

**MASTER PURCHASE AGREEMENT  
BETWEEN  
SHI INTERNATIONAL CORP.  
AND  
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES  
AS CONTRACTING AGENT FOR THE  
AGENCIES AND INSTITUTIONS OF THE STATE OF MISSISSIPPI**

This Master Purchase Agreement (hereinafter referred to as "Master Agreement") is entered into by and between SHI International Corp., a New Jersey corporation having its principal place of business at 290 Davidson Avenue, Somerset, New Jersey 08873 (hereinafter referred to as "Seller"), and the Mississippi Department of Information Technology Services, having its principal place of business at 3771 Eastwood Drive, Jackson, Mississippi 39211 (hereinafter referred to as "ITS"), as contracting agent for the governmental agencies and educational institutions of the State of Mississippi (hereinafter referred to as "Purchaser"). ITS and Purchaser are sometimes collectively referred to herein as "State".

**WHEREAS**, ITS, pursuant to Request for Proposals (hereinafter referred to as "RFP") Number 3758, requested proposals for the selection of vendors to sell commercial off-the-shelf general desktop and utility software not covered under a statewide manufacturer agreement, as well as vendors to fulfill the requirements of a certain software manufacturers' products including Adobe software under the terms of the Adobe CLP Agreements for Government and for Education, Citrix software under the terms of the Citrix FLEX Software License Agreement Number MSS112904, IBM Lotus software under the terms of the IBM Lotus International Passport Advantage Agreements (Mississippi Government Number 33882 and Mississippi Education Entities Number 01162), McAfee software under the terms of the McAfee, Inc. U.S. Corporate End User License Agreement Number 46000536, Novell software under the terms of the Novell Licensing Agreements (Master License Agreement Number 7124420), Symantec software under the terms of the Symantec Government Alliance Program Master Contract Number GPE011203MISSI;

**WHEREAS**, the State may also enter into future volume license agreements during the term of this Master Agreement, which will require an authorized reseller to administer such agreements, and which future volume license agreements would be added to this Master Agreement by a mutually agreed upon amendment;

**WHEREAS**, Seller was a successful proposer in an open, fair and competitive procurement process to serve as an authorized reseller;

**WHEREAS**, ITS desires to enter into a Master Agreement containing the terms and conditions which will govern any orders placed by the Purchaser during the term of this Master Agreement for software ("Products") and services from Seller as specified in RFP No. 3758;

**NOW THEREFORE**, in consideration of the mutual understandings, promises, consideration and agreements set forth, the parties hereto agree as follows:

**ARTICLE 1 TERM OF AGREEMENT**

Unless terminated as prescribed elsewhere herein, this Master Agreement will become effective on the date it is signed by all parties (the "Effective Date") and will continue in effect through June 30, 2017, or until all warranties provided by Seller to Purchaser have expired, whichever

occurs last. At the end of the initial term, the Master Agreement may, upon the written agreement of the parties, be renewed for additional terms, the length of which will be agreed upon by the parties. Sixty (60) days prior to the expiration of the initial or any renewal term of this Master Agreement, Seller shall notify ITS in writing of the impending expiration and thereafter ITS shall notify Seller of its intent to either renew or cancel the Master Agreement.

## **ARTICLE 2 MODIFICATION OR RENEGOTIATION**

This Master Agreement and any supplement/purchase order thereto may be modified only by written agreement signed by the parties hereto, and any attempt at oral modification shall be void and of no effect. The parties agree to renegotiate the Master Agreement and any pertinent supplement/purchase order if federal and/or state revisions of any applicable laws or regulations make changes in this Master Agreement and any pertinent supplement/purchase order necessary.

## **ARTICLE 3 INCLUDED PARTIES**

Seller will accept orders from and furnish the Products and services under this Master Agreement to any governmental agency, governing authority, or educational institution within Mississippi, at prices not to exceed those specified in Seller's Proposal in response to RFP No. 3758.

## **ARTICLE 4 ADDITIONAL TERMS AND CONDITIONS**

All provisions in this Master Agreement are in addition to the requirements of RFP No. 3758 and Seller's Proposal in response thereto, which are both incorporated into and made a part of this Master Agreement.

## **ARTICLE 5 ORDERS**

**5.1** The State does not guarantee that it will purchase any minimum amount under this Master Agreement.

**5.2** The parties agree that some or all of the Products and/or Services as proposed by Seller may be published as the Microsoft Express Products List ("EPL"). ITS and Seller will mutually agree on the format and content of the EPL.

**5.3** When a Purchaser decides to procure any Products and/or services from Seller, the Purchaser shall execute a supplement/purchase order to be signed by Seller and an authorized representative of the Purchaser. The supplement/purchase order shall set forth the Products/services to be procured; the prices for same; any warranty period, the specific details of the transaction, and any additional terms and conditions agreed to by the Seller and Purchaser. All supplements/purchase orders shall be governed by, and incorporate by reference, the terms and conditions of this Master Agreement. Excluding better pricing and/or discounts which may be specified in a supplement/purchase order, in the event of a conflict between the other terms and conditions in the supplement/purchase order or the terms of any document provided by Seller or its subcontractors and this Master Agreement, the terms and conditions of this Master Agreement shall prevail. The parties agree that the Purchaser has the right to adjust the quantities of purchases based upon the availability of funding or as determined necessary by the Purchaser.

