

IBM Global Technology Services



July 23, 2008

Ms. Krista Ferrell
State of West Virginia
Department of Administration
Purchasing Division
Building 15
2019 Washington Street, East
Charleston, WV 25305

RECEIVED

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PURCHASING DIVISION
STATE OF WV

Dear Ms. Ferrell,

IBM is pleased to present the following response to the West Virginia Office of Technology's RFQ Number ISCH0265 for Disaster Recovery Services, dated June 25, 2008. We appreciate the opportunity to provide IBM Business Continuity and Resiliency Services to support your critical business continuity requirements. IBM's response document answers your RFQ questions and offers a specific solution that we have designed for you, which will meet or exceed the requirements identified in your RFQ.

IBM Business Continuity and Resiliency Services manages over 15,000 contracts worldwide, and has met and exceeded the recovery requirements of each of the over 750 clients worldwide who have required our services in their time of need.

We propose that should IBM be selected as the successful bidder, the general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto. IBM considers the ICA, First Amendment and Second Amendment to represent specific exceptions to the terms and conditions contained in the RFQ.

In addition, the IBM Customer Agreement Attachment for Multivendor Information Technology Recovery Services (Z125-8306-06) ("the Attachment") (copy enclosed) and various Transaction Documents which will specify the details associated with a Subscription(s) (including Configuration details, pricing, contract period, etc.), and any standard IBM amendments to the Attachment that are applicable to the particular options you decide to select for the Subscription(s) will provide the specific terms and conditions for the recovery services that IBM is proposing.

For purposes of this IBM response, we are declining terms that vary from our standard, unless specifically noted within our response. Such terms may be considered if we are named the successful bidder. Minor modifications involving simple wording changes which are straight-forward and do not affect the price of a transaction; material modifications that substantially change the terms and conditions would affect the price. Accordingly, if the State of West Virginia awards us the business, we are willing to negotiate modifications to the proposed terms and conditions, with the understanding that material modifications may affect the price. This response is valid for a period of 90 days following submission.

IBM has designed our business continuity and recovery business around requirements identified by years of experience providing data center management. Our geographically dispersed recovery sites are built and

managed to combine optimal emergency response across multiple IT hardware and software platforms. IBM Business Continuity and Resiliency Services is uniquely prepared to address your exercise and event requirements.

Should you have any questions pertaining to our services or this RFQ response, please don't hesitate to contact me. IBM has earned the trust and confidence of thousands of clients around the world. Every time a client has had to put the livelihood of their business in our hands, we have proven that our recovery processes are successful. We look forward to earning the State of West Virginia's trust and confidence as your continuity and recovery services provider.

Yours sincerely,

Kathy Johnson

Kathy Johnson

IBM Account Manager, IBM Business Continuity and Resiliency Services

612-486-4149

kathyjohnson@us.ibm.com



IBM Response to the West Virginia Office of Technology, RFQ Number ISCH0265 for Disaster Recovery Services

Presented to West Virginia Office of Technology

By Kathy Johnson
IBM Business Continuity and Resiliency Services
612-486-4149
kathyjohnson@us.ibm.com

July 23, 2008

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Executive Summary

Our Understanding of Your Goals

The West Virginia Office of Technology ("WVOT") has issued a Request for Quotation for disaster recovery services.

IBM has studied WVOT's recovery requirements and objectives, and presents a solution that we think enables you to not only meet your recovery requirements, but also positions you to accommodate future recovery needs.

Our Approach to Meeting Your Goals

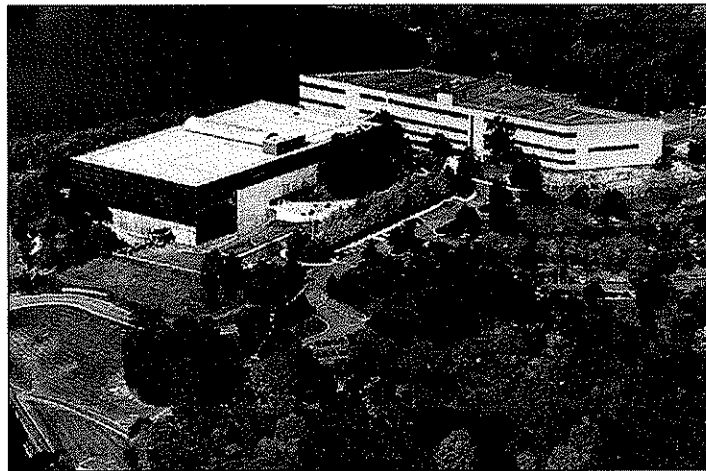
The term "be prepared" applies especially to today's business environment, where enterprises across all industries and locations are challenged by a volatile, increasingly unpredictable world. In addition to protecting their internal resources, organizations must consider the security and well-being of their employees, partners, suppliers and customers, as well as the reliability of the web of networks and systems on which most now depend. The ability to anticipate and adjust to planned and unplanned forces and events—including market fluctuations—requires a proactive approach that takes into account all of a company's assets and vulnerabilities.

IBM is proposing recovery services at our fully equipped enterprise recovery site in Sterling Forest, New York to meet the computer hardware, disk storage, peripherals, and network connectivity requirements you have specified in your RFQ.

Supplemented by our on-site technical and administrative personnel, the solution we have designed will allow WVOT to thoroughly exercise your recovery plan, and will facilitate WVOT's execution of its recovery plan at time of disaster.

Sterling Forest, New York Enterprise Recovery Site

Right: The Sterling Forest, New York Enterprise Recovery Site is located in southern Orange County, New York, approximately 45 miles from midtown Manhattan and has over 200,000+ square feet of raised floor





Facility / Infrastructure – The hardened infrastructures of IBM's recovery sites feature built-in redundancy throughout, to mitigate the risk of any type of failure. This includes receiving power and communications for voice and data from multiple providers, via multiple, above and below ground paths. Each of our enterprise recovery sites is outfitted with UPS and backup generators.

Each site has redundant, computer-controlled environmental systems, including multiple chillers, excess cooling capacity, dual water supplies, and fire/smoke/water detection and prevention systems. Security provisions are stringent, and include 24x7 guard patrols, closed-circuit surveillance of all critical areas monitored 24x7, and strictly controlled-access entrances to facilities, I/O suites, client offices and tape vaults via badge reader or numeric scramble pads.

Technology / Inventory – IBM's recovery sites are fully equipped with leading-edge computer technology, including servers, disk devices, tape drives, and other IT peripherals. Our facilities amply accommodate multivendor, multiplatform technologies. IBM invests over \$25 million into its recovery organization annually. Ongoing investments span the installation of servers, storage devices, routers and other current computing technology solutions to meet our clients' growing recovery requirements.

Site Skills and Support – Dedicated, on-site staff consists of over 700 recovery specialists, who support our clients' recovery exercises and recovery events. The dedicated staff is experienced and includes: Account Managers, Project Managers, Systems Specialists and Network Analysts. A key strength of the IBM Business Continuity and Resiliency Services unit is the depth and breadth of experience its professionals contribute to each recovery effort. Since 1989, Business Continuity and Resiliency Services has supported over 550 recoveries in the U.S., and over 750 worldwide. The capabilities of our recovery specialists are not limited to IBM technology—extensive on-site inventories combined with our impressive skill base provides a comprehensive level of support for mainframe, midrange, and multivendor open systems, client/server and workplace environments.

Network – Each enterprise recovery site features a contiguous Network Center and integrated access for remote operations capability. Our RecoveryNet backbone offers connectivity and network recovery, with the advantages of fiber-based SONET rings, POP switching, secure firewall options, and Telecom Carrier Partnerships to provide sufficient bandwidth and varied service options. IBM also provides network consulting to help clients determine the most viable and cost-efficient connectivity solutions.

One of IBM's greatest strengths is its ability to leverage and integrate multivendor hardware and software with IBM services to architect and deploy scalable solutions to meet client needs for security, privacy, continuity, recovery, availability, regulatory compliance, risk management and mitigation.

Solution Overview

Outlined below are the key elements of the proposed IBM services, which we integrate together to assist you in resuming normal, business-as-usual functionality of your mission-critical applications:

- Sterling Forest, New York capabilities to support WVOT's configuration
- Technical recovery support for multi-vendor hardware configurations
- Concurrent recovery of data communications network connectivity



How We Will Deliver

As a subscriber to IBM Business Continuity and Resiliency Services, WVOT will be assigned an Account Manager, a Project Manager and an IBM technical support team comprised of systems recovery specialists and network analysts. This team will be available to support you 24 x 7 during your exercises or actual recovery events, and will interface closely with your IT staff.

Your IBM **Account Manager** has the responsibility for reviewing your goals, objectives, and budget priorities for business continuity. He or she communicates new offerings, maintains responsiveness to your requests in all areas of Business Continuity and Resiliency Services, engages other sales and support specialists to address your needs if necessary, and oversees your overall satisfaction with us.

The IBM **Project Manager** assigned to you is responsible for the success of your engagement, whether it is an exercise or an actual recovery event. Your Project Manager coordinates and manages all recovery exercise activity, including scheduling the exercises.

You will be assigned an IBM technical team comprised of **systems recovery specialists** and **network analysts**. During a recovery exercise or recovery event, these IBM support personnel (available on-site and on-call) will assist you with problem determination related to the hardware and software IBM provides with the configuration.

Included in your proposed contract is a built-in recovery exercise allowance. This "rehearsal time" provides WVOT the opportunity to review your recovery plan, and acquaint your staff with the logistics of the recovery process. All exercise scheduling is done through the IBM Project Manager, who will confer with WVOT's team to determine a mutually acceptable schedule for your recovery exercises. The Project Manager is also your primary point of contact during any events, which includes exercises and recoveries.

In nearly two decades of continuity service, IBM has never turned a subscriber away who declared and needed our recovery support. In each instance, IBM was 100% successful in providing the necessary environment and technical support, so that our customers could recover their mission-critical applications, and resume their business continuity.

Why IBM?

IBM Corporate commitment

IBM commits resources dedicated to our readiness and ability to support our clients' recovery of critical business processes and applications should a business interruption occur. Our clients have been 100% successful in recovering their mission critical applications in each of the 550+ disaster declarations we have supported.

IBM professionals support your recovery

A dedicated Business Continuity and Resiliency Services staff in excess of 700 professionals, averaging nine years of experience, supports you during your recovery exercises and outage emergency events.

Proven processes and intellectual property

IBM BCRS has been providing commercial recovery services since 1989 and based upon this experience offers a robust, proven suite of services to assist you in the development, management, and maintenance of your recovery program.

Multivendor assets to restore operations

We continually make significant investment in IBM and non-IBM I/T assets that are solely dedicated to our clients for their use during exercise and recovery events.



Exclusive IT environment	A Business Continuity and Resiliency Services client is never asked to physically share equipment or space with another client, nor would a client ever be required to compromise the exclusivity of their own IT environment.
Risk mitigation	IBM BCRS carefully manages asset syndication levels to provide availability of IT assets to our subscribers, should a regional disaster occur.
Geographically dispersed recovery sites	IBM BCRS has sixteen recovery sites located within the United States. The three enterprise recovery sites located in Gaithersburg, Maryland, Boulder, Colorado, and Sterling Forest, New York are geographically dispersed to minimize the risk of a regional disaster affecting our ability to provide recovery services. IBM has the ability to support most recovery requirements in a single site.
Advanced Recovery Techniques	To support our clients that require low RTO (Recovery Time Objective) and RPO (Recovery Point Objectives), BCRS offers a rich set of solutions supporting multivendor architectures and tools that provide advanced recovery techniques.
Contract flexibility	Our BCRS contract was designed to provide you flexibility to change and update your coverage so that the recovery solution can support your current IT and business requirements. You are not penalized for changing the assets you subscribe to. In addition, should your recovery equipment needs change, you can add platforms or devices without extending the length of your contract.

IBM Response to Request for Quotation

We propose that should IBM be selected as the successful bidder, the general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto. IBM considers the ICA, First Amendment and Second Amendment to represent specific exceptions to the terms and conditions contained in the RFQ.

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For purposes of this IBM response, we are declining terms that vary from our standard, unless specifically noted within our response. Such terms may be considered if we are named the successful bidder. Minor modifications involving simple wording changes which are straight-forward and do not affect the price of a transaction; material modifications that substantially change the terms and conditions would affect the price. Accordingly, if the State of West Virginia awards us the business, we are willing to negotiate modifications to the proposed terms and conditions, with the understanding that material modifications may affect the price. This response is valid for a period of 90 days following submission.

General Terms & Conditions (Request for Quotation) RFQ and (Request for Proposal) RFP

1. Awards will be made in the best interest of the State of West Virginia.

IBM Response:

IBM has read and acknowledges the above.

2. The State may accept or reject in part, or in whole, any bid.

IBM Response:

IBM has read and acknowledges the above.

3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules of the Purchasing Division*.

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125.00 registration fee.

IBM Response:

Please see attached documentation as proof of compliance.

5. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for those services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.



6. Payment may only be made after the delivery and acceptance of goods and services.

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

7. Interest may be paid for late payment in accordance with the *West Virginia Code*.

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.

IBM Response:

IBM has read and acknowledges the above.

9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also



amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

- 11. The laws of the State of West Virginia and the *Legislative Rules of the Purchasing Division* shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.**

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

- 12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon written agreement of the parties.**

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

- 13. BANKRUPTCY: In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and is terminated without further order.**

IBM Response:

The general terms and conditions for the resulting contract shall be governed by the terms and conditions of the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.

