PROJECT NUMBER 40437
MASTER CLOUD-HOSTED ENTERPRISE E-MAIL AGREEMENT
BETWEEN
PILEUM CORPORATION
AND
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES
AS CONTRACTING AGENT FOR THE
AGENCIES AND INSTITUTIONS OF THE STATE OF MISSISSIPPI

This Master Cloud-Hosted Enterprise E-mail Agreement (hereinafter referred to as "Master Agreement") is entered into by and between Pileum Corporation, a Mississippi corporation having its principal offices at 190 East Capitol Street, Suite 175, Jackson, Mississippi 39201 (hereinafter referred to as "Contractor") 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, educational institutions and governing authorities of the State of Mississippi (hereinafter referred to as "Customer"). ITS and Customer are sometimes collectively referred to herein as "State".

WHEREAS, ITS, pursuant to Request for Proposals ("RFP") No. 3723, requested proposals for the acquisition of a master agreement containing the terms and conditions which will govern any orders placed by ITS or other designated entities during the term of this Master Agreement for cloud-hosted enterprise e-mail services (collectively referred to as "Services") which will be administered by ITS; and

WHEREAS, the Contractor was the successful proposer in an open, fair and competitive procurement process to provide the above-mentioned Services;

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

ARTICLE 1 TERM OF AGREEMENT AND PRICE RE-DETERMINATION

Unless this Master Agreement is extended by mutual agreement or terminated as prescribed elsewhere herein, this Master Agreement shall become effective on the date it is signed by all parties (the "Effective Date") and shall continue in effect for five (5) years thereafter ("Initial Term"). At the end of the Initial Term, this Master Agreement may, upon the written agreement of the parties, be renewed for two (2) additional two (2) year terms. Sixty (60) days prior to the expiration of the Initial Term or any renewal term of this Master Agreement, Contractor shall notify ITS in writing of the impending expiration and thereafter ITS shall notify the Contractor of its intent to either renew or cancel the Master Agreement.

ARTICLE 2 DEFINITIONS

The following terms as used herein shall have the following meanings:

2.1 "Contractor" shall mean Pileum Corporation and its successors and assigns (subject to the provisions of the article herein titled "Authority, Assignment and Subcontracts").

2.2 "Customer" shall mean the governmental agencies, educational institutions and governing authorities within Mississippi.

2.3 **"ITS"** shall mean the Mississippi Department of Information Technology Services.

2.4 **"Master Agreement"** shall mean this Master Cloud-Hosted Enterprise Email Agreement and any agreed upon amendments thereto, between ITS and Contractor.

2.5 **"Services"** shall mean the cloud-hosted enterprise email services provided by Contractor pursuant to this Master Agreement.

2.6 **"State"** shall mean ITS and Customer collectively.

ARTICLE 3 MODIFICATION OR RENEGOTIATION

This Master Agreement 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 if federal and/or state revisions of any applicable laws or regulations make changes in this Master Agreement necessary.

ARTICLE 4 INCLUDED PARTIES

Contractor will accept orders and furnish the Services under this Master Agreement to the Customer at the prices specified in Exhibit A, which is attached hereto and incorporated herein by reference. It is understood that the pricing is not subject to being increased during this Master Agreement.

ARTICLE 5 ORDERS

5.1 The State does not make any guarantees as to email boxes or dollars to be spent under this Master Agreement.

5.2 Contractor agrees to provide to ITS, at no additional charge, semi-annual reports, with such reports listing the state agency, educational institution or other governmental entity name, total number of email boxes, total cost for same, and any other information as may be mutually agreed upon by ITS and the Contractor. Summary reports for the time period of January 1 through June 30 shall be submitted by Contractor on or before August 1 of each year. Summary reports for the time period of July 1 through December 31 shall be submitted by Contractor on or before February 1 of each year. Contractor agrees to provide ITS ad hoc reports on an as-needed, as-requested basis.

5.3 The terms and conditions of this Master Agreement shall apply to all orders for Services. The terms and conditions of this Master Agreement shall supersede any conflicting terms and conditions set forth in any document provided by Contractor. The parties agree that the State has the right to adjust the quantities of Services procured based upon the availability of funding or as determined necessary by the State.

