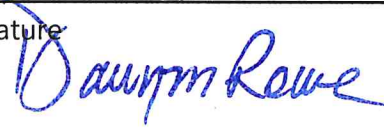



Microsoft Enterprise Services Work Order

Work Order Number **GVS1242-457785-582636**
 (Microsoft Affiliate to complete)

This Work Order consists of the terms and conditions below, and the provisions of the **Microsoft Master Services Agreement reference U4896834**, effective as of **8/28/2000** (the "Agreement"), the provisions of the **Unified Enterprise Support** Services Description applicable to the Professional Services identified in this Work Order, and any attachments or exhibits referenced in this Work Order, all of which are incorporated herein by this reference. In this Work Order "Customer," "you," or "your" means the undersigned customer or its affiliate and "Microsoft", "we," "us," or "our" means the undersigned Microsoft affiliate.

By signing below the parties acknowledge and agree to be bound to the terms of this Work Order, the Agreement and all other provisions incorporated in them. This Work Order is effective as of the date that Microsoft signs this Work Order. Regardless of any terms and conditions contained in a purchase order, if any, the terms of this Work Order apply.

Customer	Microsoft Affiliate
Name of Customer (please print) San Bernardino County	Name Microsoft Corporation
Signature 	Signature 
Name of person signing (please print) Dawn M. Rowe	Name of person signing (please print) Austin Reed
Title of person signing (please print) Chair, Board of Supervisors	Title of person signing (please print) Digital Specialist
Signature date FEB 06 2024	Signature date (effective date) 1/9/24

Name of Customer or its Affiliate that executed the Agreement (if different from Customer above)

Does Customer issue or require a Customer purchase order for the payment of Microsoft Services? [] **Yes** or [] **No**

If "No" is selected above, Customer represents and warrants that it does not require purchase order(s) be submitted to Microsoft for payment of the Microsoft Services Fees listed herein. Customer will not withhold payment of Microsoft's invoice due to the absence of a purchase order reference.

If no purchase order is required, Customer must complete "Customer invoice information" below and ensure it is accurate or revised in a timely manner. Further, the below "Customer invoice information" must be completed prior to: (a) Customer signing this Work Order; and (b) Microsoft invoicing Customer.

Customer invoice information		
Name of Customer San Bernardino County		Contact Name (Receives invoices under this Work Order) Accounts Payable
Street Address 268 W. Hospitality Ln, 4th Floor		Contact E-Mail Address apinvoices-atc@atc.sbcounty.gov
City San Bernardino	State/Province California	Phone -
Country United States	Postal Code 92415-0018	Fax -

1. Support Services and Fees.

1.1. Term.

Microsoft Enterprise Support Services will commence on **2/25/2024** (the "Support Commencement Date") and will expire on **2/24/2027** (the "Support Expiration Date").

1.2. Description of the Services.

Please refer to the current Unified Support Services Description ("USSD") which will be incorporated by reference and is published by Microsoft from time to time at www.microsoft.com/unified-support-services-description. Microsoft may update the support services you purchase under this agreement from time to time, provided that the level of support services you purchase will not materially decrease during the current Term.

Services by Support Location

Y1-SBC-ITD-Unified Enterprise Support-2024-25 USA - SLG - Enterprise West 2/25/2024 - 2/24/2025

Quantity	Service	Service Type
Included	Enterprise Advisory Support Hours As-needed	Advisory Services
Included	Enterprise Azure Problem Resolution Hours As-needed	Problem Resolution Support
Included	Enterprise On-demand Assessment	On-Demand Assessment
Included	Enterprise On-Demand Assessment - Setup and Config Service As-needed	On-Demand Assessment Remote
Included	Enterprise On-Demand Education	On-Demand Education
Included	Enterprise Online Support Portal	Administrative
Included	Enterprise Problem Resolution Hours As-needed	Problem Resolution Support
Included	Enterprise Reactive Support Management	Service Delivery Management
Included	Enterprise Service Delivery Management	Service Delivery Management
Included	Enterprise Webcasts As-Needed	Webcast
Included	Reactive Enabled Contacts	Problem Resolution Support

Y1-SBC-ITD-Unified Enterprise Support Addon-2024-25 USA - SLG - Enterprise West 2/25/2024 - 2/24/2025

Quantity	Service	Service Type
750 ea	Proactive Credits	Proactive Credits
Included	Service Delivery Management Extended	Service Delivery Management

Y1-SBC-ITD-Developer Support-2024-25 USA - SLG - Enterprise West 2/25/2024 - 2/24/2025

Quantity	Service	Service Type
350 hr	Development Support Assistance	Development Focused Services
Included	Service Delivery Management Extended (ADM)	Service Delivery Management

Y1-SBC-ITD-EDE-M365-2024-25 USA - SLG - Enterprise West 2/25/2024 - 2/24/2025

Quantity	Service	Service Type
1200 hr	Enhanced Designated Engineering Microsoft 365	Designated Support Engineering
Included	Service Delivery Management Extended	Service Delivery Management

Y1-SBC-ITD-EDE-Azure IaaS-2024-25 USA - SLG - Enterprise West 2/25/2024 - 2/24/2025

Quantity	Service	Service Type
400 hr	Enhanced Designated Engineering Azure IaaS	Designated Support Engineering
Included	Service Delivery Management Extended	Service Delivery Management