- 14. HIPAA Business Associate Addendum – The West Virginia State Government HIPAA Business Associate Addendum (BAA) approved by the Attorney General and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR u 160.103) and will be disclosing Protected Health Information (45 CFR u 160.103) to the vendor.**

IBM Response:

The attached Business Associate Addendum and its terms and conditions will be incorporated into the resulting contract.



III. VENDOR EQUIPMENT REQUIREMENTS

The following equipment and capacity shall be available to the customer at the recovery center for scheduled testing, and immediately upon customer-declaration of a disaster. Functionally equivalent equipment is acceptable to the customer.

The vendor shall provide, in response to this RFQ, a list of all proposed equipment, including brands and models.

STATE OF WEST VIRGINIA'S REQUIRED RECOVERY CONFIGURATION		IBM PROPOSED RECOVERY CONFIGURATION	
QTY.	DESCRIPTION	QTY.	DESCRIPTION
1	IBM z-Series Enterprise Server Capable of at least 500 MIPS utilizing, at a minimum, 2 CP processors, 1 IFL, 16GB of memory and partitioned using PR/SM into two LPARs: LPAR1 (z/OS production LPAR) LPAR2 (VM LPAR)	1	2096 U03 IBM System z9 Business Class 16GB IBM 2096 Memory - 1st 2096
1	Enterprise Storage Server Configured with 4.5TB of usable storage; capable of performing, at a minimum, 3500 I/Os per second; configured as 3390-9 and 3390-3 and supporting PAV and Flash Copy.	1	1 2105800A BASE IBM ESS Model 800 9 2105800A DISK 420GB Storage Increment 8 2105800A FCON 1 Port FICON Channel Adapter 1 2105800A FLC2 Flashcopy Version 2 1 2105800A PAV Parallel Access Volume Supprt
12	IBM Magstar 3590- B1A Tape Drives 128-track, configured with IBM A60 controllers and capable of reading/writing from/to 3590-B tape media	1	1 3494G BASE IBM 3494 Tape Library 8 3494G-ESC B1A IBM 3590-B1A Tape Drive 4 3494G-ESC B1A+ IBM 3590-B1A Tape Drive
16	3490 Tape Drives 36-track, capable of supporting 3490-E tape media	4	3490 X40 Tape Cartridge Unit E-Series (4 drives per unit)
6	PC Workstations For use as operator consoles and TN3270 sessions	6	3270 PC PC with 3270 emulation
1	Printing system Capable of producing 225 pages per minute of IPDS output in simplex mode, using continuous forms, and capable of printing in duplex mode.	1	4000IS1 STF IP 4000 Simplex prt PPM 354



STATE OF WEST VIRGINIA'S REQUIRED RECOVERY CONFIGURATION		IBM PROPOSED RECOVERY CONFIGURATION	
QTY.	DESCRIPTION	QTY.	DESCRIPTION
1	Impact Printer Minimum speed of 1000 lines per minute, using continuous forms.	1	6262 022 Printer - 2200LPM
1	OSA Express GbE Total of 2 ports.	1	2096OSAE GBSX 2096 OSA-Express2 GbE SX
2	OSA Express 1000 Base-T Total of 4 ports.	2	2096OSAE 1000 2096 OSA-Express2 1000BASE-T
1	T1 The State of WV will be responsible for providing the line and any necessary expenses involving T1 connections at the vendor recovery center. The T1 connection will terminate at a customer-supplied router located at the recovery center. (Also see Section IV, item 9.)		BCRS will provide the Local Loop to the Verizon CO in Newark, NJ. Once proposals are signed, we will provide CFA/LOA. The circuit will extend to the COE cabinet
1	Line Analog Line for Dial-In to Router		Dedicated Dial Line will be provided for the router.
1	Modem V.92 for router connectivity		For permanent router, the modem will be supplied by the customer. For the 3845 router, the modem will be supplied by BCRS.
1	CISCO 3845 Router with the following features: 3845 w/AC PWR, 2GE, 1SFP, 4NME, 4HWIC, IP Base, 64F/256D		This is a shared router and will be provided at the time of test for State of West Virginia, by BCRS.
1	S384AISK9-12418 CISCO 3845 ADVANCED IP SERVICES		Router will have the IOS Level stated by the customer
2	NM-1GE 1 Port GE Network Module		For the permanent router, the cards are supplied by customer. For the shared router, the cards are provided at time of test by BCRS.
1	NM-1T3/E3 One port T3/E3 network module		For the shared router, the cards are provided at time of test by BCRS.
1	VVIC2-2MFT-T1/E1 2-Port 2 nd Gen Multiflex Trunk Voice/WAN int. Card – T1/E1		For the permanent router, the cards are supplied by customer.
2	GLC-T= 1000BASET SFP		Layer 2 port are provided by BCRS.



STATE OF WEST VIRGINIA'S REQUIRED RECOVERY CONFIGURATION		IBM PROPOSED RECOVERY CONFIGURATION	
QTY.	DESCRIPTION	QTY.	DESCRIPTION
1	CISCO GbE Switch with the following features: WS-C3560G-24TS-S Catalyst 3560 24 10/100/1000T + 4 SFP Standard Image; 2 GLC-SX-MM=GE SFP, LC connector SX transceivers; fiber cables as required to connect the switch to the OSA ports on the recovery enterprise server.		Layer 2 connectivity is supplied by BCRS. The switch is configured and managed by BCRS. VLAN will be provided at the start of recovery exercise or declaration. There will be a 6509 MSF3 added to the proposal in order to support layer 3 routing.
1	CISCO SMARTNET 24x7x4 for above equipment		Customer will handle this for the router. BCRS will handle for switches and BCRS managed devices.



Equipment Supplements

IBM BUSINESS CONTINUITY & RECOVERY SERVICES

MULTIVENDOR INFORMATION TECHNOLOGY RECOVERY SERVICES
CONTRACT DOCUMENTS

FOR

STATE OF WEST VIRGINIA
1900 KANAWHA BLVD
CHARLESTON, WV 25305-0009

SUBMITTED BY:

Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700

Supplement Number: CFT2D5C
Sequence Number/Version: 5T64806-2
Date Generated: 07/11/08
This offer is good until 10/09/08.

Supplement for Multivendor Information Technology Recovery Services

The terms of the IBM Customer Agreement and its Attachment for Multivendor Information Technology Recovery Services (or an equivalent agreement signed by both parties) apply to this transaction.

Customer Name and Address:

STATE OF WEST VIRGINIA

1900 KANAWHA BLVD
CHARLESTON, WV 25305-0009

REFERENCE NUMBERS

Agreement: JM71665
Customer: 9688835
Enterprise: 9642000

CONTRACT PERIOD

Start Date: 11/01/08
End Date: 10/31/09

IBM Address for Notices:

Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700

SUPPLEMENT

Number: CFT2D5C
Effective Date: 11/01/08
Revision (yes/no): No
Renewal (yes/no): No

Covered Address:

1900 KANAWHA BLVD BLDG 5 RM 1001E
CHARLESTON, WV 25305-0001

Primary Recovery Site
Sterling Forest, NY

MONTHLY CHARGES

Total Monthly Charge: \$ 7,190
Minimum Total Monthly Charge: \$ 7,190

RECOVERY CHARGES

Initial Recovery Charge: \$ 10,780
Day(s) Included in Initial Recovery Charge: 2
Daily Recovery Charge per day thereafter: \$ 5,392

RECOVERY EXERCISE

Initial Contract Period Year 1 - Total Hours: 60
Number of Exercises: 1
Each subsequent twelve-month period - Total Hours: 60
Number of Exercises: 1
Additional Recovery Exercise time, per 4-hr block: \$ 2,157
Additional Recovery Exercises, per exercise: \$ 2,000

TELECOMMUNICATIONS

One-Time Charge: N/A
Usage charges are billed separately.

GENERAL

Work area space allocated at time of Event.

Agreed to: STATE OF WEST VIRGINIA

Agreed to: International Business
Machines Corporation

By: _____

By: _____

Name (print): _____

Name (print): _____

Title: _____ Date: _____

Title: _____ Date: _____

EQUIPMENT CONFIGURATION

Customer Name: STATE OF WEST VIRGINIA

Configuration

Number: 9688835

Processor: 2096 U03

Address: 1900 KANAWHA BLVD BLDG 5 RM 1001E
 CHARLESTON, WV 25305-0001

Recovery Site: Sterling Forest, NY

System Storage: 16384MB

Supplement Number: CFT2D5C

DASD Gigabytes: 4620GB

Quantity or Units	Machine or Product	Model	Product Description
----------------------	-----------------------	-------	------------------------

=====

IBM Equipment:

- | | | | |
|----|-----------|------|--|
| 1 | 2096 | U03 | IBM System z9 Business Class |
| 16 | 2096 | GB1 | IBM 2096 Memory - 1st 2096
Provides 1 GB of processor memory on the first 2096. |
| 1 | 2105800A | BASE | IBM ESS Model 800
Includes: 16 GB Cache, 2 8-packs of 72.8GB drives,
840GB of RAID 5 protected storage plus sparing. |
| 9 | 2105800A | DISK | 420GB Storage Increment
Includes: 1 8-pack of 72.8GB drives,
420GB of RAID 5 protected storage plus sparing. |
| 8 | 2105800A | FCON | 1 Port FICON Channel Adapter
Includes: 1 port of FICON Channel Host Connectivity. |
| 1 | 2105800A | FLC2 | Flashcopy Version 2 |
| 1 | 2105800A | PAV | Parallel Access Volume Supprt |
| 4 | 3490 | X40 | Tape Cartridge Unit E-Series
Includes: 1 - 3490 A20 Control Unit per 4 - 3490 X40.
Each unit of 3490 X40 contains (4) 36-Track Drives. |
| 1 | 3494G | BASE | IBM 3494 Tape Library
Includes 3494-L14 with 30 cartridge I/O station,
dual gripper, and 140 cartridge capacity. |
| 8 | 3494G-ESC | B1A | IBM 3590-B1A Tape Drive
Adds one 3590-B1A tape drive to 3494G BASE
supported on a 3590-A60 ESCON tape controller.
Provides 260 cartridge capacity per 4 drives.
Prerequisite: 3494G BASE configuration. |
| 4 | 3494G-ESC | B1A+ | IBM 3590-B1A Tape Drive
Adds one 3590-B1A tape drive to 3494G BASE
supported on a 3590-A60 ESCON tape controller.
Provides 260 cartridge capacity per 4 drives.
Prerequisite: 3494G BASE configuration. |
| 1 | 4000IS1 | STF | IP 4000 Simplex prt PPM 354
High volume continuous Form Simplex Printer |
| 1 | 6262 | 022 | Printer - 2200LPM |
| 1 | 2074 | 001 | Non-SNA 3270 Controller
Includes: 2 ESCON ports, 2 Ethernet ports, 2 Token Ring ports.
Supports up to 32 non-SNA 3270 sessions (16 per ESCON port).
Prerequisite: A "3270 PC" solution is required for local non-SNA
support. Support for any other PC connection
requires a "REMCONS PKG1" solution. |
| 6 | 3270 | PC | PC with 3270 emulation
Personal Computer configuration including a Fast Ethernet port,
Windows, and TN3270E 3270 terminal emulation software. |

Supplement for Multivendor Information Technology Recovery Services (Continued)

EQUIPMENT CONFIGURATION

Customer Name: STATE OF WEST VIRGINIA

Configuration

Number: 9688835

Processor: 2096 U03

Address: 1900 KANAWHA BLVD BLDG 5 RM 1001E
CHARLESTON, WV 25305-0001

Recovery Site: Sterling Forest, NY

System Storage: 16384MB

Supplement Number: CFT2D5C

DASD Gigabytes: 4620GB

Quantity or Units	Machine or Product	Model	Product Description
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Prerequisite: 2074 Ethernet port with IBM assigned TCP/IP address.

- 1 2096OSAE GBSX 2096 OSA-Express2 GbE SX
Each 2096 OSA-Express2 GbE (Gigabit Ethernet) SX (short wave)
has two independent ports.
Maximum of two 2096OSAE GBSX supported per 2096 processor.
- 2 2096OSAE 1000 2096 OSA-Express2 1000BASE-T
Each 2096 OSA-Express2 1000BASE-T Ethernet has two independent
10/100/1000 Mbps Ethernet ports.
Maximum of two 2096OSAE 1000 supported per 2096 processor.

- 6 PCOPT FC RSC1 Remote Svr. Console Function

This entry provides the software & configuration that enables a PC to be used as a remote console for Intel, Open Systems, or iSeries servers.
This includes:

- desktop operating system
- remote console configuration
- assistance with server RAID configuration for Intel servers

- 6 PCWS-3200 BASE P4-3.2Ghz Desktop W/Wkspc
Item: PC Desktop With Workspace, Phone, Chair,
 & Power For Office Equipment

Includes: PCI Architecture
Pentium IV 3.2Ghz Processor
512MB Memory, 100Mhz Bus
40 GB IDE Hard Drive
1 DVD-ROM
Color Monitor W/19" viewable screen size
Keyboard and Mouse
Serial and Parallel Port
10/100 Ethernet Adapter Included
**USB Support

Note: This equipment cannot be selected for temporary transfer.

