

**STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES
CONTRACT NUMBER DIR-TSO-4159
CONTRACT FOR PRODUCTS AND RELATED SERVICES**

HP Inc.

1. Introduction

A. Parties

This Contract for products and related services is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter "DIR") with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and HP Inc. (hereinafter "Vendor"), with its principal place of business at 1501 Page Mill Road, Palo Alto, California 94304-1126.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Comptroller of Public Accounts' Electronic State Business Daily, Request for Offer (RFO) DIR-TSO-TMP-417, on 1/12/2018, for *Hewlett-Packard Manufacturer Branded Hardware, Software, Cloud and Related Services and Services*. Upon execution of this Contract, a notice of award for RFO DIR-TSO-TMP-417 shall be posted by DIR on the Electronic State Business Daily.

C. Order of Precedence

For purchase transactions under this Contract, the order of precedence shall be as follows: this Contract; Appendix A, Standard Terms and Conditions For Products and Related Services Contracts; Appendix B, Vendor's Historically Underutilized Businesses Subcontracting Plan; Appendix C, Pricing Index; Appendix D, Software Licensing and Software and Hardware Support Agreement; Exhibit 1, Vendor's Response to RFO DIR-TSO-TMP-417, including all addenda; and Exhibit 2, RFO DIR-TSO-TMP-417, including all addenda; are incorporated by reference and constitute the entire agreement between DIR and Vendor governing purchase transactions. In the event of a conflict between the documents listed in this paragraph related to purchases, the controlling document shall be this Contract, then Appendix A, then Appendix B, then Appendix C, then Appendix D, then Exhibit 1, and finally Exhibit 2. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.

2. Term of Contract

The initial term of this Contract shall be two (2) years commencing on the last date of approval by DIR and Vendor, with two (2) optional two-year renewal terms. Prior to expiration of each term, the contract will renew automatically under the same terms and conditions unless either party provides notice to the other party 60 days in advance of the renewal date stating that the party

wishes to discuss modification of terms or not renew. Additionally, the parties by mutual agreement may extend the term for up to ninety (90) additional calendar days.

3. Product and Service Offerings

A. Products

Products available under this Contract are limited to HP Inc. branded products such as (but not all-inclusive) Computer Desktops, Workstations, Retail Solutions Care Pack Services, Printers, Multifunction Printers, Digital Signage, Notebooks, and Tablets, as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their product offering; however, any changes must be within the scope of products awarded based on the posting described in Section 1.B above.

B. Services

Services available under this Contract are limited to Services and Support related to HP Inc. Hardware and/or Software as specified in Appendix C, Pricing Index. Those Services include but are not limited to: managed services, asset recovery services, Device as a Service (DaaS)/seat management, and cloud services. Vendor may incorporate changes to their service offering; however, any changes must be within the scope of services awarded based on the posting described in Section 1.B above.

4. Pricing

Pricing to the DIR Customer shall be as set forth in Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee.

5. DIR Administrative Fee

A) The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is three quarters of one percent (0.75%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$750.00 dollars.

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. Notification

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

If sent to the State:

Kelly A. Parker, CTPM, CTCM
Director, Cooperative Contracts
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 475-1647

Facsimile: (512) 475-4759
Email: kelly.parker@dir.texas.gov

If sent to the Vendor:

HP Inc.
Attn: Office of the General Counsel
1501 Page Mill Road Palo Alto, CA 94304
Phone: (650) 857-1501
Facsimile: (650) 857-5518

With a copy to:
HP Inc.
c/o ACO Contract Administrator – Texas
Judith M. Alexander
Senior Counsel, State/Local Government and Education
11403 Compaq Center Drive W., Houston, TX 77070
Phone: (954) 272-0855
Facsimile: (954) 343-2210
Email: judith.alexander@hp.com

7. Software License, Service and Leasing Agreements

A. Software License Agreement

1) Customers acquiring software licenses under the Contract shall hold, use and operate such software subject to compliance with the Software Licensing and Software and Hardware Support Agreement set forth in Appendix D of this Contract. No changes to the Software Licensing and Software and Hardware Support Agreement terms and conditions may be made unless previously agreed to between Vendor and DIR. Customers may not add, delete or alter any of the language in Appendix D; provided however, that the Customer and Vendor may agree, in writing, to additional terms and conditions that do not diminish a term or condition in the Software Licensing and Software and Hardware Support Agreement, or in any manner lessen the rights or protections of Customer or the responsibilities or liabilities of Vendor. Order Fulfiller shall make the Software Licensing and Software and Hardware Support Agreement terms and conditions available to all Customers at all times.

