

Enterprise Agreement # 01E73529  
Amendment ID CTX

000-dmills-s-1072

This amendment ("Amendment") is entered into between the parties as of the effective date identified on the signature form. It amends the Enterprise Agreement ("Agreement"). Except for changes made by this Amendment, the Agreement remains unchanged and in full force and effect. This Amendment shall automatically apply to all Enrollments under the Agreement, through those Enrollments' expiration or earlier termination.

**Amendment**

Section 13(e) of the Agreement is hereby amended and replaced in its entirety, as follows:

**e. Exception for Certain Washington State Agencies.**

The following additional definitions shall apply to this Section 13(e):

- (i) "Aggregate Collective Monthly Value" means the sum of Covered Online Service Monthly Prices of all current Collective Agency Enrollments. The Aggregate Collective Monthly Value will be calculated as of the date upon which a Covered Data Loss or Covered Disclosure occurs, as of the date it is calculated;
- (ii) "Collective Agency," means, as of the date upon which the Aggregate Collective Monthly Value is calculated, each *Eligible Agency* that has executed a Collective Agency Amendment (as defined below)
- (iii) "Collective Agency Amendment" means an amendment, signed optionally by an Eligible Agency enrolled hereunder, which amends such Eligible Agency's Enrollment by adding the following statement to its Enrollment:

"Enrolled Affiliate agrees, on behalf of itself and affiliates (if any) to which it sublicenses under the Enrollment amended hereby, that it shall be a Collective Agency, as defined in the section of the Agreement titled "Limitation of Liability." As such, if there are any disputes between Enrolled Affiliate and Microsoft regarding a Covered Data Loss (as defined in the Agreement), Enrolled Affiliate agrees to provide the Washington Department of Enterprise Services (or its successor) (DES) written notice of the nature of such dispute. DES will review, and Enrolled Affiliate grants and assigns to DES the authority to resolve such dispute on behalf of Enrolled Affiliate regarding the Covered Data Loss. DES will consult reasonably with Enrolled Affiliate and Enrolled Affiliate will provide reasonable assistance and cooperation to DES in that resolution process. Enrolled Affiliate agrees that it will seek relief for any damages related to Covered Online Services solely through this Enrollment. Further, Enrolled Affiliate agrees to grant and assign DES sole authority to receive from Microsoft on its behalf and disburse to Enrolled Affiliate liability payments made by Microsoft for a Covered Data Loss in the manner set forth in the Agreement.."

Microsoft will, upon written request by an Eligible Agency, make Collective Agency Amendments available for execution by such Eligible Agencies. Any Enrollment used for any such renewal term must be executed under this Agreement or another agreement which binds both DES and the Collective Agency to these terms and

conditions, and must be amended by the addition of a Collective Agency Amendment. Each Eligible Agency is responsible for reading and understanding these terms and conditions, and Microsoft shall not be responsible to notify Eligible Agencies of their options hereunder.

- (iv) "Collective Agency Enrollment" mean an unexpired Enterprise Enrollment between Microsoft and a Collective Agency under this Agreement or any other Enterprise Agreement between Microsoft and DES (or its successor) , provided that such Enrollment is amended by a Collective Agency Amendment (as set forth above); and
- (v) "Covered Online Service Monthly Price" means, individually with respect to any Collective Agency Enrollment as of the date the Aggregate Collective Monthly Value is calculated, (a) the monthly per-unit SKU price (as set by the Reseller) of the Covered Online Service(s) giving rise to Microsoft's liability hereunder, multiplied by (b) the quantity of such SKUs on current subscription orders purchased under such Enrollment.
- (vi) "Eligible Agency" means any office, department, board, commission, or other unit of state government, including but not limited to agencies of the executive or judicial branches of state government and such state legislative agencies as elect to enroll under this Enterprise Agreement.

#### (1) Calculation of Limit

Solely with respect to Covered Online Services ordered under Collective Agency Enrollments, Subsection 13(d)(1) titled "Calculation of Limit," is hereby replaced with the following provisions of this Section 13(e)(1):

Microsoft's total aggregate liability to DES for damages suffered by Collective Agencies and related to Covered Online Services purchased under all Collective Agency Enrollments shall be limited to direct damages up to twenty-four (24) times the Aggregate Collective Monthly Value.

DES acknowledges and agrees that:

- (i) The monetary limit of Microsoft's aggregate liability to DES for Covered Online Services will vary over time, as Covered Online Services are purchased or expire, or as Collective Agency Enrollments are added, expire or terminate; and
- (ii) In the event either Microsoft or DES pays any amounts to the other party for damages attributable to Covered Online Services pursuant to this Section 13, the amount of that party's total remaining liability to the other under this Section 13 will be diminished by that amount (but in no case will be lower than zero).
- (iii) Notwithstanding that this provision for aggregate limitation of liability for DES on behalf of Collective Agencies (or the terms and conditions contained herein) may appear in more than one active Agreement between DES and Microsoft, the terms and conditions of each such provision shall apply once, and the multiple iterations hereof shall not have the effect of multiplying the limitation of liability of either party beyond the amount provided separately in any of the individual Agreements' provisions.