Network Lines: NONE

Non-IBM Equipment:

- 1 HP9000DN PRT1 HP9000 Series L'Jet 64MB Eth
 /HP9000 Series LaserJet Printer
 /Ethernet connectivity included
 /64MB Memory, 50PPM

Supplement for Multivendor Information Technology Recovery Services (Continued)

EQUIPMENT CONFIGURATION

Customer Name: STATE OF WEST VIRGINIA

Configuration

Number: 9688835

Processor: 2096 U03

Address: 1900 KANAWHA BLVD BLDG 5 RM 1001E
CHARLESTON, WV 25305-0001

Recovery Site: Sterling Forest, NY

System Storage: 16384MB

Supplement Number: CFT2D5C

DASD Gigabytes: 4620GB

Quantity or Units	Machine or Product	Model	Product Description
=====			

IBM BUSINESS CONTINUITY & RECOVERY SERVICES

MULTIVENDOR INFORMATION TECHNOLOGY RECOVERY SERVICES
CONTRACT DOCUMENTS

FOR

STATE OF WEST VIRGINIA
1900 KANAWHA BLVD
CHARLESTON, WV 25305-0009

SUBMITTED BY:

Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700

Supplement Number: CFT2FPC
Sequence Number/Version: 5T65005-2
Date Generated: 07/14/08
This offer is good until 10/12/08.

Supplement for Multivendor Information Technology Recovery Services

The terms of the IBM Customer Agreement and its Attachment for Multivendor Information Technology Recovery Services (or an equivalent agreement signed by both parties) apply to this transaction.

Customer Name and Address:

STATE OF WEST VIRGINIA

1900 KANAWHA BLVD
CHARLESTON, WV 25305-0009

REFERENCE NUMBERS

Agreement: JM71665
Customer: 9688835
Enterprise: 9642000

CONTRACT PERIOD

Start Date: 11/01/08
End Date: 10/31/09

IBM Address for Notices:

Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700

SUPPLEMENT

Number: CFT2FPC
Effective Date: 11/01/08
Revision (yes/no): No
Renewal (yes/no): No

Covered Address:

1900 KANAWHA BLVD BLDG 5 RM 1001E
CHARLESTON, WV 25305-0001

Primary Recovery Site
Sterling Forest, NY

MONTHLY CHARGES

Total Monthly Charge: \$ 916
Minimum Total Monthly Charge: \$ 916

RECOVERY CHARGES

Initial Recovery Charge: \$ 1,800
Day(s) Included in Initial Recovery Charge: 2
Daily Recovery Charge per day thereafter: \$ 685

RECOVERY EXERCISE

Initial Contract Period Year 1 - Total Hours: 60
Number of Exercises: 1
Each subsequent twelve-month period - Total Hours: 0
Number of Exercises: 0
Additional Recovery Exercise time, per 4-hr block: \$ 602
Additional Recovery Exercises, per exercise: \$ 500

TELECOMMUNICATIONS

One-Time Charge: N/A
Usage charges are billed separately.

GENERAL

Work area space allocated at time of Event.

Agreed to: STATE OF WEST VIRGINIA

Agreed to: International Business
Machines Corporation

By: _____

By: _____

Name (print): _____

Name (print): _____

Title: _____ Date: _____

Title: _____ Date: _____

EQUIPMENT CONFIGURATION

Customer Name: STATE OF WEST VIRGINIA

Configuration

Number: 9688835

Processor: NULLCPU NET

Address: 1900 KANAWHA BLVD BLDG 5 RM 1001E
 CHARLESTON, WV 25305-0001

Recovery Site: Sterling Forest, NY

Supplement Number: CFT2FPC

Quantity or Units	Machine or Product	Model	Product Description
=====			

IBM Equipment: NONE

Network Lines:

- 1 INT/MM IBM MultiMegabit Internet Access
 Includes: - Local access to ISP point of presence from the IBM provided recovery facility.
 - Network interface equipment and IP router at the IBM provided recovery facility.
 - Wide area network interface and appropriate Ethernet port on IP router.
 - 29 registered IP addresses from a shared address pool. For additional addresses subscribe to INT/ADDR XYZ.

Notes:

- Each selection of Qty 1 is equivalent to 1Mb Internet Access
- This Internet solution uses shared resources available to customers at all recovery locations in the U.S. The additional Internet Access terms in your contract apply.
- Available during recovery exercise or outage emergency only.

- 1 LINE/SOWV DIAL Sterling Dedicated Dial Line
 Includes: Dedicated Analog Dial Line for State of West Virginia.
- 1 LINK/SOWV DS1 DS1 BRSC to Verizon Newark NJ
 Includes: Dedicated DS1 connectivity for State of West Virginia from the IBM Business Continuity and Resiliency Services Center, Sterling Forest, NY to the Verizon Business Central Office, 95 Williams St., Newark, NJ.

Customer is responsible for:

- Providing or contracting for circuit termination equipment (Router, Mux Etc.)
- Port and Cross Connection at the LEC or IXC C.O.

- 1 WEBVPN 10 Remote Access SSL WebVPN
 Includes: Remote access to the IBM recovery center via customer web browser.

- 10 UserID's
- Broadband (Internet) gateway with appropriate microcode at IBM recovery center.
- private 192.168.net addresses will be assigned to users.
- IBM design of IP tunneling function between customer end-user device(s) and SSL VPN gateway at IBM recovery center.

NOTES:

- IBM will provide certain configuration parameters including userid and password for use during exercise and outage.

EQUIPMENT CONFIGURATION

Customer Name: STATE OF WEST VIRGINIA

Configuration

Number: 9688835
 Address: 1900 KANAWHA BLVD BLDG 5 RM 1001E
 CHARLESTON, WV 25305-0001

Processor: NULLCPU NET

Recovery Site: Sterling Forest, NY

Supplement Number: CFT2FPC

Quantity or Units	Machine or Product	Model	Product Description
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=====

- Customer is responsible for providing Internet Explorer or Netscape web browser on their end user PCs.
- Customer is responsible for providing Internet access for their end users.
- Customer agrees to comply with prerequisites and implement instructions provided.

Non-IBM Equipment:

1 CAT6509 MSF3 Customer Controlled CAT 6509
 Includes: - Cisco 6509 Enhanced Chassis
 - Supervisor Engine 720, plus MSFC3/PFC3B
 - Dual power supplies
 - 1GB Sup720 Memory
 - 1GB MSFC3 Memory
 - 512MB Flash Memory Card
 - (1) 10Gigabit Ethernet Port for Uplink
 - (2) Fiber Gigabit Ethernet Ports for Uplink

Note: Customer Configures the 6509 and BCRS Integrates into the LAN Infrastructure.

1 CIRTR 3845 Cisco Integrated Svcs Router
 Includes: Cisco 3845 Integrated Services Router with:
 - 1 GB RAM
 - 256 MB Flash
 - (2) copper Gigabit Ethernet ports
 - (2) Integrated Advanced Integration Modules (AIM) slots
 - (4) High-speed WAN interface card (HWIC) slots
 - (4) Enhanced Network Module (NME) slots
 - (4) Packet Voice Data Module (PVDM) slots

1 CI36XX FC NMT3 1-Port CC T3/E3 Network Mod
 Includes:

 - 1-Port Clear Channel T3/E3 Network Module
 1 COETEMP FE 10/100 Ethernet Port for COE
 Includes: One port for customer owned equipment, available for recovery exercise or outage emergency only.

*Amendment to IBM Customer Agreement
Attachment for Multivendor Information Technology Recovery Services*

Name and Address of Customer:
STATE OF WEST VIRGINIA

1900 KANAWHA BLVD
CHARLESTON, WV 25305-0009

Referenced Agreement No.: JM71665
Supplement No.: CFT2FPC
Customer No.: 9688835
Enterprise No.: 9642000

IBM Address:

Attn: BCRS Contract Operations
IBM Corporation
PO Box 700
Suffern, NY 10901-0700

Additional Supplement Numbers:

STATE OF WEST VIRGINIA (you) and International Business Machines Corporation (IBM) agree that the following terms and conditions amend the IBM Customer Agreement Attachment for Multivendor Information Technology Recovery Services specifically for the above Supplement Number(s) as follows:

1. In Section 2, "IBM Responsibilities", after the subsection "Technical and Operational Support for Recovery and Recovery Exercise", insert the following new subsection:

Customer Owned Equipment / Hot Node Floor Space

For an additional monthly fee, for machines of yours (called "Customer Owned Equipment") which are to be immediately available for your use at the Primary Recovery Site during an Event, IBM will provide hot node floor space on the hot-site floor so such Equipment is kept in an "installed hot mode" state at all times. "Installed hot mode" means the Equipment is in a powered-on active state (except for when scheduled maintenance, engineering changes, or upgrade activities are performed). Such state includes maintaining applicable network line connections between the Equipment and IBM's hot node matrix switch ports so that the Equipment is immediately ready to operate with the Configuration specified in the associated Supplement for Multivendor Information Technology Recovery Services.

In addition, for Customer Owned Equipment, IBM agrees to:

- 1) provide an operating environment for the Equipment which meets the manufacturer's specifications;
- 2) provide electric power to the Equipment that has UPS (Uninterruptible Power Supply) protection;
- 3) install the Equipment in a secure environment that restricts physical access to only those persons authorized by IBM, or by you with IBM's consent. Such consent will not be unreasonably withheld;

- 4) use all reasonable efforts to minimize relocation of the Equipment during the Contract Period. If relocation is required, IBM will exercise due care for safekeeping it while being relocated to the new or temporary location. Such relocation will be at IBM's expense;
- 5) restrict the Equipment's use to only you, unless you give IBM written authorization to do otherwise;
- 6) on your request and on a per-call basis, perform support activities related to Multivendor Information Technology Recovery Services required to ensure the proper operation of the Equipment;
- 7) not remove any markings, make any alterations, or affix any attachments to the Equipment without your prior written consent;
- 8) not sell, lease, borrow against, or mortgage the Equipment or otherwise permit it to be subject to any legal or equitable process;
- 9) at your request, return the Equipment to you at the Recovery Center by releasing it to you, or by shipping it, C.O.D. as you direct;

In an Addendum to this Amendment IBM will specify (a) the quantity, type/model, and description of Customer Owned Equipment, (b) the square feet of hot-site hot node floor space IBM is to provide you for the installation and operation of the Equipment, (c) the quantity and type of matrix switch ports to be connected to the Equipment, (d) the Hot Node Floor Space Monthly Charge, and (e) any other applicable charges and rates.

On one month's written notice, you may request discontinuance of Customer Owned Equipment / Hot Node Floor Space. In such case, IBM will promptly return the Equipment to you (as described above) and issue you a Revised Supplement for Multivendor Information Technology Recovery Services to confirm the removal of the Hot Node Floor Space Monthly Charge. The parties need not sign such Supplement.

2. In Section 3, "Your Responsibilities", at the end of the section, insert the following new subsection:

Customer Owned Equipment / Hot Node Floor Space

You agree to:

- 1) bear risk of loss while the Equipment is in transit to and from the Recovery Site;
- 2) pay all transportation expenses and packing costs when shipping the Equipment to and from the Primary Recovery Site, or to another Recovery Site if required by you during an Event;
- 3) perform, or provide for the performance of, the Equipment's installation, maintenance and repairs, necessary engineering changes (including those for safety as required by IBM and/or IBM's insurers, local laws, ordinances, or code), and de-installation activities;
- 4) provide necessary cables, tools, items to install the Equipment on the hot-site floor;
- 5) include as part of Customer Owned Equipment, those cabinets necessary for the installation and operation of such Equipment on the hot-site floor;

- 6) provide one month's written request to change the quantity and type of matrix switch port connections; and
 - 7) maintain insurance required by you to cover loss of, or damage to, the Equipment when in IBM's facility (except for theft or vandalism which is IBM's responsibility).
3. In Section 5, "Charges", at the end of the section, insert the following new subsection:

Customer Owned Equipment / Hot Node Floor Space

You agree to pay:

- 1) if applicable and specified in the Addendum, the One-Time Charge for performing the initial installation/setup activities required to prepare the Primary Recovery Site for Customer Owned Equipment. IBM will invoice you such amount separately on completion of such activities;
 - 2) the Hot Node Floor Space Monthly Charge specified in the Addendum, which is added to and included in the Total Monthly Charge in the Supplement for Multivendor Information Technology Recovery Services identified by the Supplement Number shown on page one of this Amendment; and
 - 3) an Hourly Support Charge based on IBM's prevailing rates and minimums each time IBM does a support activity related to Multivendor Information Technology Recovery Services on the Equipment in response to a request by you. IBM will invoice such Charge separately following completion of the requested support activity.
4. At the end of Section 7, "Other Terms," insert the following new subsection:

Internet Access

To allow you to establish a connection to the Internet during an Event, IBM provides access (called "Internet Access Services") from a Recovery Site to an Internet connection location of an Internet Service Provider (called "ISP"). The Internet Protocol (called "IP") address(es) required for Internet Access Services may be supplied by you or by IBM.

IBM Responsibilities for Internet Access

In providing Internet Access Services, IBM will furnish and/or provide:

- 1) local access and network interface equipment for connection from the Recovery Site to the ISP's connection location;
- 2) an edge IP router at the Recovery Site with one wide area network interface and one ethernet interface;
- 3) configuration of the edge IP router at the Recovery Site to announce IP address(es), supplied by you or by IBM, to the ISP's Internet network from the Recovery Site; and
- 4) coordination with the ISPs used by IBM to provide Internet access to the Recovery Site to enable your Internet traffic to be directed to the Recovery Site.

Additionally, when the IP address(es) are supplied by you, IBM will furnish and/or provide:

- 1) announcement of your IP addresses to the ISP(s) and Internet following your declaration of an Outage Emergency, and upon your request, during a Recovery Exercise; and
- 2) upon completion of an Event, termination of such announcement of your IP address(es) to the ISP's Internet network from the Recovery Site.