5.4 Contractor represents and warrants that all of the prices, discounts, terms, warranties and benefits granted by Contractor to the State under this Master Agreement are comparable to or better than the prices, discounts, terms, warranties and benefits that, as of the Effective Date of this Master Agreement, Contractor has extended to any other purchaser of Services (not including any customers to whom Contractor provides Services without charge). If Contractor should enter into any agreement with another purchaser during the term of this Master Agreement under which such purchaser is afforded more favorable prices, discounts, terms, warranties and benefits, then Contractor agrees to amend this Master Agreement, retroactively to the effective date of the agreement with the other purchaser, so as to extend such favorable prices, discounts, terms,

warranties and benefits to the State.

ARTICLE 6 RESPONSIBILITIES OF CONTRACTOR

Contractor represents and warrants to provide the Services as specified in Section VII of RFP No. 3723 and Contractor's Proposal, as accepted by ITS, in response thereto.

ARTICLE 7 METHOD OF PAYMENT

The State agrees to pay the Contractor for the Services rendered at the prices set forth in the Contractor's Proposal as accepted by the State in response to RFP No. 3723. The Contractor shall submit an invoice monthly with the appropriate documentation to each Customer agency as Services are rendered. The State may, in its sole discretion, require the Contractor to submit invoices and supporting documentation electronically at any time during the term of this Master Agreement. The State agrees to make payment in accordance with Mississippi law on "Timely Payments for Purchases by Public Bodies", Section 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. The Contractor understands and agrees that the State is exempt from the payment of taxes in the State of Mississippi. 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 Contractor's choice. No payment, including final payment, shall be construed as acceptance of defective or incomplete work, and the Contractor shall remain responsible and liable for full performance.

ARTICLE 8 WARRANTIES

8.1 Contractor represents and warrants that all Services provided by Contractor shall meet or exceed the minimum specifications set forth in RFP No. 3723 and Contractor's Proposal, as accepted by ITS, in response thereto.

8.2 Contractor represents and warrants that its Services hereunder shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such Services and shall comply in all respects with the requirements of this Master Agreement. For any breach of this warranty, the Contractor shall perform the Services again, at no cost to the State, or if the Contractor is unable to perform the Services as warranted, the Contractor shall reimburse the State the fees paid to the Contractor for the unsatisfactory Services.

8.3 If applicable under the given circumstances, Contractor 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 (Supp2008), 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. Contractor 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. Contractor 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. Contractor understands and agrees that any breach of these warranties may subject Contractor 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 Contractor 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, Contractor would also be liable for any additional costs incurred by the State due to contract cancellation or loss of license or permit.

ARTICLE 9 EMPLOYMENT STATUS

9.1 Contractor shall, during the 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.

9.2 Contractor 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 required duties. Such personnel shall not be deemed in any way directly or indirectly, expressly or by implication, to be employees of Customer. Contractor 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 Contractor nor employees of Contractor are entitled to state retirement or leave benefits.

9.3 Any person assigned by Contractor to perform the Services hereunder shall be the employee of Contractor, who shall have the sole right to hire and discharge its employee.

ARTICLE 10 BEHAVIOR OF EMPLOYEES/SUBCONTRACTORS

Contractor will be responsible for the behavior of all its employees and subcontractors while on the premises of any Customer 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 Contractor employees and subcontractors who will be working at such locations to install or repair equipment shall be covered by Contractor's comprehensive general liability insurance policy.

ARTICLE 11 AUTHORITY, ASSIGNMENT AND SUBCONTRACTS

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

11.2 Neither party to this Master Agreement may assign or otherwise transfer 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. This Master Agreement shall be binding upon the parties' respective successors and permitted assigns.

11.3 Contractor must obtain the written approval of the State before subcontracting any portion of this Master Agreement. No such approval by the State of any subcontract shall be deemed in any way to provide for the incurrence of any additional obligation to the State. All subcontracts shall incorporate the terms of this Master Agreement and shall be subject to the terms and conditions of same and to any conditions of approval that the State may deem necessary.

11.4 Contractor represents and warrants that any subcontract agreement Contractor 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 State, and that the subcontractor acknowledges that no privity of contract exists between the State and the subcontractor and that Contractor is solely liable for any and all payments which may be due to the subcontractor pursuant to its subcontract agreement with Contractor. Contractor 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 Contractor's failure to pay any and all amounts due by Contractor to any subcontractor, materialman, laborer or the like.

11.5 All subcontractors shall be bound by any negotiation, arbitration, appeal, adjudication or settlement of any dispute between Contractor and the State, where such dispute affects the subcontract.

