, large-scale, complex, global network. They can translate business parameters and objectives into functional requirements for a network design. In addition, Cisco Certified Architects can clearly communicate and advocate proposed Cisco network architectures.

To ensure the right personnel are applied to each effort, Cisco will advise buyers on how to write certification requirements such that they get the right personnel for each effort. The determination to the right resources is dependant primarily upon complexity, and the requirements will include minimum certification levels appropriate for the effort.

Cisco will then solicit feedback from buyers on how the partners met their needs and the personnel provided to do so. We will monitor overall partner performance on this contract as well as at the company level. Periodic performance reviews will include Purchasing Agency

feedback, VCU feedback, and other performance and support criteria for partners to maintain their ability to continue to provide products and services on the contract.

Requirement

g. How shall your company provide verification for the number of services hours provided?

Cisco Response:

Cisco will provide partners and purchasing agencies with standard acceptance sheets that are signed off at the end of each services engagement. The sheet will included a total of the hours of work provided and is to be a condition for payment. The sheet will be signed both by the Purchasing Agency and the partner company.

Part of the regular performance assessment for each partner company will be an assessment of such sheets — have they been collected for each engagement, and are the hours acceptably within the expectations and experience of the Purchasing Agency.

Requirement

h. Describe the process for problem resolution for Cisco products and maintenance or professional IT services. Would your company agree to replace a technician on a services project at the request of the ordering institution?

Cisco Response:

For Cisco product and maintenance:

- For non-mission-critical problems, including contract issues and ordering questions, please call Debbie Everling at 804 314 9158.
- For Cisco products and maintenance, and especially for mission-critical support, please call Cisco's Technical Assistance Center (TAC.) A support case may be opened either online on the Cisco.com Web site, or via phone.

Cisco Technical Support Web Site

The Cisco Technical Support Web site (http://www.cisco.com/en/US/support/index.html) provides online documents and tools for troubleshooting and resolving technical issues with Cisco products and technologies. The Cisco Technical Support Web site is available 24 hours per day, 365 days a year.

Creating a Service Request

The fastest way to create S3 and S4 service requests and submit them to TAC is to use the online TAC Service Request Tool: http://www.cisco.com/techsupport/servicerequest.

After the Purchasing Agency describes the situation, the TAC Service Request Tool recommends resources for an immediate solution. If the issue is not resolved via these automatic solutions, the service request will be assigned to a Cisco TAC engineer.

Please contact the Cisco TAC via telephone for S1 or S2 service requests, if a Purchasing Agency production network is down or severely degraded, or if Internet access is not available.

Cisco TAC engineers are assigned immediately to S1 and S2 service requests to help keep your business operations running smoothly.

To submit a service request via telephone, please call 1-800-553-2447.

For a complete listing of Cisco TAC contacts, visit:
http://www.cisco.com/warp/public/687/Directory/DirTAC.shtml

Service Request Severity Definitions

To ensure that all service requests are reported in a standard format, Cisco has established the following service request severity definitions.

- **Severity 1 (S1)** The Purchasing Agency network is "down" or there is a critical impact to your operations. The Purchasing Agency and Cisco will commit all necessary resources around the clock to resolve the situation.
- **Severity 2 (S2)** Operation of an existing network is severely degraded, or significant aspects of your operations are negatively affected by inadequate performance of Cisco products. The Purchasing Agency and Cisco will commit full-time resources during normal business hours to resolve the situation.
- **Severity 3 (S3)** Operational performance of your network is impaired while most business operations remain functional. The Purchasing Agency and Cisco are willing to commit resources during normal business hours to restore service to satisfactory levels.
- **Severity 4 (S4)** You require information or assistance with Cisco product capabilities, installation, or configuration. There is little or no effect on your business operations.

When a Purchasing Agency representative creates a service request with Cisco TAC, they will receive the following:

- Prompt, courteous service from a TAC engineer qualified to solve the problem
- Assistance by telephone or electronic mail for information related to product use, configuration, and troubleshooting
- Automated service request status updates at regular intervals.

The Purchasing Agency will receive a comprehensive solution to the problem. Furthermore, Cisco will not close your service request until you are satisfied that your network has been returned to the performance levels attained prior to the discovery of the problem. If at any time you are dissatisfied with the level of service, you may choose to escalate your service request.

The Commonwealth may check the status of your service request or provide updates using the TAC Service Request Tool. Each time a Commonwealth representative or the resident engineer updates the service request, an alert is sent to your Cisco TAC engineer. Changes are captured in the service request history.

If you feel that progress on your service request or the quality of Cisco's service is not satisfactory, Cisco encourages you to escalate the problem ownership to the appropriate level of Cisco management. You can do this by asking for the TAC duty manager. The TAC duty manager will take ownership of the problem and provide you with updates.

The Cisco TAC duty manager can be contacted using the telephone numbers at http://www.cisco.com/warp/public/687/Directory/DirTAC.shtml.

The Cisco Technical Support Web site is divided into four main sections (Product Support, Technology Support, Tools, and Downloads). These four sections are listed on the Cisco Technical Support Web site's homepage: http://www.cisco.com/en/US/support/index.html.

Each section's home page contains a full listing of product or technology topics, displayed alphabetically in the left navigation bar. Use the navigation bar to quickly access the section's complete collection of technical content as well as move between sections.

Problem Escalations

Expertly trained engineering teams are ready to respond to your specific hardware or Cisco IOS software problem via the Web, email, or telephone. With more than 1200 TAC support engineers on staff, the Cisco TAC provides a high level of knowledge in voice, video, and data communications networking technology. The Cisco TAC has a sophisticated call routing system that quickly routes you to the correct technology expert.

At anytime during the problem solving process, and at prescribed times, escalations will happen as shown in **Table 1**.

Table 1. Automatic Escalation Path

Elapsed Time	*Priority 1*	*Priority 2*	*Priority 3*	*Priority 4*
1 Hour	Cisco Escalation Manager			
4 Hours	Cisco TAC Director	Cisco TAC Manager		
24 Hours	VP of Technical Services	Cisco TAC Director		
48 Hours	President (CEO)	VP of Technical Services		
72 Hours			Cisco TAC Manager	
96 Hours		President (CEO)	Cisco TAC Director	Cisco TAC Manager
Getting it Right: This table shows how Cisco backs our customers through escalating resources, ensuring the challenge is met head on and in a timely manner.				

For partner services, the escalation will be to Debbie Everling. Debbie will in turn engage Diane Winchester, who represents a group of Cisco Channel Account Managers (CAMs) whose responsibility is to interface with the partners and ensure their success. Each partner will have different internal escalation and resolution processes – the individual CAMs will work with those partners to ensure any issues or questions are quickly resolved.

Personnel Replacement

Yes, we'll replace the person if the Purchasing Agency is displeased in any way. Cisco understands that there is more than just technical expertise that matters when a person is onsite.

There are health, security, and other risks that a contractor must be cognizant of, and simply the notion that for an effort's success, the people working on the effort must get along.

Should an onsite person not pan out, we request the Purchasing Agency call Debbie Everling, who will then call the partner company to halt work until the matter is resolved. Such cases will become a part of the partner review process and may be cause for that partner's removal from the contract.

Requirement

h. Indicate compliance with and ability to perform according to the contract term specified in Section I, Purpose, Page 3.

Cisco Response:

Cisco agrees with the term and expects to be able to fully perform for the duration of the contract term to include all option years.

We are confident in that ability as Cisco has a net equity as of January 23, 2010 of $41.5 billion dollars, we continue to grow and we continue to innovate, having just introduced the world's fastest carrier-class router in mid March 2010.

Requirement

i.. Does your company accept the terms and conditions as presented in Section VIII, General Terms and Conditions and in Section IX, Special Terms and Conditions; in Section X, Method of Payment?

Yes _____ No ___X___

If "NO," identify the specific term and condition(s) and the reason for non-compliance.

Cisco Response:

Please see the notes in General Terms and Conditions section of this proposal. Generally, Cisco is taking exceptions of the same nature as our prior VCU contract.

Requirement

4. Submit information about the qualifications and experience that your company has to provide the Cisco products and services.

   a. Describe the firm's qualifications and experience providing the required products and services during the last three (3) years. Information provided should include, but is not limited to, comparable accounts and the scope of the services. Include information for a minimum of three (3) similar accounts, describing the types of projects and the scope of the services provided. Please include contact information with the name, address, email address and current phone number.

Cisco Response:

*****PROPRIETARY*****

Cisco considers the entire answer to this question to be proprietary.

Cisco's primary qualification is our multi-year history of successful solution implementations on this contract. Below are three examples of Universities we've worked with on the current contract:

NOTE: CISCO REFERENCE INFORMATION HAS BEEN REDACTED

Requirement

b. Provide the names, qualifications, and experience of professional IT services technicians to be assigned to the project. Resumes of staff to be assigned to the project may be used.

Cisco Response:

***** PROPRIETARY *****

Cisco considers the entire answer to this question to be proprietary.

Cisco's real strength on this contract is the extensive network of highly trained personnel in Virginia, both with Cisco and with Cisco partners. **Table 2** shows those personnel that will have focus on this contract over its term.

Table 2. Professional IT Personnel Assigned

NOTE: PARTNER PERSONNEL INFORMATION HAS BEEN REDACTED

Requirement

c. Does the offer include a single primary point of contact for the VASCUPP institutions for sales, support and problem resolution? If so, please provide the name and contact information.

