
**DIR-SDD-2175, Appendix D, Sample Supplemental Agreement
Agreement for Managed Services for Information Technology**

Supplement to Agreement for Managed Services for Information Technology

Customer

(Customer Name)
(Customer Address)
(City, State, Zip)

Northrop Grumman Systems Corporation, acting through Northrop Grumman Information Systems Sector, Cyber Solutions Division ("Northrop Grumman") **Project Office Address:**

Northrop Grumman Systems Corporation
7745 Chevy Chase Drive
Building V, Suite 100
Austin, Texas 78752

Term Commencement Date: TBD

The term of this Customer Supplemental Agreement (Supplement) will begin as of 12:01 a.m. on the Commencement Date and will end as of 12:00 midnight on TBD unless earlier terminated or extended in accordance with this Supplement. The Parties agree that the Supplement includes the work as defined in Schedules B, E, J, and V attached hereto, and is subject to the terms and conditions of the State of Texas Agreement for Managed Services for Information Technology Contract Number DIR-SDD-2175.

Accepted and Agreed:

[Customer]

Northrop Grumman Systems Corporation,
acting through Northrop Grumman
Information Systems Sector, Cyber Solutions
Division ("Northrop Grumman")

BY: _____

BY: _____

Printed Name

Printed Name

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

**Schedule E – Customer Supplemental Agreement for Managed Services for
Information Technology
Support Services and Service Levels
CUSTOMER NAME**

1. **PURPOSE**

This Supplement describes the duties and responsibilities of Northrop Grumman, Inc. (Northrop Grumman) and Customer Name related to Northrop Grumman's provision of managed services to Customer Name. Northrop Grumman will provide the services in accordance with the descriptions contained in this Supplemental Agreement (Supplement). Customer Name will support Northrop Grumman's provision of services in accordance with the descriptions contained in this Supplement. This Supplement shall be between Customer Name and Northrop Grumman. The Agreement is part of the Master Contract for Managed Services for Information Technology administered by DIR, Contract Number 2175.

2. **SERVICES PROVIDED**

A. **Provisioning of Equipment and Procurement Services**

This category includes any information technology equipment that may be made commercially available within the current and future technology marketplace that addresses a business need of Customer. Equipment includes, but is not limited to: desktops/workstations, notebooks/portables, servers, storage area networks, networking, software, and peripherals. Services shall include, but not be limited to: management of equipment procurement, equipment configuration management, and provisioning of equipment. Northrop Grumman will provision equipment using standard configurations specified by CUSTOMER. Northrop Grumman shall be responsible for bearing the cost of acquisition or lease costs that may be applicable in the procurement process and for IT equipment that may be required by a Customer. All maintenance, break/fix, troubleshooting, and upgrades for such equipment will be the responsibility of Northrop Grumman.

B. **Help Desk Services**

Manage and supply a toll-free telephone number, email address, or web-based application for a Customer to report maintenance issues, trouble-tickets, and request other how-to assistance as necessary. Process must include a timely confirmation of receipt of all Customer reports and a resolution status of all service requests submitted.

C. **On-Site Support and Installs/Moves/Adds/Changes (IMACs) Services**

Provide day-to-day technical on-site support services, to include, but not be limited to: option of Northrop Grumman staff residing at a Customer location, assisting with complex problem identification, resolving complex issues which can not be resolved by assistance of the help desk, installation of emergency hardware/software fixes, troubleshooting, physical relocation of equipment, continuing equipment modifications or upgrades, installation/de-installation, packing/unpacking of equipment, and swaps/replacement of equipment. Northrop Grumman shall provide the services described for volume-based projects that affect several end-users as may be necessary throughout the term of this Supplement.

- D. Remote Support Services
Manage and provide Northrop Grumman remote support to “take over” and support a piece of equipment from a centralized location by Northrop Grumman personnel. Northrop Grumman shall provide phone support to assist in resolution of problems from a location that is remote to the end-user Customer.

- E. Network Management Services
Manage and provide services for network related issues, to include, but not be limited to: Network Requirements Definition, Solution Design, Network Facility Audit Support, Network Performance Analysis, Network Integration, and Migration Planning.

- F. Software Services
Manage services for software to include, but not be limited to: Patch Management, Image Management, and Enterprise Software Distribution (ESD)

- G. Asset Tracking Services
Maintain a central asset management system to maintain tracking of Northrop Grumman owned equipment to include, but not be limited to: physical location, user, software licenses, maintenance records, and end of Supplement term dates. Information should be updated as necessary to account for MAC, maintenance, and deside support. The system should also be used for tracking any services that are provided on Customer owned equipment that may be applicable to a Supplement.

- H. Security Services
Manage security services as applicable to the equipment as described within Item 1, Provisioning of Equipment and Procurement Services, that may be provided. To include, but not be limited to: Threat Analysis, Security Requirements Definition, Cyber Security Solution Design, Policy and Procedure Design, Penetration Testing, Architecture Analysis and Design, Security Compliance Auditing, Security Strategy, and Planning.

- I. Standard and Ad Hoc Reporting and Documentation
Produce various types of reports via online or hard copy as may be required by a Customer. These may include, but not be limited to: number of problems/calls logged, number of dispatch calls, and resolution time frames. Northrop Grumman shall allow an Customer’s authorized end-user to have electronic access to view and query Northrop Grumman’s standard reports.

- J. Unwind / End of Engagement Services
Manage the de-installation and packaging of Northrop Grumman provided equipment, to include but not be limited to: providing a plan to manage the unwind of the services, and removal of hard drives to be left with a Customer for destruction.

- K. Break-Fix/Maintenance Services – Northrop Grumman Owned Equipment
Manage support services, including bearing any cost, for all equipment owned and provided by the Northrop Grumman. This would include, but not be limited to: time

and materials maintenance, troubleshooting, on-site support function, and upgrading of equipment as needed to provide any new technology features.