Y2-SBC-ITD-Unified Enterprise Support-2025-26 USA - SLG - Enterprise West 2/25/2025 - 2/24/2026		
Quantity	Service	Service Type
Included	Enterprise Advisory Support Hours As-needed	Advisory Services
Included	Enterprise Azure Problem Resolution Hours As-needed	Problem Resolution Support
Included	Enterprise On-demand Assessment	On-Demand Assessment
Included	Enterprise On-Demand Assessment - Setup and Config Service As-needed	On-Demand Assessment Remote
Included	Enterprise On-Demand Education	On-Demand Education
Included	Enterprise Online Support Portal	Administrative
Included	Enterprise Problem Resolution Hours As-needed	Problem Resolution Support
Included	Enterprise Reactive Support Management	Service Delivery Management
Included	Enterprise Service Delivery Management	Service Delivery Management
Included	Enterprise Webcasts As-Needed	Webcast
Included	Reactive Enabled Contacts	Problem Resolution Support

Y2-SBC-ITD-Unified Enterprise Support Addon-2025-26 USA - SLG - Enterprise West 2/25/2025 - 2/24/2026		
Quantity	Service	Service Type
750 ea	Proactive Credits	Proactive Credits
Included	Service Delivery Management Extended	Service Delivery Management

Y2-SBC-ITD-Developer Support-2025-26 USA - SLG - Enterprise West 2/25/2025 - 2/24/2026		
Quantity	Service	Service Type
350 hr	Development Support Assistance	Development Focused Services
Included	Service Delivery Management Extended (ADM)	Service Delivery Management

Y2-SBC-ITD-EDE-M365-2025-26 USA - SLG - Enterprise West 2/25/2025 - 2/24/2026		
Quantity	Service	Service Type
1200 hr	Enhanced Designated Engineering Microsoft 365	Designated Support Engineering
Included	Service Delivery Management Extended	Service Delivery Management

Y2-SBC-ITD-EDE-Azure IaaS-2025-26 USA - SLG - Enterprise West 2/25/2025 - 2/24/2026		
Quantity	Service	Service Type
400 hr	Enhanced Designated Engineering Azure IaaS	Designated Support Engineering
Included	Service Delivery Management Extended	Service Delivery Management

Y3-SBC-ITD-Unified Enterprise Support-2026-27 USA - SLG - Enterprise West 2/25/2026 - 2/24/2027		
Quantity	Service	Service Type
Included	Enterprise Advisory Support Hours As-needed	Advisory Services
Included	Enterprise Azure Problem Resolution Hours As-needed	Problem Resolution Support
Included	Enterprise On-demand Assessment	On-Demand Assessment
Included	Enterprise On-Demand Assessment - Setup and Config Service As-needed	On-Demand Assessment Remote
Included	Enterprise On-Demand Education	On-Demand Education
Included	Enterprise Online Support Portal	Administrative
Included	Enterprise Problem Resolution Hours As-needed	Problem Resolution Support
Included	Enterprise Reactive Support Management	Service Delivery Management
Included	Enterprise Service Delivery Management	Service Delivery Management
Included	Enterprise Webcasts As-Needed	Webcast
Included	Reactive Enabled Contacts	Problem Resolution Support

Y3-SBC-ITD-Unified Enterprise Support Addon-2026-27 USA - SLG - Enterprise West 2/25/2026 - 2/24/2027		
Quantity	Service	Service Type
750 ea	Proactive Credits	Proactive Credits
Included	Service Delivery Management Extended	Service Delivery Management

Y3-SBC-ITD-Developer Support-2026-27 USA - SLG - Enterprise West 2/25/2026 - 2/24/2027		
Quantity	Service	Service Type
350 hr	Development Support Assistance	Development Focused Services
Included	Service Delivery Management Extended (ADM)	Service Delivery Management

Y3-SBC-ITD-EDE-M365-2026-27 USA - SLG - Enterprise West 2/25/2026 - 2/24/2027		
Quantity	Service	Service Type
1200 hr	Enhanced Designated Engineering Microsoft 365	Designated Support Engineering
Included	Service Delivery Management Extended	Service Delivery Management

Y3-SBC-ITD-EDE-Azure IaaS-2026-27 USA - SLG - Enterprise West 2/25/2026 - 2/24/2027		
Quantity	Service	Service Type
400 hr	Enhanced Designated Engineering Azure IaaS	Designated Support Engineering
Included	Service Delivery Management Extended	Service Delivery Management

1.3. Support Services Fees.

The items listed in the table above represent the services that Customer has purchased for use during the term of this Work Order, and applicable fees are shown in the table below. Microsoft Support Services are non-refundable and prepaid at year one and subsequent anniversaries of the Support Commencement Date. Before Microsoft commences provision of Microsoft Support Services, Microsoft must receive a signed copy of this Work Order and Customer's payment, purchase order or, if applicable, completed Customer invoice information above. Microsoft will invoice Customer, and Customer agrees to pay Microsoft within **30 calendar days** of the date of Microsoft invoice. Microsoft reserves the right to adjust Microsoft fees in connection with implementing any changes requested by Customer to the Microsoft Support Services ordered herein. Any modified fees will be documented in an amendment.