2) Compliance with the Software Licensing and Software and Hardware Support Agreement is the responsibility of the Customer. DIR shall not be responsible for any Customer's compliance with the Software Licensing and Software and Hardware Support Agreement. If DIR purchases software licenses for its own use under this Contract, it shall be responsible for its compliance with the Software Licensing and Software and Hardware Support Agreement terms and conditions.

B. Shrink/Click-wrap License Agreement

Regardless of any other provision or other license terms which may be issued by Vendor after the effective date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of a Purchase Order for products licensed under this Contract, or the fact that such other agreement may be affixed to or accompany software upon delivery (shrink-wrap), the terms and conditions set forth in this Contract shall

supersede and govern the license terms between Customers and Vendor for HP branded software. Any purchases of Third-Party Software shall be subject to the third party's license terms. **It is the Customer's responsibility to read the third party Shrink/Click-wrap License Agreement and determine if the Customer accepts the license terms. Customers are bound by and will abide by such third party Shrink/Click-wrap License term unless the Customer does not agree with the license terms, then Customer shall be responsible for negotiating with the reseller to obtain additional changes in the Shrink/Click-wrap License Agreement language from the software publisher which the parties shall agree to in writing.**

C. Service Agreement

Services provided under this Contract shall be in accordance with the Software Licensing and Software and Hardware Support Agreement as set forth in Appendix D of this Contract. No changes to the Software Licensing and Software and Hardware Support Agreement terms and conditions may be made unless previously agreed to by Vendor and DIR. The parties agree that the Managed Print Services, Device as a Service, and Managed Print Services – Premium Support Schedule agreements will be further negotiated following execution of this Contract, for inclusion by amendment upon agreement of terms and conditions by both parties.

D. Master Lease Agreement

DIR and Vendor agree that a Master Lease Agreement may be added to the Contract by amendment upon agreement of terms and conditions of both parties.

E. Conflicting or Additional Terms

In the event that conflicting or additional terms in Vendor Software License Agreements, Shrink/Click Wrap License Agreements, Service Agreements or linked or supplemental documents amend or diminish the rights of DIR Customers or the State, such conflicting or additional terms shall not take precedence over the terms of this Contract.

In the event of a conflict, any linked documents may not take precedence over the printed or referenced documents comprising this contract; provided further that any update to such linked documents shall only apply to purchases or leases of the associated Vendor product or service offering after the effective date of the update; and, provided further, that, if Vendor has responded to a solicitation or request for pricing, no update of such linked documents on or after the initial date of Vendor's initial response shall apply to that purchase unless Vendor directly informs Customer of the update before the purchase is consummated.

In the event that different or additional terms or conditions would otherwise result from accessing a linked document, agreement to said linked document shall not be effective until reviewed and approved in writing by Customer's authorized signatory.

Vendor shall not, without prior written agreement from Customer's authorized signatory, require any document that: 1) diminishes the rights, benefits, or protections of the Customer, or that alters the definitions, measurements, or method for determining any authorized rights, benefits, or protections of the Customer; or 2) imposes additional costs, burdens, or obligations upon Customer, or that alters the definitions, measurements, or method for determining any authorized costs, burdens, or obligations upon Customer.

If Vendor attempts to do any of the foregoing, the prohibited documents will be void and inapplicable to the contract between DIR and Vendor or Vendor and Customer, and Vendor will nonetheless be obligated to perform the contract without regard to the prohibited documents, unless Customer elects instead to terminate the contract, which in such case may be identified as a termination for cause against Vendor.

The foregoing requirements apply to all contracts, including, but not limited to, contracts between Customer and a reseller/Order Fulfiller who attempts to pass through documents and obligations from its Manufacturer or Publisher.

8. Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.

A. Section 3. Definitions is hereby replaced in its entirety as follows:

A. Customer – any Texas state agency, unit of local government, institution of higher education as defined in Section 2054.003, Texas Government Code, the Electric Reliability Council of Texas, the Lower Colorado River Authority, a private school, as defined by Section 5.001, Education Code, a private or independent institution of higher education, as defined by Section 61.003, Education Code, a volunteer fire department, as defined by Section 152.001, Tax Code, and those state agencies purchasing from a DIR contract through an Interagency Agreement, as authorized by Chapter 771, Texas Government Code, any local government as authorized through the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the state agencies and political subdivisions of other states as authorized by Section 2054.0565, Texas Government Code and, except for telecommunications services under Chapter 2170, Texas Government Code, assistance organizations as defined in Section 2175.001, Texas Government Code to mean:

- 1) A non-profit organization that provides educational, health or human services or assistance to homeless individuals;
- 2) A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;
- 3) Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance Office of the Agency for International Development;
- 4) A group, including a faith-based group, that enters into a financial or non-financial agreement with a health or human services agency to provide services to that agency's clients;
- 5) A local workforce development board created under Section 2308.253;
- 6) A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters;
- 7) The Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section 74.1011, Texas Agriculture Code;
- 8) A nonprofit computer bank that solicits, stores, refurbishes and redistributes used computer equipment to public school students and their families; and
- 9) A nonprofit organization that provides affordable housing.