3. GENERAL TERMS AND CONDITIONS

- 3.A Workstations to be installed are of configuration(s) specified in Attachment A.
- 3.B Refresh cycles are: TBD
- 3.C Monitors for all units are on a XX-year refresh cycle.
- 3.D All refreshes will be cost stable, i.e.; equipment will be obtained at the highest technology level possible for same or lower payment level.
- 3.E Costs for initial workstation configuration and installation are paid upon completion of the installation
- 3.F Customer Name will provide asset management.
- 3.G Northrop Grumman shall furnish workstation operating system license on provided desktops and notebooks. Customer Name will furnish workstation operating system license for Customer-owned equipment, all other software licenses, and software upgrade maintenance.
- 3.H Northrop Grumman shall furnish maintenance and replacement of desktop computers, laptop computers, laptop docking stations, monitors, keyboards, mice, trackballs, printers, scanners, and CD writers. Printer maintenance does not include refreshment of toner, ink, or paper. Macintosh computers are not covered in this Agreement.
- 3.I The initial term of this Supplement shall be for a period of three (3) years from the date of execution. At the end of the third term year of the Supplement, with 60 days written notice, CUSTOMER may exercise one of the following options. Any renewal shall include negotiated prices, terms and conditions.
 - 3.I.1 CUSTOMER may extend the Supplement for an additional two (2) optional one-year terms.
 - 3.I.2 Customer may extend the Supplement on a year-to-year basis. Pricing shall be subject to mutual agreement between CUSTOMER and Northrop Grumman at the beginning of each optional year, up to a maximum of three one-year extensions.
 - 3.I.3 Customer may extend the Supplement on a month-to-month basis. Pricing shall be subject to mutual agreement between CUSTOMER and Northrop Grumman at the beginning of each optional lease month, up to a maximum of one year.
 - 3.I.4 Customer may choose not to extend the Supplement and Northrop Grumman shall remove all equipment and components.

3.1.5 Any addition of equipment shall include the same or better technology.

3.1.6 CUSTOMER reserves the right to add additional whole units over and above the original number of workstations provided. This addition may occur at any time during the Supplement period. If Pricing for additional units is for DIR Standard Configurations as included in Appendix C, Pricing Index to DIR-SDD-2175, pricing for those additional units shall not exceed that specified pricing. Pricing for other additional units shall be negotiated and based upon prevailing prices and rates in effect at the time of the addition of the equipment. The addition of components to previously installed workstations will be at a negotiated purchase or service price and installation/maintenance fee.

3.J CUSTOMER reserves the right to negotiate pricing for additional units for short-term projects at any time during the Supplement. Delivery of goods and services will be subject to the performance levels provided within this Supplement. Equipment for short-term projects may be provided from the CUSTOMER established vacant pool if available.

4. COMPUTER HARDWARE SPECIFICATIONS

4.A Equipment provided under this Supplement, as part of service delivery, shall include, but not be limited to, desktop and notebook workstations (including monitors, keyboards, mice and/or trackball), printers, scanners, and CD Writers. All initial equipment shall be new manufacture containing new components. If refurbished or previously used components are provided, Northrop Grumman shall notify CUSTOMER in writing of such provision and CUSTOMER shall render a written acceptance or rejection of such components.

4.B Certain equipment currently owned by CUSTOMER, to be agreed upon by CUSTOMER and Northrop Grumman, shall be covered under this Supplement. CUSTOMER will furnish current warranty information on the CUSTOMER owned equipment to be covered. Northrop Grumman is responsible for processing warranty requests for CUSTOMER with the third party vendor. CUSTOMER is responsible for initial configuration and loading of Customer-owned equipment in the standard agreed upon configuration. Depending on the Statement of Work negotiated, CUSTOMER may also be required to provide systems pre-loaded with image, asset tagging (physical tag and BIOS), remote access software, or other items. Northrop Grumman will approve acceptance that the equipment is in working order and properly configured. Customer-owned equipment that proves to be problematic over time may be replaced under the terms of this Supplement at the request of either CUSTOMER or Northrop Grumman, at an agreed upon differential cost, prior to its scheduled replacement. CUSTOMER shall provide a letter of approval to Third Party Vendor, where required, to establish Northrop Grumman as eligible to receive support from the third party vendor of CUSTOMER owned equipment and software.

5. HELP DESK SUPPORT

Northrop Grumman will provide help desk services through a toll-free within Texas telephone number. A direct phone number shall also be supplied to CUSTOMER to facilitate calls placed from areas outside of Texas. This number shall not be toll free. All help calls will start with Northrop Grumman for problem determination. Northrop Grumman is responsible for resolving help calls involving all hardware failures, a failure of common-off-the-shelf (COTS) applications as listed in Schedule B, a failure of the operating system, and "How do I" help calls. Hardware that is not supported by Northrop

Grumman, help calls involving a network problem, help calls referring to a common-off-the-shelf (COTS) application not covered by this Supplement, or help calls for custom applications will be referred to CUSTOMER personnel for resolution. Northrop Grumman is responsible for passing all information gathered from the call to CUSTOMER personnel. This information shall be passed to CUSTOMER via an agreed upon electronic system opened by Northrop Grumman.

5.A Northrop Grumman Help Desk will refer custom applications calls to CUSTOMER.

5.B Northrop Grumman will provide support to installed COTS software, including "how do I" calls.

5.C Software supported is limited to that listed in Schedule B.

5.D Northrop Grumman will answer calls to the Help Desk from CUSTOMER staff in an average speed to answer of 60 seconds or less. No more than 2% of calls per month will be abandoned. (Note: This is not the SLA proposed by NG).

5.E Number of calls to be covered is **XX** per month. If, for two successive months, this number is under or exceeded by 10% or more, Northrop Grumman and CUSTOMER will review and adjust the necessary requirements and coverage costs.