Support Services Fee Summary	Year 1 02-25-2024 – 02-24-2025	Year 2 02-25-2025 – 02-24-2026	Year 3 02-25-2026 – 02-24-2027	Total
Appraised Product Spend	\$12,049,826.00	\$12,049,826.00	\$12,049,826.00	\$36,149,478.00
Enterprise Microsoft Unified	\$793,740.00	\$793,740.00	\$793,740.00	\$2,381,220.00
Adjustments	(\$453,199.80)	(\$362,559.84)	(\$211,493.24)	(\$1,027,252.88)
Sub-Total: Microsoft Unified	\$340,540.20	\$431,180.16	\$582,246.76	\$1,353,967.12
Addons	\$885,474.00	\$885,474.00	\$885,474.00	\$2,656,422.00
Flex Allowance	(\$158,747.91)	(\$158,747.91)	(\$158,747.91)	(\$476,243.73)
Subtotal Add-Ons	\$726,726.09	\$726,726.09	\$726,726.09	\$2,180,178.27
Total Fees (excluding taxes)	\$1,067,266.29	\$1,157,906.25	\$1,308,972.85	\$3,534,145.39

*The Microsoft Unified fees described above are based on a tiered rate structure along with the total value each year for Customer's validly licensed, commercially released and generally available Microsoft products, and cloud services subscriptions as identified in Appendix A of this Work Order (collectively, the "Appraised Product Spend") to calculate Customer's Microsoft Unified fees for the **3 Years Support Term**.

Prior to each contract anniversary of the Support Commencement Date, Customer's Appraised Product Spend will be re-calculated for the upcoming contract year. If Customer's product spend increases over the previous 12 months ("Actual Product Spend") by more than **five percent (5%)** above the Appraised Product Spend shown for that year in the Support Services Fee Summary table above, Microsoft will recalculate the associated Microsoft Unified fees for the upcoming contract year. The recalculated Microsoft Unified fees will be based on the Actual Product Spend and the Unified rates listed in the Rate Table below. Microsoft will invoice the customer for the difference between the re-calculated price and the original scheduled Microsoft Unified fees sub-total from the Support Services Fee Summary table above. Customer agrees to pay Microsoft such additional amounts within **30 calendar days** of the date of Microsoft's invoice.

Microsoft Unified – Rate Table			
Enterprise package	Server	User	Azure
Year 2 Rate %	9.58%	5.64%	10%
Year 3 Rate %	9.58%	5.64%	10%

Appraised Product Spend by Category				
	Server	User	Azure	TOTAL
Year 1	\$2,096,896.67	\$9,224,293.50	\$728,636.29	\$12,049,826.00
Year 2	\$2,096,896.67	\$9,224,293.50	\$728,636.29	\$12,049,826.00
Year 3	\$2,096,896.67	\$9,224,293.50	\$728,636.29	\$12,049,826.00

Billing Schedule	Billing Date	Fee USD
Y1 payment 2024-2025	2/25/2024	\$1,067,266.29
Y2 payment 2025-2026	2/25/2025	\$1,157,906.25
Y3 payment 2026-2027	2/25/2026	\$1,308,972.85
Total Fees (excluding taxes)		\$3,534,145.39

Support for Microsoft Products

Microsoft will provide support for Customer’s licensed, commercially released, and generally available Microsoft products, and cloud services subscriptions purchased by Customer or Customer’s Affiliate: i) under the licensing enrollments and agreements, as indicated in Appendix A; and ii) during the Term of this Work Order. Such products and subscriptions exclude those purchased by any party that is not Customer’s Affiliate as of the Support Commencement Date

1.4. Customer Named Contact(s).

Any changes to the named contacts should be submitted to Microsoft Contact.

Name of Customer Support Service Administrator Vidal VargaS		
Street Address 670 E Gilbert St.		Contact E-Mail Address vidal.vargas@isd.sbcounty.gov
City San Bernardino	State/Province California	Phone 9093880577
Country United States	Postal Code 92415	Fax -

2. Use, ownership, restrictions and rights.

2.1. Products.

"Product" means all products identified in the Product Terms, such as all Software, Online Services and other web-based services, including pre-release or beta versions. Product availability may vary by region. "Product Terms" means the information about Microsoft Products and Professional Services available through volume licensing. The Product Terms are published on the Volume Licensing Site and is updated from time to time. "Volume Licensing Site" means <http://www.microsoft.com/licensing/contracts> or a successor site.

All products and related solutions provided under this Work Order will be licensed according to the terms of the license agreement packaged with or otherwise applicable to such product. Customer is responsible for paying any licensing fees associated with Products.

2.2. Fixes.

"Fixes" means Product fixes, modifications, enhancements, or their derivatives, that Microsoft either releases generally (such as service packs), or that Microsoft provides to Customer when performing Professional Services (all support, planning, consulting and other professional services or advice, including any resulting deliverables provided to Customer under this Work Order, to address a specific issue. "Professional Services" means Product support services and Microsoft consulting services provided to Customer under this Work Order. "Professional Services" or "services" does not include Online Services, unless specifically noted.

Fixes are licensed according to the license terms applicable to the Product to which those Fixes relate. If the Fixes are not provided for a specific Product, any other use terms Microsoft provides with the Fixes will apply.

2.3. Pre-existing Work.

"Pre-existing Work" means any computer code or other written materials developed or otherwise obtained independent of this Work Order.

All rights in Pre-existing Work shall remain the sole property of the party providing the Pre-existing Work. Each party may use, reproduce and modify the other party's Pre-existing Work only as needed to perform obligations related to Professional Services.