Your Responsibilities for Internet Access

You understand and agree that these Internet Access Services may not be available to you until you have provided a list of your IP addresses to IBM.

For IP address(es) you supply, you agree:

- 1) that the provisions of this subsection act as written authorization to the ISP(s) that allows IBM to act, upon your request, as your agent with such ISP during the Contract Period for announcement of your IP address(es) to the Internet;
- 2) to make arrangements with the ISP(s) to allow your IP address(es) to be announced to the Internet network from both your Covered Address and the Recovery Site during the Contract Period;
- 3) to terminate the announcement of your selected IP address(es) from the Covered Address to each ISP Internet network following your declaration of an Outage Emergency or, at your discretion, during a Recovery Exercise; and
- 4) that performance of Internet traffic redirection is subject to the ISP's scheduled periods of maintenance.

Further, whether IP address(es) are supplied by you or by IBM, you understand and agree:

- 1) to provide IBM, in a timely manner, with the configuration information IBM requires to provide Internet Access Services to you;
- 2) to provide to IBM technical assistance regarding IBM's provision of Internet Access Services to you, upon IBM's reasonable request;
- 3) to provide a focal point who is knowledgeable about your network recovery requirements, and who will be IBM's primary point of contact when IBM provides Internet Access Services to you;
- 4) to be responsible for communicating to IBM, in a timely manner, any changes in your Internet environment that may require a modification to the Configuration;
- 5) to be solely responsible for the content of any transmissions using Internet Access Services or any other use of Internet Access Services by you or by any other person or entity you permit to use Internet Access Services;
- 6) to adhere to the terms in the document entitled "IBM's Acceptable Use Policy", as updated from time to time, and found at <http://www.ibm.com/services/aup.html>. IBM or the ISP reserves the right to immediately terminate or restrict the use of Internet Access Services for activities that, in IBM or the ISP's reasonable judgment, violate this Policy. Unless your continued use of Internet Access Services would a) violate or cause IBM or the ISP to violate applicable law or government order, b) create an unacceptable risk to IBM, IBM's other customers, or the ISP, c) cause IBM to violate IBM's agreements with IBM's other customers

or the ISP, or d) cause IBM, IBM's other customers, or the ISP irreparable harm, IBM will use commercially reasonable efforts to notify you prior to such termination or restriction of your use and discuss in good faith whether remedies other than the termination or restriction of your use of such Services may be available. In the event your use of Internet Access Services is terminated or restricted, IBM will use commercially reasonable efforts to work with you and the ISP to help you obtain Internet access as soon as practicable;

- 7) to defend and indemnify IBM from and against any and all liabilities and costs (including reasonable attorney's fees) arising from any and all claims by any person or entity based upon the content of any transmission, or any other use of Internet Access Services by you or any person or entity you permit to use Internet Access Services; and
- 8) that Internet Access Services ARE PROVIDED ON AN "AS-IS" AND "AS AVAILABLE" BASIS WITHOUT WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO WARRANTIES OF TITLE, NON INFRINGEMENT OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE; provided, however, that the network interface equipment and Internet IP router at the Recovery Site (including the wide area network interface card and the fast ethernet port on the Internet IP router) are not subject to the preceding provision of this item 8, but are governed by the provisions of the section entitled "Warranty" in the Agreement. NO ADVICE OR INFORMATION GIVEN BY IBM'S, OR THE ISP'S, EMPLOYEES, AGENTS OR CONTRACTORS SHALL CREATE A WARRANTY. UNDER NO CIRCUMSTANCES SHALL IBM BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES THAT RESULT FROM YOUR OR YOUR USERS' RELIANCE ON OR THE USE OF INFORMATION, SERVICES OR MERCHANDISE PROVIDED ON OR THROUGH THE SERVICE, OR THAT RESULT FROM MISTAKES, OMISSIONS, INTERRUPTIONS, DELETION OF FILES, ERRORS, DEFECTS, DELAYS IN OPERATION, OR TRANSMISSION, OR ANY FAILURE OF PERFORMANCE.

If there is a conflict between the terms and conditions of this Amendment including its attached Addendum, Supplements, and Statement of Work and the 1) IBM Customer Agreement, 2) its Attachment for Multivendor Information Technology Recovery Services, or 3) its Supplement(s) for Multivendor Information Technology Recovery Services, those of this Amendment and its attached Addendum, Supplements, and Statement of Work prevail. Except as modified by this Amendment and such attached documents, the terms and conditions of such Agreement, Attachment, and Supplement(s) for Multivendor Information Technology Recovery Services remain in full force and effect.

Each party acknowledges that it has read this Amendment and any applicable attached Addenda, Supplements, and Statements of Work, understands them, and agrees to be bound by their terms and conditions. Further, both parties agree that the complete agreement between the parties about Multivendor Information Technology Recovery Services will consist of 1) this Amendment including its applicable Addendum(a), Supplement(s), and Statement(s) of Work, and 2) the IBM Customer Agreement and its applicable Attachment and Supplement(s) for Multivendor Information Technology Recovery Services. This statement of the agreement supersedes all proposals or other prior agreements, oral or written, and all other communications between the parties relating to the subject.

Agreed to:
STATE OF WEST VIRGINIA

Agreed to:
International Business Machines
Corporation

By _____
Authorized Signature

By _____
Authorized Signature

Name (Type or Print) Date

Name (Type or Print) Date

**Addendum for Customer Owned Equipment - Hot Node Floor Space to
IBM Customer Agreement Attachment for
Multivendor Information Technology Recovery Services**

Name and Address of Customer:
STATE OF WEST VIRGINIA

Referenced Agreement No.: JM71665
Supplement No.: CFT2FPC
Customer No.: 9688835
Enterprise No.: 9642000

1900 KANAWHA BLVD
CHARLESTON, WV 25305-0009

IBM Address:
Attn: BCRS Contract Operations
IBM Corporation
PO BOX 700
Suffern NY 10901-0700

Addendum Effective Date: 11/01/08
Revised Addendum: No
Renewal Addendum: No

Covered Address:
1900 KANAWHA BLVD BLDG 5 RM 1001E
CHARLESTON, WV 25305-0001

CONTRACT PERIOD--
Start Date: 11/01/08
End Date: 10/31/09

Primary Recovery Site: Sterling Forest, NY

HOT NODE FLOOR SPACE MONTHLY CHARGE: See Note 1
HOT NODE FLOOR SPACE SQUARE FEET: See Note 2
ONE-TIME CHARGE:
HOURLY SUPPORT CHARGE: (Prevailing Hourly Rate and minimum)

Note 1: This charge has been included in the Total Monthly Charge specified in the Supplement for Multivendor Information Technology Recovery Services identified by Supplement Number CFT2FPC.

Note 2: For equipment specified in this Addendum, the amount of floor space provided will be in accordance with the manufacturer's guidelines.

Agreed to:
STATE OF WEST VIRGINIA

Agreed to:
International Business Machines Corporation

By _____
Authorized Signature

By _____
Authorized Signature

Name (Type or Print) Date

Name (Type or Print) Date

*Addendum for
Customer Owned Equipment - Hot Node Floor Space (continued)*

CUSTOMER OWNED EQUIPMENT:

Quantity	Type/Model	Description
1	CISCO 3845	Customer owned router
1	MODEM DIAL	Customer owed Modem

HOT NODE MATRIX SWITCH PORTS

Standard V.35 : 0
Hi-Speed V.35 : 0
Token Ring : 0
EtherNet : 0
Analog RS232 : 0



IV. GENERAL SPECIFICATIONS

1. **The vendor shall make an alternate processing facility / disaster recovery center available to the customer for use in scheduled disaster recovery testing, and immediately in the event of a customer-declared disaster.**

IBM Response:

IBM is proposing recovery services at our fully equipped enterprise recovery site in Sterling Forest, New York to meet the computer hardware, disk storage, peripherals, and network connectivity requirements you have specified in your RFQ.

The IBM Attachment for Multivendor Information Technology Recovery Services, under the subsection "Recovery", states:

"When you notify IBM that you are experiencing an Outage Emergency by calling the toll-free number IBM provides ("Declare"), IBM will begin to prepare, without delay, the recovery facilities for your use. You may have immediate access to the Recovery Site IBM makes available to you. IBM will use commercially reasonable efforts to provide the Configuration as soon as you are ready to use it and will provide it no later than twenty-four (24) hours after you Declare.

2. **Recovery services in support of the customer shall be concentrated at a single recovery center. The recovery center shall be located no further than 600 miles from the customer's site, which is located at 1900 Kanawha Boulevard East, Charleston, WV 25305.**

IBM Response:

IBM is proposing recovery services at our fully equipped enterprise recovery site in Sterling Forest, New York to meet the computer hardware, disk storage, peripherals, and network connectivity requirements you have specified in your RFQ. This location is approximately 544 miles from Charleston, WV.

Supplemented by our on-site technical and administrative personnel, the solution we have designed will allow WVOT to thoroughly exercise your recovery plan, and will facilitate WVOT's execution of its recovery plan at time of disaster.

3. **The vendor shall maintain technical compatibility with the customer as the customer upgrades hardware, software, and network configurations during the life of the contract resulting from this RFQ.**

IBM Response:

IBM's recovery offering permits each client to request changes to a subscription (i.e., additions of machines and/or network lines to accomplish upgrades) on *one month's written notice*. This will allow WVOT to tailor a recovery configuration that is in step with your current business needs. No penalty fees are applied, based on either the change request or the frequency of change requests.

Specifically, the IBM Attachment for Multivendor Information Technology Recovery Services, which contains our standard terms and conditions, states under the section *IBM Responsibilities*:

"A request to change any detail of a Supplement requires one month's written notice. If IBM agrees, IBM will confirm the change by sending a revised Supplement for your signature, specifying the effective date of the change and the adjusted charge. IBM will not



unreasonably withhold its agreement. The adjusted charge will not be less than the Minimum Total Monthly Charge specified in a Supplement. Although IBM requests your signature on a revised Supplement, either your signature or your payment of the adjusted charge or your use of the services, whichever occurs first after IBM sends you a revised Supplement, constitutes your acceptance of that Supplement.”

- 4. At no additional cost, the customer shall have access to, and use of, the vendor's recovery center, and equipment configuration (as specified in Section III of this RFQ), for up to 60 hours each year, in order to test its disaster procedures. The test hours shall be either contiguous or divided into multiple tests, at the customer's option. The customer anticipates performing one inclusive test each calendar year, but it reserves the right to perform multiple tests. In either case, the total test-time will not exceed 60 hours a year.**

IBM Response:

Included in your proposed IBM Business Continuity and Resiliency Services contract is a recovery exercise allowance of 60 hours per year which represents one recovery exercise per year.

As stated in the IBM Attachment for Multivendor Information Technology Recovery Services:

“IBM provides time you request for the purpose of exercising your recovery plan, procedures and operation (“Recovery Exercise”, “Exercise”). For each Recovery Exercise IBM makes the Configuration available to you in contiguous four-hour blocks, scheduled as we mutually agree. You may schedule the number of hours and Exercises as specified in the Supplement (collectively called “Recovery Exercise Allowance”). You agree that IBM may reschedule your Exercise to serve another customer who has declared an Outage Emergency. If you request additional hours or additional Exercises, beyond your annual Recovery Exercise Allowance, IBM will provide it on an “as available” basis for a charge that is specified in the Supplement.”

- 5. The customer will consult with the vendor in scheduling test time. The vendor shall provide the customer with a scheduled block of test time within 30 days of customer request. The actual test shall start no less than 60 days thereafter, in order for the customer to have time to prepare properly. The customer's testing shall include, but not be limited to: loading and testing the customer's mainframe operating systems, restoration of the State's backbone network, restoration of critical State applications and databases, batch processing, printing, and communications testing.**

IBM Response:

Scheduling: All exercise scheduling is done through the IBM Project Manager, as follows:

- IBM customers may request any or all of their annual Recovery Exercise Allowance to be scheduled up to 24 months after date on which the request is made. For example, on April 1, 2008, you may request your recovery exercise hours be scheduled for any time up to and including March 31, 2010.
- IBM customers may schedule Additional Exercise Time and/or Additional Exercises up to 12 months in advance as available.
- Customers may either accept or reject an Exercise Date that has been offered to them by their IBM Project Manager. If the Project Manager has not received a response from the customer within 10 days, the date will be released.



- Network exercises (no system involved) may use either annual Recovery Exercise Allowance hours, Additional Exercise Time, or be billed on an hourly rate for the duration of the event, per network technical person. Such network exercises will not be counted or charged as an "Exercise."

Regarding lead times to schedule exercises, **several months are recommended**. If you have very stringent timeframe requirements (i.e., only weekend slots and must begin at 8:00 A.M.), longer lead times are encouraged to determine the availability of mutually acceptable test dates.

- 6. Immediately upon the conclusion of each of the customer's tests and actual disaster recovery events, the vendor shall perform a minimum initialization of the Direct Access Storage Devices (DASD) volumes that were used by the customer. If the customer requires a more thorough erasure of its data from DASD, the customer will be responsible for performing the task, and will perform it after each test (within the 60 hour window) or immediately upon the conclusion of any actual disaster recovery event.**

IBM Response:

IBM Business Continuity and Resiliency Services clients are responsible for their programs and data while in the hot site and for the removal and/or erasure of their programs and data from the equipment used during an exercise or recovery. Our clients are free to choose to use their own processes for data removal. Data removal must be complete by the end of the scheduled exercise time or by the end of the recovery period. Note that certain complex data removal techniques may require many hours to perform and could impact the client's exercise hours.