5.F Northrop Grumman will provide performance and activity reports monthly. Contents of these are shown in Attachment C.

6. DESK SIDE HARDWARE AND SOFTWARE SUPPORT

Services provided shall include diagnoses, repair and return to service of all malfunctioning supported equipment and support for designated software on this equipment to include trouble shooting, loading, reloading and reconfiguration.

6.A Response times:

First Level of SLAs (manufacturer only with Northrop Grumman labor) –

- a. Monday – Friday, 5 days/week, business hours 8 a.m. – 5 p.m. Central Time
- b. Next business day response
- c. No return to service metric
- d. Coverage of entire State of Texas
- e. Based on configuration in Attachment A

Second Level of SLAs (standard offering) –

- f. Monday – Friday, 5 days/week, business hours 8 a.m. – 5 p.m. Central Time
- g. Next business day return to service
- h. Coverage of entire State of Texas
- i. Based on configuration in Attachment A

Third level of SLAs is (enhanced offering)

- j. Monday – Friday, 5 days/week, business hours 8 a.m. – 5 p.m. Central Time
- k. 2 business hour response
- l. 10 business hour return to service metric

- m. Coverage of entire State of Texas
 - n. Based on configuration in Attachment A
- 6.B Repair services will not be provided, without prior coordination by CUSTOMER Project Manager, after hours or on the weekends. Additional charges for support after normal coverage hours will apply.
- 6.C Other than the NIC card present in the processors or docking stations and modems in the notebooks, Northrop Grumman will not provide repair services for network difficulties. Diagnostic services will be provided when trouble shooting and, if it is determined the problem cause is the network, server or other part of the system outside the covered items, the call will be referred to a designated section of CUSTOMER for repair.
- 6.D Desk side support shall include the following services:
- 6.D.1 trouble shooting on standard software package
 - 6.D.2 reloading or reconfiguring of software to resolve problems
 - 6.D.3 for replacement or upgrade equipment, remind the CUSTOMER end users to save data to the network and remind them to download after changes
 - 6.D.4 reconfiguration of software and system parameters for a changed user
 - 6.D.5 participation in data recovery on crashed hard disk - actual recovery service, if provided by Northrop Grumman, will be chargeable
 - 6.D.6 ensure data confidentiality when hard disk replacement is required by completing F-disk and format or by de-gaussing
- 6.E Software supported is limited to that listed in Schedule B. Northrop Grumman shall not be responsible for any conflicts or other problems with supported software that may arise from the installation or use of non-supported or unauthorized software.
- 6.F CUSTOMER shall insure that any and all software is compatible and operational with provided XXX operating system and will assume all responsibility to effect any changes, if required, to make operational.
- 6.G CUSTOMER shall be responsible for performing moves of equipment. Northrop Grumman shall handle adds and changes. Adds and changes shall be authorized by the CUSTOMER Project manager, scheduled by CUSTOMER through the Northrop Grumman help desk and will be considered to be a help desk call with desk side dispatch. Adds and changes of a large size involving 10 or more workstations or covering more than a single physical site shall be reviewed by Northrop Grumman and CUSTOMER to determine if the additional requirements shall incur the need for additional charges. In such an event, an addendum to this Supplement shall be mutually agreed upon and executed.
- 6.H Northrop Grumman will provide monthly performance and activity reports. General contents of these reports are listed in Attachment C of this Supplement. CUSTOMER and Northrop Grumman project managers will agree in writing to the monthly reports and formats.

7. OTHER SERVICES AND CONDITIONS

7.A Equipment Pool/Addition of Equipment

CUSTOMER shall establish a "resource equipment pool" which shall consist of XX pre-configured desktop equipment. This equipment will be held on site at CUSTOMER for unfilled positions or held for desktop breakage loaner equipment. Equipment held in this pool will not incur desk side support nor help desk charges until placed into service by Customer.

7.A.1 Unfilled Positions - Upon determination of need, CUSTOMER will provide notification at least 5 working days prior to actual need. Northrop Grumman will install the equipment upon or before the end of the 5-day period with no additional installation charge. Help desk and desk side support charges will begin on the first day of the month immediately following the date of installation.

7.A.2 Loaner Equipment for Breakage Replacement - Loaner equipment for breakage is available to Northrop Grumman technicians in order to meet required return to service response times. Use of this loaner equipment is to be coordinated with the CUSTOMER Project Manager. No additional help desk and desk side support charges are incurred when equipment from the equipment pool is put into service for this purpose.

7.B Scheduled Conferences

During the course of this Supplement, either Northrop Grumman or CUSTOMER may request a conference for the purpose of contract review, discussion of performance or other issues related to services being provided to Customer. These conferences shall be coordinated by CUSTOMER and scheduled in duration depending on planned agenda items. There will be no additional charges for these conferences.

7.C Loss/Damage of Equipment

7.C.1 In the event of theft, loss or damage beyond repair of Northrop Grumman provided equipment while in possession of Customer, CUSTOMER will reimburse Northrop Grumman in the amount specified in Attachment E of this Supplement, Stipulated Loss Schedule. Northrop Grumman shall provide, as a replacement, equipment of comparable or greater performance and configuration. CUSTOMER shall continue contract payments at the same level and duration as for the original equipment. Should it be determined that Northrop Grumman is responsible for loss or damage of any supported equipment, CUSTOMER shall not be held liable and Northrop Grumman will provide replacement equipment at no charge to Customer.

7.C.2 In the event of damage to Northrop Grumman supplied equipment beyond normal wear and tear while in possession by Customer, CUSTOMER shall be responsible for normal repair or replacement charges for that damaged equipment.