Cisco Response:

Yes. For sales, support, and problem resolution, any VASCUPP institution may call Debbie Everling at 804 314 9158, or email Debbie at deverlin@cisco.com.

For contract reporting questions, VCU may contact Phyllis Brown at 904 996 1318, or email to phbrown@cisco.com.

Requirement

5. Provide information about any additional innovative service or program solutions that would enhance the partnership for the entities accessing the contract.

Cisco Response:

Leasing:

Under the VASCUPP contract, Cisco Capital (and its assigns) is offering technology lifecycle planning through flexible budget payment plans when appropriate for VASCUPP contract users. These payment plans will allow VASCUPP member institutions and other approved users of the contract to match the benefits of Cisco Systems hardware, software, maintenance, and advanced services to their associated costs over the life of the asset as established by the VASCUPP member institutions and other approved users of the contract.

In addition, third-party professional services, including but not limited to, the design, installation, and implementation of the Cisco solution may be included. Other non-Cisco components may also be included under this agreement.

Where applicable by law or policy, Cisco Capital agreements with VASCUPP member institutions and other approved contract users require Commonwealth of Virginia Treasury Board review or approval. A review by Treasury Board staff is required for transactions less than or equal to $500 thousand. For transactions greater than $500 thousand, approval by the Treasury Board is required. The Treasury Board of the Commonwealth of Virginia allows Cisco Capital to enter agreements with VASCUPP member institutions and contract users when the Cisco Capital agreement offers either superior pricing or terms and conditions to the Treasury Board Master Financing Agreement.

The Treasury Board has a Master Financing Agreement for equipment and associated software open to Commonwealth of Virginia departments, agencies, schools, and local jurisdictions.

In addition, each transaction will need to be supported by an “Opinion of Counsel” letter from counsel of the VASCUPP member institution or other approved users of the contract to ensure that all terms and conditions are acceptable under Commonwealth of Virginia and local laws and statutes.

"Termination for non-appropriation" language is contained in all the Cisco Capital payment plan agreements. Payments can be customized to meet the needs of the VASCUPP member institution or approved contract user. Commonly used payments are: fiscal year, annual, semi-annual, quarterly, or monthly. The term of the agreements will not exceed 60 months.

There are four different contract structures available under the VASCUPP contract:

- Tax-exempt Installment Payment agreement
- Tax-exempt Lease to Purchase agreement
- Cisco SMARTnet maintenance agreement
- Fair Market Value Lease agreement
- Technology Refresh agreement.

The agreements are contingent upon completion of contracts, Cisco management, and credit approval; completion of essential use, and review and acceptance of 3 years of Comprehensive Annual Financial Reports (CAFRs).

The technology lifecycle plan allows the VASCUPP contract user the following benefits:

- Match payments to project benefits over technology life
- Reduce pressure on current fiscal year budget
- From a present value perspective, a technology lifecycle plan is a better financial decision
- Establish a line item in budget for technology
- Establish a plan for technology refreshment.

Acquisitions, Inventions, and Advancements:

Cisco is rapidly expanding product and solution offerings by a number of different means, including acquisitions and internal developments. Typically, these offerings are simply added to Cisco's GPL. In some cases, they are not — and when this happens, Cisco would like the opportunity to discuss the addition of such offerings to this contract.

Requirement

6. Provide the amount of annual sales the firm has with each VASCUPP Member Institution. A list of VASCUPP Members can be found at: http://www.vcu.edu/procurement/coopcon.htm.

Cisco Response:

****PROPRIETARY****

Cisco considers the entire answer to this question to be proprietary.

Below are Cisco sales to each of the VASCUPP institutions over the last 12 months.

NOTE: CISCO SALES FIGURES HAVE BEEN REDACTED

Requirement

7. Small, Women-Owned and Minority-Owned Business commitment for utilization. (See Appendix I.)
   a) The Offeror must submit complete information unless the Offeror is a DMBE certified small business. DMBE certified small businesses must include their certification number on the coversheet of this RFP, but are not required to complete Appendix I.

Cisco Response:

Please see Cisco's response in Appendix I.

Requirement

VII. EVALUATION AND AWARD CRITERIA:

A. EVALUATION CRITERIA: Proposals will be evaluated by Virginia Commonwealth University using the following criteria:

1. Plans and approach to provide the products and services and Experience and qualifications of the Offeror.
2. Price
3. Commitment for utilization of Small, Women-Owned and Minority-Owned Businesses. Scoring relative to this criterion will be assigned as follows:
   a) The highest percentage commitment shall be scored the maximum number of allocated points. All Virginia Department of Minority Business Enterprise (DMBE) certified small businesses are considered to have a 100% commitment and will receive the maximum number of points.
   b) The commitment percentage for the other Offerors is then divided by the highest Offeror's percentage. The quotient is then multiplied by the points allocated for SWAM utilization to determine the point allocation.

For example: If the point allocation is 15 points, all DMBE certified small businesses would receive 15 points for this criterion. If a non-small firm had a 25% small business subcontracting commitment, that firm would receive 3.75 points. (25 divided by 100 = .25 x 15 points = 3.75)

Cisco Response:

Read and acknowledged.

Requirement:

B. AWARD OF CONTRACT: Selection shall be made of two or more Offerors deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation factors included in the Request for Proposals, including price, if so stated in the Request for Proposals. Negotiations shall be conducted with Offerors so selected. Price shall be considered, but need not be the sole determining factor. After negotiations have been conducted with each Offeror so selected, the agency shall select the Offeror which, in its opinion, has made the best offer, and shall award the contract to that Offeror. The Commonwealth may cancel this Request for Proposals or reject proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was not deemed to be the most advantageous. (Section 2.2-4359 D., *Code of Virginia*.) Should the Commonwealth determine in writing and in its sole discretion that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that

Offeror. The award document will be a contract incorporating by reference all the requirements, terms and conditions of the solicitation and the Contractor's proposal as negotiated.

Notice of Award(s) or Notice of Intent to Award may be accessed electronically at http://www.vcu.edu/procurement and/or http://www.eva.virginia.gov.

Cisco Response:

Read and acknowledged.

VIII. GENERAL TERMS AND CONDITIONS:

Requirement:

A. PURCHASING MANUAL: This solicitation is subject to the provisions of the Commonwealth of Virginia's Purchasing Manual for Institutions of Higher Education and their Vendors and any revisions thereto, which are hereby incorporated into this contract in their entirety. A copy of the manual is available for review at the purchasing office. In addition, the manual may be accessed electronically at http://www.vcu.edu/procurement or a copy can be obtained by calling University Purchasing at (804) 828-1077.

Cisco Response:

Agreed.

Requirement:

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

Cisco Response:

Agreed.

Requirement

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

Cisco Response:

Agreed.

Requirement

In every contract over $10,000 the provisions in 1. and 2. below apply:

1. During the performance of this contract, the Contractor agrees as follows:

   a) Virginia Commonwealth University is an equal opportunity/affirmative action institution providing access to education and employment without regard to age, race, color, national origin, gender, religion, sexual orientation, veteran's status, political affiliation or disability. As such, the Contractor will not discriminate against any employee or applicant for employment because of age, race, color, national origin, gender, religion, sexual orientation, veteran's status, political affiliation or disability or any other basis prohibited by state law related to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause

Cisco Response:

Agreed.

Requirement

   b) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.

Cisco Response:

Agreed.

Requirement

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

Cisco Response:

Agreed.

Requirement

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

Cisco Response:

Agreed.

Requirement

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

Cisco Response:

Agreed.

Requirement

E. IMMIGRATION REFORM AND CONTROL ACT OF 1986: By submitting their proposals, Offerors certify that they do not and will not during the performance of this contract employ illegal alien workers or otherwise violate the provisions of the Federal Immigration Reform and Control Act of 1986.

Cisco Response:

Agreed.

Requirement

F. DEBARMENT STATUS: By submitting their proposals, Offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

Cisco Response:

Agreed.

Requirement

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

Cisco Response:

Agreed.

Requirement

H. MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS: Failure to submit a proposal on the official state form provided for that purpose may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

Cisco Response:

Agreed.

Requirement

I. CLARIFICATION OF TERMS: If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

Cisco Response:

Agreed.

Requirement

J. PAYMENT:

1. To Prime Contractor:

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

Cisco Response:

Accepted. Cisco also understands that all purchasing will be through an authorized Cisco reseller selected by the Purchasing Agency and the terms and requirements contained in this section will be passed through to such reseller.

Requirement

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

Cisco Response:

Accepted. Cisco also understands that all purchasing will be through an authorized Cisco reseller selected by the Purchasing Agency and the terms and requirements contained in this section will be passed through to such reseller.

Requirement

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

Cisco Response:

Agreed.

Requirement

d) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

Cisco Response:

Agreed.

Requirement

e) Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon

determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (Code of Virginia, § 2.2-4363).

Cisco Response:

Agreed.

Requirement

2. To Subcontractors:

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

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

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

Cisco Response:

Agreed, subject to Cisco's response found in section IX.O of the Special Terms and Conditions.

Requirement

b) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in 2. above. The date of mailing of any payment by U.S. Mail is deemed to be payment to the addressee. These provisions apply to each sub tier Contractor performing under the primary contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

Cisco Response:

Agreed, subject to Cisco's response found in section IX.O of the Special Terms and Conditions.

Requirement

K. PRECEDENCE OF TERMS: Paragraphs A-J of these General Terms and Conditions shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

Cisco Response:

Agreed.