B. Compliance Check – an audit of Vendor’s compliance with the Contract may be performed by, but not limited to, a Third-Party auditor, DIR Internal Audit department, or DIR contract management staff or their designees.

C. Contract – the document executed between DIR and Vendor into which this Appendix A is incorporated.

D. CPA – refers to the Texas Comptroller of Public Accounts.

E. Day – shall mean business days, Monday through Friday, except for State and Federal holidays, unless otherwise specified as calendar days. If the Contract calls for performance on a day that is not a business day, then performance is intended to occur on the next business day.

F. Order Fulfiller – the party, either Vendor or a party that may be designated by Vendor, who is fulfilling a Purchase Order pursuant to the Contract.

G. Purchase Order or Order - the Customer’s fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).

H. State – refers to the State of Texas.

I. Affiliate of a party means an entity controlling, controlled by, or under common control with, that party.

J. HP branded means Products and Services bearing a trademark or service mark of HP Inc. or any HP Inc. Affiliate.

K. Product means hardware and software listed in HP’s standard price list at the time of HP’s acceptance of Customer purchase order, and including products that are modified, altered, or customized to meet Customer requirements (“Custom Products”).

L. Services means Support and Technology Services.

M. Specification means technical information about Products published in HP Product manuals, user documentation, and technical data sheets in effect on the date HP delivers Products to Customer.

N. Support means hardware maintenance and repair, software maintenance, training, installation and configuration, and other standard support services provided by HP, and includes “Custom Support,” which is any agreed non-standard Support as described in a Statement of Work ONLY if the Custom Support Service is detailed and listed in accordance with Appendix C Pricing Index.

O. Supporting Material may include (as examples) product lists, hardware, or software specifications, standard or negotiated service descriptions, data sheets and their supplements, Statements of Work (“SOW”), published warranties and service level agreements, and may be available to Customer in hard copy or by accessing a designated Vendor website.

P. Technology Services means seat management, training, maintenance, subscription services, and other technical or configurable services performed by HP under a Statement of Work, service agreement, or other Supporting Materials.

B. Section 4. General Provisions, B. Modification of Contract Terms and/or Amendments, 2) is hereby replaced in its entirety as follows:

2) Customers shall not have the authority to modify the terms of the Contract; however, additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Order Fulfiller may be added in a Purchase Order or Statement of Work and

given effect. No additional term or condition added in a Purchase Order issued by a Customer can conflict with or diminish a term or condition of the Contract. Pre-printed terms and conditions on any Purchase Order issued by Customer hereunder will have no force and effect. In the event of a conflict between a Customer's Purchase Order and the Contract, the Contract term shall control.

C. Section 5. Intellectual Property Matters, A. Definitions, 1) is hereby replaced in its entirety as follows:

1) "Work Product" or "Deliverables" means any and all deliverables produced by Vendor for Customer under a Statement of Work issued pursuant to this Contract, including any and all tangible items or things that have been or will be prepared, created, developed, invented or conceived at any time following the effective date of the Contract.

D. Section 5. Intellectual Property Matters, A. Definitions, 3) is hereby replaced in its entirety as follows:

3) "Statement of Work" means a document signed by Customer and Vendor describing a specific set of activities and/or deliverables.

E. Section 5. Intellectual Property Matters, A. Definitions, 4) is hereby replaced in its entirety as follows:

4) "Third Party IP" means the Intellectual Property Rights of any third party that is not a party to this Contract.

F. Section 5. Intellectual Property Matters, A. Definitions, 5) is hereby replaced in its entirety as follows:

5) "Vendor IP" means, as between Vendor and Customer, Vendor's ownership of all materials, software (whether written or machine-readable) and the copyrights, patents, trademarks, trade secrets and all other (a) owned by or licensed to Vendor or one of its Affiliates prior to the Effective Date of the Contract; (b) all Intellectual Property Rights developed by Vendor or one of its Affiliates outside the scope of this Contract, and (c) all modifications, enhancements, and derivative works thereof.