7.D Replacement of Northrop Grumman Staff

CUSTOMER shall have the right, subject to mutual agreement between CUSTOMER and Northrop Grumman, to request replacement, for reasonable cause, subject to State and Federal law, of any Northrop Grumman staff assigned to provide support services to Customer. This request shall be submitted in writing to Northrop Grumman management. Replacement by Northrop Grumman of staff in question shall occur as soon as reasonably possible, but in no case more than twenty-four (24) hours, upon receipt of the written request. CUSTOMER management may verbally request replacement with the written request to follow within the next business day.

8. CONFIGURATION OF EQUIPMENT

Minimum configurations are provided in Attachment A. The units initially offered shall be the latest models in production as of the date of this Supplement. Any product offered after the date of this contract shall be the latest replacement model/part number even if the model/part number listed in the specifications is not the latest as of the date of this Supplement.

9. PRE-WORK CONFERENCE

Within ten business days after acceptance of this Supplement and prior to the beginning of any work or ordering of any materials, a pre-work conference shall be held at a time and place designated by CUSTOMER to discuss contract documents, submittal procedures and overall project administration. Duly authorized representatives of the CUSTOMER and Northrop Grumman shall attend.

10. PROJECT WORK PLAN

Northrop Grumman shall prepare a total project work plan in conjunction with CUSTOMER, in an agreed format, within fifteen business days of contract signing. The final plan shall be approved in writing by CUSTOMER and can only be amended with the expressed written consent of CUSTOMER. Northrop Grumman shall be responsible for updating the plan against actual progress and provide reports and presentations to CUSTOMER management at agreed times and in an agreed format. CUSTOMER shall be responsible for individuals scheduling for workstation installs and ensuring individuals are prepared for workstation replacement on the scheduled install date.

11. DELAY AND EXTENSIONS OF TIME

Northrop Grumman may be granted extensions of time by CUSTOMER because of authorized change orders to the Supplement, or because of strikes, lockouts, fire, unusual delay in transportation, unavoidable casualties, inclement weather, inability to gain access to buildings at times agreed to by sign-off of the work plan, an act of God, war, civil disturbance, epidemic, or court order which constitute justifiable delays, provided Northrop Grumman has prudently and promptly acted to take any and all corrective steps that are within Northrop Grumman's control. Requests for extensions of time shall be made in writing to the CUSTOMER Project manager. All time extension requests shall be supported by sufficient written evidence to justify requests. In the case of a continuing cause of delay, only one claim is necessary. Requests for extensions shall be stated with specific new delivery dates for the affected installation sites.

12. NORTHROP GRUMMAN AND SUBCONTRACTOR STAFF GENERAL PROVISIONS

The following terms and conditions apply to all Northrop Grumman and sub-contractor personnel:

- 12.A CUSTOMER reserves the right to accept or refuse any subcontractor proposed by Northrop Grumman.
- 12.B All employees of Northrop Grumman shall be no less than 17 years of age.
- 12.C Northrop Grumman shall be liable and responsible for the actions of any of its subcontractors used in the performance of this Supplement.
- 12.D Northrop Grumman shall have an English-speaking employee on the job during support coverage hours.
- 12.E Northrop Grumman employees shall be sober while on duty. The use of any kind of intoxicants while on duty by Northrop Grumman's employees shall constitute grounds for permanent removal of the offending employee from the project.
- 12.F All Northrop Grumman and sub-contractor personnel shall be clearly identified as Northrop Grumman's employees by wearing nametags or other forms of identification as agreed to by Northrop Grumman and CUSTOMER when visiting a CUSTOMER site.
- 12.G All Northrop Grumman employees and sub-contractors shall comply with CUSTOMER and the State of Texas applicable safety and health requirements during the project.
- 12.H Northrop Grumman personnel shall be responsible for leaving all work areas at CUSTOMER as clean and orderly as they were found. The cost of any clean-up work that has to be performed by CUSTOMER as a result of the Northrop Grumman's work shall be reimbursed to Customer.
- 12.I All work shall be accomplished during normal business hours of 7:30 a.m. to 5:30 p.m., appropriate Central Time, Monday through Friday unless after-hours work is pre-approved by CUSTOMER Project Manager with adequate notification.
- 12.J Northrop Grumman is responsible for maintaining a safe work area and securing all tools or other belongings at the end of the workday. CUSTOMER shall not be liable to replace any missing items that belong to Northrop Grumman. If needed, CUSTOMER shall provide Northrop Grumman with adequate secured storage space for Northrop Grumman owned equipment used to support this effort.

13 CONFIDENTIALITY

Northrop Grumman agrees that all employees, including sub-contractor employees, who visit any CUSTOMER site, shall sign a confidentiality statement, if required. Any employee who refuses to sign the confidentiality statement will not be approved to work on the project. The confidentiality statements will continue to be in force after the completion of the project and five (5) years after termination of this Supplement unless additional requirements are specified by the Customer and mutually agreed upon by Customer and Northrop Grumman.

14 MATERIALS AND LABOR

Northrop Grumman shall furnish all supplies and/or equipment to successfully perform the requirements as specified under this Supplement. Northrop Grumman shall use proper materials in accordance with the manufacturer's maintenance directions and instructions. Northrop Grumman shall provide all necessary labor. CUSTOMER shall not be required to furnish any equipment or tools to Northrop Grumman in order to perform

this Supplement.

15. INSTALLATION OF EQUIPMENT

An installation schedule shall be prepared and agreed upon by the Project Manager for CUSTOMER and the Project Manager for Northrop Grumman. CUSTOMER shall provide Northrop Grumman with a complete list of workstation installation locations, quantities, and desired installation dates within 10 business days following the pre-work conference. The installation schedule shall consider and account for those units that are to be de-installed and re-installed at a different work location within Customer Site. Once the installation schedule is complete and agreed upon by both parties, a thirty (30) -business day notice shall be provided before a schedule change can be initiated by anyone. Northrop Grumman will be required to provide CUSTOMER with weekly status reports during the installation process. The report shall identify the total installations completed to date, total installations remaining, and any problems requiring CUSTOMER attention.