The following example is provided for clarity, and is not intended to establish any specific Dollar amount for Microsoft's limitation of liability:

- > On date #1, before Microsoft has paid any amount to DES for damages pertaining to Covered Online Services, the Aggregate Collective Monthly Value is \$100,000, such that Microsoft's aggregate limitation of liability to DES on date #1 is \$2,400,000.
- > On date #2, before which there has been no change to the Covered Online Service Monthly Price, Microsoft pays DES \$1,500,000 for direct damages related to Covered Online Services. Microsoft's remaining total aggregate liability to DES will then be

$\{(24 \times \$100,000) - \$1,500,000 =\}$  \$900,000, until such time as the Aggregate Collective Monthly Value changes.

- Y On date #3, due to a Covered Enrollment's expiration, the Aggregate Collective Monthly Value is reduced from \$100,000 to \$80,000. Microsoft's remaining total aggregate liability to DES will then be  $\{(24 \times \$80,000) - \$1,500,000 =\}$  \$420,000, until such time as the Aggregate Collective Monthly Value changes again.
- Y On date #4, due to the addition of a new Covered Enrollment, the Aggregate Collective Monthly Value is increased from \$80,000 to \$120,000. Microsoft's remaining total aggregate liability to DES will then be  $\{(24 \times \$120,000) - \$1,500,000 =\}$  \$1,380,000, until such time as the Aggregate Collective Monthly Value changes again.

For the purpose of clarity:

- (a) This amendment to the monetary limitation of liability for the Covered Online Services will apply to Microsoft's liability arising out of or in relation to its breach of its obligations under Covered Agency Enrollments related to Customer Data;
- (b) Notwithstanding the extent to which any component of Covered Online Services (e.g. Exchange Online) gives rise to liability, each party's limitation of liability will be calculated using the whole monthly prices of each Covered Online Services SKUs (including the monthly prices of Suites, rather than the components of such Suites) for which the Covered Affiliates have placed subscription orders under their Covered Affiliate Enrollments;
- (c) Microsoft then-current limitation of liability, for any event which gives rise to Microsoft's liability based upon one or more such Collective Agencies' Covered Online Services, will not be increased or decreased with respect to such event by the addition or reduction of other Collective Agencies on or after the date such event commenced; and
- (d) Microsoft will not pay any amount directly to any Collective Agency (other than DES or its successor on behalf of the other Collective Agencies) for Covered Online Services under this Section 13.

## **(2) DES and Collective Agency Duties**

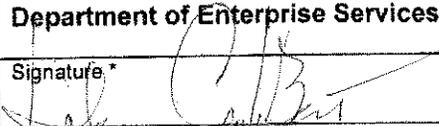
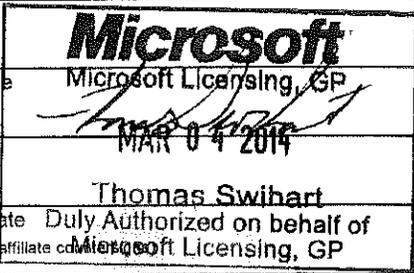
DES assumes full and sole responsibility for both:

- (a) collecting from Microsoft those payments for damages, related to Covered Services, for which Microsoft is responsible, with respect to each Collective Agency; pursuant to the terms and conditions of this Section 13 (including but not limited to this subsection 13(e)); and
- (b) disbursing such payments to the applicable Collective Agencies.

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By its signature on this Amendment, DES represents that:

1. It has the authority to accept, and accepts, the terms and conditions of this Section 13(e); and
2. In the event that a dispute regarding Covered Online Services arises between a Collective Agency and Microsoft with regard to the terms and conditions of this Section 13 (and its applicable Subsections including this Section 13(e)), it will work on behalf of such Collective Agency to resolve such dispute with Microsoft. For clarity, disputes pertaining to Products other than Covered Online Services are not subject to this Subsection 13(e).

<b>Customer</b>	<b>Contracting Microsoft Affiliate</b>
Name of Entity * <b>Department of Enterprise Services</b>	<b>Microsoft Licensing, GP</b>
Signature * 	Signature 
Printed Name * <b>Dale Colburn</b>	Printed Name <b>Microsoft Licensing, GP</b>
Printed Title * <b>Document Unit Mgr</b>	Printed Title <b>Thomas Swihart</b>
Signature Date * <b>March 5, 2014</b>	Signature Date <b>Duly Authorized on behalf of</b> (date Microsoft affiliate contract) <b>Microsoft Licensing, GP</b>
	Effective Date (may be different than our signature date)

\* indicates required field

Prepared by David Mills, Senior Licensing Executive