G. Section 5. Intellectual Property Matters, B. Ownership is hereby replaced in its entirety as follows:

B. Ownership

As between Vendor and Customer,

a) The Deliverable(s) and all Intellectual Property Rights associated with the Deliverable(s) will be owned by the Vendor at creation and will not be considered works made for hire. The Vendor grants to the Customer a non-exclusive, royalty-free, site-wide, irrevocable license to use, copy, and distribute the Deliverable(s) and related documentation according to the terms and conditions of this Contract and Supporting

Materials. For the purposes of this license, "site-wide" includes any Customer office regardless of its physical location. Customer may further sublicense those Deliverables to its Affiliates or Third-Party service providers, strictly in furtherance of Customer's internal use.

b) Customer may modify the Deliverable(s) and may combine such with other programs or materials to form a derivative work. Customer will own and hold all copyright, trademark, patent and other intellectual property rights in any derivative work, excluding any rights or interest in the Deliverable(s) other than those granted in this Contract.

c) The Customer may copy the Deliverable(s) to multiple hard drives or networks.

d) The Customer may copy the Deliverable(s) in the course of routine backups for the purpose of recovery.

e) In the event that the Vendor ceases to conduct business, or ceases to support the Deliverable(s), the Customer's license will not cease. The license may be terminated if used in a manner that would violate the terms of this Contract and Supporting Material.

f) Notwithstanding the license grants, any Third-Party IP incorporated into any licensed Deliverable(s) will be subject to the license terms applicable to such Third-Party IP.

g) The Customer and the Vendor will continue to own their respective Intellectual Property Rights developed before entering into the Contract or developed outside the scope of this Contract, and all modifications or derivative works thereof. Any software licensed through the Vendor and sold to the Customer will be licensed directly to the Customer.

H. Section 5. Intellectual Property Matters, C. Further Actions is hereby replaced in its entirety as follows:

C. Further Actions

Vendor, upon request and without further consideration, shall perform any acts that may be deemed reasonably necessary or desirable by Customer to evidence more fully the transfer of ownership and/or registration of applicable Intellectual Property Rights in the Work Product to Customer including but not limited to the execution, acknowledgement and delivery of such further documents in a form agreed by the parties.

I. Section 5. Intellectual Property Matters, D. Waiver of Moral Rights is hereby replaced in its entirety as follows:

D. Waiver of Moral Rights

Vendor hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in any portion of the Work Product that contains "Customer" content, which Vendor may now have or which may accrue to Vendor's benefit under U.S. or foreign copyright or other laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. However, Vendor does not waive any Moral Rights or rights in the Work Product for any Software or templates that Vendor may deliver as part of the Services. Vendor acknowledges the receipt of equitable compensation for its assignment and waiver of such Moral Rights. The term

“Moral Rights” shall mean any and all rights of paternity or integrity of the Work Product and the right to object to any modification, translation or use of the Work Product, and any similar rights existing under the judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a moral right.

J. Section 5. Intellectual Property Matters, E. Confidentiality is hereby replaced in its entirety as follows:

E. Confidentiality

In the performance of the Services hereunder, either party may receive or have access to documents, technical information, information about product plans and strategies, promotions, customers, and related technical, financial or business information, which the disclosing party considers to be the confidential information of that party or its Third-Party contractors or suppliers (“Confidential Information”). The following will apply to any such Confidential Information to the extent consistent with the Texas Public Information Act and its trade secret exemptions:

- 1) Before any Confidential Information is disclosed, the parties will first agree to disclose and receive such information in confidence. If then disclosed, the Confidential Information will be marked as confidential at the time of disclosure, or if disclosed orally but stated to be confidential, will be designated as confidential in a writing by the disclosing party summarizing the Confidential Information disclosed and sent to the receiving party within thirty (30) days after such oral disclosure;
- 2) The receiving party’s confidentiality obligation will continue as long as the receiving party has the information or until the information is no longer confidential.
- 3) The confidentiality obligations of the parties will not extend to information that:
 - a) was in the receiving party’s possession before receipt from the disclosing party;
 - b) is or becomes publicly known without breach by the receiving party;
 - c) is rightfully received by the receiving party from a third party without a duty of confidentiality;
 - d) is independently developed or learned by the receiving party;
 - e) is disclosed by the receiving party with the disclosing party’s prior written approval; or
 - f) is required to be disclosed pursuant to the Texas Public Information Act and its trade secret exemptions.