2.4. Services Deliverables.

"Services Deliverables" means any computer code or materials, other than Products or Fixes that Microsoft leaves with Customer at the conclusion of Microsoft's performance of Professional Services. Upon payment in full for the Professional Services, Microsoft grants Customer a non-exclusive, non-transferable perpetual, fully paid-up license to reproduce, use and modify the Services Deliverable, solely in the form delivered to Customer and solely for Customer's internal business purposes, subject to the terms and conditions of this Work Order.

2.5. Non-Microsoft software and technology.

Customer is solely responsible for any non-Microsoft software or technology that it installs or uses with the Products, Fixes, or Services Deliverables.

2.6. Affiliates' rights

"Affiliate" means any legal entity that controls, is controlled by, or that is under common control with a party. "Control" means ownership of more than a 50% interest of voting securities in an entity or the power to direct the management and policies of an entity.

Customer may sublicense the rights contained in this section relating to Services Deliverables to its Affiliates, but Customer's Affiliates may not sublicense these rights and Customer's Affiliates' use must be consistent with the license terms contained in this Work Order.

2.7. Restrictions on use.

Customer must not (and is not licensed to) (1) reverse engineer, decompile or disassemble any Product, Fix, or Services Deliverable; (2) install or use non-Microsoft software or technology in any way that would subject Microsoft's intellectual property or technology to any other license terms; or (3) work around any technical limitations in a Product, Fix or Services Deliverable or restrictions in Product documentation. Except as expressly permitted in this Work Order or Product documentation, Customer must not (and is not licensed to) (1) separate and run parts of a Product or Fix on more than one device, upgrade or downgrade parts of a Product or Fix at different times, or transfer parts of a Product or Fix separately; or (2) distribute, sublicense, rent, lease, lend any Products, Fixes, or Services Deliverables, in whole or in part, or use them to offer hosting services to a third party.

2.8. Reservation of rights.

Products, Fixes, and Services Deliverables are protected by copyright and other intellectual property rights laws and international treaties. Microsoft reserves all rights not expressly granted in this agreement. No rights will be granted or implied by waiver or estoppel. Rights to access or use Software on a device do not give Customer any right to implement Microsoft patents or other Microsoft intellectual property in the device itself or in any other software or devices.

3. Microsoft Professional Services Data Protection Addendum and Confidentiality.

"Professional Services Data" means all data, including all text, sound, video, image files, or software, that are provided to Microsoft by, or on behalf of, Customer (or that Customer authorizes Microsoft to obtain from an Online Service) or otherwise obtained or processed by or on behalf of Microsoft through an engagement with Microsoft to obtain Professional Services.

The data protection terms applying to Professional Services in effect on the effective date of this Work Order and available at <https://aka.ms/eswodpa> are incorporated herein by this reference.

For liability arising out of either party's confidentiality obligations relating to Professional Services Data provided under this Work Order, each party's maximum, aggregate liability to the other is limited to direct damages finally awarded in an amount not to exceed the amounts Customer paid for the applicable Professional Services under this Work Order.

4. Microsoft Contact

Customer contact for questions and notices about this Work Order.

Microsoft Contact Name Austin Reed	
Phone +1 (425) 4217692	Contact E-Mail Address austinreed@microsoft.com

Appendix A

As of the Support Commencement Date, below is a list of your declared licensing enrollments and agreements for which Microsoft will provide support services as defined within this Work Order.

Customer Name	Licensing Program	Licensing Enrollment/Agreement Number/Billing Account ID
SAN BERNARDINO COUNTY	OPEN	02705459ZZL2107
SAN BERNARDINO COUNTY	Enterprise 6	5544246
SAN BERNARDINO COUNTY	OPEN	02099169ZZL2102
SAN BERNARDINO COUNTY	Enterprise 6	6620992
SAN BERNARDINO COUNTY	Enterprise 6	6671277

MICROSOFT MASTER SERVICES AGREEMENT

This Microsoft Master Services Agreement ("Agreement") is made as of the Effective Date indicated below by and between Microsoft Corporation, a Washington corporation, and San Bernardino County, a _____ corporation ("Customer").

This Agreement sets forth the general terms and conditions under which Microsoft Corporation, either on its own behalf or through one or more divisions or, for services to be provided outside of the United States, subsidiaries (collectively, "Microsoft"), will provide consulting and support services to Customer and its Affiliates. Microsoft agrees that any of Customer's Affiliates shall have the right (but not the obligation) to submit Work Orders and Services Descriptions to Microsoft under the terms and conditions of this Agreement. All references to "Customer" in this Agreement shall be deemed to include the Affiliate placing the Work Order and/or Services Description. Such Work Orders and Services Descriptions shall be subject to the terms and conditions of this Agreement and as to such Work Orders and Services Descriptions, the Affiliate becomes "Customer" hereunder. "Affiliate" means any person, partnership, joint venture, corporation or other form of enterprise, domestic or foreign, including, but not limited to, subsidiaries, which directly or indirectly Control, are Controlled by, or are under common Control with Customer. "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and operating policies of the entity in respect of which the determination is being made, through the ownership of more than fifty percent (50%) of its voting or equity securities, contract, voting trust or otherwise.

1. CONSULTING SERVICES. Microsoft, through its Microsoft Consulting Services division ("MCS"), shall perform the consulting services for Customer specified in work orders (each a "Work Order") that may be entered into pursuant to this Agreement from time to time ("Consulting Services"). Neither Microsoft nor Customer shall be obligated to enter into any Work Order. The rights in programs and data produced pursuant to the Consulting Services shall be specified in each Work Order.