**5.4** Seller guarantees its pricing for the term of RFP No. 3758. In the event there is a national price decrease of the Products bid during that time, Seller agrees to extend the new, lower pricing to Purchaser. Seller shall not increase its pricing during the term of this Master Agreement unless the manufacturer has issued a price increase for the particular Product.

Regardless of any price increase or decrease, the discount structure shall remain the same during the term of this Master Agreement.

## **ARTICLE 6 PRODUCT CHANGES**

**6.1** Seller and ITS may, at any time, mutually agree in writing to amend the list of Products specified in Seller's Proposal in response to RFP No. 3758 so as to add other Products which shall then be available to Purchaser under the terms of this Master Agreement.

**6.2** Seller shall be under no obligation to continue to stock in its inventory any Product, and Seller may delete any manufacturer discontinued Products from the list of Products specified in Seller's Proposal in response to RFP No. 3758 at any time. Seller shall provide prior written notice to ITS that the Products are being discontinued by the manufacturer.

## **ARTICLE 7 METHOD OF PAYMENT**

**7.1** Once the Products have been accepted by Purchaser as prescribed in Article 8 herein, or there has been lack of notice to the contrary, Seller shall submit an invoice for the cost and shall certify that the billing is true and correct. Seller shall submit invoices and supporting documentation electronically during the term of this Master Agreement using the processes and procedures identified by the State. Services will be invoiced as they are rendered. Purchaser agrees to pay Seller in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies", Sections 31-7-301, et seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment of undisputed amounts by the State within forty-five (45) days of receipt of the invoice. All payments shall be in United States currency. Payments by state agencies using Mississippi's Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. The payments by these agencies shall be deposited into the bank account of the Seller's choice. Seller understands and agrees that Purchaser is exempt from the payment of taxes. No payment, including final payment, shall be construed as acceptance of defective Products or incomplete work, and Seller shall remain responsible and liable for full performance in strict compliance with the contract documents specified in Article 37 herein.

**7.2** If payment of undisputed amounts is not made to Seller within forty-five (45) days of Purchaser's receipt of the invoice, Purchaser shall be liable to Seller for interest at a rate of one and one-half percent (1 ½%) per month (or such lesser rate as may be the maximum permissible rate under the law) on the unpaid balance from the expiration of such forty-five (45) day period until such time as payment is made. This provision for late payments shall apply only to undisputed amounts for which payment has been authorized.

**7.3** Acceptance by Seller of the last payment from the Purchaser under a supplement/purchase order shall operate as a release of all claims against the State by Seller and any subcontractors or other persons supplying labor or materials used in the performance of any work under a supplement/purchase order.

## **ARTICLE 8 DELIVERY; RISK OF LOSS; INSTALLATION, AND ACCEPTANCE**

**8.1** Seller shall deliver the Products to the location specified by Purchaser and pursuant to the delivery schedule mutually agreed to by the Seller and Purchaser.

**8.2** Seller shall assume and shall bear the entire risk of loss and damage to the Products from any cause whatsoever while in transit and at all times throughout its possession thereof.

**8.3** If installation by Seller is required, Seller acknowledges that installation of the Products shall be accomplished with minimal interruption of Purchaser's normal day to day operations, and that the installation will be pursuant to the requirements of the Purchaser.

**8.4** Seller warrants that all Products shall be properly delivered, installed and integrated, if necessary, for acceptance testing within the scheduling deadlines agreed to by the Seller and Purchaser as the site is deemed ready for installation. If installation by Seller is required, Seller shall provide Purchaser with an installation schedule identifying the date, time and location within the scheduling deadlines agreed to by the Seller and Purchaser.

**8.5** Unless a different acceptance period is agreed upon in writing by Seller and the Purchaser, Purchaser shall accept the Products provided by Seller after a thirty (30) calendar day testing period utilizing testing criteria developed by Purchaser. During the acceptance period, Purchaser shall have the opportunity to evaluate and test the Products to confirm that they perform without any defects and perform pursuant to the manufacturer's Product specifications. Purchaser shall notify Seller in writing of its acceptance of the Products. Purchaser may be deemed to have accepted the Product at the end of the thirty (30) calendar day period unless Purchaser notifies Seller that the Product fails to perform as stated herein.

**8.6** In the event the Product fails to perform as stated in Article 8.5 herein, Purchaser shall notify Seller. Unless a different period of time is agreed to by Seller and the Purchaser, Seller shall, within four (4) working days, correct the defects identified by Purchaser or replace the defective Product. If Seller neither corrects the defects nor replaces the defective Product, Purchaser reserves the right to return the Product to Seller at Seller's expense and to cancel the supplement/purchase order.

## **ARTICLE 9 WARRANTIES**

**9.1** Seller represents and warrants that it has the right to license the software Products provided under this Master Agreement.

**9.2** Seller represents and warrants that it has and will obtain and pass through to Purchaser any and all warranties obtained or available from the manufacturer/licensor of the Product.