Installation shall be performed Monday through Friday from 7:30am to 5:30pm appropriate Central Time unless otherwise required and approved by Customer. CUSTOMER and Northrop Grumman shall jointly develop installation procedures as part of the Project Work Plan. These jointly developed installation procedures shall include specification that shall define a successful installation for Customer. CUSTOMER's shall confirm receipt of installed equipment by signing a form upon delivery and installation of the equipment. This form may become part of a two-part document listing equipment received and confirming completion of all installation activities.

Installations will not begin without an approved project schedule, installation procedures, and specifications that define a successful installation.

A site shall be considered successfully installed when all hardware, software and designated peripherals have been installed, configured, and are operating as an integrated system according to the installation schedule and acceptance procedures, and are approved by an authorized CUSTOMER designate. At the end of the installation project, documentation shall be provided to CUSTOMER that will determine the exact amount of equipment installed, provide information necessary for asset tracking and demonstrate the successful installation of all equipment. Asset tracking information will include initial installation location, date of installation, equipment model number, Northrop Grumman tag numbers, and (if applicable), CUSTOMER tag numbers.

16. SHIPMENT OF NEW MICROCOMPUTERS

Equipment may be pre-shipped to the CUSTOMER offices prior to the installation date as per a schedule jointly developed by Northrop Grumman and Customer. If equipment is shipped to CUSTOMER, CUSTOMER shall assume responsibility for receiving from the carrier and secure storage prior to installation of delivered equipment. Service billing shall begin immediately upon acceptance of installation of the equipment. Northrop Grumman is responsible for examination of equipment shipped by Northrop Grumman to CUSTOMER offices. In the event that equipment arrives in a state damaged beyond repair, Northrop Grumman shall provide a replacement workstation of the same make and model at no charge to CUSTOMER. If equipment is delivered to CUSTOMER, receiving CUSTOMER office staff shall, immediately upon receipt, notify Northrop Grumman of its receipt. CUSTOMER shall provide Northrop Grumman a copy of all shipping and receiving documents.

17. DEINSTALLATION OF EXISTING COMPUTERS

Where specified by the CUSTOMER Project Manager, Northrop Grumman shall provide de-installation of existing workstations and notebooks. The implementation plan shall be specific to the type and location of the existing unit. When replacing the equipment, the installer shall follow the instructions established in the plan to accomplish the following unless otherwise directed by the CUSTOMER Project Manager:

- 17.A verify with the receiving user that data from the existing workstation to be deinstalled has been properly saved and it is permissible to begin installation of the new workstation;
- 17.B install the new system;
- 17.C sanitize the hard drive of old desktop or laptop as per approved procedures prior to packing;
- 17.D In the instance where the old equipment is not to be relocated within CUSTOMER, box the old computer in the box from the new computer, pack securely for shipping to the extent possible, and leave with appropriate CUSTOMER staff - Northrop Grumman shall not be responsible for breakage or damage incurred in shipping of the old equipment; CUSTOMER will be responsible for disposal of CUSTOMER-owned equipment for the duration of the Supplement. Northrop Grumman will not be responsible for moving old equipment outside the facility in which new equipment is installed or relocating old equipment once it is placed in the area provided by CUSTOMER. CUSTOMER shall provide normal waste disposal services for any boxes or excess shipping material not used to re-pack old equipment.
- 17.E configure system as per the installation plan; and
- 17.F provide employee orientation for using and obtain approval of successful installation.
- 17.G Northrop Grumman will ready workstations for reuse when employees or contractors leave CUSTOMER employ. Hard drive contents will be copied following a process that CUSTOMER will provide to Northrop Grumman. After the contents are copied, the workstation will receive a fresh software load. This service shall be scheduled by CUSTOMER through the Northrop Grumman help desk and shall be considered as a help desk call and dispatch service.

18. **WARRANTY, MAINTENANCE AND POST INSTALLATION SUPPORT**

- 18.A For equipment supported under this Supplement, Northrop Grumman shall provide on-site maintenance and repair service for XXX years from the start of contract or date of installation until termination of the Supplement. The service shall include all travel, labor, and parts - including the base unit, monitor, keyboard, and all peripherals supplied by Northrop Grumman - and materials to render an inoperable piece of equipment operable.
- 18.B Principal Period of Service - Service shall be performed during the principal period of service (PPS) hours of 7:30am to 5:30pm appropriate Central zone time, Monday through Friday excluding mutually recognized holidays. Calls received outside of coverage hours will be handled, if possible, and if dispatch of desk side repair services is required, dispatch time to complete will begin at 7:30 a.m. on the next business day.

18.C Warranty shall in accordance with Section 12 of Appendix A, DIR Contract No. DIR-SDD-2175.

19. PERFORMANCE MEASURES

19.A For the purposes of this section, the term "incident", referring to on-site repairs, denotes an occurrence where a qualified repair technician fails to meet service level agreements, after notification of the need for service, in the timeframes required. The decision to declare an "incident" as a result of failure in the response/repair time, for on-site service, will be the decision of the CUSTOMER Project Manager, after consultation with a member of Northrop Grumman's management staff on the specific reasons for the failure to report on-site on time or make the repairs on time. CUSTOMER shall confirm in writing to the Northrop Grumman management staff, the intent to declare an incident within 10 days following the incident.

19.B There shall be a transition period of 30 days at the beginning of the Supplement during which no incidents will be charged against Northrop Grumman. This period shall begin on the date the Supplement becomes effective. Measurement of service levels and accrual of any incidents shall begin at the end of the transition period.