Requirement

L. QUALIFICATIONS OF OFFERORS: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform

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

Cisco Response:

Agreed.

Requirement

M. TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

Cisco Response:

Agreed.

Requirement

N. ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the Contractor in whole or in part without the written consent of the Commonwealth.

Cisco Response:

Agreed.

Requirement

O. CHANGES TO THE CONTRACT: Changes can be made to the Contract in any one of the following ways:

1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the Contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
   a) By mutual agreement between the parties in writing; or
   b) By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the Contractor's records and/or to determine the correct number of units independently; or
   c) By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The

Purchasing Agency shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia's Purchasing Manual for Institutions of Higher Education and Their Vendors. Neither the existence of a claim or a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

Cisco Response:

1. Agreed
2. Agreed, except that all changes must be agreed to in writing by both parties prior to implementation of said change.
   a) Agreed.
   b) Agreed.
   c) Not applicable. Cisco is offering products and services at an agreed-upon discount off the then-current Cisco Global Price List.

Requirement

P. DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.

Cisco Response:

Accepted. Cisco understands that all purchasing will be through an authorized Cisco reseller selected by the Purchasing Agency and the terms and requirements contained in this section will be passed through to such reseller.

Requirement

Q. TAXES: Sales to the Commonwealth of Virginia are normally exempt from State sales tax, State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

Cisco Response:

Agreed.

Requirement

R. USE OF BRAND NAMES: Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict Offerors to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article, which the public body, in its sole discretion, determines to be the equal of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The Offeror is responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the Commonwealth to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified. Unless the Offeror clearly indicates in its proposal that the product offered is an "equal" product, such proposal will be considered to offer the brand name product referenced in the solicitation.

Cisco Response:

Agreed.

Requirement

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

Cisco Response:

Agreed.

Requirement

T. INSURANCE: By signing and submitting a proposal under this solicitation, the offeror certifies that if awarded the contract, it will have the following insurance coverages at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The offeror further certifies that the contractor and any subcontractors will maintain these insurance coverages during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.
Minimum Insurance Coverages and Limits Required for Most Contracts:

1. Worker's Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employers Liability - $100,000.
3. Commercial General Liability - $1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

4. Automobile Liability - $1,000,000 per occurrence. (Only used if motor vehicle is to be used in the contract.)

Cisco Response:

Agreed; however, please note that with respect to naming the Commonwealth of Virginia as an additional insured on Cisco's General Liability insurance coverage, Cisco will name the Commonwealth of Virginia as an additional insured only to the extent of liabilities falling within the indemnity obligations of Cisco for death, bodily injury, or damage to tangible personal property pursuant to the indemnification proposed by Cisco in Cisco's response to Section IX.I to the Special Terms and Conditions.

Requirement

U. ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a contract as a result of this solicitation, Virginia Commonwealth University will publicly post such notice electronically at http://www.vcu.edu/procurement and in the lobby of Procurement and Payment at 10 S 6th St., Richmond, VA during normal business hours for a minimum of 10 days.

Cisco Response:

Agreed.

Requirement

V. DRUG-FREE WORKPLACE: During the performance of this contract, the Contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violation of such prohibition: (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the Contractor maintains a drug-free workplace: and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, *"drug-free workplace*" means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

Cisco Response:

Agreed as applied to those drug-free workplaces and employees applicable to this contract.

Requirement

W. NONDISCRIMINATION OF CONTRACTORS: A bidder, offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, or against faith-based organizations or any other basis prohibited by state law relating to discrimination in employment. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after

the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

Cisco Response:

Agreed.

Requirement

X. eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION: The eVA Internet electronic procurement solution, web site portal www.eVA.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. Vendors are strongly encouraged to register prior to submitting a bid or offer. Firms will be required to register in eVA prior to award.

1. eVA Basic Vendor Registration Service: $25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse.
2. eVA Premium Vendor Registration Service: $25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration Service includes all the benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments.
3. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of $500 per order.
4. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
   a) DMBE-certified Small Businesses: 1%, capped at $500 per order.
   b) Businesses that are not DMBE-certified Small Businesses: 1% capped at $1,500 per order

Cisco Response:

Cisco agrees to the eVA $25 Annual Fee plus a transactional fee of 1 percent per order, with a maximum transactional fee of $500 per order. Please note that Cisco subcontractors will pay the transaction fee of 1 percent per order when fulfilling orders under any final contract.

Requirement

IX. SPECIAL TERMS AND CONDITIONS:

A. ADVERTISING: In the event a contract is awarded for supplies, equipment, or services resulting from this proposal, no indication of such sales or services to Virginia Commonwealth University will be used in product literature or advertising. The Contractor shall not state in any of the advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.

Cisco Response:

Agreed, subject to the Purchasing Agency's prior written consent to the contrary.

Requirement

B. AUDIT: The Contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or State auditors shall have full access to and the right to examine any of said materials during said period.

Cisco Response:

Cisco respectfully requests the following clause in place of the proposed language: Cisco shall maintain complete records of purchases and amounts billable to and payments made by the Purchasing Agency hereunder to Cisco directly in accordance with generally accepted accounting principles and practices for audit purposes only. Cisco shall retain such records for at least a period of 3 years from the date of termination of this Agreement, or longer if required by laws of the Commonwealth of Virginia. The Purchasing Agency will give Cisco 30 days advance written notice, to perform an audit of Cisco's records, identified above, as it pertains only to the Purchasing Agency. The Purchasing Agency's audits are limited to once per year, and such audit will be conducted during Cisco's normal business hours and shall not duly interrupt or interfere with Cisco's normal business operations, and provided further that in the event that such an audit is conducted by a third party, such third party shall, prior to conducting such an audit, execute a confidentiality agreement for the benefit of Cisco in a form reasonably satisfactory to Cisco.

Requirement

C. AVAILABILITY OF FUNDS: It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

Cisco Response:

Agreed.

Requirement

D. PROPOSAL ACCEPTANCE PERIOD: Any proposal in response to this solicitation shall be valid for sixty (60) days. At the end of the sixty (60) days, the proposal may be withdrawn at the written request of the Offeror. If the proposal is not withdrawn at that time it remains in effect until an award is made or the solicitation is cancelled.

Cisco Response:

Agreed.

Requirement

E. CONTRACT PRICES: Contract prices shall be in the form of a firm discount percentage off the Published Cisco Global Price List for products or a firm unit price, as applicable, during the contract period including optional renewal terms.

Cisco Response:

Agreed.

Requirement

F. CANCELLATION OF CONTRACT: The Purchasing Agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon sixty (60) days written notice to the Contractor. In the event the initial contract period is for more than twelve (12) months, the resulting contract may be terminated by either party, without penalty, after the initial twelve (12) months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

Cisco Response:

Agreed.

Requirement

G. FINAL INSPECTION: At the conclusion of the work, the Contractor shall demonstrate to the authorized owners representative that the work is fully operational and in compliance with contract specifications and codes. Any deficiencies shall be promptly and permanently corrected by the Contractor at the Contractor's sole expense prior to final acceptance of the work.

Cisco Response:

Agreed, subject to contract specifications as mutually agreed upon by both parties whereby Purchasing Agent shall provide evidence of any failure against such specifications. Upon acceptance by the Purchasing Agency, a signed indication of such acceptance will be provided to Cisco or to the Cisco partner performing the work.

Requirement

H. IDENTIFICATION OF PROPOSAL ENVELOPE: If a special envelope is not furnished, or if return in the special envelope is not possible, the signed proposal should be returned in a separate envelope or package, sealed and identified as follows:

FROM:

Name of Offeror	Due Date	Time
Street or Box Number	RFP No.	
City, State, Zip Code + 4	RFP Title	

Name of Contract/Purchase Officer or Buyer:

The envelope should be addressed as directed on Page 2 of the solicitation.

If a proposal not contained in the special envelope is mailed, the Offeror takes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. Proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

Cisco Response:

Agreed.

Requirement:

> **LATE PROPOSALS**: To be considered for selection, proposals must be received by the issuing office by the designated date and hour. The official time used in the receipt of proposals is that time on the automatic time stamp machine in the issuing office. Proposals received in the issuing office after the date and hour designated are automatically disqualified and will not be considered. The University is not responsible for delays in the delivery of mail by the U.S. Postal Service, private couriers, or the intrauniversity mail system. It is the sole responsibility of the Offeror to insure that its proposal reaches the issuing office by the designated date and hour.

Cisco Response:

Agreed.

Requirement:

I. INDEMNIFICATION: Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Contractor/any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the Contractor on the materials, goods, or equipment delivered.

Cisco Response:

Cisco respectfully takes exception to the indemnification provision in this section and proposes the following in lieu thereof:

"Cisco shall defend, indemnify, and hold harmless the other, its corporate affiliates and their respective officers, directors, employees, and agents and their respective successors and assigns from and against any and all claims, losses, liabilities, damages, and expenses (including, without limitation, reasonable attorney's 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 arising from the negligent or intentional acts or omissions of the indemnifying party or its subcontractors, or the officers, directors, employees, agents, successors and assigns of any of them. Such indemnification obligation shall be subject to and limited by the Commonweath of Virginia's laws regarding contributory/comparative negligence. Pursuant to Chapter 5, Title 2.2 of the Code of Virginia, appointment of Special Counsel is subject to the approval of the Office of the Attorney General of the Commonwealth of Virginia. Upon approval by the Office of the Attorney General of the Commonwealth of Virginia, Cisco shall be granted the right to defend the Purchasing Agency against all suits, claims, and demands in connection with the Agreement.