**9.3** Unless a longer warranty period is specified in the supplement/purchase order, Seller represents and warrants, for a period of ninety (90) days from performance of the service, that all work hereunder, including but not limited to, consulting, training and technical support, has been performed in a good and workmanlike manner and consistent with generally accepted industry standards. For any breach of this warranty, Seller shall perform the services again, at no cost to Purchaser, or if Seller is unable to perform the services as warranted, Seller shall reimburse Purchaser the fees paid to Seller for the unsatisfactory services.

**9.4** Unless a different warranty is stated in the supplement/purchase order, Seller represents and warrants that the Products will operate free from defects for a period of ninety (90) days after acceptance, and will provide Purchaser complete functionality necessary for the operation of the system. Seller's obligations pursuant to this warranty shall include, but are not limited to, the repair of all defects or the replacement of the Product at the expense of Seller. In the event Seller is unable to repair or replace the Product within ten (10) working days after receipt of notice of the defect, Purchaser shall be entitled to a full refund of fees paid and shall have the right to terminate the supplement/purchase order and this Master Agreement in whole or in part solely as between Seller and Purchaser. Purchaser's rights hereunder are in addition to any other rights Purchaser may have.

**9.5** Seller represents and warrants that there is no disabling code, lockup program or device embedded in the Products provided to Purchaser. Seller further agrees that it will not, under any circumstances, (a) install or trigger a lockup program or device, or (b) take any step which would in any manner interfere with Purchaser's licensed use of the Products and/or which would restrict Purchaser from accessing its data files or in any way interfere with the transactions of Purchaser's business. For any breach of this warranty, Seller at its expense shall, within five (5) working days after receipt of notification of the breach, deliver Products to Purchaser that are free of such disabling code, lockup program or device.

**9.6** Seller represents and warrants that there is no computer virus contained in the Products when delivered to Purchaser. For purposes of this provision, a computer virus shall be defined as code intentionally inserted in the Products that will damage or destroy Purchaser's applications or data. For any breach of this warranty, Seller at its expense shall, within five (5) working days after receipt of notification of the breach, deliver Products to Purchaser that are free of any virus, and shall be responsible for repairing, at Seller's expense, any and all damage done by the virus to Purchaser's site.

**9.7** Seller represents and warrants that it will ensure its compliance with the Mississippi Employment Protection Act, Section 71-11-1, et seq. of the Mississippi Code Annotated (Supp 2008), and will register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work within the State of Mississippi. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Seller agrees to maintain records of such compliance and, upon request of the State and approval of the Social Security Administration or Department of Homeland Security, where required, to provide a copy of each such verification to the State. Seller further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Mississippi. Seller understands and agrees that any breach of these warranties may subject Seller to the following: (a) termination of this Master Agreement and ineligibility for any state or public contract in Mississippi for up to three (3) years, with notice of such cancellation/termination being made public, or (b) the loss of any license, permit, certification or other document granted to Seller by an agency, department or governmental entity for the right to do business in Mississippi for up to one (1) year, or (c) both. In the event of such termination/cancellation, Seller would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

**9.8** Seller represents and warrants that it will comply with the state's data breach notification laws codified at Section 75-24-29 of the Mississippi Code Annotated (Supp. 2012). Further, to the extent applicable, Seller represents and warrants that it will comply with the applicable provisions of the HIPAA Privacy Rule and Security Regulations (45 CFR Parts 160, 162 and 164) ("Privacy Rule" and "Security Regulations", individually; or "Privacy and Security Regulations", collectively); and the provisions of the Health Information Technology for Economic and Clinical Health Act, Title XIII of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5 (the "HITECH Act").

## **ARTICLE 10 INFRINGEMENT INDEMNIFICATION**

**10.1** Seller represents and warrants that neither the Products, their elements nor the use thereof violates or infringes on any copyright, patent, trade secret or other proprietary right of

any person or entity. Seller, at its own expense, shall defend or settle any and all infringement actions filed against Seller or Purchaser which involve the Products provided under this Master Agreement and shall pay all costs, attorney fees, settlements, damages and judgment finally awarded against Purchaser, provided that: (i) Purchaser promptly notifies Seller in writing of any such claim of which it has knowledge; (ii) Seller has, to the extent authorized by Mississippi law, sole control of the defense of any actions and negotiations related to the defense or settlement of any claim, and (iii) Purchaser cooperates in the defense of the claim by supplying Seller all relevant information currently available and in its possession, all at Seller's expense.

**10.2** If Seller believes that the Product is or will become the subject of an infringement claim, or in the event that use of the Product is enjoined, Seller, at its own expense, shall: (a) first procure for Purchaser the right to continue using the Product, or upon failing to procure such right; (b) modify or replace the Product to make it non-infringing while maintaining substantially similar software functionality or data/informational content, or upon failing to secure either such right, (c) request Purchaser to return the infringing items to Seller and Seller shall refund the software license fees previously paid by Purchaser for the software the Purchaser may no longer use. Said refund shall be paid within ten (10) working days of notice to Purchaser to discontinue said use.

**10.3** Seller shall have no indemnification obligations to Purchaser under this Article for any infringement resulting directly from: (i) the combination or use of the Product with other items not provided by Seller; (ii) material modification of the Product by someone other than Seller, its agents or subcontractors or Purchaser's employees who were working at Seller's direction, where such modification creates the infringement; (iii) use of an allegedly infringing version of the Product if the alleged infringement would have been avoided by the use of a different version Seller made available to Purchaser at no cost to Purchaser, as long as the new or corrected version did not adversely affect the Purchaser's system's functionality.