19.C Following the installation of an equipment set, and for the subsequent installation of equipment re-installed, there shall also be a transition period of 15 days during which no incidents shall be charged for those installed/re-installed devices. Measurement of service levels and accrual of any incidents shall begin at the end of that transition period for those devices.

20. REPLACEMENT OF DEFECTIVE EQUIPMENT

Equipment covered under this Supplement that experiences three or more similar hardware failures, documented by CUSTOMER and Northrop Grumman, within a six-month period will be replaced by Northrop Grumman with a new unit at no additional charge to CUSTOMER. Any unit damaged, inoperable or rendered not useable by acts of God or CUSTOMER employee negligence is not covered under this clause.

21. PROJECT MANAGERS

Northrop Grumman and CUSTOMER shall each designate Project Managers. The Project Manager of Northrop Grumman, working with the CUSTOMER Project Manager, shall be responsible for all work specified in this Supplement. Northrop Grumman shall supply a Project Manager for all requirements of this Supplement. The Project Managers will oversee all work that is being performed on this project for their respective area and will be the primary points-of-contact for matters relating to their area. CUSTOMER shall have the right to approve/disapprove the Northrop Grumman Project Manager. Northrop Grumman shall not remove the Northrop Grumman Project Manager during the term of this Supplement without written notice to CUSTOMER 30 days in advance or as soon as commercially feasible; however, CUSTOMER reserves the right to request the removal of a Project manager at any time during the project, as per specifications in Item 7.D of this schedule.

22. DAMAGES AND SERVICE CREDITS

22.A CUSTOMER and Northrop Grumman hereby agree to the specific standards set forth in this Supplement. It is agreed between Northrop Grumman and

CUSTOMER that the actual damages to CUSTOMER as a result of Northrop Grumman's failure to meet such standards may be difficult or impossible to determine with accuracy. CUSTOMER and Northrop Grumman agree that CUSTOMER may assess damages and service credits as set out herein and Northrop Grumman will pay for failure to meet such standards absent any excusable delays as delineated in section 21.

22.B Damages and service credits shall be paid by Northrop Grumman to CUSTOMER in the first quarter following a term year. CUSTOMER will notify Northrop Grumman in writing of any claim.

22.C Northrop Grumman and CUSTOMER agree that these remedies are not available where third Parties (other than subcontractors or suppliers of Northrop Grumman), forces beyond Northrop Grumman's control, the CUSTOMER's failure to cooperate in resolving problems, or other exceptions as may be agreed by CUSTOMER and Northrop Grumman, cause the failure to meet performance criteria or service levels.

23. PAYMENT SCHEDULE

Payments for this contract shall be made in multiple payments based upon Customer's fiscal year. Payment shall be upon completion of the installation of all units included in an installation set as determined by CUSTOMER and Northrop Grumman, and will include shipping if applicable, any installation charges if applicable, and period service charge. The subsequent payments shall be made according to the schedule developed by CUSTOMER and Northrop Grumman.

23.A Northrop Grumman shall submit an invoice after delivery, which must contain the following information:

23.B Purchase order number

23.C Northrop Grumman's name and Valid State of Texas Northrop Grumman Identification Number

23.D Line item description and pricing for each item

23.E No payments will be made to any subcontractor involved in the project.

23.F The above should be sent to the following address:

23.G CUSTOMER may prepay contracted amounts without penalty.

24. TERMINATION This contract maybe canceled as a result of the one of the following:

24.A Termination by Change in Law: If federal or state laws or other requirements are amended or judicially interpreted so that either Party cannot reasonably fulfill this Supplement, and if the Parties cannot agree to a Change Order that would enable substantial continuation of the services, the Parties shall be discharged from any further obligations under this Supplement.

24.B Mutual Termination: This Supplement may be terminated at any time by mutual consent.

24.C Termination for Convenience by Customer: CUSTOMER reserves the right to terminate part of or the entire Supplement, without penalty, for the Customer's convenience, upon thirty (30) days written notice to the Northrop Grumman.

24.D Termination for Convenience by Northrop Grumman: In the event Northrop Grumman terminates this Supplement for any reason other than breach of contract by CUSTOMER, Northrop Grumman will provide formal written notice to the CUSTOMER at least 30 days in advance.

24.E Non-Performance and Termination for Cause. If the Northrop Grumman fails to provide services according to the provisions of this Supplement, CUSTOMER may, upon written notice of default to the Northrop Grumman, terminate all or any part of the Supplement. Termination is not necessarily an exclusive remedy but will be in addition to any other rights and remedies provided by law or under this Supplement.

CUSTOMER, based on information from monitoring or other verifiable sources, may terminate this Supplement for cause or take other actions, including:

1. Providing the Northrop Grumman written notice of a perceived breach. Northrop Grumman will respond in writing to the breach notice and provide a proposed cure within fourteen (14) calendar days. The cure period will be mutually agreed upon between the Parties.
2. Recouping payments made to the Northrop Grumman or imposing administrative error sanctions based on audit findings of violations of contract requirements, and
3. Suspending, placing into abeyance or removing any contractual rights to including, but not limited to, withholding payment and removal of all contract rights.

24.F Contract Settlement at Termination (Northrop Grumman Termination for Convenience): Upon termination, CUSTOMER shall pay Northrop Grumman for valid and actually incurred charges, in accordance with the terms of this Supplement, to the date of termination. DIR will not agree to allow termination costs if NG terminated at its own convenience, or if CUSTOMER terminates a specific engagement for cause, or if DIR terminates the master contract for cause.

24.G Contract Settlement at Termination (CUSTOMER Termination for Convenience): In the event of such termination, Northrop Grumman shall submit a final termination settlement proposal to CUSTOMER by a date agreed upon by the parties.

Northrop Grumman and CUSTOMER may agree upon the whole or any part of the amount to be paid because of the termination.