The foregoing indemnification obligations are conditioned upon the indemnified party promptly notifying Cisco in writing of the claim, suit, or proceeding for which Cisco is obligated under this Section, cooperating with, assisting, and providing information to Cisco as reasonably required, and granting Cisco the exclusive right to defend or settle such claim, suit, or proceeding in accordance with Chapter 5, Title 2.2 of the Code of Virginia."

Requirement:

J. MAINTENANCE MANUALS: The Contractor shall provide with each piece of equipment an operations and maintenance manual with wiring diagrams, parts list, and a copy of all warranties.

Cisco Response:

Agreed.

Requirement:

K. PREVENTIVE MAINTENANCE: The Contractor shall provide necessary preventive maintenance, required testing and inspection, calibration and/or other work necessary to maintain the equipment in complete operational condition during the warranty period.

Cisco Response:

Cisco respectfully takes exception to the preventive maintenance provision in this section and proposes in lieu thereof the Cisco Standard Commercial Limited Warranty as set forth in Attachment C.

Requirement:

L. PRIME CONTRACTOR RESPONSIBILITIES: The Contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime Contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.

Cisco Response:

Agreed.

Requirement:

M. QUANTITIES: Quantities set forth in this solicitation are estimates only, and the Contractor shall supply at proposal prices actual quantities as ordered, regardless of whether such total quantities are more or less than those shown.

Cisco Response:

Agreed.

Requirement:

N. RENEWAL OF CONTRACT: This contract may be renewed by the Commonwealth upon written agreement of both parties for four (4) successive one year periods, under the terms of the current contract, and at a reasonable time (approximately 60 days) prior to the expiration. The contract discounts which are applied to the Published List Price of the product(s) and services shall remain the same as in the initial term of the contract during all optional renewal terms unless market conditions dictate increasing the contract discount(s). Contract prices based on unit prices may be negotiated only at the time of renewal; however, in no case shall the costs for a succeeding one-year period exceed the prior year's contract price(s), increased or decreased by no more than the percentage increase or decrease in the services category of the CPI-W section of the US Bureau of Labor Statistics Consumer Price Index, for the latest twelve (12) months for which statistics are available.

Cisco Response:

Agreed.

Requirement:

O. SUBCONTRACTS: No portion of the work shall be subcontracted without prior written consent of the Purchasing Agency. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Purchasing Agency the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the contract.

Cisco Response:

Agreed. Payment of subcontractors will be direct by the Purchasing Agency, as the Cisco subcontractors will receive orders directly from the Purchasing Agencies.

Requirement:

P. WARRANTY (COMMERCIAL): The Contractor agrees that the products or services furnished under the award resulting from this solicitation shall be covered by the Cisco Standard Commercial Limited Warranty provided in Attachment C and that the rights and remedies provided therein are in addition to and do not limit those available to the Commonwealth by any other clause of this solicitation or the resulting contract.

Cisco Response:

Agreed.

Requirement:

Q. COMMUNICATIONS: Communications regarding this Request for Proposals (RFP) shall be formal from the date of issue for this RFP, until either a Contractor has been selected or the University Purchasing Department rejects all proposals. Formal communications shall be directed to the University Purchasing Department.

Informal communications including but not limited to, request for information, comments or speculations, regarding this RFP to any University employee other than a Purchasing Department representative may result in the offending Offeror's proposal being rejected.

Cisco Response:

Agreed.

Requirement:

R. eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS: The solicitation/contract will result in multiple purchase order(s) with the eVA transaction fee specified below assessed for each order.

1. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of $500 per order.
2. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is:
   a) DMBE-certified Small Businesses: 1%, capped at $500 per order.

b) Businesses that are not DMBE-certified Small Businesses: 1% capped at $1,500 per order.

The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders.

Internet electronic procurement solution, web site portal www.eva.state.va.us, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

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

If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eVA.virginia.gov. Contractors should email Catalog or Index Page information to eVA-catalog-manager@dgs.virginia.gov.

Cisco Response:

Cisco agrees to the eVA $25 Annual Fee plus a transactional fee of 1% percent per order, with a maximum transactional fee of $500 per order. Please note that Cisco subcontractors will pay the transaction fee of 1 percent per order when fulfilling orders under any final contract.

Requirement:

S. ELECTRONIC COPIES OF PROPOSALS: The successful Contractor may be required to provide the VCU Department of Procurement and Payment with a copy of the Contractor's original proposal, and all subsequent correspondence (i.e. responses to requests for clarification and documents generated through the negotiation process) in an unsecured electronic format (i.e. email or disc – CD or DVD). **The Contractor SHALL NOT INCLUDE ANY PREVIOUSLY IDENTIFIED PROPRIETARY INFORMATION IN THE ELECTRONIC FORMAT; VCU will post the Contractor's original proposal, and all subsequent correspondence on the VCU Department of Procurement and Payment Website, VCU shall not be responsible for the Contractor's failure to exclude proprietary information submitted in the unsecured electronic format)**.

Cisco Response:

Agreed.

Requirement:

T. CONTRACT SUMMARY: The Contractor must provide to the University within fourteen (14) days after award of contract, an unsecured electronic summary of the contract. All the main features of the contract, including pricing, must be summarized. The contract summary will provide information for authorized users that choose to access the contract.

Cisco Response:

Agreed.

Requirement:

U. QUALIFIED REPAIR PERSONNEL: All warranty or maintenance services to be performed on the items specified in this solicitation as well as any associated hardware or software shall be performed by qualified technicians properly authorized by the manufacturer to perform such services. The Commonwealth reserves the right to require proof of certification prior to award and at any time during the term of the contract.

Cisco Response:

Agreed.

Requirement:

V. SOURCE CODE: In the event the contractor ceases to maintain experienced staff and the resources needed to provide required software maintenance, the Commonwealth shall be entitled to have use, and duplicate for its own use, a copy of the source code and associated documentation for the software products covered by the contract. Until such time as a complete copy of such material is provided, the Commonwealth shall have exclusive right to possess all physical embodiments of such contractor owned materials. The rights of the Commonwealth in this respect shall survive for a period of twenty years after the expiration or termination of the contract. All lease and royalty fees necessary to support this right are included in the initial license fee as contained in the pricing schedule.

Cisco Response:

Cisco respectfully takes exception to the source code provision in this section.

Requirement:

W. TERM OF SOFTWARE LICENSE: Unless otherwise stated in the solicitation, the software license(s) identified in the pricing schedule shall be purchased on a perpetual basis and shall continue in perpetuity. However the Commonwealth reserves the right to terminate the license at any time, although the mere expiration or termination of this contract shall not be construed as an intent to terminate the license. All acquired license(s) shall be for use at any computing facilities, on any equipment, by any number of users, and for any purposes for which it is procured. The Commonwealth further reserves the right to transfer all rights under the license to another state agency to which some or all of its functions are transferred.

Cisco Response:

Cisco respectfully takes exception to the term of software license provision in this section and proposes in lieu thereof the Cisco Software License Terms as set forth in Attachment A.

Requirement:

X. THIRD PARTY ACQUISITION OF SOFTWARE: The contractor shall notify the procuring agency in writing should the intellectual property, associated business, or all of its assets be acquired by a third party. The contractor further agrees that the contract's terms and conditions, including any and all license rights and related services, shall not be affected by the acquisition. Prior to completion of the acquisition, the contractor shall obtain, for the Commonwealth's benefit and deliver thereto, the assignee's agreement to fully honor the terms of the contract.

Cisco Response:

Agreed.

Requirement:

Y. TITLE OF SOFTWARE: By submitting a bid, the bidder represents and warrants that it is the sole owner of the software or, it not the owner, that it has received all legally required authorizations from the owner to license the software, has the full power to grant the rights required by this solicitation, and that neither the software nor its use in accordance with the contract will violate or infringe upon any patent, copyright, trade secret, or any other property rights of another person or organization.

Cisco Response:

Cisco will have the obligation and right to defend any claim, action, suit, or proceeding ("IPR Claim") brought against the Purchasing Agency so far as it is based on a claim that any Product supplied under these Terms of Sale infringes Third Party IPR (as defined below). Cisco will indemnify the Purchasing Agency against any final judgment entered in respect of such an IPR Claim by a court of competent jurisdiction and against any settlements arising out of such an IPR Claim. Cisco's obligations to defend the IPR Claim and indemnify the Purchasing Agency are conditional upon:

a) The Purchasing Agency notifying Cisco promptly in writing of the IPR Claim or threat thereof

b) In accordance with Chapter 5, Title 212 of the Code of Virginia, the Purchasing Agency shall give Cisco full and exclusive authority for the conduct of the defense and settlement of the IPR Claim and any subsequent appeal

c) The Purchasing Agency giving Cisco all information and assistance reasonably requested by Cisco in connection with the conduct of the defense and settlement of the IPR Claim and any subsequent appeal.

For purposes of this Agreement, Third Party IPR means a United States copyright existing as at the Effective Date or a United States patent issued as at the Effective Date.