## **ARTICLE 11 EMPLOYMENT STATUS**

**11.1** Seller shall, during the entire term of this Master Agreement, be construed to be an independent contractor. Nothing in this Master Agreement is intended to nor shall it be construed to create an employer-employee relationship or a joint venture relationship.

**11.2** Seller represents that it is qualified to perform the duties to be performed under this Master Agreement and that it has, or will secure, if needed, at its own expense, applicable personnel who shall be qualified to perform the duties required under this Master Agreement. Such personnel shall not be deemed in any way directly or indirectly, expressly or by implication, to be employees of Purchaser. Seller shall pay when due, all salaries and wages of its employees and it accepts exclusive responsibility for the payment of federal income tax, state income tax, social security, unemployment compensation and any other withholdings that may be required. Neither Seller nor employees of Seller are entitled to state retirement or leave benefits.

**11.3** Any person assigned by Seller to perform the services hereunder shall be the employee or an authorized subcontractor of Seller, who shall have the sole right to hire and discharge its employee or subcontractor. Notwithstanding the use of authorized subcontractors, Seller shall remain solely responsible for the performance of its obligations under this Master Agreement. Purchaser may, however, request Seller to replace any of its employees or subcontractor personnel under this Master Agreement. If Seller is notified within the first eight (8) hours of assignment that the person is unsatisfactory, Seller will not charge Purchaser for those hours.

## **ARTICLE 12 BEHAVIOR OF EMPLOYEES/SUBCONTRACTORS**

Seller will be responsible for the behavior of all its employees and subcontractors while on the premises of any Purchaser location. Any employee or subcontractor acting in a manner determined by the administration of that location to be detrimental, abusive or offensive to any of the staff and/or student body, will be asked to leave the premises and may be suspended from further work on the premises. All Seller employees and subcontractors who will be working at such locations to install or repair Products shall be covered by Seller's comprehensive general liability insurance policy.

## **ARTICLE 13 AUTHORITY, ASSIGNMENT AND SUBCONTRACTS**

**13.1** In matters of proposals, negotiations, contracts, and resolution of issues and/or disputes, the parties agree that Seller represents all contractors, third parties, and/or subcontractors Seller has assembled for any given Purchaser project. The Purchaser is only required to negotiate with Seller, as Seller's commitments are binding on all proposed contractors, third parties, and subcontractors.

**13.2** Neither party to a supplement/purchase order and this Master Agreement may assign or otherwise transfer the supplement/purchase order and/or this Master Agreement or its obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld. Any attempted assignment or transfer of its obligations without such consent shall be null and void. The supplement/purchase order and this Master Agreement shall be binding upon the parties' respective successors and assigns.

**13.3** Seller must obtain the written approval of Purchaser before subcontracting any portion of the supplement/purchase order and this Master Agreement. No such approval by Purchaser of any subcontract shall be deemed in any way to provide for the incurrence of any obligation of Purchaser in addition to the total fixed price agreed upon in the supplement/purchase order. All subcontracts shall incorporate the terms of the supplement/purchase order and this Master Agreement and shall be subject to the terms and conditions of same and to any conditions of approval that Purchaser may deem necessary.

**13.4** Seller represents and warrants that any subcontract agreement Seller enters into shall contain a provision advising the subcontractor that the subcontractor shall have no lien and no legal right to assert control over any funds held by the Purchaser, and that the subcontractor acknowledges that no privity of contract exists between the Purchaser and the subcontractor and that Seller is solely liable for any and all payments which may be due to the subcontractor pursuant to its subcontract agreement with Seller. Seller shall indemnify and hold harmless the State from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs and expenses of every kind and nature whatsoever arising as a result of Seller's failure to pay any and all amounts due by Seller to any subcontractor, materialman, laborer or the like.

**13.5** All subcontractors shall be bound by any negotiation, arbitration, appeal, adjudication or settlement of any dispute between Seller and the Purchaser, where such dispute affects the subcontract.

## **ARTICLE 14 AVAILABILITY OF FUNDS**

It is expressly understood and agreed that the obligation of Purchaser to proceed under this Master Agreement and the supplement/purchase order is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds for the performances required under this Master Agreement. If the funds anticipated for the fulfillment of this Master Agreement and the supplement/purchase order are not forthcoming, or are

insufficient, either through the failure of the federal government to provide funds or of the State of Mississippi to appropriate funds, or if there is a discontinuance or material alteration of the program under which funds were available to Purchaser for the payments or performance due under this Master Agreement, Purchaser shall have the right to immediately terminate the supplement/purchase order and this Master Agreement as to itself only, without damage, penalty, cost or expense to Purchaser of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination. Purchaser shall have the sole right to determine whether funds are available for the payments or performances due under the supplement/purchase order and this Master Agreement. Any payment due Seller for services rendered by Seller prior to termination and received by Purchaser shall be paid.

## **ARTICLE 15 TERMINATION**

**15.1 Termination Upon Mutual Agreement:** The supplement/purchase order may be terminated in whole or in part without the assessment of any penalties upon the mutual written agreement of Seller and the Purchaser.