If CUSTOMER and Northrop Grumman fail to agree on the whole amount to be paid because of the termination of work, CUSTOMER shall pay Northrop Grumman the amounts stated in Northrop Grumman's termination settlement proposal as follows:

1. The contract price for completed supplies or services accepted by CUSTOMER not previously paid for, adjusted for any saving of freight and other charges.

2. The total of --

(i) The costs incurred in the performance of the work terminated, including initial costs and preparatory expense allocable thereto, but excluding any costs attributable to supplies or services paid or to be paid under subparagraph (1) of this clause;

(ii) The cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the contract if not included in subdivision (2)(i) of this clause; and

3. The reasonable costs of settlement of the work terminated, including --

(i) Accounting, legal, clerical, and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data;

(ii) The termination and settlement of subcontracts including hardware, software, and lease costs; and

(iii) reasonable proportion of reasonable direct severance costs for Northrop Grumman employees assigned 100% to this Supplement and terminated from Northrop Grumman as a result of CUSTOMER's termination of this Supplement; and

(iv) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory.

Northrop Grumman shall have the right of appeal, under the Dispute Resolution clause in Section XIII, from any determination made by CUSTOMER under this clause.

In arriving at the amount due to Northrop Grumman under this clause, there shall be deducted -

1. All unliquidated advance or other payments to Northrop Grumman under the terminated portion of this contract;

2. Any claim which CUSTOMER has against Northrop Grumman under this Supplement; and

3. The agreed price for, or the proceeds of sale of, materials, supplies, or other things acquired by the Northrop Grumman or sold under the provisions of this clause and not recovered by or credited to the CUSTOMER.

If the termination is partial, Northrop Grumman may file a proposal with CUSTOMER for an equitable adjustment of the price(s) of the continued portion of the contract. CUSTOMER shall make any equitable adjustment agreed upon. Any proposal by Northrop Grumman for an equitable adjustment under this clause shall be requested within 30 days from the effective date of termination unless extended in writing by the CUSTOMER.

- 24.H Contract Settlement at Termination (Northrop Grumman Default): In the event of such termination, CUSTOMER shall pay Northrop Grumman the contract price for completed supplies delivered and accepted, and services performed and accepted.
- 24.I Limitation of Liability:
- Limitation of Liability shall be in accordance with Section 8K of Appendix A, DIR Contract No. DIR-SDD-2175.
- 24.J Rights at Termination or Expiration of Supplement: In the event the Supplement expires or is terminated for any reason, the Customer shall retain ownership of all associated work products and documentation in whatever form they exist.
- 24.K Termination for Non-Appropriation: Termination for Non-Appropriation will be in accordance with DIR Contract No. DIR-SDD-2175, Appendix A, Section 8, Contract Enforcement, B. Termination, 1) Termination for Non-Appropriation.
25. RIGHTS UPON TERMINATION OR EXPIRATION OF CONTRACT
- In the event that this Supplement is terminated for any reason, or upon its expiration, CUSTOMER shall retain ownership of all associated documentation created to support CUSTOMER in whatever form that they exist.
26. GENERAL
26. A All Amendments to this Supplement shall be in accordance with DIR Contract No. DIR-SDD-2175
26. B PUBLIC INFORMATION - Northrop Grumman acknowledges that State contracts are subject to the Texas Public Information Act Tex. Gov't Code CH. 552. Unless specified in writing to the CUSTOMER Contract Manager, Northrop Grumman waives confidentiality of Northrop Grumman-issued e-mail addresses.
26. C CONTRACT ADMINISTRATION - Following acceptance by both parties of this Supplement, Northrop Grumman shall contact CUSTOMER designated employee for guidance or direction in matters of contract interpretation or problems regarding the terms, conditions or scope of the contract.
26. D PROPRIETARY INFORMATION - It is the responsibility of Northrop Grumman to clearly mark any part of their offer considered to be of PROPRIETARY OR CONFIDENTIAL NATURE. Northrop Grumman shall not mark sections of their proposal as PROPRIETARY OR CONFIDENTIAL if they are to be part of the award of the contract and are of a "material" nature, i.e., price.
26. E INDEMNIFICATION - Indemnification shall be in accordance with Section 8 of Appendix A, DIR Contract No. DIR-SDD-2175.

ATTACHMENT A

HARDWARE CONFIGURATION

Equipment provided under this Supplement shall meet or exceed the following technical requirements. Northrop Grumman will recommend to CUSTOMER a standard Northrop Grumman that provides over all best value. Once approved and delivered, this will be the standard hardware for the term of this Supplement.

SAMPLE

ATTACHMENT C

REPORTS

Northrop Grumman shall furnish CUSTOMER with monthly reports by the fifteenth day of the following month. The reports will summarize performance to service levels and provide CUSTOMER with information on types of calls and details on a sub-set of calls occurring within the month. The reports will be delivered in electronic copy and contain at a minimum, the following information:

- Percentage of 1st Call Resolution - by month
- Average speed to Answer - by month
- Percentage of Severity 1 Tickets Resolved under SLA - by month
- Percentage of Severity 2 Tickets Resolved under SLA - by month
- Deskside Support Survey Results - by month
- A list with all call detail of all the calls from the Top Ten Volume Users
- Breakdown of total calls by Call Type

The exact format will be agreed on within 45 days of contract signing.