K. Section 5. Intellectual Property Matters, F. Injunctive Relief is hereby replaced in its entirety as follows:

F. Injunctive Relief

The Contract is intended to protect both parties’ proprietary rights pertaining to the Work Product, and the Intellectual Property Rights therein, and any misuse of such rights would cause substantial and irreparable harm to the non-breaching party. Therefore, to the

extent authorized by Texas Law and Constitution, both parties acknowledge and stipulate that a court of competent jurisdiction may immediately enjoin any material breach of the intellectual property, use, and confidentiality provisions of this Contract, upon a request by the non-breaching party, without requiring proof of irreparable injury as same should be presumed.

L. Section 5. Intellectual Property Matters, G. Return of Materials Pertaining to Work Product is hereby replaced in its entirety as follows:

G. Return of Materials Pertaining to Work Product

Upon the request of Customer, but in any event upon termination or expiration of this Contract or a Statement of Work, Vendor shall surrender to Customer all documents and things pertaining to the Work Product, including but not limited to drafts, memoranda, notes, records, drawings, manuals, computer software, reports, data, and all other documents or materials (and copies of same) generated or developed by Vendor, including all materials embodying the Work Product, or Intellectual Property Rights in such Work Product, regardless of whether complete or incomplete for which the Customer has paid all undisputed sums and any other documents or Confidential Information furnished by Customer to Vendor. This section is intended to apply to all Work Product as well as to all documents and things furnished to Vendor by Customer or by anyone else that pertains to the Work Product.

M. Section 5. Intellectual Property Matters, I. Third-Party Underlying and Derivative Works is hereby replaced in its entirety as follows:

I. Third-Party Underlying and Derivative Works

In all instances, in its' SOW or quote, and before contracting with a Customer, the Vendor will disclose the use or incorporation of any Third-Party IP into the Work Product or Deliverables and a description of the ownership and use rights that will be provided to the Customer. At the time of delivery, the Vendor will provide in writing the name and use of any Third-Party IP, including information regarding the Vendor's authorization to include and utilize such Third-Party IP. The notice shall include a copy of any ownership agreement or license that authorizes the Vendor to use the Third-Party IP, if Vendor procures any Third-Party IP for the State, then Vendor must assign or otherwise transfer to the State, or afford the State the benefits of, any license rights, including the manufacturer's warranty, for the Third-Party IP.

N. Section 5. Intellectual Property Matters, J. Agreement with Subcontracts is hereby replaced in its entirety as follows:

J. Agreement with Subcontracts

Vendor agrees that it shall have written agreement(s) that are consistent with the provisions hereof related to Work Product and Intellectual Property Rights with any employees, agents, consultants, contractors or subcontractors providing Services or Work Product pursuant to the Contract, prior to their providing such Services or Work Product, and that it shall maintain such written agreements at all times during performance of this Contract, which are sufficient to support all performance and grants of rights by Vendor.

Copies of such agreements shall be provided to the Customer promptly upon request. Vendor may redact confidential information, but in any event must provide copies sufficient to ensure Vendor's compliance with this section.

O. Section 5. Intellectual Property Matters, L. Vendor Development Rights is hereby replaced in its entirety as follows:

L. Vendor Development Rights

To the extent not inconsistent with Customer's rights in the Work Product or as set forth herein, nothing in this Contract shall preclude Vendor from developing for itself, or for others, materials which are competitive with those produced as a result of the Services provided hereunder, provided that no Work Product is utilized, and no Intellectual Property Rights of Customer therein are infringed by such competitive materials.

P. Section 7. Contract Fulfillment and Promotion, A. Service Sales and Support of the Contract is hereby replaced in its entirety as follows:

A. Service, Sales and Support of the Contract

Vendor shall provide service, sales and support resources to serve all Customers throughout the State. It is the responsibility of the Vendor to sell, market, and promote products and services available under the Contract. Vendor shall use commercially reasonable efforts to ensure that potential Customers are made aware of the existence of the Contract. All sales to Customers for products and services available under the Contract shall first be quoted through the Contract, except if a Customer advises it will only purchase under an alternate contract.

Q. Section 7. Contract Fulfillment and Promotion, B. Use of Order Fulfillers is hereby replaced in its entirety as follows:

DIR agrees to permit Vendor to utilize designated Order Fulfillers to provide services with Vendor part numbers, re-sale of HP branded Products and provide sales and support resources to Customers and Vendor is liable to ensure that their designated Order Fulfillers comply and maintain those boundaries. Such participation is subject to the following conditions:

1) Designation of Order Fulfillers

- a) Vendor may designate Order Fulfillers to act as the distributors for products and services with Vendor part numbers available under the Contract. In designating Order Fulfillers, Vendor must be in compliance with the State's Policy on Utilization of Historically Underutilized Businesses. In addition to the required Subcontracting Plan, Vendor shall provide DIR with the following Order Filler information: Order Filler name, Order Filler business address, Order Filler CPA Identification Number, Order Filler contact person email address and phone number.