**15.2 Termination Due To Bankruptcy:** Should Seller become the subject of bankruptcy or receivership proceedings, whether voluntary or involuntary, or execute an assignment for the benefit of its creditors, the Purchaser may terminate a supplement/purchase order and this Master Agreement solely as between those two entities without the assessment of any penalties.

**15.3 Termination Other Than For Cause:** A Purchaser may terminate the supplement/purchase order and this Master Agreement as to itself only, in whole or in part, and without the assessment of any penalties, for any reason after giving thirty (30) days written notice specifying the effective date thereof to Seller.

**15.4 Termination For Cause:** Either Purchaser or Seller may terminate a supplement/purchase order and this Master Agreement solely as between those two entities and without the assessment of any penalties upon a material breach by the other party upon thirty (30) calendar days prior written notice unless the defaulting party cures such breach within such thirty (30) calendar-day period, or such other cure timeframe as may be mutually agreed upon by the Seller and Purchaser. Provided that, if the Purchaser terminates a supplement/purchase order and this Master Agreement solely as between those two entities because of Seller's inability to cure material defects after notice and opportunity to cure, the Purchaser may terminate the supplement/purchase order and this Master Agreement solely as between those two entities without also providing the notice and opportunity to cure required in this Article. The non-defaulting party may also pursue any remedy available to it in law or in equity.

**15.5 Termination of Master Agreement:** ITS may terminate the Master Agreement for any reason and without the assessment of any penalties after giving thirty (30) calendar days written notice specifying the effective date thereof to Seller, but any supplement/purchase order entered into prior to the termination date of the Master Agreement shall survive the termination of the Master Agreement. The terms of this Master Agreement shall survive its termination/expiration with respect to any unexpired supplements/purchase orders.

**15.6** Upon termination of a supplement/purchase order, Seller shall refund any and all applicable unexpended pro-rated support/service fees previously paid by the Purchaser. Further, in the event a supplement/purchase order is terminated, Seller shall be paid for Services completed by Seller and accepted by Purchaser prior to the termination. Such



compensation shall be based upon and shall not exceed the amounts set forth in the particular supplement/purchase order.

#### **ARTICLE 16 GOVERNING LAW**

This Master Agreement and each supplement/purchase order shall be construed and governed in accordance with the laws of the State of Mississippi and venue for the resolution of any dispute shall be Jackson, Hinds County, Mississippi. Seller expressly agrees that under no circumstances shall Purchaser or ITS be obligated to pay an attorneys fee, prejudgment interest or the cost of legal action to Seller. Further, nothing in this Master Agreement shall affect any statutory rights Purchaser may have that cannot be waived or limited by contract.

#### **ARTICLE 17 WAIVER**

Failure of either party hereto to insist upon strict compliance with any of the terms, covenants and conditions hereof shall not be deemed a waiver or relinquishment of any similar right or power hereunder at any subsequent time or of any other provision hereof, nor shall it be construed to be a modification of the terms of the supplement/purchase order or this Master Agreement. A waiver by the State, to be effective, must be in writing, must set out the specifics of what is being waived, and must be signed by an authorized representative of the State.

#### **ARTICLE 18 SEVERABILITY**

If any term or provision of a supplement/purchase order or this Master Agreement is prohibited by the laws of the State of Mississippi or declared invalid or void by a court of competent jurisdiction, the remainder of the supplement/purchase order or this Master Agreement shall be valid and enforceable to the fullest extent permitted by law, provided that the Purchaser's purpose for entering into the supplement/purchase order can be fully achieved by the remaining portions of the supplement/purchase order that have not been severed.

#### **ARTICLE 19 CAPTIONS**

The captions or headings in this Master Agreement are for convenience only, and in no way define, limit or describe the scope or intent of any provision or section of this Master Agreement.

#### **ARTICLE 20 HOLD HARMLESS**

To the fullest extent allowed by law, Seller shall indemnify, defend, save and hold harmless, protect and exonerate Purchaser, ITS and the State, its Board Members, officers, employees, agents and representatives from and against any and all claims, demands, liabilities, suits, actions, damages, losses, costs and expenses of every kind and nature whatsoever, including without limitation, court costs, investigative fees and expenses, attorney fees and claims for damages arising out of or caused by Seller and/or its partners, principals, agents, employees or subcontractors in the performance of or failure to perform the supplement/purchase order and this Master Agreement.

#### **ARTICLE 21 THIRD PARTY ACTION NOTIFICATION**

Seller shall notify Purchaser and ITS in writing within five (5) business days of Seller filing bankruptcy, reorganization, liquidation or receivership proceedings or within five (5) business days of its receipt of notification of any action or suit being filed or any claim being made against Seller or Purchaser by any entity that may result in litigation related in any way to a supplement/purchase order or this Master Agreement and/or which may affect the Seller's performance under the supplement/purchase order or this Master Agreement. Failure of the Seller to provide such written notice to Purchaser and ITS shall be considered a material breach of the supplement/purchase order and this Master Agreement and the Purchaser and ITS may, at their sole discretion, pursue their rights as set forth in the Termination Article herein and any

other rights and remedies they may have at law or in equity.