2. PREMIER SUPPORT SERVICES. Microsoft shall perform the support services for Customer specified in Premier Support Services Description(s) (each a "Services Description") that may be entered into pursuant to this Agreement from time to time ("Premier Support Services," together with the Consulting Services, the "Services"). Neither Microsoft nor Customer shall be obligated to enter into any Services Description. The provision of Premier Support Services shall be subject to the following additional terms and conditions:

a. Changes in Premier Support Services. Microsoft reserves the right to change the products supported under a Services Description during the term of the Services Description. Microsoft may discontinue support for a product, provided that Customer will be given six (6) months notice of that discontinuance. As an exception to the foregoing, should support for a product be discontinued by Microsoft because it has been sold to another company, Microsoft will provide written notice of the sale to Customer and, at Microsoft's option and in its sole discretion, either arrange for the acquiring company to begin providing support for that product immediately upon the date of notice, or provide continued support for that product for ninety (90) days from the date of notice. Microsoft may add support for new products during the term of a Services Description pursuant to the terms and conditions of this Agreement.

b. Right of Refusal. If Microsoft determines that an implementation of Microsoft products is not effectively supportable, Microsoft may refuse to provide Customer with Premier Support Services for that implementation. If Microsoft makes such a determination, Customer shall have thirty (30) days after Microsoft's notice to modify the implementation so as to make it effectively supportable. If the implementation is not modified to be supportable within thirty (30) days, Microsoft will no longer be obligated to support that implementation.

c. Ownership and License. Customer's use of any bug fixes, workarounds, patches, beta fixes and beta builds (as applicable) or other software that Microsoft provides to Customer in the course of the provision of Premier Support Services (collectively, the "ECU Software") shall be in accordance with the terms of the end user license agreement or other license agreement governing the Microsoft product for which the ECU Software is furnished. If not provided for a specific Microsoft product, Customer's use shall be in accordance with the terms of the end user license agreement packaged with such ECU Software, and/or any other terms expressly set forth by Microsoft in writing; provided that if such ECU Software is not packaged with a license agreement then such ECU Software will be subject to the following restrictions: (i) the ECU Software may not be reverse engineered, decompiled or disassembled, except to the extent the foregoing restriction is expressly forbidden by applicable law; (ii) the ECU Software may not be loaned, sold, rented, leased, transferred or otherwise distributed to another user; (iii) Microsoft may terminate Customer's use of the ECU Software if Customer fails to comply with the terms and conditions of these restrictions; (iv) **the ECU Software is provided "As-Is", without warranty of any kind;** and (v) the ECU Software and any documentation accompanying it that is or may be provided to the U.S. Government pursuant to solicitations issued on or after December 1, 1995 is provided with the commercial license rights and restrictions described elsewhere herein. Any software or materials provided to the U.S. Government pursuant to solicitations issued prior to December 1, 1995 is provided with "Restricted Rights" as provided for in FAR, 48 CFR 52.227-14 (JUNE 1987) or DFAR, 48 CFR 252.227-7013 (OCT 1988), as applicable. All rights not expressly granted are reserved.

d. Licensed Product. Microsoft will provide Premier Support Services only for products published by Microsoft Corporation, validly licensed and unaltered.

3. FEES. Customer shall pay Microsoft the fees identified on each Work Order and/or Services Description for Services rendered, and the reasonable out-of-pocket travel and living expenses incurred during the performance of the Services. Payment shall be made to Microsoft within thirty (30) days of the date of Microsoft's invoice. Microsoft shall not change its fees during the term of a Work Order or a Services Description, unless otherwise agreed by Microsoft and Customer, but may adjust fees prior to entering any new Work Order or

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Services Description. Microsoft's fees do not include any taxes, duties, tariffs or other governmental charges or expenses imposed in connection with this Agreement (including, without limitation, any value added taxes), and such taxes shall be billed to and paid by Customer. Microsoft shall be responsible for all taxes based upon its personal property ownership and net income. A finance charge of one and one-half percent (1.5%) per month or the highest amount allowed by law, whichever is less, will be assessed on all payments that are past due. Any amount outstanding for more than sixty (60) days after the date of invoice shall constitute a material breach on the part of Customer.

4. CONFIDENTIALITY.

a. Confidential Information. Except as otherwise specified herein, Microsoft and Customer each expressly undertake to retain in confidence all information transmitted to it by the other party pursuant to this Agreement that the disclosing party identifies as being proprietary and/or confidential or that, by the nature of the circumstances surrounding the disclosure, ought in good faith to be treated as proprietary and/or confidential ("Confidential Information"), and will make no use of such Confidential Information except under the terms and during the existence of this Agreement. Information disclosed by Microsoft, in any form, regarding pre-release products, access numbers and passwords provided to Customer by Microsoft, shall be Microsoft Confidential Information. Microsoft and Customer shall treat the terms and conditions of this Agreement as confidential; however, either party may disclose such information in confidence to its immediate legal and financial consultants as required in the ordinary course of that party's business. The receiving party's obligation hereunder shall extend for five (5) years following the disclosure of the Confidential Information. Customer shall cause its Affiliates to retain Microsoft Confidential Information in accordance with the terms of this Section 4.

