

Amendment Number 2
to
Contract Number DIR-SDD-1647
between
State of Texas, acting by and through the Department of Information Resources
and
Xerox State & Local Solutions, Inc.

This Amendment Number 2 to Contract DIR-SDD-1647 (“Contract”) is between the State of Texas, acting by and through the Department of Information Resources (“DIR”) and Xerox State & Local Solutions, Inc. as successor to ACS State & Local Solutions, Inc. (“Vendor”). DIR and Vendor agree to modify the terms and conditions of the Contract as follows:

1. By this Amendment Number 2, Xerox State & Local Solutions, Inc. expressly assumes all rights, obligations and liabilities, past, present, and future, under this Contract, and will hold DIR harmless from any claim by ACS State & Local Solutions, Inc.
2. Xerox State & Local Solutions, Inc. hereby represents to DIR that it owns the Contract and agrees to perform all duties and obligations to be performed by Vendor under the above-mentioned Contract to the same extent as if it had been an original party thereto. Xerox State & Local Solutions, Inc., hereby represents to DIR that by the effective date of this amendment, that it is or will be registered as a Texas Vendor, with all necessary Texas taxpayer identification numbers with the Comptroller of Public Accounts and be in good standing with that office, and otherwise be authorized to do business with the State of Texas.
3. **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 March 3, 2014 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 one (1) additional one-year term.
4. **Contract, Section 4, Pricing, G. Travel Expense Reimbursement**, is hereby restated in its entirety as follows:

G. Travel Expense Reimbursement

Pricing for services provided under this Contract are exclusive of any travel expenses that may be incurred in the performance of those services. Travel expense reimbursement may include personal vehicle mileage or commercial coach transportation, hotel accommodations, parking and meals; provided, however, the amount of reimbursement by Customers shall not exceed the amounts authorized for state employees as adopted by each Customer; and provided, further, that all reimbursement rates shall not exceed the maximum rates established for state employees under the current State Travel Management Program (<http://www.window.state.tx.us/procurement/prog/stmp/>). Travel time may not be included as part of the amounts payable by Customer for any services rendered under

this Contract. The DIR administrative fee specified in Section 5 below is not applicable to travel expense reimbursement. Anticipated travel expenses must be pre-approved in writing by Customer.

- 5. Contract, Section 5, DIR Administrative Fee, B)** is hereby restated in its entirety as follows:

B. All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor without further requirement for a formal contract amendment. Any change in the administrative fee shall be incorporated in the price to the Customer.

- 6. Contract, Section 6, Notification,** is hereby restated in its entirety as follows:

All notices under this Contract shall be sent to a party at the respective address indicated below.

If sent to the State:

Robin Abbott
Manager, Contract and Vendor Management
Department of Information Resources
300 West 15th Street, Suite 1300
Austin, Texas 78701
Phone: (512) 936-2233
Facsimile: (512) 475-4759
Email: robin.abbott@dir.texas.gov

If sent to the Vendor:

Stacy Grange
Marketing & Comm Assoc
Xerox State & Local Solutions, Inc.
8600 Harry Hines Blvd. Suite 300
Dallas, TX 75235
Phone: (214) 956-6318
Facsimile: (214) 902-5058
Email: Stacy.Grange@xerox.com

- 7. 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 **12/17/2012.**
- 8. Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.** is hereby restated as follows:

A. Appendix A, Section 8, Contract Administration, B. Reporting and Administrative Fees, 1) Reporting Responsibility, b) is hereby restated in its entirety as follows:

b) DIR shall have the right to verify required reports and to take any actions necessary to enforce its rights under this section, including but not limited to, compliance checks of Vendor's applicable Contract books at DIR's expense. Except to the extent necessary to reveal the basis of invoices and other reports due to DIR, Vendor will not be required to disclose proprietary financial information or confidential personnel data.

B. Appendix A, Section 9, Vendor Responsibilities, A. Indemnification, 1) Acts or Omissions is hereby restated in its entirety as follows:

1) Acts or Omissions

Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM AND AGAINST ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL REASONABLE AND RELATED COSTS, ATTORNEY FEES, AND EXPENSES directly arising out of, or resulting from any negligent acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract REGARDLESS OF THE NEGLIGENCE OF THE CUSTOMER, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES. VENDOR SHALL PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS FEES. THE DEFENSE SHALL BE COORDINATED BY THE OFFICE OF THE ATTORNEY GENERAL FOR TEXAS STATE AGENCIES AND BY CUSTOMER'S LEGAL COUNSEL FOR NON-STATE AGENCY CUSTOMERS.