## **ARTICLE 22 AUTHORITY TO CONTRACT**

Seller warrants that it is a validly organized business with valid authority to enter into this Master Agreement; that entry into and performance under this Master Agreement is not restricted or prohibited by any loan, security, financing, contractual or other agreement of any kind, and notwithstanding any other provision of this Master Agreement to the contrary, that there are no existing legal proceedings, or prospective legal proceedings, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under a supplement/purchase order and this Master Agreement.

## **ARTICLE 23 NOTICE**

Any notice required or permitted to be given under this Master Agreement shall be in writing and personally delivered or sent by electronic means provided that the original of such notice is sent by certified United States mail, postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at their usual business address. ITS' address for notice is: Craig P. Orgeron, Ph.D., Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Seller's address for notice is: Mr. Thai Lee, President, SHI International Corp., 290 Davidson Avenue, Somerset, New Jersey 08873. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.

## **ARTICLE 24 RECORD RETENTION AND ACCESS TO RECORDS**

Seller shall establish and maintain financial records, supporting documents, statistical records and such other records as may be necessary to reflect its performance of the provisions of this Master Agreement and the supplement/purchase order. The Purchaser, ITS, any State or federal agency authorized to audit Purchaser, and/or any of their duly authorized representatives, shall, at their expense and upon prior reasonable notice to Seller, have access to this Master Agreement, supplement/purchase order, and to any of the Seller's books, documents, papers and/or records that are pertinent to the supplement/purchaser order and this Master Agreement to make audits, copies, examinations, excerpts and transcriptions at the State's or Seller's office, as applicable, where such records are kept during normal business hours. All records relating to this Master Agreement and the supplement/purchase order shall be retained by the Seller for three (3) years from the date of receipt of final payment under this Master Agreement and the supplement/purchase order. However, if any litigation or other legal action, by or for the state or federal government has begun that is not completed at the end of the three (3) year period, or if an audit finding, litigation or other legal action has not been resolved at the end of the three (3) year period, the records shall be retained until resolution.

## **ARTICLE 25 INSURANCE**

Seller represents that it will maintain workers' compensation insurance as prescribed by law which shall inure to the benefit of Seller's personnel, as well as comprehensive general liability insurance. Seller will, upon request, furnish Purchaser with a certificate of conformity providing the aforesaid coverage.

## **ARTICLE 26 DISPUTES**

**26.1** Should disputes arise with respect to the supplement/purchase order and/or this Master Agreement, Seller and Purchaser agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes. Seller agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under the

supplement/purchase order and/or this Master Agreement. Should Seller fail to continue without delay to perform its responsibilities under the supplement/purchase order and/or this Master Agreement in the accomplishment of all work, any additional costs incurred by Seller or Purchaser as a result of such failure to proceed shall be borne by Seller and Seller shall make no claim against Purchaser for such costs.

**26.2** If Seller and Purchaser cannot resolve a dispute within ten (10) calendar days following written notification by either party of the existence of said dispute, then the following procedure shall apply:

**A.** Seller and Purchaser agree to resolve such matters through submission of their dispute to the Executive Director of ITS, who shall reduce his/her decision to writing and mail or otherwise furnish a copy thereof to the parties within ten (10) calendar days after presentation of such dispute for his/her decision.

**B.** Purchaser may withhold payments on disputed items pending resolution of the dispute. The withholding of such payments shall not constitute cause for termination or suspension of the supplement/purchase order and/or this Master Agreement by Seller.

**C.** Disagreement with the Executive Director's decision by either party shall not constitute a breach under the terms of this Master Agreement. Such disagreeing party shall be entitled to seek such other rights and remedies it may have at law or in equity.

#### **ARTICLE 27 COMPLIANCE WITH LAWS**

Seller shall comply with, and all activities under the supplement/purchase order and this Master Agreement shall be subject to, all Purchaser policies and procedures of which Seller has knowledge, and all applicable federal, state and local laws and regulations as now existing and as may be amended or modified. Specifically, but not limited to, Seller shall not discriminate against any employee nor shall any party be subject to discrimination in the performance of the supplement/purchase order and this Master Agreement because of race, creed, color, sex, age, national origin or disability.

#### **ARTICLE 28 CONFLICT OF INTEREST**

Seller shall notify Purchaser of any potential conflict of interest resulting from the representation of or service to other clients. If such conflict cannot be resolved to Purchaser's satisfaction, Purchaser reserves the right to terminate the supplement/purchase order and this Master Agreement as to itself only.

#### **ARTICLE 29 SOVEREIGN IMMUNITY**

By entering into this Master Agreement with Seller, the State of Mississippi does in no way waive its sovereign immunities or defenses as provided by law.

#### **ARTICLE 30 CONFIDENTIAL INFORMATION**

**30.1** Seller shall treat all Purchaser data and information to which it has access by Seller's performance under a supplement/purchase order and this Master Agreement as confidential and shall not disclose such data or information to a third party without specific written consent. In the event that Seller receives notice that a third party requests divulgence of confidential or otherwise protected information and/or has served upon it a subpoena or other validly issued administrative or judicial process ordering divulgence of such information, the Seller shall promptly inform Purchaser and thereafter respond in conformity with such subpoena to the extent mandated by state and/or federal laws, rules and regulations. This Article shall survive the termination or completion of the supplement/purchase order or this Master Agreement and shall continue in full force and effect and shall be binding upon the Seller and its agents,

employees, successors, assigns, subcontractors or any party or entity claiming an interest in the supplement/purchase order or this Master Agreement on behalf of, or under the rights of the Seller following any termination or completion of the supplement/purchase order or this Master Agreement.