ARTICLE 12 AVAILABILITY OF FUNDS

It is expressly understood and agreed that the obligation of the State to proceed under this Master Agreement 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 are at any time, 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 the State for the payments or performance due under this Master Agreement, the Customer shall have the right to immediately terminate this Master Agreement as to itself only, without damage, penalty, cost or expense to Customer of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination. Customer shall have the sole right to determine whether funds are available for the payments or performances due under this Master Agreement. In the event of such termination, Contractor shall receive just and equitable compensation for Services rendered by Contractor to Customer prior to termination.

ARTICLE 13 TERMINATION

13.1 Notwithstanding any other provision of this Master Agreement to the contrary, this Master Agreement may be terminated as follows: (a) upon the mutual, written agreement of Contractor and ITS; (b) if either ITS or the Contractor fails to comply with the terms of this Master Agreement, the non-defaulting party may terminate this Master Agreement, without the assessment of any penalties, upon the giving of thirty (30) days written notice unless the breach is cured within said thirty (30) day period. The non-defaulting party may also pursue any remedy available to it in law or in equity; (c) ITS may terminate this Master Agreement in whole or in part without the assessment of any

penalties upon thirty (30) days written notice to the Contractor if the Contractor becomes the subject of bankruptcy, reorganization, liquidation or receivership proceedings, whether voluntary or involuntary; or (d) ITS may terminate this Master Agreement without the assessment of any penalties, for any reason after giving thirty (30) days written notice specifying the effective date thereof to the Contractor. The State will be responsible for charges for Services provided prior to the date of termination.

13.2 A Customer and/or the Contractor may terminate Services as follows: (a) upon the mutual, written agreement of the Contractor and the Customer; (b) if either the Customer or the Contractor fails to comply with the terms of this Master Agreement, the non-defaulting party may terminate Services, without the assessment of any penalties, upon the giving of thirty (30) days written notice unless the breach is cured within said thirty (30) day period. The non-defaulting party may also pursue any remedy available to it in law or in equity; (c) the Customer may terminate Services in whole or in part without the assessment of any penalties upon thirty (30) days written notice to the Contractor if the Contractor becomes the subject of bankruptcy, reorganization, liquidation or receivership proceedings, whether voluntary or involuntary; or (d) the Customer may terminate Services without the assessment of any penalties, for any reason after giving thirty (30) days written notice specifying the effective date thereof to the Contractor. The Customer will be responsible for charges for Services provided prior to the date of termination.

ARTICLE 14 GOVERNING LAW

This Master Agreement and each order issued hereunder 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. Contractor expressly agrees that under no circumstances shall the State be obligated to pay an attorneys fee, prejudgment interest or the cost of legal action to Contractor. Further, nothing in this Master Agreement shall affect any statutory rights the State may have that cannot be waived or limited by contract.

ARTICLE 15 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 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 16 SEVERABILITY

If any term or provision of 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 this Master Agreement shall be valid and enforceable to the fullest extent permitted by law provided that the State's purpose for entering into this Master Agreement can be fully achieved by the remaining portions of the Master Agreement that have not been severed.

ARTICLE 17 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 18 HOLD HARMLESS

To the fullest extent allowed by law, Contractor shall indemnify, defend, save and hold harmless, protect and exonerate 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 Contractor and/or its partners, principals, agents, employees or subcontractors in the performance of or failure to perform this Master Agreement; provided (a) Contractor is given prompt written notice of any such claim or suit of which the State has knowledge, (b) Contractor or its designee has, to the extent authorized by Mississippi law, sole control of the defense or settlement of any such claim or suit, and (c) the State cooperates and assists Contractor in the defense of any such claim or suit, all at Contractor's expense.

ARTICLE 19 THIRD PARTY ACTION NOTIFICATION

Contractor shall give the State prompt notice in writing of any action or suit filed, and prompt notice of any claim made against Contractor by any entity that may result in litigation related in any way to this Master Agreement, and/or which may affect Contractor's performance under this Master Agreement. Failure of the Contractor to provide such written notice to the State shall be considered a material breach of this Master Agreement and the State may, at its sole discretion, pursue its rights as set forth in the Termination Article herein and any other rights and remedies it may have at law or in equity.

ARTICLE 20 AUTHORITY TO CONTRACT

Contractor 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 known to Contractor, either voluntary or otherwise, which may adversely affect its ability to perform its obligations under this Master Agreement.