While IBM does use data handling processes routinely (e.g. clipping the VTOCs on the mainframe DASD) as part of our standard shutdown/setup process in the hot site after exercises and recoveries, these processes are for our own purposes and are not intended to remove and/or erase data; the processes remove some, but not necessarily all, pointers to data recorded on the devices.

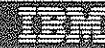
- 7. The vendor shall provide technical support personnel, including systems programmers and network engineers, to assist the customer in the planning of tests, and during events at the recovery facility. The same support shall be available to the customer 24/7 during tests and customer-declared disasters.**

IBM Response:

IBM has over 700 full-time professionals supporting our recovery sites. One of the key strengths of Business Continuity and Resiliency Services is the depth of experience which IBM professionals contribute to a recovery effort. The management and technical support staff assigned to each of our recovery sites represents a significant IBM asset in providing our service.

Each IBM enterprise recovery facility has a dedicated management and technical staff available to assist you, prior to and during your use of the recovery site. For our clients, technical and systems support for the Configuration(s) is provided 24X7 by IBM BCRS specialists. There is no additional charge for this; it is standard support that is available to all BCRS subscribers, whether the event is an exercise, or an actual recovery from an unplanned emergency outage.

Some of the key responsibilities of our support staff are as follows:



Support Staff:	Responsibilities
Account Manager	<p>The IBM Account Manager is your single primary contact into Business Continuity and Resiliency Services. The Account Manager has the responsibility for reviewing your goals, objectives, and budget priorities for business continuity, communicating new offerings, and being responsive to your requests for Business Continuity and Resiliency Services. The Account Manager engages sales and technical support specialists to address your needs when necessary, and maintains your overall satisfaction with us.</p> <p>Your Account Manager is your interface, should you ever need to revise your services contract (for instance, an upgrade to your subscribed IT recovery configuration). The Account Manager will periodically review your BCRS account and contact you if necessary, in order to:</p> <ul style="list-style-type: none"> • Validate the accuracy of the configuration and network services listed in your Supplement(s) for Multivendor Information Technology Recovery Services. • Determine if you need to add and/or delete equipment to your contracted recovery configuration, because of changes to your requirements. • Review any changes that IBM plans to make to our equipment inventory at the recovery site, which might impact your contracted configuration requirements. <p>Contact your Account Manager if you have any question about our recovery services. You never need to know the "right" person to call, because if your Account Manager can't immediately answer your question, they will engage a staff resource within IBM BCRS who can.</p>
Project Manager	<p>Your Project Manager is your single point of contact for delivery of IBM's Business Continuity and Resiliency Services during any event (i.e., an exercise or recovery). All recovery exercises are scheduled via your Project Manager, who will encourage you to plan your exercise event well in advance, to give your company time to review and hone your plans and for IBM to schedule a mutually agreeable date for your exercise. You can even schedule a recovery exercise two years in advance.</p> <p>Once you have scheduled a recovery exercise event, your Project Manager will coordinate all of the event's support activity. The Project Manager will work together with your team to prepare for the exercise, so that all details are clarified prior to the scheduled date. As part of the Business Continuity and Resiliency Services total service team, your Project Manager is responsible for IBM's provision of services during your event, whether it is an exercise or an actual recovery from an outage emergency.</p>
Network Support	<p>Consisting of more than 75 network professionals, our network team provides support for every aspect of your Recovery Site connectivity requirements. We provide network support for Business Continuity and Resiliency Services in North America from the three enterprise recovery sites in Gaithersburg, Sterling Forest and Boulder.</p> <p>The skills on the network support team are comprehensive, covering hardware and software setup, implementation and problem determination for: front end processors, routers, modems, MUXes, Token Ring, Ethernet, client workstations, servers,</p>



Support Staff:	Responsibilities
	<p>Teloquent voice recovery, and a full complement of wide area connectivity options. Many on our network team have advanced degrees with telecommunications specialties. Some have extensive project management skills, while others have CNE (Certified Novell Engineer) and MCSE (Microsoft Certified Systems Engineer) certification. In addition, IBM maintains a skilled Development staff whose primary function is to continually evaluate the telecomm industry, in support of developing high quality, cost-effective network recovery solutions for our clients.</p>
Systems Support	<p>IBM Business Continuity and Resiliency Services provides diverse systems support for multiple computing environments including IBM mainframe, Series p, SUN, HP/DEC, Series i, and Tandem. Nearly 100 Systems support specialists within IBM BCRS average 16 years of I/S experience.</p> <p>Our expertise and support of IBM and non-IBM equipment and software is second to none in the recovery industry. Our alliances with IBM developers, IBM help desks, and IBM testing labs allow our staff to access information and technical hardware only available to IBM Business Continuity and Resiliency Services. We cover the gamut from leading-edge Parallel Sysplex and Virtual Tape Server technology, to older, legacy hardware and operating systems including MVS/XA and MVS/370. Through our alliances with SUN, HP, and EMC, our systems support staffs have equal access to these vendors' product education and support structures. All of the above uniquely position IBM as your commercial recovery provider.</p>
Customer Administrators	<p>Customer Administrators are the key to the smooth operation you see when you come to a Business Continuity and Resiliency Services recovery site. A CA works with your Project Manager to set up security clearances for your team. Upon your team's arrival, following site security's verification of your IDs, Customer Administrators will issue temporary access badges to your team, provide instruction on how to obtain access to your designated areas via the security system, and guide you and your team to the appropriate recovery suite.</p> <p>Customer Administrators will oversee the receipt and shipment of your company's vital records by working with site security and shipping/receiving departments. The CA takes pride in providing our recovery site in showcase condition. This includes your assigned suite(s) being clean, stocked, and ready for your arrival.</p> <p>They are there to help you with a wide variety of administrative details throughout an exercise or recovery. The CAs answer calls to the Service Delivery desk and deliver messages in a timely fashion, and page clients or technical support when needed. They can also provide recommendations and directions to local restaurants, assist with ordering take-out meals, and handle the sending or receipt of faxed materials. In an outage emergency situation, the CAs can assist with hotel, car or catering arrangements. The Customer Administrator team will be there 24 hours a day to help make your stay at our facility is a pleasant one, and encourages you to "Ask for it, if you don't see it."</p>

8. If the customer requests, the vendor shall assist the customer in handling the customer's tapes. Such assistance could take the form of unloading/loading tapes from the transport vehicle(s) and transporting the tapes between the vehicle and the vendor's tape facilities.

IBM Response:

Prior to your event, our staff will receive your tapes from your shipper at the IBM recovery site, unpack your media from its shipping containers; sort and inventory the media according to your specifications; and stage the media in storage racks. At the conclusion of your event, the media will be packed according to your specifications in the original shipping containers. It is the customer's responsibility to arrange for the pick up of the tape media as well as communicate the arrangements via our General Access Form.

9. The customer will ship a router to the vendor after award of bid. The vendor shall install the router, house it in a secure cabinet, and ensure that it remains fully operational at all times. At the time of a scheduled disaster recovery test or declared disaster, the vendor shall connect the customer's router to the vendor's router. The vendor shall, upon customer request, provide the exact cabinet location of the router.

IBM Response:

IBM has included hot node floor space as part of our proposal. Per the amendment for Customer Owned Equipment/Hot Node Floor Space, the equipment will be in a powered-on active state and will be immediately ready to operate with the configuration specified in the associated Supplement Multivendor Information Technology Recovery Services.

The customer is responsible to perform, or provide for the performance of, the Equipment's installation, maintenance and repairs, necessary engineering changes (including those for safety as required by IBM and/or IBM's insurers, local laws, ordinances, or code), and de-installation activities.

IBM can provide this installation on behalf of the State of West Virginia for actual and reasonable charges.

10. The recovery center shall feature uninterruptible power supply (UPS) units, batteries, diesel generators, redundant transformers, redundant chillers/air conditioners, smoke and water detectors, fire suppression systems, 24-hour guard service, and closed circuit TV monitoring.

IBM Response:

Power Conditioning - Power at the Sterling Forest recovery facility is supplied clean and conditioned to support constant 60Hz, as required by the hardware. Electrical power is supplied to the site by Orange & Rockland Power & Light Company. The feeders are connected to an Uninterruptible Power Supply (UPS) system that distributes the power all raised floor areas of the facility. The main power substation for the Sterling Forest facility is located on-site. (The power distribution centers are located within close proximity of the site, in Hillburn, NY and Sugarloaf, NY). Power is supplied to the facility from two 69 kilovolt lines, transferred to two 13.2 KV lines, that enter the site from two opposite directions through underground ducts banks.

HVAC/Chillers - The Sterling Forest recovery site has sufficient cooling system capacity to meet our clients' requirements. Overhead cooling provides fresh air for the data center and administrative areas, and under-floor CAC units cool all raised floor areas. At the Sterling Forest site, there is a chiller capacity of 3,000 tons, with a total of five chillers are installed. Two of the chiller pumps deliver 1,800 gallons of chilled water per minute. All the remaining pumps are used for backup.



The facility uses city water. If that becomes unavailable, Site Operations can pump water out of Sterling Lake (which is immediately behind the facility) for the chillers. In addition, 12,000 gallons of potable water (in two 6,000-gallon redundant tanks) are maintained in reserve at all times, in the event of a water main break.

UPS - At the IBM Sterling Forest recovery site, the UPS isolates the raised floor areas of the facility from power surges, voltage fluctuations, frequency variations, and loss of utility power. On-site battery banks can maintain stable power during a utility outage. The system consists of four Liebert UPS modules. They are connected to a common output BUS to supply power to our recovery site. Each module is rated at 750 KVA, with a total connected-capacity rate at 2250 KVA (parallel redundant). Two modules are required to carry the present load. The remaining modules are for redundancy and future growth. In addition, Building One has three 500 KVA UPS units and two new Liebert 750 KVA units.

Diesel Generator - The UPS system at Sterling Forest will carry the raised floor areas of the recovery site at full load for 15 minutes. If there is a power outage of significant duration, turbine generators will automatically start within two minutes and supply the required power. There are three 2,500/3,100 kilowatt turbine generators, one of which is a backup. Sufficient fuel is on hand to supply the generators for 20 days. (Additional fuel can be delivered, as required, to provide continuous power until the utility emergency is resolved). The entire system is tested at full load once a month.

Water Detection - Leak detector sensors are positioned under all raised floors at the Sterling Forest recovery site. The leak detectors alarm locally, as well as back to Management Systems. In addition, on-site maintenance staff conducts visual inspections of all critical areas.

Fire Detection - The IBM Sterling Forest recovery site has a fire protection system, which utilizes overhead and under-floor photoelectric fire detectors. The sensors are monitored remotely at the utilities operations control center and at guard stations.

Fire Suppression - The Sterling Forest site has a fire suppression system that utilizes automatic pre-action, dry pipe sprinklers, sensors and water. Hot site, cold site, offices, corridors, and tape libraries are all protected. Fire extinguishers are also strategically located throughout the facility. This location also conforms to all National Fire Protection Association (NFPA) 75 standards. Shutdown procedures are readily available in case of an emergency.

Security - The Sterling Forest recovery site provides 24 hours per day, 7 days per week security coverage with secure client parking and facility entrances. Access control monitoring systems and closed circuit cameras provide continuous monitoring throughout the site. These systems are located internally and externally, and are monitored by a Security Control Center, which is staffed on a 24 x 7 basis.

- 11. The vendor shall provide the customer with minimal office facilities during testing and disasters. The facilities shall be located at the recovery center and shall include at least 600 square feet of office space, chairs, work surfaces, terminals connected to the recovery CPU, at least six (6) telephones connected to long-distance service, and Internet access.**

IBM Response:

The IBM Sterling Forest recovery site provides office space and business support to meet our clients' requirements, including offices, conference room, copiers, telephones and fax machines for subscriber use.



Additional work area recovery seats, which include a desk, chair, PC workstation and phone can be provided to the State of West Virginia and are available at the Sterling Forest recovery site. IBM is happy to work with you to understand and refine this requirement. The price for these seats has not been included in the proposal.

12. The vendor shall have at least three (3) years of experience in assisting clients in recovering IBM mainframe-based applications at its recovery center(s).

IBM Response:

IBM's has been providing commercial disaster recovery services to our clients since 1989.

13. The vendor shall provide a minimum of three (3) references, with contact information, which are currently using the proposed recovery center. The references shall be located within the continental United States. The customer reserves the right to contact each of the references.