If an IPR Claim has been made, or in Cisco's opinion is likely to be made, the Purchasing Agency agrees to permit Cisco, at Cisco's option and expense, either to: (a) procure for the Purchasing Agency the right to continue using the Product; (b) replace or modify the Product so that there is no longer an infringement; or (c) immediately terminate both parties' respective rights and obligations under these Terms of Sale with regard to the Product, in which case the Purchasing Agency will promptly return the Product to Cisco and Cisco will refund to the Purchasing Agency the price originally paid by the Purchasing Agency to Cisco for the Product, as depreciated or amortized by an equal annual amount on a straight line basis over 3 years from date of original shipment.

Notwithstanding the foregoing, Cisco has no liability for, and the Purchasing Agency will defend and indemnify Cisco against, any IPR Claim arising from:

a) the combination, operation, or use of a Product with any third-party product, device, or software

b) the amount or duration of use which the Purchasing Agency makes of the Product, revenue earned by the Purchasing Agency from services it provides that use the

Product, or services offered by the Purchasing Agency to external or internal Purchasing Agencies

c) the alteration or modification of any Product supplied under these Terms of Sale

d) Cisco's compliance with the Purchasing Agency's designs, specifications, or instructions

e) The Purchasing Agency's use of the Product after Cisco has informed the Purchasing Agency of modifications or changes required to avoid such an IPR Claim if the alleged infringement would have been avoided by implementation of Cisco's recommended modifications or changes.

This Section states the entire obligation of Cisco and its suppliers, and the exclusive remedy of the Purchasing Agency, in respect of any infringement or alleged infringement of any intellectual property rights or proprietary rights. This indemnity obligation and remedy are given to the Purchasing Agency solely for its benefit and in lieu of, and Cisco disclaims, all warranties, conditions, and other terms of non-infringement or title with respect to any Product.

Requirement:

Z. WARRANTY AGAINST SHUTDOWN DEVICES: The contractor warrants that the equipment and software provided under the contract shall not contain any lock, counter, CPU references, virus, worm, or other device capable of halting operations or erasing or altering data or programs. Contractor further warrants that neither it, nor its agents, employees, or subcontractors shall insert any shutdown device following delivery of the equipment and software.

Cisco Response:

Cisco respectfully takes exception to the warranty against shutdown devices provision.

Requirement:

AA. WARRANTY OF SOFTWARE: The Contractor warrants the operation of all software products for a period of three (3) months from the date of acceptance.

Cisco Response:

Cisco warrants the operation of all software products for a period of 3 months pursuant to the terms set forth in Attachment C – Cisco Standard Commercial Limited Warranty Software provision.

Requirement:

BB. NONVISUAL ACCESS TO TECHNOLOGY: All information technology which, pursuant to this Agreement, is purchased or upgraded by or for the use of any State agency or institution or political subdivision of the Commonwealth (the "Technology") shall comply with the following nonvisual access standards from the date of purchase or upgrade until the expiration of this Agreement:

(i) effective, interactive control and use of the Technology shall be readily achievable by nonvisual means;

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

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

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

Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution or political subdivision determines that (i) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available.

Installation of hardware, software, or perpheral devices used for nonvisual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information shall permit the installation and effective use of nonvisual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing nonvisual access standards is achieved and a validation of concept demonstration.

The requirements of this Paragraph shall be construed to achieve full compliance with the Information Technology Access Act, §§ 2.1-807 through 2.1-811 of the Code of Virginia.

Cisco Response:

The following provision is applicable to Cisco: "Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution, or political subdivision determines that (i) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available."

PROPOSED ADDITIONAL TERMS AND CONDITIONS

Cisco requires the following additional terms and conditions in any final agreement between Cisco and the Purchasing Agency:

1. Force Majeure. Except for the obligation to pay monies due and owing, neither party shall be liable for any delay or failure in performance due to events outside the defaulting party's reasonable control, including, without limitation, acts of God, earthquakes, labor disputes, industry-wide shortages of supplies, actions of governmental entities, riots, war, terrorism, fire, epidemics, or delays of common carriers or other circumstances beyond its reasonable control. The obligations and rights of the defaulting party shall be extended for a period equal to the period during which such event prevented such party's performance.
2. To the extent permitted by the Virginia Tort Claims Act, Section 801-195/1 et esq. of the Code of Virginia, (1950), as amended, the Purchasing Agency shall be responsible for the negligent acts or omissions of its officers, employees, agents, or students. Nothing contained herein shall constitute a waiver of the sovereign immunity of the University or the Commonwealth of Virginia.

3. Limitation of Liability. Notwithstanding anything else in these terms of sale to the contrary, all liability of Cisco, its affiliates, officers, directors, employees, agents, and suppliers collectively for claims under these terms of sale or otherwise howsoever arising shall be limited separately for products and services purchased to the money paid to Cisco for products or for services, separately and as applicable, under these terms of sale during the 6-month period preceding the event or circumstances first giving rise to such liability. This limit of liability for products and services is cumulative and not per-incident.
4. Consequential Damages Waiver. Except for liability arising out of or in connection with the Purchasing Agency's breach of section (proprietary rights and software licensing) or (end user license agreement) or amounts due for products and services purchased or software used or transferred with respect to the payment of which no bona fide dispute exists, in no event shall either party, its respective affiliates, officers, directors, employees, agents, or suppliers be liable for any special, incidental, indirect or consequential damages, or lost revenue, lost profits, or lost or damaged data, whether arising in contract, tort (including negligence), or otherwise, even if such party has been informed of the possibility thereof.

Requirement

X. METHOD OF PAYMENT:

The Contractor shall submit a fully itemized invoice that references the Virginia Commonwealth University purchase order number, material descriptions, quantities and unit prices. Payment will be made thirty days after receipt of a proper invoice for the amount of payment due, or thirty days after receipt of the goods or services, whichever is later, in accordance with the Commonwealth of Virginia Prompt Payment Legislation. Mail invoices to: Virginia Commonwealth University, Accounts Payable and Support Services, P. O. Box 980327, Richmond, VA 23298-0327.

Cisco Response:

Agreed.

Requirement

XI. PRICING SCHEDULE:

A. Virginia Commonwealth University will evaluate price using the annual expenditures hypothetical scenario below. The hypothetical will be used to determine the scores for the price evaluation criterion. Quantities indicated below are used for evaluation purposes only and shall not be interpreted as actual contract usage. Actual contract amounts shall be determined based on actual usage whether it is higher or lower than the amounts in the hypothetical. In the event of a mathematical error, the correct discount percentage or unit price shall prevail.

Cisco Response:

Read and acknowledged.

Requirement

B. Express the percentage discount offered off the Cisco Systems, Inc. Global Products and Price List on the blank line for each category and provide the discounted total by category.

	Expenditures	% Discount	Discounted Total
Cisco Products, Software and Services on the Price List	$1,200,000. less	35% =	$780,000.00
First Year SMARTNet NBD Maintenace	$220,000. Less	100% =	$0
All Subsequent Years SMARTNet NBD Maintenance	$425,000. less	30* % =	$297,500.00
Total Section B			$1,077,500.00

Cisco Response:

Please see the discounts indicated above.

*Note that the "All subsequent years" SMARTnet NBD pricing is for educational institutions only, to include VCU and all VASCUPP Member Entities. Other buyers will receive 15 percent.

Requirement

C. Provide the hourly rates for the IT professional services for each labor category.

NOTE: PARTNER HOUR RATES HAVE BEEN REDACTED PENDING AWARD

Requirement:

Small, minority and/or woman-owned businesses are required to certify through the Virginia Department of Minority Business Enterprise (DMBE; http://www.dmbe.state.va.us/vendors.html); DMBE certification may be requested by VCU, prior to award.

Cisco Response:

Agreed

APPENDIX I

PARTICIPATION IN STATE PROCUREMENT TRANSACTIONS SMALL BUSINESSES AND BUSINESSES OWNED BY WOMEN AND MINORITIES

The following definitions will be used in completing the information contained in this Appendix.

Definitions

- **Small business** is an independently owned and operated business which, together with affiliates, has 250 or fewer employees, or average annual gross receipts of $10 million or less averaged over the previous three years. Nothing in this definition prevents a program, agency, institution or subdivision from complying with the qualification criteria of a specific state program or federal guideline to be in compliance with a federal grant or program.
- **Women-owned business** is a business concern which is at least 51 percent owned by one or more women who are U.S. citizens or legal resident aliens, or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in which is owned by one or more women, and whose management and daily business operations are controlled by one or more of such individuals.
- **Minority-owned business** is a business concern which is at least 51 percent owned by one or more minorities or in the case of a corporation, partnership or limited liability company or other entity, at least 51 percent of the equity ownership interest in which is owned by one or more minorities and whose management and daily business operations are controlled by one or more of such individuals.
- **Minority Individual**: "Minority" means a person who is a citizen of the United States or a legal resident alien and who satisfies one or more of the following definitions:
    - "Asian Americans" means all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands, including but not limited to Japan, China, Vietnam, Samoa, Laos, Cambodia, Taiwan, Northern Marinas, the Philippines, U. S. territory of the Pacific, India, Pakistan, Bangladesh and Sri Lanka and who are regarded as such by the community of which these persons claim to be a part.
    - "African Americans" means all persons having origins in any of the original peoples of Africa and who are regarded as such by the community of which these persons claim to be a part.
    - "Hispanic Americans" means all persons having origins in any of the Spanish speaking peoples of Mexico, South or Central America, or the Caribbean Islands or other Spanish or Portuguese cultures and who are regarded as such by the community of which these persons claim to be a part.