ARTICLE 21 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. Contractor's address for notice is: Ms. Jill Beneke, President and Chief Executive Officer, Pileum Corporation, 190 East Capitol Street, Suite 175, Jackson, Mississippi 39201. 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 through compliance with the procedures set forth in this Article.

ARTICLE 22 RECORD RETENTION AND ACCESS TO RECORDS

Contractor 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. The Customer, ITS, any state or federal agency authorized by statute or

regulation to audit Customer, and/or any of their duly authorized representatives, shall, at their expense and upon prior reasonable notice to Contractor, have access to any of Contractor's books, proposals, documents, papers and/or records that are reasonably pertinent to this Master Agreement and any orders placed hereunder to make audits, examinations, excerpts and transcriptions at the State's or Contractor's office as applicable where such records are kept during normal business hours. All records relating to this Master Agreement and any orders placed hereunder shall be retained by Contractor for three (3) years from the date of receipt of final payment under this Master Agreement. 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 23 INSURANCE

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

ARTICLE 24 DISPUTES

Any issues or provisions of this Master Agreement or any applicable order in dispute between the Customer and Contractor which, in the judgment of either party may materially affect the performance of such party shall be reduced to writing and delivered to the other party. The Customer and Contractor shall promptly thereafter negotiate in good faith and use every reasonable effort to resolve such dispute in a mutually satisfactory manner. Any such dispute which is not disposed of in a mutually satisfactory manner shall be submitted to and decided by the Executive Director of ITS ("Executive Director") or such person as the Executive Director may select. The decision of the Executive Director shall be reduced to writing and a copy thereof mailed to the parties. Disagreement with the decision of the Executive Director by either party shall not constitute a breach under the terms of this Master Agreement. The decision of the Executive Director shall not be a final disposition of the matter. If either party disagrees with the decision of the Executive Director, such disagreeing party shall be entitled to seek such other rights and remedies it may have in law or in equity.

ARTICLE 25 COMPLIANCE WITH LAWS

25.1 Contractor shall comply with, and all activities under this Master Agreement shall be subject to all ITS policies and procedures and all applicable federal, state and local laws, regulations, policies and procedures as now existing and as may be amended or modified. Specifically, but not limited to, Contractor shall not discriminate against any employee nor shall any party be subject to discrimination in the performance of this Master Agreement because of race, creed, color, sex, age, national origin or disability. Further, if applicable, Contractor shall comply with the provisions of the Davis-Bacon Act including, but not limited to, the wages, recordkeeping, reporting and notice requirements set forth therein.

25.2 Contractor 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, Contractor 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 26 SOVEREIGN IMMUNITY

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

ARTICLE 27 CONFIDENTIAL INFORMATION

27.1 Contractor shall treat all State data and information to which it has access by its performance under this Master Agreement as confidential and shall not disclose such data or information to a third party without specific written consent of the State. In the event that Contractor 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, Contractor shall promptly inform the State 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 this Master Agreement and shall continue in full force and effect and shall be binding upon Contractor and its agents, employees, successors, assigns, subcontractors or any party or entity claiming an interest in this Master Agreement on behalf of, or under the rights of the Contractor following any termination or completion of this Master Agreement.

27.2 With the exception of any attached exhibits which are labeled as "confidential", the parties understand and agree that this Master Agreement, including any amendments and/or change orders thereto, does not constitute confidential information, and may be reproduced and distributed by the State without notification to Contractor. ITS will provide third party notice to Contractor of any requests received by ITS for any such confidential exhibits so as to allow Contractor the opportunity to protect the information by court order as outlined in ITS Public Records Procedures.

ARTICLE 28 EFFECT OF SIGNATURE

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

ARTICLE 29 SURVIVAL

Articles 8, 14, 18, 22, 26, 27, and all other articles which, by their express terms so survive or which should so reasonably survive, shall survive any termination or expiration of this Master Agreement.

ARTICLE 30 ENTIRE AGREEMENT

30.1 This Master Agreement constitutes the entire agreement of the parties with respect to the subject matter contained herein and supersedes and replaces any and all prior negotiations, understandings and agreements, written or oral, between the parties relating hereto. RFP No. 3723, and Contractor's Proposal, as accepted by the State, 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.

30.2 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 Contractor and ITS;
B. Any exhibits attached to this Master Agreement;
C. RFP No. 3723, and
D. Contractor's Proposal, as accepted by ITS, in response to RFP No. 3723.