b. Exclusions. Confidential Information shall not include any information that: (i) is at the time of disclosure or subsequently becomes publicly available without the receiving party's breach of any obligations owed the disclosing party; (ii) became known to the receiving party prior to the disclosing party's disclosure of such information to the receiving party; (iii) became known to the receiving party from a source other than the disclosing party other than by the breach of an obligation of confidentiality owed to the disclosing party; or (iv) is independently developed by the receiving party.

c. Independent Development; Residuals. The terms of confidentiality under this Agreement shall not be construed to limit Microsoft's or Customer's right to independently develop or acquire products without use of the other party's Confidential Information. Further, Microsoft or Customer shall be free to use for any purpose the residuals resulting from access to or work with such Confidential Information, provided that such party shall maintain the confidentiality of the Confidential Information as provided herein. The term "residuals" means technical information related to computer software technology in non-tangible form, which may be retained by persons who have had access to the Confidential Information, including ideas, concepts, know-how or techniques contained therein. Neither Microsoft nor Customer shall have any obligation to limit or restrict the assignment of such persons or to pay royalties for any work resulting from the use of residuals. However, the foregoing shall not be deemed to grant to either Microsoft or Customer a license under the other party's copyrights or patents.

d. Customer Information. Customer grants to Microsoft the right to use technical information for problem resolution, internal troubleshooting, product functionality enhancements and fixes, and Knowledge Base articles. Microsoft will not identify Customer or publish any of Customer's Confidential Information in any Knowledge Base article.

5. LIMITED WARRANTIES.

a. Consulting Services. Microsoft warrants that the Consulting Services will be performed using generally accepted industry standards and practices.

b. Premier Support Services. Microsoft warrants that the Premier Support Services shall be substantially as described in this Agreement and the applicable Services Description, and that Microsoft will use commercially reasonable efforts in addressing all support problems.

6. **LIMITATION OF WARRANTIES.** THE LIMITED WARRANTIES SET FORTH ABOVE ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES AND CONDITIONS, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE WITH RESPECT TO THE SERVICES OR PRODUCTS PROVIDED UNDER THIS AGREEMENT, THE PERFORMANCE OF MATERIALS OR PROCESSES DEVELOPED OR PROVIDED UNDER THIS AGREEMENT, OR AS TO THE RESULTS WHICH MAY BE OBTAINED THEREFROM, AND ALL IMPLIED WARRANTIES AND CONDITIONS OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. MICROSOFT SHALL NOT BE LIABLE FOR ANY SERVICES OR PRODUCTS PROVIDED BY THIRD PARTY VENDORS, DEVELOPERS OR CONSULTANTS IDENTIFIED OR REFERRED TO CUSTOMER BY MICROSOFT UNLESS SUCH THIRD PARTY SERVICES ARE PROVIDED UNDER WRITTEN AGREEMENT WITH MICROSOFT.

7. LIMITATION OF LIABILITY.

a. Limitation. Microsoft' total liability under this Agreement shall be limited to the total amount actually paid by Customer to Microsoft under the applicable Work Order or Services Description.

b. Exclusion of Certain Damages. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT SHALL MICROSOFT, MICROSOFT SUBSIDIARIES OR THEIR RESPECTIVE SUPPLIERS BE LIABLE TO CUSTOMER FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, OR PUNITIVE DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION OR OTHER PECUNIARY LOSS) REGARDLESS OF WHETHER SUCH LIABILITY IS BASED ON BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, BREACH OF WARRANTIES, FAILURE OF ESSENTIAL PURPOSE OR OTHERWISE AND EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

8. TERM AND TERMINATION.

a. Term. This Agreement shall remain in effect until terminated by either Microsoft or Customer as provided herein. The term of any Work Order or Services Description shall be as provided therein. Termination of this Agreement shall terminate all outstanding Work Orders and Services Descriptions between Microsoft and Customer.

b. Termination. Customer may terminate this Agreement, any Work Order or Services Description without cause by giving Microsoft thirty (30) days written notice. Either Microsoft or Customer may terminate this Agreement or any Work Order or Services Description if the other party is in material breach or default of any obligation hereunder, which breach or default is not cured within thirty (30) days notice of such breach. Customer shall pay all fees to Microsoft for Services performed and expenses incurred which have accrued through the date of termination.

c. Survival. Sections 2(c), 3, 4, 5, 6, 7, 8(b), 8(c), 9, and 11 of this Agreement and any provisions specified as surviving in a Work Order or Services Description shall survive any termination of this Agreement and termination or expiration of any Work Order or Services Description.

9. **NOTICES.** All notices, authorizations, and requests in connection with this Agreement shall be deemed given on the day they are (i) deposited in the mails, postage prepaid, certified or registered, return receipt requested; or (ii) sent by air express courier (e.g., DHL, Federal Express or Airborne), charges prepaid, return receipt requested; and addressed as follows:

To Customer:	To Microsoft:
<u>San Bernardino County, ISD</u>	Microsoft Corporation
<u>670 East Gilbert Street</u>	One Microsoft Way
<u>San Bernardino, CA 92415-0915</u>	Redmond, WA 98052-6399
Attention: <u>Chuck Ferrell</u>	Attention: <u>Renee Sistik</u>
Phone: <u>(909)388-5510</u>	Phone: <u>(425)-704-5094</u>
Fax: <u>(909)388-5555</u>	Fax: <u>(425)936-7329</u>
	cc: Law and Corporate Affairs
	One Microsoft Way
	Redmond, WA 98052-6399

10. **INSURANCE.** At all times when Microsoft will be performing Services on Customer's premises pursuant to this Agreement, Microsoft will procure and maintain the following insurance coverage:

- a. Commercial General Liability covering bodily injury and property damage liability with a limit of not less than \$1,000,000 each occurrence;
- b. Workers' Compensation (or maintenance of a legally permitted and governmentally-approved program of self-insurance) covering Microsoft employees pursuant to applicable state workers' compensation laws for work-related injuries suffered by employees of Microsoft;
- c. Employer's Liability with limits of not less than \$1,000,000 each accident; and
- d. Software Errors and Omissions Liability covering damages arising out of negligent acts, errors, or omissions committed by Microsoft or its employees in the performance of this Agreement, with a limit of liability of not less than \$2,000,000 each claim.