- “Native Americans” means all persons having origins in any of the original peoples of North America and who are regarded as such by the community of which these persons claim to be a part or who are recognized by a tribal organization.
- “Eskimos and Aleuts” means all persons having origins in any of the peoples of Northern Canada, Greenland, Alaska, and Eastern Siberia and who are regarded as such in the community of which these persons claim to be a part.

PARTICIPATION BY SMALL BUSINESSES, BUSINESSES OWNED BY WOMEN BUSINESSES OWNED BY MINORITIES

This appendix should only be completed by firms that are not Virginia Department of Minority Business Enterprise (DMBE) certified small businesses.

Offeror certifies that it will involve Small Businesses, Women-Owned Businesses, and/or Minority-Owned Businesses (SWAM) in the performance of this contract either as part of a joint venture, as a partnership, as Subcontractors or as suppliers.

List the names of the SWAM Businesses your firm intends to use and identify the direct role of these firms in the performance of the contract. State whether the firm is a Small Business (SB), Women-Owned (WO), or Minority-Owned (MO).

Name of Businesses:	SB, WO, MO:	Role in contract:
ABS Technology Architects		Order processing and ancillary technical services
Advanced Logic Industries		Order processing and ancillary technical services
Attronica		Order processing and ancillary technical services
DISYS		Order processing and ancillary technical services
Electronic Systems (ESI)		Order processing and ancillary technical services
Packet360		Order processing and ancillary technical services
PLANIT Technology Group		Order processing and ancillary technical services
Savant Ltd		Order processing and ancillary technical services
TBL Networks		Order processing and ancillary technical services

Commitment for utilization of DMBE SWAM Businesses:

____0*_____% of total contract amount that will be performed by DMBE certified SWAM businesses.

Identify the individual responsible for submitting SWAM reporting information to VCU:

Name Printed: Phyllis Brown

Email: phbrown@cisco.com

Phone: 904-996-1318

Offeror understands and acknowledge that the percentages stated above represent a contractual commitment by the Offeror. Failure to achieve the percentage commitment will be considered a breach of contract and may result in contract default.

Acknowledged:

By *(Signature)*:

Name Printed: Dana Giampetroni

Title: Director, Finance

Email: dgiampet@cisco.com

Note: Small, Minority and/or Women-owned business sub-contractors are required to become certified and maintain certification through the Virginia Department of Minority Business Enterprise (DMBE; http://www.dmbe.state.va.us/vendors.html) to fulfill the Offeror's commitment for utilization.

Cisco Response:

Cisco has completed. * As an indefinite delivery, indefinite quantity "catalog" style contract where the buyers choose the partner from whom they buy, it is impossible to commit to any particular percentage as we cannot alter our buyer's behavior during the contract term in order to meet a specific goal. Cisco is careful to include ample opportunity for our valued SWaM partners, and historically, buyers have chosen such SWaM partners often:

- In 2009, over 50% of Cisco sales to Virginia education and local government customers were provided by Cisco SWaM partners.
- Of the 2009 Cisco Virginia education and local government sales by those partners presented in this proposal, over 60% were provided through those partners indicated as SWaM vendors.
- Of the 16 partners presented in this proposal, 9 are SWaM and one is pending SWaM approval.

The list of included SWaM partners is subject to change over the term of the contract but Cisco continues to commit to maximizing SWaM partner opportunity on this contract.

Attachment A — Cisco Software License Terms

Subject to the terms and conditions of this Agreement, Cisco grants to the Purchasing Agency a non-exclusive, non-transferable license to use the Software for the Purchasing Agency s internal business use. The license granted herein shall be for use of the Software in object code format only and solely as provided below.

A. License Terms.

License. Subject to the terms and conditions of and except as otherwise provided in this Agreement, Cisco and its suppliers grant to the Purchasing Agency a perpetual, nonexclusive and nontransferable license to use the specific Cisco program modules, feature set(s) or feature(s) for which the Purchasing Agency has paid the required license fees (the "Software"), in object code form only, provided the Purchasing Agency is not in breach of, and agrees to maintain its obligations relating to the software license and confidential information. In addition, the foregoing license shall also be subject to each of the following limitations as applicable:

a) Unless otherwise expressly provided in the documentation, the Purchasing Agency shall use the Software solely as embedded in, for execution on, or (where the applicable documentation permits installation on non-Cisco equipment) for communication with Cisco equipment owned or leased by the Purchasing Agency;

b) the Purchasing Agency's use of the Software shall be limited to use on a single hardware chassis, on a single central processing unit, as applicable, or use on such greater number of chassis or central processing units as the Purchasing Agency may have paid Cisco the required license fee; and

c) the Purchasing Agency's use of the Software shall also be limited, as applicable and set forth in the Purchasing Agency's purchase order or in Cisco's product catalog, user documentation, or web site, to a maximum number of (a) seats (i.e. users with access to the installed Software), (b) concurrent users, sessions, ports, and/or issued and outstanding IP addresses, and/or (c) central processing unit cycles or instructions per second. the Purchasing Agency's use of the Software shall also be limited by any other restrictions set forth in the Purchasing Agency's purchase order or in Cisco's product catalog, user documentation or web site for the Software.

B. Limitations. Except as otherwise expressly provided under this Agreement, the Purchasing Agency shall have no right, and the Purchasing Agency specifically agrees not to:

a) transfer, assign or sublicense its license rights to any other person, or use the Software on unauthorized or secondhand Cisco equipment, and any such attempted transfer, assignment or sublicense shall be void;

b) make error corrections to or otherwise modify or adapt the Software or create derivative works based upon the Software, or to permit third parties to do the same; or

c) copy, in whole or in part, decompile, decrypt, reverse engineer, disassemble or otherwise reduce the Software to human-readable form to gain access to trade secrets or confidential information in the Software.

To the extent required by law, at the Purchasing Agency 's request, Cisco shall provide the Purchasing Agency with the interface information needed to achieve interoperability between the Software and another independently created program, on payment of Cisco's applicable fee. the Purchasing Agency shall observe strict obligations of confidentiality with respect to such information.

The Special License Terms contain certain terms which apply to certain current Special License Software product offerings by Cisco. In the future, Cisco may develop or acquire new Special License Software products which may be governed by other Special License Terms. Cisco and the Purchasing Agency may modify Special License Software Terms upon mutual written agreement.

C. Upgrades and Additional Copies. For purposes of this Agreement, Software shall include (and the terms and conditions of this Agreement shall apply to) any upgrades, updates, bug fixes or modified versions (collectively, "Upgrades") or backup copies of the Software licensed or provided to THE PURCHASING AGENCY by Cisco or an authorized distributor for which THE PURCHASING AGENCY has paid the applicable license fees. NOTWITHSTANDING ANY OTHER PROVISION OF THIS SOFTWARE LICENSE: (1) THE PURCHASING AGENCY HAS NO LICENSE OR RIGHT TO USE ANY SUCH ADDITIONAL COPIES OR UPGRADES UNLESS THE PURCHASING AGENCY, AT THE TIME OF ACQUIRING SUCH COPY OR UPGRADE, ALREADY HOLDS A VALID LICENSE TO THE ORIGINAL SOFTWARE AND HAS PAID THE APPLICABLE FEE FOR THE UPGRADE; (2) USE OF UPGRADES IS LIMITED TO CISCO EQUIPMENT FOR WHICH THE PURCHASING AGENCY IS THE ORIGINAL END USER PURCHASER OR LESSEE OR WHO OTHERWISE HOLDS A VALID LICENSE TO USE THE SOFTWARE WHICH IS BEING UPGRADED; AND (3) USE OF ADDITIONAL COPIES IS LIMITED TO BACKUP PURPOSES ONLY.

D. Proprietary Notices. THE PURCHASING AGENCY agrees to maintain and reproduce all copyright and other proprietary notices on all copies, in any form, of the Software in the same form and manner that such copyright and other proprietary notices are included on the Software. Except as expressly authorized in this Agreement, THE PURCHASING AGENCY shall not make any copies or duplicates or any Software without the prior written permission of Cisco. THE PURCHASING AGENCY may make such backup copies of the Software as may be necessary for THE PURCHASING AGENCY’s lawful use, provided THE PURCHASING AGENCY affixes to such copies all copyright, confidentiality, and proprietary notices that appear on the original.

E. Protection of Information. THE PURCHASING AGENCY agrees that aspects of the Software and associated documentation, including the specific design and structure of individual programs, constitute trade secrets and/or copyrighted material of Cisco. THE PURCHASING AGENCY shall not disclose, provide, or otherwise make available such

trade secrets or copyrighted material in any form to any third party without the prior written consent of Cisco. THE PURCHASING AGENCY shall implement reasonable security measures to protect such trade secrets and copyrighted material. Title to Software and documentation shall remain solely with Cisco.

F. Term and Termination. The software license is effective until terminated. THE PURCHASING AGENCY may terminate this license at any time by destroying all copies of Software including any documentation. THE PURCHASING AGENCY's license rights under this software license will terminate immediately without notice from Cisco if THE PURCHASING AGENCY fails to comply with any provision of this software license. Upon termination, THE PURCHASING AGENCY must destroy all copies of Software in its possession or control.

