

**EIGHTH AMENDMENT TO THE
MASTER SERVICES AGREEMENT**
between
**THE STATE OF TEXAS, ACTING BY AND THROUGH
THE TEXAS DEPARTMENT OF INFORMATION RESOURCES**
and
XEROX CORPORATION

This Eighth Amendment (“Amendment”) is to the Master Services Agreement (“Agreement”), executed January 23, 2012, between the State of Texas, acting by and through the Texas Department of Information Resources (“DIR”), with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and Xerox Corporation (“Service Provider”), a New York corporation, with a principal place of business at 6836 Austin Centre Blvd., Suite 300, Austin, Texas, 78731.

RECITALS

WHEREAS, the Parties entered into the Agreement for Data Center Services dated January 23, 2012, with an anticipated Commencement Date of July 1, 2012; and

WHEREAS, the incumbent provider (IBM) of Data Center Services concluded its tenure prematurely on April 30, 2012 and in order to provide essential data center services beginning May 1, 2012, DIR required a short-term agreement for Service Provider, First Amendment, to provide Interim, Walk In Take Over (WITO) services for Data Center Services operations; and

WHEREAS, as a result of those additional services provided per WITO and to ensure the provision of data center services under this Agreement henceforth, the Parties required and agreed upon a Second Amendment in which major contract milestones and deliverables were realigned to account for the additional resources required for WITO; and

WHEREAS, a Third Amendment aligned provisions in Exhibit 3 related to the implementation of Service Level Credits and amendments to Xerox State and Locals Master Service Agreement’s Exhibit 1, Attachment 4-B and Attachment 4-D; and

WHEREAS, a Fourth Amendment provided a definition for DCS Customer and allow for the provision of certain specific optional print mail needs, including corresponding materials, as required by certain participating state agencies to accomplish their objectives; and

WHEREAS, a Fifth Amendment provided for the manner by which Service Level Agreements (SLA’s) are modified and the actual modification of certain SLA’s;

WHEREAS, a Sixth Amendment updated Base Charges for various Resource Units (RU) as a result of a “true-up” and provided for new Option Print Mail Service; and

WHEREAS, a Seventh Amendment provided for new SLA's, along with other changes to print-mail service delivery operations that will allow for the inclusion of a new customer into the print-mail function of the Data Center Services.

WHEREAS, this Eighth Amendment adjusts the frequency of certain required reports based on the current value to, and needs of, the Data Center Services operations and provides for a new optional print mail service as required by certain participating state agencies to accomplish their objectives.

NOW, THEREFORE, in consideration of the promises and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the Agreement as follows:

I. **Section 9.12 (e), Technology Evolution**, of the Agreement shall be amended as follows:

(e) Service Provider Developed Advances. If Service Provider develops or implements technological advances in or changes to the processes and services and associated technologies used to provide the same or substantially similar services to other Service Provider customers or Service Provider develops or implements new or enhanced processes, services, software, tools, products or methodologies to be offered to such customers (collectively, "New Advances"), Service Provider shall, on a ~~quarterly~~ semi-annual basis, present DIR with a description of New Advances applicable to the DIR environment or the Services specifying any technical benefits and cost savings that may be achieved by DIR or DIR Customer and where available and subject to **Section 11.5**, (i) offer DIR the opportunity to serve as a pilot customer in connection with the implementation of such New Advances, and (ii) if DIR declines such opportunity, offer DIR preferred access to such New Advances and the opportunity to be among the first of Service Provider's customer base to implement and receive the benefits of any New Advances.

II. **Section 9.14, Annual Reviews**, of the Agreement shall be amended as follows:

The Parties shall conduct an annual detailed review of the Services then being performed by Service Provider and will be included in the annual summit meeting. As part of this review, the Parties shall review the actual service volumes against the forecasted monthly volumes for the previous year, and forecast the service volumes for the next year. In addition, the Parties shall examine: (i) whether the Charges are consistent with DIR's forecasts, industry norms and Service Provider's representations, warranties and covenants; (ii) the quality of the performance and delivery of the Services; (iii) ~~whether Service Provider has delivered cost saving or efficiency enhancing proposals~~; (iv) the level and currency of the technologies and processes employed; (v) the operations and technology strategy and direction; and (vi) such other things as DIR may reasonably require.