Microsoft will provide Customer with certificates of insurance evidencing this coverage on request.

11. MISCELLANEOUS.

a. No Assignment. This Agreement and any rights or obligations hereunder shall not be assigned by contract or by operation of law without the prior written agreement of the other party. Microsoft may use subcontractors to deliver the Services, provided that Microsoft shall remain liable to Customer, in accordance with this Agreement, for all Services provided to Customer. The Services are Microsoft Master Services Agreement—Page 3

ORIGINAL

provided solely for the benefit of Customer and its Affiliates, as applicable. Unless specifically permitted by Microsoft in writing, the Services and the software and materials provided thereunder may not be transferred or sold by Customer to any non-Affiliate third party.

b. Applicable Law. This Agreement shall be governed by the laws of the State of Washington, and Customer further consents to the exclusive jurisdiction by the state and federal courts sitting in the State of Washington. Any action of any kind by any party against another party arising as a result of this Agreement must be commenced within two (2) years from the date the right, claim, demand, or cause of action shall first accrue.

c. Entire Agreement. This Agreement and the Services Descriptions and Work Orders constitute the entire agreement between Microsoft and Customer, and merge all prior and contemporaneous communications, with respect to the Services provided hereunder. The terms on any purchase order or other form submitted by Customer shall not apply to this Agreement or any of the Services. This Agreement can be modified only by written agreement signed by both Microsoft and Customer. In the event of a conflict between this Agreement and any Services Description or Work Order, the terms of this Agreement shall control.

d. Compliance with Laws. Microsoft and Customer shall comply with all applicable laws and regulations with respect to this Agreement. Customer acknowledges that the Services and the related software and other materials are subject to United States export control laws and regulations, and Customer confirms that it will not export or re-export them, directly or indirectly, either to (i) any countries that are subject to U.S. export restrictions (currently including, but not necessarily limited to, Cuba, Iran, Iraq, Libya, North Korea, Syria and Sudan), or to any national of any such country, wherever located, who intends to transmit or transport the Services or related software and other materials back to such country; or (ii) any end-user whom Customer knows or has reason to know will utilize them in the design, development or production of nuclear, chemical or biological weapons, or (iii) any end-user who has been prohibited from participating in U.S. export transactions by any federal agency of the U.S. Government.


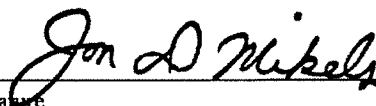
e. Severability/Waiver. If a court holds any provision of this Agreement to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect. No waiver of any breach of this Agreement shall be a waiver of any other breach, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

f. Independent Contractor. Microsoft shall act at all times as an independent contractor, and shall be responsible for any and all social security, unemployment, workers' compensation and other withholding taxes for any and all of its employees.

g. Force Majeure. Except for Customer's obligation to pay for services already performed by Microsoft, if either party is prevented from complying, either totally or in part, with any of the terms or provisions of this Agreement by reason of fire, flood, storm, strike, lockout or other labor trouble, riot, war, rebellion, accident or other acts of God, then upon written notice to the other party, the requirements of this Agreement, or the affected provisions hereof to the extent affected, shall be suspended during the period of such disability. During such period, the party not prevented from complying as aforesaid may seek to have its needs (which would otherwise be met hereunder) met by or through others without liability hereunder. The party prevented from complying shall make all reasonable efforts to remove such disability within thirty (30) days of giving such notice.

h. English Language Governs. The parties have requested that this Agreement be drawn up in English; les parties ont exigés que cette entente soit rédigée en anglais.

IN WITNESS WHEREOF, the parties have agreed to the terms and conditions of this Agreement as of the Effective Date indicated below.

MICROSOFT CORPORATION	<u>San Bernardino County</u> Corporate Name of Customer
By: <u></u> Signature	By: <u></u> Signature
<u>Kevin Allison</u> Name (Print)	<u>Jon D. Mikels</u> Name (Print)
<u>Group Manager, Premier West</u> Title	<u>Chairman of the Board</u> Title
<u>8/28/00</u> Effective Date	<u>September 12, 2000</u> Date
rev. 5/99 kjf	00-939

**AMENDMENT NO. 001 TO
MICROSOFT MASTER SERVICES AGREEMENT**

This Amendment No. 001 to Microsoft Master Services Agreement (this "Amendment") amends that certain Microsoft Master Services Agreement effective as of September 12, 2000 (the "Master Agreement"), between County of San Bernardino, California ("Customer") and Microsoft Corporation ("Microsoft"). All capitalized terms used but not defined in this Amendment shall have the respective meanings assigned to such terms in the Master Agreement, as amended.