G. Restricted Rights. The Software and associated software documentation qualify as "commercial items," as that term is defined at 48 C.F.R. 2.101, consisting of "commercial computer software" and "commercial computer software documentation" as such terms are used in 48 C.F.R. 12.212. Consistent with 48 C.F.R.12.212 and 48 C.F.R. 227.7202-1 through 227.7202-4, Licensee will provide to Government end user, or, if this Agreement is direct Government end user will acquire, the Software and software documentation with only those rights set forth herein that apply to non-governmental customers. Use of this Software and software documentation constitutes agreement by the government entity that the computer software and computer software documentation is commercial, and constitutes acceptance of the rights and restrictions herein."

Cisco Response:

Agreed.

Attachment B — SMARTnet Maintenance Exhibit

At any time during the initial one (1) year term of the contract or any renewal periods between the Purchasing Agency and the Contractor provided that Cisco SMARTnet Next-Business-Day (NBD) remote maintenance is selected at time of product purchase, the Purchasing Agency shall receive nine (9) months of such maintenance, at no cost and subject to the provisions set forth below, to begin upon the expiration of the 90-day warranty period. Thereafter, the Purchasing Agency may purchase additional SMARTnet maintenance at Cisco's then-current list prices less the contract discount.

1.0 DEFINITIONS.

1.1 **"Additional Services"** means installation of new Hardware, system additions, Hardware upgrades, dispatch of a field engineer or non-mandatory engineering changes.

1.2 **"Advance Replacement"** means shipment of replacement FRU(s) in advance of receipt of failed/defective FRU(s).

1.3 **"Feature Set Upgrade"** means a separately licensed and priced Software release that contains an enhanced configuration and/or feature set.

1.4 **"Field Replacement Unit (FRU)"** means any component or sub assembly of an item or unit of Hardware listed in the Equipment List, subject to size and weight limitations, which can reasonably be replaced at a Customer location.

1.5 **"Four-Hour Response"** means the four (4) hour time period commencing upon Cisco's problem diagnosis and determination that a FRU is required and ending when the FRU is delivered on-site.

1.6 **"Maintenance Release"** means an incremental release of Software that provides maintenance fixes and may provide additional Software functions. Maintenance Releases are designated by Cisco as a change in the digit(s) to the right of the tenths digit of the Software version number [x.x.(x)] or to the right of the hundredths digit of the Software version number [x.x.x.(x)].

1.7 **"Major Release"** means a release of Software that provides additional Software functions. Major Releases are designated by Cisco as a change in the ones digit of the Software version number [(x).x.x].

1.8 **"Minor Release"** means an incremental release of Software that provides maintenance fixes and additional Software functions. Minor releases are designated by Cisco as a change in the tenths digit(s) of the Software version number [x.(x).x].

1.9 **"TAC"** means Cisco's Technical Assistance Center.

1.10 **"Update"** means Maintenance Releases, Minor Releases and/or Major Releases containing the same configuration/feature set as originally acquired, unless Customer has upgraded the applicable Hardware or Software to a configuration/feature set other than that which was originally acquired and the

applicable license fee for such upgrade has been paid. Updates do not include Feature Set Upgrades.

1.11 **"Two-Hour Response"** means the two (2) hour time period commencing upon Cisco's problem diagnosis and determination that a FRU is required and ending when the FRU is delivered on-site.

2.0 SERVICE RESPONSIBILITIES OF CISCO. According to the support selected and in consideration of the fee paid by Customer, Cisco shall provide the following Services where available and in accordance with the provisions of this Exhibit:

2.1 Services.

2.1.1 Assist Customer by telephone, facsimile, or electronic mail (for information related to Product use, configuration and troubleshooting).

2.1.2 Provide 24 hours per day, 7 days per week access to Cisco's TAC. Cisco will respond to Customer within one (1) hour for all calls received during Standard Business Hours and for Priority 1 and 2 calls received outside Standard Business Hours. For Priority 3 and 4 calls received outside Standard Business Hours, Cisco will respond no later than the next business day.

2.1.3 Manage the Problem Prioritization and Escalation Guideline described in Appendix A. Generate work-around solutions to reported Software problems using reasonable commercial efforts or implement a patch to the Software. For a Software patch, Cisco will make available from the Cisco.com Software Center (www.cisco.com/software) or ship a Maintenance Release to Customer for the Product experiencing the problem, as agreed with Customer.

2.1.4 Provide Update(s) where available, upon Customer request, for Software supported under this Exhibit. Such Updates are limited to Software releases that have been validly licensed and paid for on each applicable Hardware platform and shall only be applied to Products covered under a current Equipment List.

2.1.5 If a Feature Set Upgrade is licensed, with a valid support contract attached, Customer shall be entitled to Updates (subject to anything to the contrary contained in this Agreement) at the upgraded level for such licensed Hardware.

2.1.6 Software releases and any supporting documentation will be made available from the Cisco.com Software Center (www.cisco.com/software) or on physical media such as CDROM. Applicable supporting documentation, if available, is limited to one copy per Software release. Additional copies may be purchased from Cisco.

2.1.7 Provide access to Cisco.com. This system provides Customer with technical and general information on Cisco Products and access to Cisco's on-line

Software Center library and may be subject to access restrictions as identified by Cisco from time to time.

2.2 Advance Replacement Services. Cisco shall use commercially reasonable efforts to provide the following Advance Replacement Services for Product detailed on an Equipment List at the specific level of Advance Replacement Service detailed on such Equipment List. Advance Replacement Services are subject to geographic and weight limit restrictions. Advance Replacement 8x5x4, 24x7x4 and 24x7x2 Services may not be available for Hardware cabinetry or chassis over 50 lbs (23kg) or 6 ft (2m). Customer can view the availability options for specific locations by accessing Cisco's Services Availability Matrix tool on Cisco.com at: http://www.cisco.com/cgi-bin/front.x/agents/SAM/cca_sam_landing.cgi. Destination country importation, Customer compliance with U.S. export controls and customs processes may condition delivery times. Advance Replacements will be shipped DDU (delivery duty unpaid) using Cisco's preferred carrier, freight prepaid by Cisco, excluding import duties, taxes and fees, where applicable. Requests for alternate carriers will be at Customer's expense. Chassis and line card Advance Replacement Service must be at the same level of coverage. FRUs will be shipped separately and Cisco will not ship FRUs pre-assembled. Advance Replacements will be either new or equivalent to new at Cisco's discretion or at customer's request:

2.2.1 *SMARTnet 8x5xNext Business Day:* An Advance Replacement will ship the same day to arrive the next business day provided both the call and Cisco's diagnosis and determination of the failed hardware has been made before 3:00 p.m., local time. For requests after 3:00 p.m., local time, the Advance Replacement will ship the next business day.

2.2.2 *SMARTnet 8x5x4*: Provide Advance Replacement on a Four-Hour Response basis between 9:00am and 5:00pm local time the same business day, provided both the call and Cisco's diagnosis and determination of the failed hardware has been made before 1:00 p.m., local time. For calls placed after 1:00 p.m. local time, Cisco will deliver the Advance Replacement the morning of the next business day.

2.2.3 *SMARTnet 24x7x4*: Provide Advance Replacement parts on a Four-Hour Response basis twenty-four (24) hours per day, seven (7) days per week, including Cisco-observed holidays.

2.2.4 *SMARTnet 24x7x2*: Provide Advance Replacement on a Two-Hour Response basis twenty-four (24) hours per day, seven (7) days per week, including Cisco-observed holidays.

3.0 SERVICE RESPONSIBILITIES OF CUSTOMER.

3.1 Customer will provide a priority level as described in Appendix A There is not an Appendix A for all calls placed.

3.2 Customer shall provide reasonable access to the Product through the Internet or via modem such that problems may be diagnosed and corrected remotely. Customer shall also make available to Cisco current system passwords as necessary to enable Cisco to provide such remote diagnosis and support.

3.3 Customer agrees to use the latest release of Software if required to correct a reported Software problem.

3.4 Customer will provide thirty (30) days Notice to Cisco of any requested addition(s) to the Equipment List.

3.5 Customer agrees to notify Cisco, using Cisco.com, of Product on the Equipment List, which Customer has moved to a new location. Customer agrees to make such notification within thirty (30) days of Product relocation. Cisco is only obligated to provide Service to Customer beginning thirty (30) calendar days after it receives notification. Customer shall also notify Cisco of modifications to the Product configuration including upgrades or changes to FRUs not in the original configuration within five (5) business days of such modification.

3.6 Customer is responsible for returning to Cisco all defective or returned Product in accordance with Cisco's Return Material Authorization ("RMA") procedure and will provide a new Purchase Order number to Cisco's asset recovery team to facilitate the billing of Product not returned. Cisco's RMA procedure is available on CCO. Customer agrees to assist Cisco in troubleshooting failed Hardware down to the FRU level prior to initiating Cisco's Return Material Authorization ("RMA") procedure.

3.7 Customer is responsible for the following when receiving Advance Replacements and the costs associated with returning replaced Product under Section 2.2 above.

3.7.1 Proper packing, including description of failure and written specification of any other changes or alterations.

3.7.2 Insurance of all packages for replacement cost to be shipped FOB Cisco's designated repair center.

3.7.3 Returns must be received within thirty (30) days; otherwise, the contract price of the Hardware will be charged.

3.8 Customer shall provide valid and applicable serial numbers for all Product problems and issues reported to Cisco or where Customer is seeking information from Cisco on Product use. Cisco may also require Customer to provide additional information in the form of location of the Product, city location details and zip code information.

3.9 When requested by Cisco, Customer shall provide Cisco with a list of all personnel it authorizes to contact Cisco or access Cisco.com for Services and to download Software from Cisco.com or Cisco's PUT. Customer is responsible for reviewing the list on an annual basis to add or remove personnel as necessary.