IBM Response:

Craig Olson
Manager, Information Security
AgriBank, FCB
Phone: 651-282-8625
Email: Craig.Olson@agribank.com

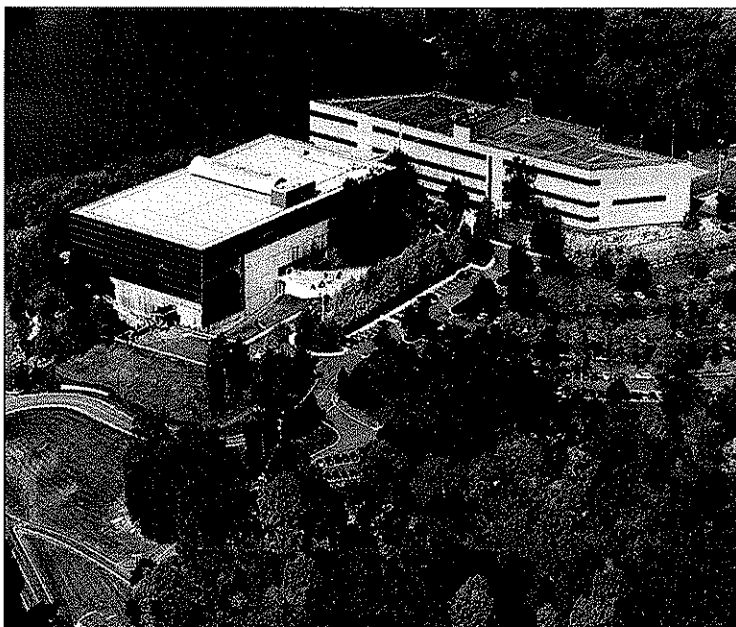
Debra Stafford, CBCP, CBRA
Investigative and Corrective Security Controls Manager
State of Minnesota
Office of Enterprise Technology
658 Cedar Street
St. Paul, MN 55155
651-201-1146
Email: Debra.stafford@state.mn.us

Gary Alfred
Best Buy
612-291-8569
Email: Gary.alfred@bestbuy.com

14. The vendor shall provide an overview of the vendor's proposed recovery center. The overview shall include at least a written description of the facility, and should include photographs of the facility; driving directions to the facility from the customer's site at 1900 Kanawha Boulevard East, Charleston, WV; driving directions to the facility from nearby airports; and a map(s) indicating the location of the facility, recommended routes, and nearby lodging.

IBM Response:

The IBM Business Continuity and Resiliency Services site in Sterling Forest, New York is a fully equipped, enterprise recovery site with a contiguous Network Center. The hardened infrastructure of this hot site has built-in redundancy throughout, to mitigate the risk of failure. This includes receiving power and communications from multiple providers, and outfitting the entire site with the latest in UPS and generator technology. Full time security guards and controlled-access doors to all entrances and system suites provide for comprehensive client security.



Above: the Sterling Forest, NY Enterprise Recovery Site has over 200,000 square feet of raised floor

Airports – The Sterling Forest recovery site is located within 75 miles of the following five major airports, typically within a one-hour drive from the recovery site: John F. Kennedy International Airport, LaGuardia Airport, Stewart International Airport, Westchester County Airport and Newark Liberty International Airport (in New Jersey). Westchester County Airport and Stewart International Airport are about 35 minutes from the recovery site. A heliport is available at the Sheraton Crossroads Hotel in Mahwah, New Jersey, which is only fifteen minutes from the site.

Ground Transportation – Several major highways, notably the New York State Thruway, Interstate 287, the Garden State Parkway, and U.S. Route 17, are easily accessible from the Sterling Forest recovery site. A number of limousine and taxi services are available in the area. There are rail connections between NYC and the Amtrak station at Suffern, New York, which is only ten minutes from Sterling Forest by taxi or limousine service.

Hotels – There are 14 hotels with more than 2,500 rooms within a 20-minute drive of the Sterling Forest site. In addition, there is a wide selection of restaurants and shopping malls in the vicinity.

Amenities – We provide fully equipped suites with managers' offices, large screen TVs, stereos, printers and fax machines, a vending/kitchen area, lounge and library. Access control security measures are provided, including 24-hour security guards.



Our website at www.ibm.com/services/continuity contains area information for each of IBM's recovery sites, including travel directions, transportation options, nearby airports, locations of hotels and restaurants, and site services.

V. PRE-TEST SPECIFICATIONS

- At least two weeks prior to the start of disaster recovery tests, the vendor shall provide the customer with the names, phone numbers, electronic mail (e-mail) addresses, and hours of availability, of individuals who will be assisting the customer, remotely, in preparation for the test, and at the recovery center during the test. Said individuals shall include, at a minimum, the project manager, the IT specialist, and the network management integrator. The vendor shall also indicate who will be available to provide similar assistance to the customer, at the recovery site, during hours outside of prime shift (8:00 a.m.- 5:00 p.m.) and shall provide similar contact information for those individuals.

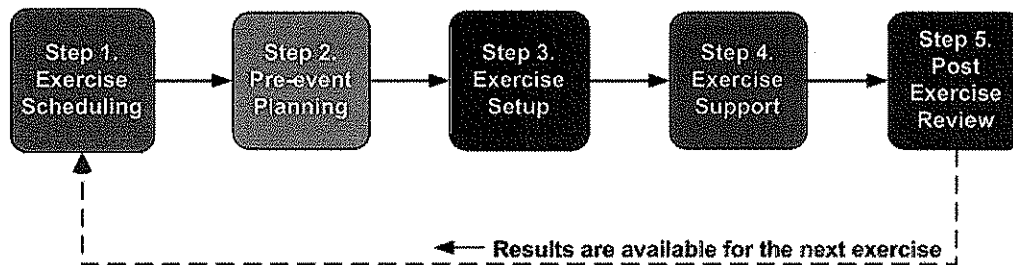
IBM Response:

IBM has read and acknowledges the above.

- MODEM TEST** Approximately 12 hours prior to a scheduled disaster recovery test, the vendor shall work with the customer's networking staff to facilitate an end-to-end mini-test to ensure connectivity between the customer's modem and the recovery center's modem and router. After successful connectivity to the disaster recovery center's modem and router, the customer will remotely configure the T1 interface of the router located at the recovery center.

IBM Response:

The recovery exercise methodology that the IBM Business Continuity and Resiliency Services utilizes is thorough, with the primary objective being to facilitate the client's accomplishment of the goals set for their recovery exercise event. The exercise process has five steps:



Above. IBM Business Continuity and Resiliency Services' Comprehensive 5-Step Recovery Exercise Methodology

Step 2 – Pre-event Planning includes:

- Review meetings or teleconferences to discuss the exercise requirements are led by your Project Manager and held between your recovery team and IBM
- All aspects of your event are considered, from connectivity to DASD mapping
- Set up requirements for the exercises are delivered to the client for review and final approval via network Visio diagrams and spreadsheets



- 3. T-1 TEST At the start of the disaster recovery test, the State and the vendor shall work together to establish connectivity between the customer's data center and the vendor's router. During the entire testing period, the vendor shall provide modem connectivity into the router located at the recovery center.**

IBM Response:

IBM has read and acknowledges the above.

- 4. After the conclusion of the disaster recovery test, the vendor shall save the customer's router settings. The vendor shall load the configuration during the customer's next mini-test, disaster recovery test, or customer-declared disaster.**

IBM Response:

IBM can perform this service under a separate Statement of Work via our Recovery Program Execution offering.



VI. TERMS AND CONDITIONS

- 1. The contract resulting from this RFQ will become effective on award, and will extend for a period of one (1) year thereafter. The vendor must be able to begin providing as services, as identified above, on November 1, 2008**

IBM Response:

IBM has provided pricing for a 12-month term.

- 2. The contract may be renewed upon the mutual written consent of the customer and the vendor, submitted to the Director of the Purchasing Division 30 days prior to the contract expiration date. Such renewal shall be limited to two (2) successive one-year terms.**

IBM Response:

IBM has read and acknowledges the above.

- 3. The vendor shall assume full responsibility for delivery of all services provided under this contract. Any use of subcontractors shall not relieve the vendor of said responsibility.**

IBM Response:

IBM has read and acknowledges the above.



VII: MANDATORY PRE-BID CONFERENCE

1. A mandatory pre-bid telephone conference call will be conducted at 1:30 P.M. ET on Wednesday, July 9, 2008. The call-in number will be 866-578-5695. The code number will be 4184911044. If the call-in number is unavailable, call one of the following numbers, and ask to be patched into the conference call:

304-558-3456
304-957-8280
304-558-0835

All interested parties are required to participate in the conference call. Failure to participate shall automatically result in disqualification.

IBM Response:

IBM has read and acknowledges the above.



VIII. COSTS

1. **The vendor shall complete the attached cost sheet and include it with the bid response.**

IBM Response:

IBM has read and acknowledges the above.

2. **The Monthly Subscription Cost shall be based on the requirements identified in Sections III and IV of this RFQ.**

IBM Response:

IBM has read and acknowledges the above.

3. **The Comprehensive Disaster Declaration Fee shall include all customer costs associated with declaring a disaster. For bid preparation purposes, the vendor should assume that the customer will declare one disaster during the initial 12 months of the contract.**

IBM Response:

IBM does not charge a disaster declaration fee. IBM allows our clients to declare based on their business judgment and does not try to dissuade disaster declarations through fees and practices. If a client places a call to 800-IBM-SERV to declare an outage emergency, this does not initiate any charges.

4. **The Recovery Daily Usage Charge shall include all costs for the customer to use the recovery center in the event of a customer-declared disaster or customer test. For bid preparation purposes, the vendor should assume that the customer will need to use the recovery center for a minimum of three (3) days during the initial 12 months of the contract.**

IBM Response:

As soon you call IBM to Declare, we start working on assigning a recovery site. This action could include moving other clients who are in a recovery exercise, configuring systems, assigning mobile systems, etc... If you placed the call prematurely and the outage emergency doesn't materialize between the time you call us and the time IBM confirms the recovery site, and, you cancel the Declaration before IBM confirms, there is no charge. An Initial Recovery Charge (as specified in a Supplement) is incurred when IBM confirms back to you that IBM has scheduled a recovery site for your use, in response to your declaration of an outage emergency, and you confirm your acceptance.

Once your recovery site is confirmed to you, IBM makes your contracted Configuration available to you for up to the number of days specified in a Supplement for the Initial Recovery Charge. Thereafter, for each day, or part thereof, that IBM provides you the Configuration, a Daily Recovery Charge applies for up to a maximum of six (6) total weeks.

5. **The vendor shall provide the cost, if any, of installing and housing the customer-supplied router referred to in Section IV, item 9, above.**

IBM Response:

IBM has read and acknowledges the above.



6. **Costs quoted shall be all-inclusive. No separate reimbursement will be made to the vendor for travel or any other expense.**

IBM Response:

During an event supported by IBM, the following applies, as stated in the IBM Attachment for Multivendor Information Technology Recovery Services under Section 5 "Charges":

"Recovery Charges

In addition to the Total Monthly Charge, you agree to pay an Initial Recovery Charge and a Daily Recovery Charge specified in a Supplement. The Initial Recovery Charge is incurred when IBM confirms to you that IBM has scheduled a Recovery Site for your use in response to your declaration of an Outage Emergency. For this charge, IBM makes the Configuration available to you for up to the number of days specified in a Supplement. Thereafter, for each day, or part thereof, that IBM provides you the Configuration, the Daily Recovery Charge applies.

Additional Charges

You agree to pay:

1. any associated charges for telecommunications services you select;
2. charges for additional hours and Exercises you schedule beyond your annual Recovery Exercise Allowance, as specified in the Supplement; and,
3. charges for unplanned operational and technical assistance beyond that described in this Attachment and the applicable Supplement, that IBM agrees to provide during an Event, in response to your written request; and,
4. charges for miscellaneous expenses you incur while at a recovery site, for use of items such as supplies, materials, storage media or for use of office equipment, telephone and facsimile."

In addition, WVOT will be responsible for all travel and living expenses for your recovery team. Each IBM Business Continuity and Resiliency Services subscriber is responsible for shipment of the media containing their data to and from the recovery site, as well as shipment of any printed output that is created at the recovery site.

There are no additional charges for standard technical support provided by the IBM recovery site staff (as described in the subsection "Technical and Operational Support for Recovery and Recovery Exercise" of the IBM Attachment for Multivendor Information Technology Recovery Services).

IBM's travel and living expenses are "reasonable and actual travel expenses". For the hot site services proposed, we are not expecting any travel.

**COST SHEET**

NOTE: Enter "0" or "zero" for any no-cost line items. Blank fields will be interpreted as no-cost.

VENDOR NAME IBM Business Continuity and Resiliency Services
VENDOR ADDRESS 300 Long Meadow Road, Sterling Forest, NY 10979
VENDOR CONTACT Kathy Johnson
VENDOR PHONE NO. 612-486-4149

MONTHLY SUBSCRIPTION COST:

\$8,106 PER MONTH x 12 MONTHS = \$97,272

COMPREHENSIVE DISASTER DECLARATION FEE NA

RECOVERY DAILY USAGE CHARGE

\$6,077 PER DAY x 3 DAYS = \$18,231

ANY OTHER COSTS (see Section VIII, item 5)

Housing included in monthly subscription cost above. Installation would be charged at an hourly rate estimated to be \$200/hour.

GRAND TOTAL COST \$115,503



IBM Customer Agreement Attachment for Multivendor Information Technology Recovery Services

IBM Customer Agreement

Attachment for Multivendor Information Technology Recovery Services

You accept the terms of this IBM Customer Agreement Attachment for Multivendor Information Technology Recovery Services ("Attachment"), which are in addition to those of the IBM Customer Agreement or an equivalent agreement in effect between you and IBM ("Agreement"), by signing this Attachment.

IBM provides Multivendor Information Technology Recovery Services ("Services") to assist you in preparing for and responding to an Outage Emergency at a Covered Address. As part of these Services, IBM provides equipment and software, support services, telecommunications services, and a facility, in combinations you select, to assist you in your performance of your critical business and information processing activities in the event of an Outage Emergency.

1. Definitions

Configuration means the equipment, software, workspace, and telecommunications services, so designated in a Supplement. What IBM provides may not be identical to the Configuration, however, it will be compatible with, and will offer capacity and functionality equivalent to or greater than that of the Configuration.

Outage Emergency means any unplanned interruption of your critical business and information processing at a Covered Address, resulting from causes beyond your control, that significantly impairs your ability to operate your business.