R. Section 7. Contract Fulfillment and Promotion, C. Product Warranty and Return Policies is hereby replaced in its entirety as follows:

C. Product Warranty and Return Policies

Order Fulfiller will adhere to the Vendor's then-currently published policies concerning Product warranties and returns. Product warranty and return policies for Customers will not be more restrictive than warranty and return policies for other similarly situated Customers for like products, or more costly consistent with section 8.C.3.

S. Section 7. Contract Fulfillment and Promotion, H. Trade Show Participation is hereby replaced in its entirety as follows:

At DIR's discretion, Vendor may be required to participate in no more than two DIR sponsored trade shows each calendar year. Vendor understands and agrees that participation, at the Vendor's expense, includes providing a manned booth display or similar presence. DIR will provide four months advance notice of any required participation. Vendor must display the DIR logo at all trade shows that potential Customers will attend. DIR reserves the right to approve or disapprove of the location or the use of the DIR logo in or on the Vendor's booth.

T. Section 8. Pricing, Purchase Orders, Invoices, and Payments, C. Customer Price, 3) is hereby replaced in its entirety as follows:

3) During the Contract term, if pricing for products, specific product configurations, or services available under this Contract is provided by the Vendor at a lower price to: (i) an eligible Texas Customer who is not purchasing those products, specific product configurations, or services under this Contract or (ii) to any other entity or consortia authorized by Texas law to sell said products and services to eligible Texas Customers, under like terms and conditions provided for the State for those commodities and services under this Contract, then the available Customer Price in this Contract shall be adjusted to that lower price. This requirement applies to products, specific product configurations, or services quoted by Vendor for a quantity of one (1) under like terms and conditions, and does not apply to volume or special pricing purchases. To the extent that either party identifies and confirms that better pricing is offered by Vendor in accordance with this section, both parties will utilize best efforts to amend this Contract within ten (10) days to reflect the lower price. Any Contract price changes pursuant to this section shall be effective for all transactions between Vendor and DIR Customers entered into on or after the date that the transaction including the lower price was identified.

U. Section 9. Contract Administration, C. Records and Audit, 3) is hereby replaced in its entirety as follows:

3) Vendor and/or Order Fulfillers shall grant access to all paper and electronic records, books, documents, accounting procedures, practices, customer records including but not limited to contracts, agreements, purchase orders and statements of work, and any other items relevant to the performance of the Contract to the DIR Internal Audit department or DIR Contract Management staff, including the compliance checks designated by the

DIR Internal Audit department, DIR Contract Management staff, the State Auditor's Office, and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, Compliance Checking and/or copying such books and records. Vendor and/or Order Fulfillers shall provide copies and printouts requested by DIR without charge. DIR shall provide Vendor and/or Order Fulfillers ten (10) business days' notice prior to inspecting, Compliance Checking, and/or copying Vendor's and/or Order Fulfiller's records. Vendor's and/or Order Fulfillers records, whether paper or electronic, shall be made available during regular office hours. Vendor and/or Order Fulfiller personnel familiar with the Vendor's and/or Order Fulfiller's books and records shall be available to the DIR Internal Audit department, or DIR Contract Management staff and designees as needed. Vendor and/or Order Fulfiller shall provide adequate office space to DIR staff during the performance of Compliance Check. If Vendor is found to be responsible for inaccurate reports, DIR may invoice for the reasonable costs of the audit, which Vendor must pay within thirty (30) calendar days of receipt. This Section 9.C. 3) shall also apply to Vendor's confidential, proprietary, and/or trade secret information that may be accessed as part of an audit or compliance check.

V. Section 10. Vendor Responsibilities, A. Indemnification, 2) is hereby replaced in its entirety as follows:

2) Acts or Omissions

Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES for THIRD-PARTY CLAIMS, arising out of, or resulting from any 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. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

W. Section 10. Vendor Responsibilities, A. Indemnification, 3) Infringements, b) is hereby replaced 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, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement, (vi) unauthorized use or products or services, or (vii) use of the product or service in combination with product or services not provided under the Contract.