3.10 Customer acknowledges that it is only entitled to receive Services on the Product for which it has paid a separate fee to Cisco. Customer agrees it will take all necessary action to ensure that its former employees do not access or use the Services, including but not limited to, disabling passwords of former employees.

4.0 SERVICES NOT COVERED UNDER THIS EXHIBIT.

4.1 Any customization of, or labor to install, Software.

4.2 Provision of Software Application Services. For purposes of this Exhibit, "Software Application Services" means services for non-resident/stand alone Software which includes but is not limited to Cisco's network management Software, security Software, IP telephony Software, Internet appliance Software , Cisco Intelligent Contact Management ("ICM") Software and Cisco IP Contact Center ("IPCC") Software.

4.3 Any expenses incurred to visit Customer's location, except as required during escalation of problems by Cisco.

4.4 Furnishing of supplies, accessories or the replacement of expendable parts (e.g., cables, blower assemblies, power cords, and rack mounting kits).

4.5 Electrical or site work external to the Products.

4.6 Support or replacement of Product that is altered, modified, mishandled, destroyed or damaged by one or more of the following: (i) natural causes; (ii) environmental failures; (iii) Customer's failure to take any required actions; (iv) a negligent or willful act or omission by Customer or use by Customer other than as specified in the applicable Cisco-supplied documentation; or (v) act or omission of a third party.

4.7 Services to resolve software or hardware problems resulting from third party products or causes beyond Cisco's control.

4.8 Services for non-Cisco software or hardware installed on any Cisco Product.

4.9 Any Hardware and/or memory upgrade required to run new or updated Software.

4.10 Additional Services including but not limited to a dispatch of a field engineer are provided at the then-current time and materials rates.

4.11 Major, minor, and maintenance releases of Microsoft® or other third-party operating system, middleware or application software platforms. Customers should contact their Microsoft® or other third-party software vendor directly to obtain information on acquiring releases and/or bug fixes related to Microsoft® or other third party software platforms.

4.12 Support for Product for which Customer is unable to provide Cisco a valid and applicable serial number.

4.13 Services for Product for which SMARTnet support has lapsed are subject to Cisco's prevailing reinstatement fees.

4.14 Feature Set Upgrades may not be downloaded from Cisco.com without payment of Cisco's then-current license fees.

4.15 Pre-assembly of FRUs ordered through RMAs is not available unless otherwise agreed by Cisco in writing.

4.16 Services for Product that is available through new product introduction, field trial equipment, and that Cisco obtains through acquisition prior to First Customer Ship ("FCS").

4.17 Configuration services for any Software or non-Cisco software.

4.18 Hardware replacement in quantities greater than three (3) FRUs, including those replacements due to pervasive issues documented in an engineering change notice or field alert unless Customer has troubleshot failed Hardware down to the FRU level.

4.19 Requests for Service at an unmanned Customer site where a Customer representative is unavailable to receive the FRU.

Cisco Response:

Agreed.

Attachment C — Cisco Standard Commercial Limited Warranty

Hardware. Cisco warrants that from the date of shipment by Cisco to Customer, and continuing for a period of the longer of (a) ninety (90) days or (b) the period set forth in the Warranty Card accompanying the Product, the Hardware will be free from defects in material and workmanship, under normal use. This limited warranty extends only to the original user of the Product. Customer's sole and exclusive remedy and the entire liability of Cisco and its suppliers under this limited warranty will be, at Cisco's or its service center's option, shipment of a replacement within the period and according to the replacement process described in the Warranty Card, or a refund of the purchase price, if the Hardware is returned to the party supplying it to Customer, if different than Cisco, freight and insurance prepaid. Cisco replacement parts, used in Hardware repair, may be new or equivalent to new. Cisco's obligations hereunder are conditioned upon the returned of affected Products, in accordance with Cisco's then-current Return Material Authorization (RMA) procedures.

Software. Cisco warrants that from the date of shipment by Cisco to Customer and continuing for a period of the longer of (a) ninety (90) days or (b) the period set forth in the Warranty Card accompanying the Product: (a) the media on which the Software is furnished will be free of defects in materials and workmanship, under normal use; and (b) the Software substantially conforms to its published specifications. Except for the foregoing and the virus warranty below, the Software is provided AS IS. This limited warranty extends only to the Customer who is the original licensee. Customer's sole and exclusive remedy and the entire liability of Cisco and its suppliers under this limited warranty will be, at Cisco or its service center's option, repair, replacement, or refund of the Software if reported (or, upon request, returned) to the party supplying the Software to Customer, if different than Cisco. In no event, does Cisco warrant that the Software is error free or that Customer will be able to operate the Software without problems or interruptions. In addition, due to the continual development of new techniques for intruding upon and attacking networks, Cisco does not warrant that the Software or any equipment, system or network on which the Software is used will be free of vulnerability to intrusion or attack.

Virus Warranty. Cisco warrants that the Software, when shipped by Cisco or downloaded from CCO, is free from Viruses. As used herein, the term "Viruses" means codes programs or commands designed to (1) alter, damage or erase computer data or programs or (2) permit unauthorized access to Customer systems, any of which is intended to destroy or cause the Customer's system to malfunction. Customer's sole and exclusive remedy and the entire liability of Cisco and its suppliers under this warranty will be, at Cisco or its service center's option, repair, replacement, or refund of the price of the infected software if reported (or, upon request, return) to the party supplying the software to Customer, if different than Cisco.

Restrictions. This warranty does not apply if the Product (a) has been altered, except by Cisco, (b) has not been installed, operated, repaired, or maintained in accordance with instructions supplied by Cisco, (c) has been subjected to abnormal physical or electrical stress, misuse, negligence, or accident; or (d) is sold or, in the case of Software, licensed, for beta, evaluation,

testing or demonstration purposes for which Cisco does not receive a payment of purchase price or license fee.

DISCLAIMER OF WARRANTY. EXCEPT AS SPECIFIED IN THIS WARRANTY, ALL EXPRESS OR IMPLIED CONDITIONS, REPRESENTATIONS, AND WARRANTIES INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OR CONDITION OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NONINFRINGEMENT, SATISFACTORY QUALITY OR ARISING FROM A COURSE OF DEALING, LAW, USAGE, OR TRADE PRACTICE, ARE HEREBY EXCLUDED TO THE EXTENT ALLOWED BY APPLICABLE LAW. TO THE EXTENT AN IMPLIED WARRANTY CANNOT BE EXCLUDED, SUCH WARRANTY IS LIMITED IN DURATION TO THE WARRANTY PERIOD. This disclaimer and exclusion shall apply even if the express warranty set forth above fails of its essential purpose. The date of shipment of a Product by Cisco is set forth on the packaging material in which the Product is shipped.

Cisco Response:

Agreed.

Attachment D — Written Notification of Proprietary Contents

Cisco has marked the following areas as proprietary:

1. The entire response to question 4.a regarding references
2. The entire response to question 4.b regarding personnel
3. The entire response to question 6 regarding specific sales volumes to VASCUPP Institutions.

Numbers 1 and 2 are proprietary, as the public release of such information would violate confidentiality agreements we have with our customers, partners, and employees.

Number 3 is considered proprietary as our terms with the Securities and Exchange Commission (SEC), as a publicly held company, prohibit the public release of sales numbers unless done so to the entire investor audience, as through an annual report or other SEC filing. The information provided here is not a part of any SEC filing.

Acronyms

AJ	Amarjit
ARO	After Receipt of Order
CATV	Cable Television
CCNA	Cisco Certified Network Associate
CCNP	Cisco Certified Network Professional
CCO	Cisco Connection Online
CCSE	Cisco Certified Systems Engineer
CD	Compact Disk
CDCNSS	Cisco Data Center Networking Sales Specialist
CDROM	Compact Disk Read Only Memory
CEO	Chief Executive Officer
CFS	Cisco Firewall Specialist
CIF	Catalog Interchange Format
CPIT	Cisco Internet Protocol Telephony
CVOICE	Cisco Voice over Internet Protocol
DCNI	Data Center Network Infrastructure
DDU	Delivery Duty Unpaid
DISYS	Digital Intelligence Systems
DMBE	Department of Minority Business Enterprises
DQOS	Deploying Quality of Service
DVD	Digital Video Disc
FCS	First Customer Ship
FRU	Field Replacement Unit
FY	Fiscal Year
GPL	Global Price List
ICM	Intelligent Contact Management
IP	Internet Protocol
IPCC	Internet Protocol Contact Center
IPT	Internet Protocol Telephony
IT	Information Technology
LAN	Local Area Network
MCP	Master Control Port
MCSE	Microsoft Certified Systems Engineer
MO	Minority Owned
MPLS	Multiprotocol Label Switching
NAC	Network Admission Control

NBD	Next Business Day
PMP	Project Management Professional
RFP	Request for Proposal
RMA	Return Material Authorization
RU	Rack Unit
SA	System Administrator
SB	Small Business
SEC	Securities and Exchange Commission
TAC	Technical Assistance Center
UC	Unified Communications
VASCUPP	Virginia Association of State Colleges and University Purchasing Professionals
VCU	Virginia Commonwealth University
VoIP	Voice over Internet Protocol
VPN	Virtual Private Network
VT	Virginia Tech
VTSP	Vmware Technical Sales Professional
WAN	Wide Area Network
WO	Women Owned