30.3 The intent of the above listed documents is to include all items necessary for the proper execution and completion of the Services by Contractor. 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 ("D. Contractor's Proposal").

ARTICLE 31 DEBARMENT AND SUSPENSION CERTIFICATION

Contractor 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 32 ADVERTISING AND NEWS RELEASES

Contractor agrees not to refer to this Master Agreement in commercial advertising in such a manner as to state or imply that the Services provided are endorsed or preferred by the State or are considered by the State as superior to other services. The State reserves the right to review and approve any commercial advertising wherein the State's use of Services under this Master Agreement is referenced. Further, news releases pertaining to this Master Agreement will not be made without the State's prior written approval, and then only in accordance with the explicit written instructions from the State.

ARTICLE 33 COMPLIANCE WITH ENTERPRISE SECURITY POLICY

Contractor and the State understand and agree that all Services provided by Contractor 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 State reserves the right to introduce a new policy during the term of this Master Agreement and require the Contractor to comply with same in the event the industry introduces more secure, robust solutions or practices that facilitate a more secure posture for the State of Mississippi.

ARTICLE 34 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 shall be posted to the State of Mississippi's accountability website at: https://www.transparency.mississippi.gov. Prior to ITS posting this Master Agreement 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 35 PERSONNEL ASSIGNMENT GUARANTEE

Contractor guarantees that the dedicated local account team assigned to this project will remain a part of the project throughout the duration of this Master Agreement as long as the personnel are employed by the Contractor and are not replaced by Contractor pursuant to ITS' request. Contractor further agrees that the assigned personnel will function in the capacity for which their services were acquired throughout the life of this Master Agreement, and any failure by Contractor to so provide these persons shall entitle ITS to terminate this Master Agreement for cause. Contractor agrees to pay ITS fifty percent (50%) of the total contract amount if any of the assigned personnel is removed from the project prior to the ending date of the contract for reasons other than departure from Contractor's employment or replacement by Contractor pursuant to ITS' request. Subject to ITS' written approval, the Contractor may substitute qualified persons in the event of the separation of the incumbents therein from employment with Contractor or for other compelling reasons that are acceptable to ITS, and in such event, will be expected to assign additional staff to support ITS within thirty (30) calendar days or within such other mutually agreed upon period of time, or ITS may, in its sole discretion, terminate this Master Agreement immediately without the necessity of providing thirty (30) days' notice. The replacement personnel shall have equal or greater ability, experience and qualifications than the departing personnel, and shall be subject to the prior written approval of ITS. In the event of Contractor personnel loss or redirection, the services performed by the Contractor shall be uninterrupted and the Contractor shall report in required status reports its efforts and progress in finding replacements and the effect of the absence of those personnel.

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: 2/25/15

Pileum Corporation

By: _____
Authorized Signature

Printed Name: Jill Beneke

Title: President & CEO

Date: 2-23-15

EXHIBIT A

Table 1a – Government

Category (Government)	Item	Cost
On-going Hosting for Mailboxes[1]	5GB Mailbox Office 365 Exchange Plan 1	$2.86
	10GB Mailbox Office 365 Exchange Plan 1	$2.86
	25GB Mailbox Office 365 Exchange Plan 1	$2.86
	50GB Mailbox Office 365 Exchange Plan 1	$2.86
Mailbox Features	Administrative Support[2]	Included
	Journaling	Included
	Archiving	Included with Exchange Plan 2 or G3 Suite
	Encryption(TLS)	Included
	Single Sign-on[3]	Included
	Legal Hold	Included with Exchange Plan 2 or G3 Suite
	Active Sync	Included
	Web Access	Included
	e-Discovery	Included with Exchange Plan 2 or G3 Suite
	Unlimited Storage	Included with Exchange Plan 2 or G3 Suite
	Exchange Plan 2: (includes archiving, legal hold, e-Discovery, and Unlimited Storage)	+$3.00
	Office 365 G1 Suite: Microsoft Exchange Plan1, Lync, SharePoint, OneDrive with 1 TB storage per user (add to Exchange Plan 1)	+$2.04
	Office 365 G3 Suite: Microsoft Exchange Plan 2, SharePoint, Lync, OneDrive with 1 TB storage per user, and Office 2013 Pro Plus (added to Exchange Plan 2)	+$6.62
Migration (one-time)	Migration from Exchange[4]	$25 (or $10)[5]
	Migration from Notes[4]	$55 (or $40)[5]
	Migration From Groupwise[4]	$55 (or $40)[5]
	Migration From Other Mailbox[4]	$75 (or $60)[5] $75 (or $60)[5]
	Archive Migration[6]	$100
	3rd Party Data Migration	$150/hr.