X. Section 10. Vendor Responsibilities, A. Indemnification, 3) Infringements, d) and e) are hereby added in their entirety as follows:

d) Vendor will transfer to Customer any Third-Party intellectual property infringement indemnification for non-HP Branded Products, Software, and Services delivered under the Contract and transferable to Customer.

e) This section shall also apply to Deliverables identified as such in the relevant Supporting Material except that Vendor is not responsible for claims resulting from Deliverables content or design provided by Customer.

Y. Section 10. Vendor Responsibilities, J. Background and/or Criminal History Investigation is hereby replaced in its entirety as follows:

Prior to commencement of any services, background and/or criminal history investigation of the Vendor and/or Order Fulfiller's employees and subcontractors who will be providing services to the Customer under the Contract may be performed by the Customer or performed and paid by Vendor. Should any employee or subcontractor of the Vendor and/or Order Fulfiller who will be providing services to the Customer under the Contract not be acceptable to the Customer as a result of the background and/or criminal history check, then Customer may immediately require replacement of the employee or subcontractor in question. If Vendor fails to promptly replace the employee or subcontractor personnel, then Customer may immediately terminate its Purchase Order or related Service Agreement under the Contract.

Z. Section 10. Vendor Responsibilities; K. Limitation of Liability is hereby replaced in its entirety as follows:

For any claims 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 any indirect, punitive, special, or consequential costs or damages whether arising in contract, tort (including negligence) or otherwise, 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 greater of \$1,000,00 or a sum equal to three (3) times the total amount paid to Vendor by Customer for all Orders placed by Customer 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 as set forth in Appendix A, Section 10.A.3 ("Infringements").

AA. Section 11. Contract Enforcement, B. Termination, 1) Termination for Non-Appropriation a) Termination for Non-Appropriation by Customer and b) Termination for Non-Appropriation by DIR are hereby replaced in their entirety as follows:

1) Termination for Non-Appropriation

a) Termination for Non-Appropriation by Customer

Customer may terminate Purchase Orders if funds sufficient to pay its obligations under the Contract are not appropriated: i) by the governing body on behalf of local governments; ii) by the Texas legislature on behalf of state agencies; or iii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided thirty (30) calendar days written notice of intent to terminate. Failure to provide such notice will not affect the rights and obligations set forth herein. Notwithstanding the foregoing, if a Customer issues a Purchase Order and has accepted delivery of the product or services, they are obligated to pay for the product or services or they may return the product and discontinue using services under any return provisions that Vendor offers. In the event of such termination, the Customer will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract (except for Products shipped and Support and Services performed to the extent funds are available for payment), nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

b) Termination for Non-Appropriation by DIR

DIR may terminate Contract if funds sufficient to pay its obligations under the Contract are not appropriated: by the i) Texas legislature or ii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided thirty (30) calendar days written notice of intent to terminate. Failure to provide such notice will not affect the rights and obligations set forth herein. In the event of such termination, DIR will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract (except for Products shipped and Support and Services performed to the extent funds are available for payment), nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

BB. Section 11. Contract Enforcement, B. Termination, 3) Termination for Convenience is hereby replaced in its entirety as follows:

3) Termination for Convenience

DIR may terminate the Contract, in whole or in part, by giving the other party thirty (30) calendar days written notice. A Customer may terminate a Purchase Order or other contractual document or relationship pursuant to this Contract by giving the other party thirty (30) calendar days written notice.

CC. Section 11. Contract Enforcement, B. Enforcement, 4) Termination for Cause, b) Purchase Order is hereby replaced in its entirety as follows:

b) Purchase Order

Customer or Order Fulfiller may terminate a Purchase Order or other contractual document or relationship pursuant to this Contract upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order or other contractual document or relationship pursuant to this Contract in accordance with Section 4.B.2 above, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code, in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Purchase Order. Customer may immediately suspend or terminate a Purchase Order without advance notice in the event Vendor fails to comply with confidentiality, privacy, security requirements, environmental or safety laws or regulations, if such non-compliance relates or may relate to vendor provision of goods or services to the Customer.

DD. Section 11. Contract Enforcement, C. Force Majeure is hereby replaced in its entirety as follows:

C. Force Majeure

DIR, Customer, Vendor, or Order Fulfiller may be excused from performance under the Contract for any period when performance is prevented as the result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, a Customer may terminate a Purchase Order if it is determined by the Customer that Vendor or Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

EE. Section 14. Additional Terms are hereby added in its entirety as follows:

14. Additional Terms

A. Products

a) Title. Risk of loss or damage and title for Hardware Products will pass upon delivery to Customer or its designee. Where permitted by law, Vendor retains a security interest in Products sold until full payment is received.