ATTACHMENT D

RESPONSIBILITIES SUMMARY

Task/Item	Responsible Party	
	CUSTOMER	Northrop Grumman
Identify Equipment Requirements and Equipment to be Provided by Northrop Grumman		
Provide an Installation Requirements Sheet for Each New PC		
Develop Detailed Equipment Installation Plan		
Provide "Gold Master" Software for Installation on PCs		
Provide Access to Custom Software for Installation on New PCs		
Provide Location for Equipment Storage and Preparation		
Consolidate Existing User Data in Preparation for PC Replacement		
Configure (with standard configuration) and Install Equipment		
Install Custom Software per Installation Sheet		
Further Customization of User Settings		
Provide Initial Customer Orientation for NG provided Equipment		
Acknowledge Receipt and Acceptance of New PCs		
Provide Consolidated List of Installed Northrop Grumman supplied Equipment and Configuration		
Box and Relocate Replaced Equipment to On-site CUSTOMER Storage Location		
Disposal of Excess Equipment owned by CUSTOMER		
Disposal of Excess Equipment provided to CUSTOMER through Northrop Grumman		
Asset Management of NG provided Equipment		
Provide Work/Office Space and Phone for On-site Technician		
Provide Toll-free (within Texas) and direct Help Desk Phone Numbers		
Receive and Document Desktop Customer Requests for Assistance		
Dispatch Desktop Customer Service Requests to the Appropriate Customer		
Provide Functional Support for Schedule B Supported Software including "How do I" Application Usage Support		
Provide Support for Custom Software and Schedule B Authorized Non-Supported Software		
Security Support (Data Access Permissions, Passwords, etc.)		
Equipment Maintenance		
Legacy Equipment Maintenance During Transition to NG provided Equipment		
Support and Maintenance of Macintosh Computers		
Hardware Support and Maintenance of Printers, Scanners, CD Writers		
Network Troubleshooting and Repair		
Network Connectivity Troubleshooting and Repair (up to and including the Network Interface Card or MODEM)		
Provide Application Software and Upgrade Maintenance and Ensure Software License Compliance		

Replacement of Inoperative Input Devices (mouse/keyboard) using Commodity Items		
Replacement of Inoperative Specialized Input Devices (ergonomic keyboards, trackballs, etc.)		
Provide Monthly Contract Performance Report in an Agreed Upon Format		
Process and perform moves of equipment		
Process Adds, Changes to Supported Equipment (Those not mutually identified as a special project will be included within total desk side dispatch volume)		
Establish Vacant Equipment Pool		

SAMPLE

ATTACHMENT E

STIPULATED LOSS SCHEDULE

If, during the term of this Supplement, equipment provided to CUSTOMER by Northrop Grumman, as part of the supplied service, is determined to be lost, stolen or damaged beyond repair, while in use and possession by CUSTOMER, CUSTOMER shall pay Northrop Grumman the following:

- Equipment lost, damaged or stolen in Term Year 1 of the installation set
 - Desktop unit
 - Annual unit amount TBD
 - Notebook unit
 - Annual unit amount TBD
- Equipment lost, damaged or stolen in Term Year 2 of the installation set
 - Desktop unit
 - Annual unit amount TBD
 - Notebook unit
 - Annual unit amount TBD
- Equipment lost, damaged or stolen in Term Year 3 of the installation set
 - Desktop unit
 - Annual unit amount TBD
- Equipment lost, damaged or stolen in Term Year 4 of the installation set
 - Desktop unit
 - Annual unit amount TBD

SCHEDULE J

Northrop Grumman Charges, Measures of Utilization and Financial Responsibility Matrix

The measures of utilization for providing the services to CUSTOMER are seat management units. The categories of resources for which Baseline are established in this schedule are those major categories that will be used by Northrop Grumman to perform the services established in this Supplemental Agreement, all other services will be provided at an additional charge to CUSTOMER .

Exhibit J - 1

Financial Responsibility Matrix Exhibit J – 1 – Does not apply.

Exhibit J - 2

As established in the DIR Contract No. DIR-SDD-2175, the Annual Charges are the Charges to CUSTOMER for Northrop Grumman's provision of the Services and includes the quantity of Resource Units set forth as the baseline in this Supplemental Agreement. Exhibit J - 2 establishes the Annual Service Charge for each fiscal year and also establishes the baseline Resource Units for seat management service units and options as listed on J-2.

Financial / Pricing Assumptions

- When necessary, any proration will be based upon twelve (12) thirty-day months.
- Unless specified otherwise, a Year will be CUSTOMER's Fiscal Year and a quarter will be a quarter within CUSTOMER's Fiscal Year. CUSTOMER's Fiscal Year covers the period of XXX through XXX.
- Unless specifically stated otherwise, all cost elements must be considered to be based upon annual rates and the annual period shall be CUSTOMER's Fiscal Year. CUSTOMER will not pay for any services until the beginning of the effective period. No invoices may be presented to CUSTOMER until the period of coverage has begun.

ATTACHMENT F - FORM 1

Northrop Grumman intends to subcontract the following services to our protégé subcontractors: installation and configuration services for desktop workstations and laptop computer; leasing of desktop and laptop computers.

HUB Subcontract Here

SAMPLE

SCHEDULE V

MODIFICATION TO THE BASE CONTRACT TERMS AND CONDITIONS

The following terms and conditions apply to this Supplemental Agreement and to the terms and conditions of the State of Texas Agreement for Information Technology Services:

Background and Objectives

- a) This Supplemental Agreement consists of several interrelated documents: the DIR Contract No. DIR-SDD-2175 for Managed Services for Information Technology DIR-SDD-2175 (herein after referred to as the "Master Agreement") between the Department of Information Resources (DIR) and Northrop Grumman, Inc. (Northrop Grumman); the Customer Supplemental Agreement for Information Technology Services (herein after referred to as the "Supplement") between the [Customer] and Northrop Grumman. The Supplement is a combination of Schedules specific to the Supplement between the CUSTOMER and Northrop Grumman.
- b) In the event of a conflict between or among any of the provisions of these documents, such conflicts shall be resolved by referring to these documents in the following order of precedence; (1) the Master Agreement; (2) the Supplement. In the event of a conflict between or among any provisions of the Supplement, such conflicts shall be resolved by referring to these documents in the following order of precedence: (1) Schedule V; (2) the remaining Schedules.