III. **Section 13.2 (b) (i), Safeguarding of DIR Data**, of the Agreement shall be amended as follows:

Service Provider shall maintain a comprehensive data security program, which shall include reasonable and appropriate technical, organizational and security measures against the destruction, loss, unauthorized access or alteration of DIR Data in the possession of Service Provider, and which shall be (A) no less rigorous than those maintained (or required to be maintained) by DIR or the relevant DIR Customer as of the Commencement Date (or required or implemented by DIR or the relevant DIR Customer in the future to the extent deemed necessary by DIR or such DIR Customer and communicated to Service Provider in accordance with Section 6.3(a)), (B) no less rigorous than those maintained by Service Provider for its own information of a similar nature (subject, however, to Section 11.5 and implementation through Change Control upon approval by DIR, as applicable, but without limiting Service Provider's obligations respecting Technology Evolution), (C) no less rigorous than accepted security standards in the industry (subject, however, to Section 11.5 and implementation through Change Control upon approval by DIR, as applicable, but without limiting Service Provider's obligations respecting Technology Evolution), and (D) (without limiting the Parties' obligations under Section 15.11) compliant with all applicable DIR Rules and DIR Standards, including the requirements of DIR's and the relevant DIR Customer's then-current privacy, security and records retention policies (such as Internal Revenue Service guidelines contained within IRS Publication 1075 (found at <http://www.irs.gov/pub/irs-pdf/p1075.pdf>) and the rules pertaining to information technology security standards found at 1 Texas Administrative Code, Chapter 202). Service Provider acknowledges and agrees that certain DIR Customers are legally prohibited from disclosing or allowing access to certain DIR Data, including disclosures to and access by DIR, other DIR Customers and Service Provider. The content and implementation of such data security program and associated technical, organizational and security measures shall be fully documented by Service Provider in the Service Management Manual, including the process DIR Customers shall follow to identify DIR Data they are legally prohibited from disclosing and the confidentiality requirements of DIR Customers. Service Provider shall permit DIR Auditors to review such documentation and/or to inspect Service Provider's compliance with these provisions in accordance with Section 9.9. DIR acknowledges that elements of Service Provider's data security program involve customized services offerings regarding the specific means and levels of security protection selected by a customer (regarding, for example, desired levels of host and network intrusion detection services, methods for monitoring and limiting access to data, extent of desired encryption, etc.), and DIR agrees that the specific services selected by DIR pursuant to this Agreement establish the contract requirements with respect to those activities, subject to Technology Evolution and other applicable provisions of this Agreement. From time to time, ~~but not less frequently than twice per Contract Year~~, Service Provider shall proactively provide technical information regarding security best practices in the industry, and upon DIR's approval ~~Service Provider shall, subject to Section 11.5 (but without limiting Service Provider's obligations respecting Technology Evolution)~~ implement any changes to the above security requirements through Change Control.

- IV. Attached Appendix 1 of this Eighth Amendment, Exhibit 2.1.2, Cross-Functional Services Service Component Provider Statement of Work, shall replace in its entirety and supersede all previous agreements relating to Exhibit 2.1.2, Cross-Functional Services Service Component Provider Statement of Work, of the Agreement.

The changes to Exhibit 2.1.2 include changes in Section A.2.6.5, Item 10, Logical Security Administration reviews from "quarterly" to "semi-annually" and Section 3.4, Item 1, Service Catalog updates from "30" to "90" days.

- V. Attached Appendix 2 of this Eighth Amendment, Exhibit 4, Pricing and Financial Provisions, shall replace in its entirety and supersede all previous agreements relating to Exhibit 4, Pricing and Financial Provisions, of the Agreement.

The changes to Exhibit 4 include updating the forecasting reporting from quarterly to semi-annually in Section 15 and adding a new Optional Print-Mail Service for Automated 9X12 Insertions in Section 18.2.

- VI. Attached Appendix 3 of this Eighth Amendment, Attachment 4-A, Server Provider Pricing Forms (Server), shall replace in its entirety and supersede all previous agreements relating to Attachment 4-A, Server Provider Pricing Forms (Server), of the Agreement.

Several tabs are hereby revised to reflect the addition of a new Optional Print-Mail Service. Tab 4 "Optional Services", Tab 7 "Provider Investments", Tab 8 "Termination" and Tab 9 "Inflation Sensitivity".

- VII. Attached Appendix 4 of this Eighth Amendment, Attachment 6-C, Operating Level Agreements, shall replace in its entirety and supersede all previous agreements relating to Attachment 6-C, Operating Level Agreements, of the Agreement.

The changes to Attachment 6-C include updating the frequency of OLA meetings from weekly to monthly in Section 3.

VIII. General Terms and Conditions

- (a) Capitalized terms not defined herein shall have the same meanings as set forth in the Agreement.
- (b) All other provisions of the Agreement not specifically amended hereby remain in full force and effect. In the event of conflict among provisions, the provisions of this Amendment shall take precedence over the terms of the MSA.

IN WITNESS WHEREOF, Service Provider and DIR execute this Eighth Amendment effective March 1, 2014.

**THE STATE OF TEXAS,
acting by and through
THE TEXAS DEPARTMENT OF INFORMATION RESOURCES**

Signature on file

By:

Name: Dale Richardson
Title: Director, Data Center Services

XEROX CORPORATION

Signature on file

By:

Name: THOMAS A. CAVE
Title: FINANCE DIRECTOR