**30.2** The foregoing obligations do not apply to information which: (a) is or becomes known by the Seller without an obligation to maintain its confidentiality; (b) is or becomes generally known to the public through no act or omission of Seller, or (c) is independently developed by Seller without use of confidential or proprietary information.

**30.3** With the exception of any attached exhibits which are labeled as "confidential", the parties understand and agree that the supplement/purchase order and this Master Agreement, including any amendments and/or change orders thereto, do not constitute confidential information, and may be reproduced and distributed by the State without notification to Seller. ITS will provide third party notice to Seller of any requests received by ITS for any such confidential exhibits so as to allow Seller the opportunity to protect the information by court order as outlined in ITS Public Records Procedures. The preceding notwithstanding, Seller understands that copies of this executed Master Agreement along with any exhibits labeled as "confidential" may be distributed to the governmental agencies, educational institutions, and other public entities of the State of Mississippi without any such notice.

#### **ARTICLE 31 EFFECT OF SIGNATURE**

Each person signing a supplement/purchase order or this Master Agreement represents that he or she has read the supplement/purchase order and this Master Agreement in its entirety, understands its terms, is duly authorized to execute the supplement/purchase order or this Master Agreement on behalf of the parties and agrees to be bound by the terms contained herein. Accordingly, the supplement/purchase order and this Master Agreement shall not be construed or interpreted in favor of or against the State or Seller on the basis of draftsmanship or preparation hereof.

#### **ARTICLE 32 OWNERSHIP OF DOCUMENTS AND WORK PRODUCTS**

The Purchaser shall own all files, work papers, documentation, programs, data bases (and all applications thereof), data, and/or other material, electronic or otherwise, collected and created in connection with work performed under a supplement/purchase order, whether completed or in progress, except for: (a) Seller's internal administrative and quality assurance files and internal project correspondence; (b) software, documents, objects or things owned by Seller or a third party and pre-existing the work performed under the supplement/purchase order, and (c) documents, objects or things in which Seller has no right to transfer ownership. As to such documents, objects and things, Seller shall convey such right or interest to the extent allowed by law. Seller shall deliver such documents and work papers to Purchaser upon termination or completion of the supplement/purchase order. The foregoing notwithstanding, Seller shall be entitled to retain a set of such work papers only after receiving written permission from the Purchaser.

### **ARTICLE 33 FORCE MAJEURE**

Both Seller and the Purchaser shall be excused from performance for any period and to the extent that it is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond the reasonable control and without the fault or negligence of such party and/or its subcontractors. Such acts shall include without limitation, acts of God, strikes, lockouts, riots, acts of war or terrorism, epidemics, governmental regulations superimposed after the fact, fire, earthquakes, floods or other natural disasters (the "Force Majeure Events"). Delays in delivery or in meeting completion dates due to Force Majeure Events shall extend such dates as mutually agreed to by the parties.

### **ARTICLE 34 STATE PROPERTY**

Seller shall be responsible for the proper custody of any Purchaser-owned property furnished for Seller's use in connection with work performed pursuant to any supplement/purchase order. Seller shall reimburse the Purchaser for any loss or damage, normal wear and tear excepted.

### **ARTICLE 35 NEWS RELEASES**

News releases pertaining to a supplement/purchase order or this Master Agreement or the products, study, data, or project to which it relates will not be made without prior written Purchaser approval, and then only in accordance with the explicit written instructions from Purchaser.

### **ARTICLE 36 SURVIVAL**

Articles 9, 10, 16, 20, 24, 29, 30, 32, and all other articles which, by their express terms so survive or which should so reasonably survive, shall survive any termination or expiration of the supplement/purchase order or this Master Agreement.

### **ARTICLE 37 ENTIRE AGREEMENT**

**37.1** This Master Agreement constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any conflicting negotiations, understandings and agreements, written or oral, between the parties relating hereto, including all terms of any unsigned "shrink-wrap," "clickwrap," or "browse-wrap" license included in any package, media or electronic or online version of Seller-furnished software. The supplement/purchase order, the Published EPL, RFP No. 3758, the LOC, if any, and the Seller's Proposals submitted in response thereto are hereby incorporated into and made a part of this Master Agreement as far as the individual governmental agency/institution is concerned.

**37.2** The Master Agreement made by and between the parties hereto shall consist of, and precedence is hereby established by the order of the following:

- A.** This Master Agreement signed by Seller and ITS, and all attachments;
- B.** The published EPL;
- C.** RFP No. 3758;
- D.** Official written correspondence from ITS to Seller;
- E.** Official written correspondence from Seller to ITS when clarifying Seller's proposal;
- F.** Seller's Proposals, as accepted by ITS, in response to RFP No. 3758 and the underlying LOC, if any; and
- G.** The purchase order or additional contract, if required, between Purchaser and Seller.

