

Amendment Number 1
to
Contract Number DIR-TSO-3021
between
State of Texas, acting by and through the Department of Information Resources
and
BARRACUDA NETWORKS, INC.

This Amendment Number 1 to Contract Number DIR-TSO-3021 (“Contract”) is between the Department of Information Resources (“DIR”) and BARRACUDA NETWORKS, INC. (“Vendor”). DIR and Vendor agree to modify the terms and conditions of the Contract as follows:

1. Contract, Section 2. Term of Contract is hereby amended as follows:

DIR and Vendor hereby agree to extend the term of the Contract for one (1) year through May 12, 2017, or until terminated pursuant to the termination clauses contained in the Contract. Prior to expiration of the term, DIR and Vendor may extend the Contract, upon mutual agreement, for up to two (2) additional one-year renewal terms.

2. Appendix A. Standard Terms and Conditions For Product and Related Services Contracts, is hereby restated in its entirety and replaced with the attached **Appendix A. Standard Terms and Conditions For Product and Related Services Contracts** dated **09/24/2015**.

3. Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Service Contracts dated **09/24/2015**.

A. Appendix A, Section 4, General Provisions, B. Modification of Contract Terms and/or Amendments, Subsection 3) is hereby restated in its entirety as follows:

3) Customers and Vendor may, at their option, negotiate and enter into written agreements regarding statements of work, service level agreements, remedies, acceptance criteria, information confidentiality and security requirements, and other terms specific to their Purchase Orders under the Contract with Vendors.

B. Appendix A, Section 4, General Provisions, E. Survival is hereby restated in its entirety as follows:

Rights and obligations under this Contract which by their nature should survive, including, but not limited to any and all payment obligations invoiced prior to the termination or expiration hereof; obligations of confidentiality; indemnification; Intellectual Property Ownership, and warranty rights will remain in effect after termination or expiration hereof.

C. Appendix A, Section 4, General Provisions, H. Proof of Financial Stability is hereby restated in its entirety as follows:

Either DIR or Customer may require Vendor to provide proof of financial stability prior to or at any time during the contract term. Public SEC filings and DUNS number will be sufficient to meet this requirement.

D. Appendix A, Section 5, Intellectual Property Matters is hereby deleted and replaced in its entirety as follows:

This contract does not contemplate, authorize or support acquisition of custom software products or services. If Vendor and Customer seek to contract for such product or service, they must use a separate contract or seek amendment with DIR of this contract. If DIR and Vendor decide to authorize customized software or hardware products; then the intellectual property language will be negotiated and applied.

E. Appendix A, Section 7, Contract Fulfillment and Promotion, B. Use of Order Fulfillers, 1) Designation of Order Fulfillers, c) is hereby restated in its entirety as follows:

c) Vendor will enter into agreements with Order Fulfillers requiring their compliance with the terms of this Agreement. Vendor shall be fully liable for its Order Fulfillers' performance under and compliance with the terms and conditions of the Contract. Vendor shall enter into contracts with Order Fulfillers and use terms and conditions that are consistent with the terms and conditions of the Contract.

F. Appendix A, Section 8, Pricing, Purchase Orders, Invoices, and Payments, G. Change to Prices, 3) is hereby restated in its entirety as follows:

3) Requests for price increases will be accepted or rejected by DIR within thirty (30) calendar days after request. Increases that are not accepted within thirty (30) calendar days will be deemed rejected. If a properly submitted increase is rejected, Vendor may request that the product or service rejected be removed from the Contract. The product or service will be removed from the Contract upon execution of a written Contract amendment, which shall be transmitted to Vendor by DIR within thirty (30) calendar days after receipt of the written request to remove the product or service and executed by both parties without undue delay. Existing pricing must be honored up to the date of execution of the Contract amendment. Prices may not be increased for at least ninety (90) calendar days after the contract start date. Price reductions will be accepted at any time.

G. Appendix A, Section 10, Vendor Responsibilities, A. Indemnification, 3) Infringements, b) is hereby restated in its entirety as follows:

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual

property right owned by or licensed to Customer, (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement, (vi) combination of a Product with any third party hardware or software, where the combination is the cause of the infringement, or (vii) a claim against any open source software.

H. Appendix A, Section 10, Vendor Responsibilities, E. Equal Opportunity Compliance is hereby restated in its entirety as follows:

Upon request, Vendor will furnish information regarding its nondiscriminatory hiring and promotion policies, as well as specific information on the composition of its principals and staff, including the identification of minorities and women in management or other positions with discretionary or decision-making authority. Vendor may obtain and provide all this information from records regularly maintained in the course of business if it is available there, and shall not be required to conduct a survey or prepare any reports to meet this obligation, unless the information is not available in the records described above, or instances where that information is not credible reliable.

I. Appendix A, Section 10, Vendor Responsibilities, K. Limitation of Liability is hereby restated in its entirety as follows:

For any claim or cause of action arising under or related to the Contract: i) to the extent permitted by the Constitution and the laws of the State, none of the parties shall be liable to the other for punitive, special, or consequential damages, even if it is advised of the possibility of such damages; and ii) Vendor's liability for damages of any kind to the Customer shall be limited to the total amount paid to Vendor under the Contract during the twelve months immediately preceding the accrual of the claim or cause of action. However, this limitation of Vendor's liability shall not apply to claims of bodily injury; violation of intellectual property rights including but not limited to patent, trademark, or copyright infringement; indemnification requirements under this Contract; and violation of State or Federal law including but not limited to disclosures of confidential information and any penalty of any kind lawfully assessed as a result of such violation.

4. Appendix C – Pricing Index is hereby restated in its entirety and replaced with Appendix C - Pricing Index attached hereto.

All other terms and conditions of the Contract not specifically modified herein shall remain in full force and effect. In the event of a conflict among provisions, the order of precedence shall be this Amendment Number 1 and then the Contract.

IN WITNESS WHEREOF, the parties hereby execute this amendment to be effective as of the date of the last signature, but in all events, no later than May 12, 2016.

BARRACUDA NETWORKS, INC.

Authorized By: Signature on File

Name: David Faugno

Title: CFO

Date: 7/15/2016 | 1:19 PM CDT

The State of Texas, acting by and through the Department of Information Resources

Authorized By: Signature on File

Name: Dale Richardson

Title: Chief Operating Officer

Date: 7/19/2016 | 8:22 AM CDT

General Counsel: DB 7/17/2016 | 12:27 PM CDT