Table 1b – Education

Category (Education)	Item	Cost
On-going Hosting for Mailboxes[1]	5GB Mailbox (Office 365 Plan A2)	$0
	10GB Mailbox (Office 365 Plan A2)	$0
	25GB Mailbox (Office 365 Plan A2)	$0
	50GB Mailbox (Office 365 Plan A2)	$0
Mailbox Features	Administrative Support[2]	Included
	Journaling	Included
	Archiving	Included with A3 Suite
	Encryption TLS)	Included
	Single Sign-on[3]	Included
	Legal Hold	Included with A3 Suite
	Active Sync	Included
	Web Access	Included
	e-Discovery	Included with A3 Suite
	Unlimited Storage	Included with A3 Suite
	Office 365 A2 Suite: Exchange, Lync, SharePoint, OneDrive with 1 TB storage per user	$0
	Office 365 A3 Suite for Faculty: Microsoft Lync, Exchange, SharePoint, OneDrive with 1 TB storage per user, and Office 2013 Pro Plus	+$4.50
	MS Office Professional Plus for Students	$0[7]
	Office 365 A3 Suite for Students: Microsoft Lync, Exchange, SharePoint, OneDrive with 1 TB storage per user, and Office 2013 Pro Plus	+$2.50
Migration (one-time)	Migration From Exchange[4]	$25 (or $10)[5]
	Migration from Notes[4]	$55 (or $40)[5]
	Migration From Groupwise[4]	$55 (or $40)[5]
	Migration From Other Mailbox[4]	$75 (or $60)[5]
	Archive Migration[6]	$100
	3rd Party Data Migration	$150/hr.

[1] There is a minimum purchase of 25 users per enrollment.

[2] Support will be provided to tenant administrators through the Microsoft support portal.

[3] SSO will be through Microsoft ADFS. Pileum will provide the necessary software for AD Synch/ADFS, but the agency/institution will provide all server resources (physical or virtual) and Microsoft server licenses necessary to run these tools.

[4] Each Tenant will incur a one-time Office 365 Fast Track set up fee in addition to the mailbox migration cost. Pileum is open to preparing custom migration quotes for agencies where a flat fee migration cost may not be cost effective. For example: very large agencies who need assistance

starting the migration process but can complete the migration for most of its users after the systems are setup and coexist. Migration assumptions for flat-fee migration:

- E-mail will be migrated from a currently supported version of e-mail software on the latest service pack. If the agency is not running a currently support version of e-mail software Pileum will evaluate if additional migration costs may be necessary;
- Agency will provide all server resources (physical or virtual) and Microsoft server licenses necessary for any migration tools. These resources will be returned to the agency after the migration;
- Pileum will migrate e-mail contained in the active mailbox on the server;
- E-mail migration does not include Outlook mail client configuration. This can be quoted separately as additional services;
- Exchange server must have RPC over HTTP enabled with a valid SSL certificate;
- IMAP server migration: IT staff will provide list of all accounts and passwords; and
- Office365 has a message size limit of 25MB. Messages larger than 25MB will not be migrated.

[5] If tenant qualifies for Office 365 FY15 Adoption Offer, Microsoft will provide a voucher to cover part of the mailbox migration cost. This amount is $15 for the first 1000 mailboxes and $5 for each additional mailbox for a maximum voucher of $60,000 per tenant:

- Applies to purchases made from September 1, 2014 – March 31, 2015;
- Applies to qualified purchases of Exchange Online Plan 1, Exchange Online Plan 2, Government G1, G3, or G4 Plans, and paid Academic A3 or A4 Plans;
- Minimum of 150 seat purchase for a tenant; and
- Funds can be used for qualifying adoption activities such as mail migration.

[6] Archives to be migrated will be .PST files or the GroupWise equivalent and will be limited to 1 archive per mailbox. Other archive migrations can be negotiated and done through the professional services rate.

[7] Students get access to Office 365 Professional Plus at no additional cost when an institution licenses Office 365 Professional Plus institution-wide for all faculty/staff.