**37.3** The intent of the above listed documents is to include all items necessary for the proper execution and completion of the services by Seller. The documents are complementary, and

what is required by one shall be binding as if required by all. A higher order document shall supersede a lower order document to the extent necessary to resolve any conflict or inconsistency arising under the various provisions thereof; provided, however, that in the event an issue is addressed in one of the above mentioned documents but is not addressed in another of such documents, no conflict or inconsistency shall be deemed to occur by reason thereof. The documents listed above are shown in descending order of priority, that is, the highest document begins with the first listed document ("A. This Master Agreement") and the lowest document is listed last ("G. The purchase order or additional contract, if required, between Purchaser and Seller").

#### **ARTICLE 38 SERVICES**

When ordered by Purchaser, Seller agrees to provide consulting, training and technical support services as mutually agreed upon by Seller and Purchaser.

#### **ARTICLE 39 DEBARMENT AND SUSPENSION CERTIFICATION**

Seller certifies that neither it nor its principals: (a) are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal department or agency; (b) have, within a three (3) year period preceding this Master Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; (c) are presently indicted of or otherwise criminally or civilly charged by a governmental entity with the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property, and (d) have, within a three (3) year period preceding this Master Agreement, had one or more public transaction (federal, state or local) terminated for cause or default.

#### **ARTICLE 40 COMPLIANCE WITH ENTERPRISE SECURITY POLICY**

The parties (Seller and Purchaser) understand and agree that all Products and services provided by Seller under this Master Agreement must be and remain in compliance with the State of Mississippi's Enterprise Security Policy. The parties understand and agree that the State's Enterprise Security Policy is based on industry-standard best practices, policy, and guidelines at the time of contract execution. The parties (Seller and Purchaser) understand and agree that the Purchaser is responsible for maintaining compliance with the State of Mississippi's Enterprise Security Policy. The State reserves the right to introduce a new policy during the term of this Master Agreement and require Seller to comply with same. If Seller is unable or unwilling to comply with the new policy, the parties (Seller and Purchaser) agree to enter into discussions in an attempt to reach an amicable resolution. In the event a mutual agreement is not reached, both Seller and the Purchaser shall be released from their obligations under the particular supplement.

#### **ARTICLE 41 TRANSPARENCY**

In accordance with the Mississippi Accountability and Transparency Act of 2008, §27-104-151, et seq., of the Mississippi Code of 1972, as Amended, the American Accountability and Transparency Act of 2009 (P.L. 111-5), where applicable, and §31-7-13 of the Mississippi Code of 1972, as amended, where applicable, a fully executed copy of this Master Agreement

and any subsequent amendments shall be posted to the State of Mississippi's accountability website at: <http://www.transparency.mississippi.gov>. Prior to ITS posting the Master Agreement and any subsequent amendments to the website, any attached exhibits which contain trade secrets or other proprietary information and are labeled as "confidential" will be redacted by ITS.

#### **ARTICLE 42 EPL ADMINISTRATIVE FEES**

Within fifteen (15) calendar days following the completion of each quarter, Seller shall submit its Marketing/Sales Report identifying all Express Products Lists ("EPL") sales to ITS. Upon receipt of same, ITS will review the Marketing/Sales Report and assess a one percent (1%) administrative fee based on the total amount of sales that are reported. ITS will thereafter invoice Seller for their administrative fees, with said invoice being mailed to the "bill-to" address provided by Seller. Seller understands and agrees that the EPL administrative fee is the responsibility of the Seller and is not to be charged to the Purchaser in the form of a separate line item. Seller agrees to remit its payment of the administrative fee to ITS each quarter within thirty (30) calendar days of the invoice date (hereinafter referred to as "Due Date"). It is understood and agreed by the parties that in the event Seller fails to submit its Marketing/Sales Report within fifteen (15) calendar days following completion of a quarter or in the event Seller fails to remit its payment of the quarterly administrative fees by the Due Date, Seller will be immediately suspended from participation in the EPL until such time as the Marketing/Sales Report is received by ITS and all outstanding administrative fees have been paid in full.

#### **ARTICLE 43 LIABILITY ISSUES**

Unless jointly agreed otherwise in writing, Seller's liability shall not exceed twice the total amount paid by Purchaser to Seller under this Master Agreement, including any amounts paid pursuant to amendments and change orders. In no event will Seller be liable to Purchaser for special, indirect, consequential or incidental damages including lost profits, lost savings or lost revenues of any kind unless Seller was advised of the possibility of such loss or damage or unless such loss or damage could have been reasonably foreseen. Excluded from this or any liability limitation are claims related to fraud, bad faith, infringement issues, bodily injury, death, physical damage to tangible personal property and real property, and the intentional and willful misconduct or gross negligent acts of Seller. The language contained herein tending to limit the liability of the Seller will apply to Purchaser to the extent it is permitted and not prohibited by the laws or constitution of Mississippi. Further, the parties understand and agree that the Seller is precluded from relying on any contractual damages limitation language within this Master Agreement where the Seller acts fraudulently or in bad faith.

For the faithful performance of the terms of this Master Agreement, the parties have caused this Master Agreement to be executed by their undersigned representatives.

State of Mississippi, Department of  
Information Technology Services, on  
behalf of the agencies and institutions  
of the State of Mississippi

By:   
Authorized Signature

Printed Name: Craig P. Orgeron, Ph.D.

Title: Executive Director

Date: 6/18/15

SHI International Corp.

By: Natalie Slowik  
Authorized Signature

Printed Name: Natalie Slowik

Title: Contracts Manager

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