Recovery Site means IBM provided facilities used for Recovery Exercises and your recovery. When applicable, IBM will designate in the Supplement a Primary Recovery Site which, if available, is the site we intend you to use.

Covered Address means a location where information processing is performed by or for you, and is identified in a Supplement. This address may represent your facility in a single building, or a physical campus.

2. IBM Responsibilities

Acceptance of Subscription and Supplement

IBM accepts your order for Services ("Subscription") by issuing a Supplement for the Configuration. Both parties must sign the initial Supplement for a Configuration for the Supplement to be effective.

If the initial Supplement for a Configuration includes equipment not currently available at the Primary Recovery Site, and IBM cannot provide compatible equipment of equivalent or greater capacity and functionality, IBM will initiate its acquisition process for such equipment immediately following signing of the Supplement. If such equipment is not yet installed when you declare an Outage Emergency, IBM will use commercially reasonable efforts to provide alternate equipment, or the Configuration at another facility.

A request to change any detail of a Supplement requires one (1) month's written notice. If IBM agrees, IBM will

confirm the change by sending you, for your signature, a revised Supplement specifying the effective date of the change and the adjusted charge. IBM will not unreasonably withhold its agreement. The adjusted charge will not be less than the Minimum Total Monthly Charge specified in a Supplement. Although IBM requests your signature on a revised Supplement, either your signature or your payment of the adjusted charge or your use of the Services, whichever occurs first after IBM sends you a revised Supplement, constitutes your acceptance of that Supplement.

Recovery Exercise Time

IBM provides time you request for you to exercise your recovery plan, procedures and operation ("Recovery Exercise", "Exercise"). For each Recovery Exercise, IBM makes the Configuration available to you in contiguous four-hour blocks, scheduled as we mutually agree. You may schedule the number of hours and Exercises as specified in the Supplement (collectively called "Recovery Exercise Allowance"). You agree that IBM may reschedule your Exercise to serve another customer who has declared an Outage Emergency. If you request additional hours or additional Exercises, beyond your annual Recovery Exercise Allowance, IBM will provide it on an "as available" basis for a charge that is specified in the Supplement.

Recovery

When you notify IBM that you are experiencing an Outage Emergency by calling the toll-free number IBM provides ("Declare"), IBM will begin to prepare, without delay, Recovery Site facilities for your use. You may have immediate access to the Recovery Site IBM makes available to you. IBM will use commercially reasonable efforts to provide the Configuration as soon as you are ready to use it and will provide it no later than twenty-four (24) hours after you Declare.

IBM will provide the Configuration for your use at the Recovery Site for a maximum of six (6) consecutive weeks after you Declare. You will have priority access to the Configuration over any customer, except one who has Declared before you.

Technical and Operational Support for Recovery and Recovery Exercise

IBM provides a single point of contact who will coordinate support activities prior to, during, and following an "Event" (an Exercise or your recovery). Prior to an Event, IBM will assist in planning and preparation as described in documentation IBM will provide. IBM will create connectivity descriptions and, where applicable, a document that defines how the equipment in your Configuration is

mapped to the equipment IBM provides. Prior to the Event, IBM will set up and check out physical connectivity of the equipment to verify that what IBM provides is connected as set forth in the documentation. During an Event, personnel on-site and on-call will assist with problem determination related to the hardware and software IBM provides with the Configuration, and IBM will track issues and problems related to IBM's provision of services during the Event. Following an Event, IBM will participate in a review, at your request. For an Exercise as well as your recovery, a contact person IBM provides will be on-site or on-call twenty-four (24) hours per day from the time you Declare or begin your Exercise until the Event ends.

IBM will provide a work area, as specified in a Supplement, for your use.

Product Removal

IBM will give you six (6) months' written notice of its intent to no longer provide an item in your Configuration and also not provide a compatible substitute item that offers equal or greater capacity and functionality. In such circumstance, you may terminate the applicable Supplement, upon three (3) months' written notice, within one (1) year of such notification.

3. Your Responsibilities

You agree to:

1. notify IBM that you are declaring an Outage Emergency by calling the toll-free number IBM provides;
2. be responsible for determining, on a continuing basis, whether the Configurations specified in the Supplements in effect between you and IBM are sufficient for you to meet your requirements for continuing your business and information processing activities in response to an Outage Emergency at each Covered Address;
3. be responsible for providing during an Event any equipment, software, workspace, and/or telecommunications services you need that is not included in the Configurations specified in the Supplements in effect between you and IBM;
4. supply all personnel and appropriately licensed software necessary for an Event, unless otherwise specified in a Supplement;
5. maintain your system software and operating system(s) that you intend to use for an Event, at a release level for which the manufacturer then currently provides support. Your ability to make use of the Configuration IBM provides may be dependent on your fulfillment of this responsibility;
6. furnish supplies, materials, and storage media necessary for your Event;
7. follow procedures and instructions, including those for safety and security, IBM provides you for: (a) scheduling and preparation for Recovery Exercises, (b) an Event, and (c) use of the Recovery Site; and,

8. remove your data and software from the Configuration following an Event.

4. Contract Period

The Start Date and End Date of the Contract Period for a Subscription and the Supplement Effective Date are set forth in the Supplement.

Renewal

IBM will issue you a renewal Supplement or give you written notice of IBM's intention not to renew a Subscription at least three (3) months before its End Date. If you do not intend to renew a Subscription, you must notify IBM in writing at least one (1) month prior to the End Date.

Termination

You have the right to terminate a Subscription before its End Date only if IBM has failed to cure, after you have given written notice and reasonable time for IBM to do so, a material breach of IBM's obligations with respect to such Subscription.

5. Charges

Total Monthly Charge

You agree to pay the Total Monthly Charge, specified in a Supplement, for each month of a Contract Period.

Recovery Charges

In addition to the Total Monthly Charge, you agree to pay an Initial Recovery Charge and a Daily Recovery Charge specified in a Supplement. The Initial Recovery Charge is incurred when IBM confirms to you that IBM has scheduled a Recovery Site for your use in response to your declaration of an Outage Emergency. For this charge, IBM makes the Configuration available to you for up to the number of days specified in a Supplement. Thereafter, for each day, or part thereof, that IBM provides you the Configuration, the Daily Recovery Charge applies.

Additional Charges

You agree to pay:

1. any associated charges for telecommunications services you select;
2. charges for additional hours and Exercises you schedule beyond the annual Recovery Exercise Allowance specified in the Supplement;
3. charges for operational and technical assistance beyond that described in this Attachment and the applicable Supplement, that IBM agrees to provide during an Event, in response to your written request; and,
4. charges for miscellaneous expenses you incur while at a Recovery Site, for use of items such as supplies, materials, storage media or for use of office equipment, telephone and facsimile.

Price Changes

IBM will not increase the charges for the Configuration and terms specified in a Supplement during the first year of a Contract Period. Thereafter, on subsequent anniversaries of the Start Date of the Contract Period, IBM may increase such charges by up to five percent (5%).

6. Limitation of Liability

If IBM is unable to provide you recovery services as described in the subsection "Recovery" above, and you elect not to accept such services when IBM can provide them, IBM will pay you an amount equal to the Total Monthly Charges you paid under the applicable Supplement for the preceding twelve (12) months. This is your exclusive remedy for failure to provide you such recovery services.

In any other circumstance in which, because of a default on IBM's part or other liability, you are entitled to claim damages from IBM, the terms of the Agreement apply.

7. Other Terms

For purpose of access priority and interruption of Recovery Exercise Time, "Services customer" and "Outage Emergency" under this Attachment include "Business Recovery Services ("BRS") customer" and "Disaster", respectively, as defined in previous versions of this Attachment.

IBM will follow reasonable security practices and procedures to protect your physical assets while they are in

Recovery Sites. Such protection includes providing security at the Recovery Site that allows access only to those persons authorized either by IBM or by you and IBM. This security will be in place twenty-four (24) hours a day, seven (7) days a week.

You agree to allow IBM and its subsidiaries to store and use your contact information, including names, phone numbers, and e-mail addresses, anywhere IBM and its subsidiaries do business. Such information will be processed and used in connection with the business relationship between you and IBM, and may be provided to contractors, Business Partners, and assignees of IBM and its subsidiaries for uses consistent with their collective business activities, including communicating with you (for example, for processing orders, for promotions, and for market research).

Notices

All written notices required by this Attachment to be sent to you will be addressed to the customer signatory below, unless and until you inform IBM in writing of a different person and address to which such notices must be sent. All written notices to IBM must be sent to the IBM addressee identified in the applicable Supplement. Any such notices may be sent by electronic means and, as such, will be considered a signed writing. Both you and IBM agree to inform each other of any changes to addressee information within one (1) month of such change.

Both you and IBM agree that the complete agreement between you and IBM about Multivendor Information Technology Recovery Services consists of 1) this Attachment and its associated Supplement(s) and other Transaction Documents, if any, and 2) the Agreement identified below.

Agreed to: _____

By: _____
Authorized Signature

Name: _____
(Type or Print)

Title: _____
(Type or Print)

Date: _____

Customer Number: _____

Enterprise Number: _____

Address: _____

Telephone: _____

e-mail: _____

Agreed to:
International Business Machines Corporation

By: _____
Authorized Signature

Name: _____
(Type or Print)

Title: _____
(Type or Print)

Date: _____

Agreement Number: _____

IBM Marketing Number: _____

Address:

Attn: BCRS Contract Operations

IBM Corporation

PO Box 700

Suffern, NY 10901-0700

e-mail: ibmbcrs@us.ibm.com



Vendor Registration Fee



Business Associate Addendum

BUSINESS ASSOCIATE ADDENDUM

This Addendum ("Addendum") supplements and is made a part of the IBM Customer Agreement ("ICA") between the State of West Virginia ("Customer") and International Business Machines Corporation ("IBM"), dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("Agreement"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("First Amendment"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("Second Amendment"), approved by the State of West Virginia and pending final execution as attached hereto. IBM and Customer may be referred to individually as a "Party" or collectively as the "Parties."

Recitals

- A. Customer and IBM are Parties to the Agreement pursuant to which IBM provides certain services to Customer. In connection with those services, Customer may disclose to IBM certain health information held by Customer ("Protected Health Information," as defined at 45 C.F.R. § 160.103) that is subject to protection under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and certain regulations promulgated thereunder by the United States Department of Health and Human Services at 45 C.F.R. Parts 160 and 164 ("HIPAA Regulations").
- B. The purpose of this Addendum is to help facilitate Customer's compliance with the requirements of the HIPAA Privacy Rule and the HIPAA Security Rule (effective April 20, 2005) when (i) Customer is a "covered entity," and (ii) IBM is the recipient of Protected Health Information from Customer under the Agreement and is acting as a "business associate" of Customer, as those terms are defined in the HIPAA Regulations.
- C. The Customer acknowledges that IBM may act in a capacity other than as a business associate and that this Addendum only applies to the extent that IBM is acting as a business associate for Customer. Hereinafter though, IBM will be referred to as "Business Associate."

IN CONSIDERATION OF THE FOREGOING, and the mutual promises and covenants contain herein, the Parties agree as follows:

Agreement

1. **Definitions.** Unless otherwise provided in this Addendum, capitalized terms have the same meaning as set forth in the HIPAA Regulations.

2. **Applicability.** This Addendum shall be applicable to Protected Health Information (i) received by Business Associate from Customer or (ii) created or received by Business Associate on behalf of Customer.

3. **Scope of Use of Protected Health Information.** Business Associate shall not use or disclose Protected Health Information for any purpose other than:

- (i) As permitted or required by the Agreement or to carry out the activities specified in the Agreement;
- (ii) For data aggregation or management and administrative activities of Business Associate; and
- (iii) As otherwise permitted or required by law.

4. **Safeguards for the Protection of Protected Health Information.** Business Associate shall process Protected Health Information and Electronic Protected Health Information on Customer's behalf and in accordance with Customer's instructions. Business Associate shall follow Customer's instructions by implementing and maintaining operational and technological safeguards relative to Protected Health Information and administrative, physical and technical safeguards with respect to Electronic Protected Health Information, mutually agreed to in applicable statements of work or in comparable contract documents describing the services to be performed. Customer agrees that the specified safeguards are appropriate for its requirements. Customer also confirms that Customer is solely responsible for ensuring that specified processing and safeguarding instructions comply with applicable data protection laws.

5. **Reporting of Unauthorized Uses or Disclosures.** Business Associate shall report to Customer any use or disclosure of Protected Health Information of which Business Associate becomes aware that is not provided for or permitted in the Agreement, including this Addendum. Promptly report to Customer any Security Incident of which it becomes aware.

6. **Use of Subcontractors.** To the extent that Business Associate discloses Protected Health Information and/or Electronic Protected Health Information to one or more subcontractors or agents, Business Associate shall cause each such subcontractor and agent to sign an agreement with Business Associate containing substantially the same provisions and conditions related to the protection and confidentiality of Protected Health Information and/or Electronic Protected Health Information as those that apply to Business Associate under the Agreement and this Addendum.

7. Authorized Access to and Amendment of Protected Health Information. Business Associate shall make available all Protected Health Information held by Business Associate. Additionally, Business Associate shall incorporate any amendments Customer makes to Protected Health Information. The requirements of this section may be satisfied by Business Associate providing electronic access to Customer of Customer data maintained or processed by Business Associate.