Table 2 – Services

Category	Item Description	Quantity or Frequency of Cost (per month, one time, etc.)	Unit Cost
Training	Administrator	Per Class (minimum of 1 per tenant)	$600 (plus travel)
	On-site User	Per Class (Optional)	$300 (plus travel)
	Webinar	Per Class (up to 250 connections) (Optional)	Admin - $600 User - $300
	Web-Ex/Lync	Per Class (up to 250 connections) (Optional)	Admin - $600 User - $300
	User Online Video	Unlimited	$0
Professional Services	Local administrative support including onsite support to supplement the Microsoft Support Portal	Monthly "not to exceed" Block of Time (Optional)	$150/Hour (Plus travel outside Jackson metro area)

Category	Item Description	Quantity or Frequency of Cost (per month, one time, etc.)	Unit Cost
	Custom configuration/migration services such as: • Custom application integration • "Partial" migrations where Pileum migrates pilot group but local IT staff completes migration	Hourly (Optional)	$150/hr
	Outlook client configuration (manual)[1]	Per Client (Optional)	$20 (plus travel)
	Outlook installation and client configuration (manual)[1]	Per Client (Optional)	$75 (plus travel)
	Automated Outlook client configuration consulting	Hourly (Optional)	$150/hr.
Travel	Mileage	As requested	GSA Rates Currently $0.56 per mile
	Per Diem	As requested	GSA Rates Currently $46/day for all of MS except Oxford and Hattiesburg ($51/day)
	Hotel	As requested	Actual Cost
Other (specify)	Office 365 FastTrack Setup (basic - No ADFS Single Sign On)	Per Tenant (Required)	$2,000 (or $0 if paid for by Microsoft SA Planning Voucher[2])
	Office 365 FastTrack Setup (advanced with ADFS Single Sign On)	Per Tenant (Required)	$5,000 (or $0 if paid for by Microsoft SA Planning Voucher[2])

[1]Support for Outlook 2007+. Windows and Office service packs and updates must be installed by agency IT prior to configuration.
[2]Office 365 FastTrack planning engagements can be paid through Software Assurance Planning Services vouchers as a part of Enterprise Agreement or other volume licenses.

Table 3 – Change Order Rates

Item Description	Base Hourly Rate	Fully-Loaded Hourly Rate
Other Services	**$150**	**$175**

Table 4 – Miscellaneous/Optional Items

Item Description	Quantity or Frequency of Cost (per month, one time, etc.)	Unit Cost
EdgeWave Premium Inbound SPAM and virus filtering service	Per mailbox/month (Optional)	+$1.00
EdgeWave Outbound Total Security Suite including advanced Data Loss Prevention, Park and Pull Messages, advanced Encryption, and other advanced e-mail security features	Per mailbox/month (Optional)	+$0.50 (requires EdgeWave Inbound SPAM protection)
Office 365 Plan K1 for Government	Monthly	$2.52
Office 365 Suite G4	Monthly	$14.37
BlackBerry Support	Monthly	Included
Exchange Online Archiving (for On-premise Exchange)	Monthly	$1.98
These are costs to migrate from a lower Office365 plan to a higher plan in the middle of a contract period.		
Upgrade to Plan G3 from Exchange Online Plan 1	Monthly	$10.44
Upgrade to Plan G3 from Exchange Online Plan 1	Monthly	$10.14
Upgrade to Plan G3 from Plan G1	Monthly	$8.26
Upgrade to Plan G3 from Exchange Online Plan 2	Monthly	$7.34
Upgrade to Plan G4 from Plan K1	Monthly	$12.37
Upgrade to Plan G4 from Exchange Online Plan 1	Monthly	$11.99
Upgrade to Plan G4 from Plan G1	Monthly	$10.05
Upgrade to Plan G4 from Exchange Online Plan 2	Monthly	$9.27

NOTE:
Pileum is quoting Cloud Services through Microsoft Office 365. Billing for the Office 365 hosting services will be done through The State of Mississippi's Microsoft's Enterprise Agreement and billed through Dell, as outlined in Pileum's response to RFP No. 3723. Dell will be responsible for selling and invoicing the Office 365 licenses. Pileum will invoice for the migration, training, and other professional services.

Pileum is eligible to receive Microsoft Software Assurance Planning Vouchers that many agencies have as a part of their Enterprise Agreement plans. These vouchers are be for up to $10,000 and can be used to reduce or eliminate the tenant Office 365 Fast Track start-up costs.