I. Amendment.

1. The second paragraph of the agreement is hereby amended and restated in its entirety as follows:

This Agreement sets forth the general terms and conditions under which Microsoft Corporation, either on its own behalf or through one or more divisions or, for services to be provided outside of the United States, subsidiaries (collectively, "Microsoft"), will provide consulting and support services to Customer and its Affiliates. Microsoft agrees that any of Customer's Affiliates shall have the right (but not the obligation) to submit Work Orders and Services Descriptions to Microsoft under the terms and conditions of this Agreement. All references to "Customer" in this Agreement shall be deemed to include the Affiliate placing the Work Order and/or Services Description. Such Work Orders and Services Descriptions shall be subject to the terms and conditions of this Agreement and as to such Work Orders and Services Descriptions, the Affiliate becomes "Customer" hereunder. *"Affiliates" means any government agency, department, instrumentality, division, unit or other office that is supervised by or is part of Customer, or which supervises Customer or of which you are a part; together with, as mandated by law, any county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality located within Customer's jurisdiction and geographic boundaries, provided that Customer and its affiliates shall not, for purposes of this definition, be considered to be affiliates of the federal government and its affiliates.*

2. Section 3, FEES, of the Master Agreement is hereby amended and restated in its entirety as follows:

Customer shall pay Microsoft the fees identified on each Work Order and/ or Services Description for Services rendered, and the reasonable out-of-pocket travel and living expenses incurred during the performance of the Services. Payment shall be made to Microsoft within thirty (30) days of the date of Microsoft's invoices. Microsoft shall not change its fees during the term of the Work Order or a Services Description, unless otherwise agreed by Microsoft and Customer, but may adjust fees prior to entering any new Work Order or Services Description. Microsoft's fees do not include any taxes, tariffs or other governmental charges or expenses imposed in connection with this Agreement (including, without limitation, any value added taxes), and such taxes shall be billed to and paid by Customer. Microsoft shall be responsible for all taxes based upon its personal property ownership and net income. Any amount outstanding for more than sixty (60) days after the date of invoice shall constitute a material breach on the part of Customer.

3. Section 4a, Confidential Information, of the Master Agreement is hereby amended and restated in its entirety as follows:

a. Confidential Information. Except as otherwise specified herein, Microsoft and Customer each expressly undertake to retain in confidence all information transmitted to it by the other party pursuant to this Agreement that the disclosing party identifies as being proprietary and/or confidential or that, by the nature of the circumstances surrounding the disclosure, ought in good faith to be treated as proprietary and/or confidential ("Confidential Information"), and will make no use of such Confidential Information except under the terms and during the existence of this Agreement. Information disclosed by Microsoft, in any form, regarding pre-release products, access numbers and passwords provided to Customer by Microsoft, shall be Microsoft Confidential Information. Microsoft and Customer shall treat the terms and conditions of this Agreement as confidential; however, either party may disclose such information in

confidence to its immediate legal and financial consultants as required in the ordinary course of that party's business. The receiving party's obligation hereunder shall extend for five (5) years following the disclosure of the Confidential Information. Customer shall cause its Affiliates to retain Microsoft Confidential Information in accordance with the terms of this Section 4. *Notwithstanding any other provision of this Section 4, Customer may disclose the terms and conditions of this agreement in accordance with the requirements of the California Public Records Act.*

4. Section 11b, Applicable Law, of the Master Agreement is hereby amended and restated in its entirety as follows:

b. Applicable Law. This Agreement shall be governed by the laws of the State of *California*, and Customer further consents to the exclusive jurisdiction by the state and federal courts sitting in the State of *California*. Any action of any kind by any party against another party arising as a result of this Agreement must be commenced within two (2) years from the date the right, claim, demand, or cause of action shall first accrue.

5. Section 11c, Entire Agreement, of the Master Agreement is hereby amended and restated in its entirety as follows:

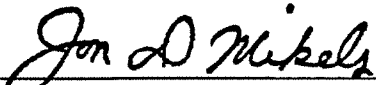

c. Entire Agreement. This Agreement and the Services Descriptions and Work Orders constitute the entire agreement between Microsoft and Customer, and merge all prior and contemporaneous communications, with respect to the Services provided hereunder. The terms on any purchase order or other form submitted by Customer shall not apply to this Agreement or any of the Services. This Agreement can be modified only by written agreement signed by both Microsoft and Customer. In the event of a conflict between this Agreement and any Services Description or Work Order, the terms of the *Work Order or Services Description shall control solely with respect to the services provided under the specific Work Order or Services Description.*

II. Effect of Amendment.

Except as specifically amended by this Amendment, all provisions of the Master Agreement shall remain unchanged and in full force and effect. This Amendment is not legally binding until executed by the parties. When this Amendment is fully executed, the Customer will receive a confirming copy.

Customer shall execute and return two (2) copies of this Amendment to the below address on or before September 15, 2000 in order for the terms and conditions of this Amendment to apply.

Microsoft Corporation
 Attn: Renee Sistek
 One Microsoft Way, BP/8
 Redmond, WA 98052
 425-704-5094

<u>County of San Bernardino, California</u>		<u>Microsoft Corporation</u>	
By <u></u>	By <u></u>		
<u>Jon D. Mikels, Chairman of the Board</u>	<u>Kevin Allison, Premier Group Manager</u>		
Name, Title	Name, Title		
<u>September 12, 2000</u>	<u>8/28/00</u>		
Date	Date		
<u>00-939 A-1</u>	<u>Prepared by: _____</u>		