C. Appendix A, Section 9, Vendor Responsibilities, B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE, 1) is hereby restated in its entirety as follows:

1) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH Taxes ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. VENDOR AGREES AND ACKNOWLEDGES THAT VENDOR ITS EMPLOYEES, REPRESENTATIVES, AGENTS OR SUBCONTRACTORS SHALL NOT BE ENTITLED TO ANY STATE BENEFIT OR BENEFIT OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER. THE CUSTOMER AND/OR THE STATE SHALL NOT BE LIABLE TO THE VENDOR ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF

TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER. ALTERNATIVELY, VENDOR MAY CARRY AN ALTERNATIVE PLAN OF WORKER'S COMPENSATION BENEFITS IN THE STATE OF TEXAS IF PERMITTED BY LAW SUCH AS A NON-SUBSCRIBER PLAN

D. Appendix A, Section 9, Vendor Responsibilities, N. Required Insurance Coverage is hereby restated in its entirety as follows:

N. Required Insurance Coverage

As a condition of this Contract with DIR, Vendor shall provide the listed insurance coverage within 5 days of execution of the Contract if the Vendor is awarded services which require that Vendor's employees perform work at any Customer premises and/or use employer vehicles to conduct work on behalf of Customers. In addition, when engaged by a Customer to provide services on Customer premises, the Vendor shall, at its own expense, secure and maintain the insurance coverage specified herein, and shall provide proof of such insurance coverage, in the form of a standard certificate of insurance or related documentation, to the related Customer within five (5) business days following the execution of the Purchase Order. Vendor may not begin performance under the Contract and/or a Purchase Order until such proof of insurance coverage is provided to DIR and the Customer. All required insurance must be issued by companies that are A- financially rated and duly licensed, admitted, and authorized to do business in the State of Texas. The Customer and DIR will be included as Additional Insured on the commercial general liability and business automotive liability insurance. Required coverage must remain in effect through the term of the Contract and each Purchase Order issued to Vendor there under. The minimum acceptable insurance provisions are as follows:

1) Commercial General Liability

Commercial General Liability must include a combined single limit of \$500,000 per occurrence for bodily injury and property damage including products/completed operations, where appropriate, with a general aggregate of \$500,000. The policy shall contain the following provisions:

- a) Blanket contractual liability coverage for liability assumed under the Contract;
- b) Independent Contractor coverage;
- c) State of Texas, DIR and Customer listed as an additional insured;
- d) 30-day Notice of Termination in favor of DIR and/or Customer; and
- e) Waiver of Subrogation in favor of DIR and/or Customer.

2) Workers' Compensation Insurance

Workers' Compensation Insurance and Employers' Liability coverage must include limits consistent with statutory benefits outlined in the Texas Workers' Compensation Act (Art. 8308-1.01 et seq. Tex. Rev. Civ. Stat) and minimum policy limits for Employers' Liability of \$250,000 bodily injury per accident, \$500,000 bodily injury disease policy limit and \$250,000 per disease per employee. Alternatively, Vendor may

carry an alternative plan of worker's compensation benefits in the State of Texas if permitted by law such as a non-subscriber type plan

3) Business Automobile Liability Insurance

Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per accident for bodily injury and property damage. Alternative acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident. The policy shall contain the following provisions or endorsements in favor of DIR and/or Customer:

- a) Waiver of Subrogation;
- b) 30-day Notice of Termination; and
- c) Additional Insured.

All other terms and conditions of the Contract as amended, not specifically modified herein, shall remain in full force and effect. In the event of conflict among the provisions, the order of precedence shall be Amendment Number 2, then Amendment Number 1 and then the Contract.

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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 March 3, 2013.

Xerox State & Local Solutions, Inc.

Authorized By: Signature of File

Name: Hubert P. Auburn

Title: Vice President

Date: 2/26/13

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

Authorized By: Signature on File

Name: Carl Marsh

Title: Chief Operating Officer

Date: 3/8/13

Office of General Counsel: initials 3-6-13