b) Delivery. Vendor will use all commercially reasonable efforts to deliver Products in a timely manner. Vendor may elect to deliver Software and related product/license information by electronic transmission or via download.

c) Installation. If Vendor is providing installation with the Product purchase, Vendor's site guidelines (available upon request) will describe Customer requirements. Vendor will conduct its standard installation and test procedures to confirm completion and acceptance by Customer.

d) Product Performance. All HP branded Hardware Products are covered by Vendor's limited warranty statements that are provided with the products or otherwise made available. Hardware warranties begin on the date of delivery or if applicable, upon completion of Vendor installation, or (where Customer delays Vendor installation) at the latest 30 days from the date of delivery. Non-Vendor branded products receive warranty coverage as provided by the relevant Third-Party supplier.

e) Product Warranty Claims. When Vendor receives a valid warranty claim for a Vendor Hardware or Software Product, Vendor will either repair the relevant defect or replace the Product. If Vendor is unable to complete the repair or replace the Product within a reasonable time, Customer will be entitled to a full refund upon the prompt return of the product to Vendor (if Hardware) or upon written confirmation by Customer that the relevant Software product has been destroyed or permanently disabled. Vendor will pay for shipment of repaired or replaced Hardware or Software Products to Customer. If under warranty, shipment cost will be Vendor responsibility.

B. Services

a) Technology Services. Vendor will deliver any ordered Technology, training or other Services as described in the applicable Supporting Material, Services Agreement or Statement of Work.

b) Technology Services Acceptance. The acceptance process (if any) will be described in the applicable Supporting Material, Services Agreement or Statement of Work and will apply only to the Deliverables specified and shall not apply to other Products or Services to be provided by Vendor.

c) Services Performance. Services are performed using generally recognized commercial practices and standards. Customer agrees to provide prompt notice of any such Service concerns and Vendor will re-perform any Service that fails to meet this standard.

d) Services with Deliverables. If Supporting Material for Services defines specific Deliverables, Vendor warrants those Deliverables will conform materially to their written specifications for 30 days following delivery. If Customer notifies Vendor of such a non-conformity during the 30-day period, Vendor will promptly remedy the impacted Deliverables or refund to Customer the fees paid for those deliverables and Customer will return those Deliverables to Vendor via freight pre-paid and charged to Vendor.

e) Dependencies. Vendor's ability to deliver Services will depend on Customer's reasonable and timely cooperation and the accuracy and completeness of any information from Customer needed to deliver the Services.

f) Change Orders. Vendor and Customer each agree to appoint a project representative to serve as the principal point of contact in managing the delivery of

Services and in dealing with issues that may arise. Requests to change the scope of Services or Deliverables will require a change order signed by both parties.

g) Payment Schedule. Section 8.J. of Appendix A shall take precedence in all events regarding Payments. Any applicable payment schedule, as negotiated by the parties, will be set forth in the Statement of Work, if applicable. Any Services provided on a subscription basis will be invoiced monthly, unless otherwise agreed in the Statement of Work or Supporting Material.

C. Support Services

Vendor's support services will be described in the applicable Supporting Material, which will cover the description of HP's offering, eligibility requirements, service limitations and Customer responsibilities, as well as the Customer systems supported.

D. Eligibility

Vendor's service, support and warranty commitments do not cover claims resulting from:

- a)** improper use, site preparation, or site or environmental conditions or other non-compliance with applicable Supporting Material;
- b)** Modifications or improper system maintenance or calibration not performed by HP or authorized by HP;
- c)** failure or functional limitations of any non-HP software or product impacting systems receiving HP support or service;
- d)** malware (e.g. virus, worm, etc.) not introduced by HP; or
- e)** abuse, negligence, accident, fire or water damage, electrical disturbances, transportation by Customer, or other causes beyond HP's control.

E. Personal Information

Each party shall comply with their respective obligations under applicable data protection legislation.

F. Compliance With Laws

Each party shall, in the performance of all of its rights and obligations under this Contract, comply with all applicable laws. Section 4.E of Appendix A to DIR Contract Number DIR-TSO-4159 addresses Choice of Law.

G. Remedies

This Contract states all remedies for warranty claims. To the extent permitted by law, HP disclaims all other warranties.

Remainder of this page intentionally left blank

This Contract is executed to be effective as of the date of last signature.

HP Inc.

Authorized By: Signature on File

Name: Judith M. Alexander

Title: Senior Counsel, State/Local Government and Education

Date: September 21, 2018

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

Authorized By: Signature on File

Name: Hershel Becker

Title: Chief Procurement Officer

Date: September 28, 2018

Office of General Counsel: DB September 28, 2018