8. Accounting of Disclosures of Protected Health Information. Business Associate shall keep records of disclosures of Protected Health Information made by Business Associate (the "Disclosure Accounting") on an ongoing basis for a period of six (6) years, except for disclosures exempt from accounting in 45 C.F.R. § 164.528(a)(1). Business Associate shall provide the Disclosure Accounting to Customer within forty-five (45) days of receiving a written request therefor from Customer.

9. Health and Human Services. Business Associate shall make its internal practices, books and records related to the use and disclosure of Protected Health Information under the Agreement and this Addendum available to Secretary of the Department of Health and Human Services for the purpose of determining Customer's compliance with 45 CFR § 164.500 et seq.

10. Future Confidentiality of Protected Health Information. Upon the expiration or earlier termination of the Agreement for any reason, if feasible, Business Associate shall return to Customer, or, at Customer's direction, destroy, all Protected Health Information in any form. If such return or destruction is not feasible, Business Associate shall extend the protections of this Addendum to the Protected Health Information and shall limit further uses and disclosures to those purposes that make the return or destruction of the Protected Health Information infeasible.

11. Termination of the Agreement. Customer may terminate those portions of the Agreement which require Business Associate to use or disclose Protected Health Information in the event Business Associate breaches a material term of this Addendum. Such termination shall be in accordance with and subject to any rights to cure and payment obligations specified in the Agreement.

12. Effect on Agreement. The sole purpose of this Addendum is to facilitate Customer's compliance with HIPAA Regulations. This Addendum is not intended to, nor shall it be construed to, reduce or diminish any of Business Associate's or Customer's obligations under the Agreement. Accordingly, except as to the extent expressly inconsistent with this Addendum, all other terms of the Agreement shall remain in full force and effect and shall not be modified, diminished or reduced hereby. There are no intended third party beneficiaries under this Addendum.

13. **Assignment.** Neither Party may assign this Addendum, in whole or in part, without the prior written consent of the other. Any attempt to do so is void. Neither Party will unreasonably withhold such consent. The assignment of this Addendum, in whole or in part, to any majority-owned subsidiary in the United States or to a successor organization by merger or acquisition does not require the consent of the other. It is not considered an assignment for Business Associate to divest a portion of its business in a manner that similarly affects all of its customers.

IN WITNESS HEREOF, the Parties hereto have caused this Business Associate Addendum to be executed as of the date and year hereinafter written.

CUSTOMER

By: _____

Name: _____

Title: _____

Date: _____

INTERNATIONAL BUSINESS MACHINES CORPORATION

By: _____

Name: _____

Title: _____

Date: _____



Trademark and Contract Terms

© International Business Machines Corporation 2008

All Rights Reserved.

IBM Corporation

If not otherwise expressly governed by the terms of a written confidentiality agreement executed by the parties, the information presented herein is IBM Confidential information and shall only be disclosed to those employees who have a need to know of its contents, shall not be disclosed to third parties or outside State of West Virginia and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this RFQ response for the contemplated business arrangement with IBM without the express written consent of International Business Machines Corporation (IBM).

Notwithstanding any language to the contrary in the RFQ, IBM's response to your RFQ is made with the understanding that the terms and conditions that will govern the transaction will be:

1. the IBM Customer Agreement ("ICA") between the State of West Virginia and IBM, dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**Agreement**"); as amended by the ADDENDUM TO THE IBM CUSTOMER AGREEMENT BETWEEN IBM AND THE STATE OF WEST VIRGINIA, also dated May 28, 1993 and approved by the State of West Virginia Attorney General on June 29, 1993 ("**First Amendment**"); and also amended by the SECOND ADDENDUM AMENDMENT TO AGREEMENT ("**Second Amendment**"), approved by the State of West Virginia and pending final execution as attached hereto.;
2. the IBM Customer Agreement Attachment for Multivendor Information Technology Recovery Services (Z125-8306-06) ("the Attachment") (copy enclosed); and
3. various Transaction Documents which will specify the details associated with a Subscription(s) (including Configuration details, pricing, contract period, etc.), and any standard IBM amendments to the Attachment that are applicable to the particular options you decide to select for the Subscription(s).

IBM is providing information responses in the format requested by your RFQ, along with additional information related to our services. Although we believe the information to be accurate and useful to you in your decision process, we do not consider this information (or the RFQ itself) to be part of the contract terms.

This RFQ response is valid for a period of 90 days following submission.

IBM, the IBM logo, AIX, AS/400, DB2, DFSMS/MVS, Enterprise Storage Server, ESCON, FICON, FlashCopy, eServer, iSeries, Netfinity, OS/390, pSeries, RS/6000, S/390, SANergy, Tivoli, TotalStorage, VM/ESA, xSeries, z/OS, z/VM and zSeries are trademarks of the IBM Corporation in the United States or other countries or both. Intel, Intel logo, Intel Inside logo, Intel Centrino, Intel Centrino logo, Celeron, Intel Xeon, Intel SpeedStep, Itanium and Pentium are trademarks of Intel Corporation in the United States, other countries, or both. Microsoft, Windows, Windows NT and the Windows logo are trademarks of Microsoft Corporation in the United States, other countries, or both. Java and all Java-based trademarks are trademarks of Sun Microsystems, Inc. in the United States, other countries, or both. UNIX is a registered trademark of The Open Group in the United States and other countries.

Other company, product or service names may be trademarks or service marks of others.

RFQ No. ISCH0265STATE OF WEST VIRGINIA
Purchasing Division**PURCHASING AFFIDAVIT**

West Virginia Code §5A-3-10a states: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

LICENSING: Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

CONFIDENTIALITY: The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendors should visit www.state.wv.us/admin/purchase/privacy for the Notice of Agency Confidentiality Policies.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), it is hereby certified that the vendor acknowledges the information in this said affidavit and are in compliance with the requirements as stated.

Vendor's Name: IBM
 Authorized Signature: [Signature] Date: July 21, 2008



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
ISCH0265

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

RFQ COPY
 TYPE NAME/ADDRESS HERE

DEPARTMENT OF ADMINISTRATION
 IS&C - DATA CENTER MANAGER
 BUILDING 6, ROOM B110
 1900 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25305-0135 304-558-5914

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
06/25/2008				

BID OPENING DATE: **07/23/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		920-20		
<p>DISASTER RECOVERY SERVICES AGREEMENT</p> <p>REQUEST FOR QUOTATION</p> <p>THE WEST VIRGINIA PURCHASING DIVISION FOR THE AGENCY, THE WEST VIRGINIA OFFICE OF TECHNOLOGY, IS SOLICITING BIDS TO PROVIDE THE AGENCY WITH DISASTER RECOVERY SERVICES FOR THE MAINFRAME AND NETWORK BACKBONE SUPPORT PER THE ATTACHED SPECIFICATIONS.</p> <p>THERE WILL BE A MANDATORY PRE-BID CONFERENCE ON JULY 09, 2008 AT 1:30 PM. THIS MEETING WILL TAKE PLACE VIA CONFERENCE CALL. ALL VENDORS WISHING TO SUBMIT A BID ON THIS PROJECT MUST BE IN ATTENDENCE BY PHONE FOR THIS MEETING. ANY VENDOR FAILING TO ATTEND WILL BE DISQUALIFIED FROM BIDDING ON THIS PROJECT. NO ONE PERSON MAY REPRESENT MORE THAN ONE VENDOR. THE CALL IN NUMBER FOR THIS MEETING IS 866-578-5695. THE CODE NUMBER IS 4184911044. SHOULD YOU EXPERIENCE DIFFICULTY PLEASE CALL ONE OF THE FOLLOWING NUMBERS: 304-558-3456 304-927-8280 OR 304-558-0835.</p> <p>IT IS STONGLY SUGGESTED THAT EACH VENDOR CALL ABOUT 15 MINUTES PRIOR TO THE START OF THE MEETING IN ORDER AVOID DELAYS OR TO ADDRESS ANY PROBLEMS WITH GETTING PATCHED IN. THE VENDOR ASSUMES ALL RESPONSIBILITY FOR ANY TECHNICAL DIFFICULTIES IN CONNECTING TO THIS CALL.</p> <p>TECHNICAL QUESTIONS CONCERNING THIS PROJECT MUST BE SUBMITTED IN WRITING TO KRISTA FERRELL IN THE WEST</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>[Signature]</i>	TELEPHONE	DATE
TITLE	FERN	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

**GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125.00 registration fee.
5. All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the term of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
14. **HIPAA Business Associate Addendum** - The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in cases of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications.

SIGNED BID TO:

Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
ISCH0265

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ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

RFQ COPY
 TYPE NAME/ADDRESS HERE

DEPARTMENT OF ADMINISTRATION
 IS&C - DATA CENTER MANAGER
 BUILDING 6, ROOM B110
 1900 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25305-0135 304-558-5914

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
06/25/2008				

BID OPENING DATE: **07/23/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	GAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>VIRGINIA STATE PURCHASING DIVISION VIA MAIL AT THE ADDRESS SHOWN IN THE BODY OF THIS RFQ, VIA FAX AT 304-558-4115, OR VIA EMAIL AT KRISTA.S.FERRELL@WV.GOV DEADLINE FOR ALL TECHNICAL QUESTIONS IS 07/11/2008 AT THE CLOSE OF BUSINESS. TECHNICAL QUESTIONS RECEIVED, IF ANY, WILL BE ANSWERED BY ADDENDUM AFTER THE DEADLINE. QUESTIONS CONCERNING THE PROCESS BY WHICH A VENDOR MAY SUBMIT A BID TO THE STATE OF WEST VIRGINIA ARE NOT CONSIDERED TECHNICAL QUESTIONS AND MAY BE SUBMITTED AT ANY TIME PRIOR TO THE BID OPENING DATE AND IN ANY FORMAT.</p> <p>EXHIBIT 3</p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON AWARD AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FERN	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

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ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

RFQ COPY
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**DEPARTMENT OF ADMINISTRATION
 IS&C - DATA CENTER MANAGER
 BUILDING 6, ROOM B110
 1900 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25305-0135 304-558-5914**

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
06/25/2008				

BID OPENING DATE: **07/23/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THIS CONTRACT IS AUTOMATICALLY NULL AND VOID, AND IS TERMINATED WITHOUT FURTHER ORDER.</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
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 2019 Washington Street East
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**Request for
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ADDRESS CORRESPONDENCE TO ATTENTION OF
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 TYPE NAME/ADDRESS HERE**

VENDOR

SUPPLIER

**DEPARTMENT OF ADMINISTRATION
 IS&C - DATA CENTER MANAGER
 BUILDING 6, ROOM B110
 1900 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25305-0135 304-558-5914**

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
06/25/2008				

BID OPENING DATE: 07/23/2008 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>REV. 04/11/2001</p> <p>PURCHASING CARD ACCEPTANCE: THE STATE OF WEST VIRGINIA CURRENTLY UTILIZES A VISA PURCHASING CARD PROGRAM WHICH IS ISSUED THROUGH A BANK. THE SUCCESSFUL VENDOR MUST ACCEPT THE STATE OF WEST VIRGINIA VISA PURCHASING CARD FOR PAYMENT OF ALL ORDERS PLACED BY ANY STATE AGENCY AS A CONDITION OF AWARD.</p> <p>THE MODEL/BRAND/SPECIFICATIONS NAMED HEREIN ESTABLISH THE ACCEPTABLE LEVEL OF QUALITY ONLY AND ARE NOT INTENDED TO REFLECT A PREFERENCE OR FAVOR ANY PARTICULAR BRAND OR VENDOR. VENDORS WHO ARE BIDDING ALTERNATES SHOULD SO STATE AND INCLUDE PERTINENT LITERATURE AND SPECIFICATIONS. FAILURE TO PROVIDE INFORMATION FOR ANY ALTERNATES MAY BE GROUNDS FOR REJECTION OF THE BID. THE STATE RESERVES THE RIGHT TO WAIVE MINOR IRREGULARITIES IN BIDS OR SPECIFICATIONS IN ACCORDANCE WITH SECTION 148-1-4(F) OF THE WEST VIRGINIA LEGISLATIVE RULES AND REGULATIONS.</p> <p>EXHIBIT 10</p> <p>REQUISITION NO.:</p> <p>ADDENDUM ACKNOWLEDGEMENT</p> <p>I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

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TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
 Purchasing Division
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 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

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ISCH0265

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ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

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<p>ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.</p> <p>ADDENDUM NO.'S:</p> <p>NO. 1</p> <p>NO. 2</p> <p>NO. 3</p> <p>NO. 4</p> <p>NO. 5</p> <p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.</p> <p><i>Rich. Mills</i>..... SIGNATURE</p> <p><i>IBM</i>..... COMPANY</p> <p><i>July 21, 2008</i>..... DATE</p>						

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	REV. 11/96					
VENDOR PREFERENCE CERTIFICATE CERTIFICATION AND APPLICATION* IS HEREBY MADE FOR PREFERENCE IN ACCORDANCE WITH WEST VIRGINIA CODE, 5A-3-37 (DOES NOT APPLY TO CONSTRUCTION CONTRACTS). A. APPLICATION IS MADE FOR 2.5% PREFERENCE FOR THE REASON CHECKED: <input type="checkbox"/> BIDDER IS AN INDIVIDUAL RESIDENT VENDOR AND HAS RESIDED CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR <input type="checkbox"/> BIDDER IS A PARTNERSHIP, ASSOCIATION OR CORPORATION RESIDENT VENDOR AND HAS MAINTAINED ITS HEAD-QUARTERS OR PRINCIPAL PLACE OF BUSINESS CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR 80% OF THE OWNERSHIP INTEREST OF BIDDER IS HELD BY ANOTHER INDIVIDUAL, PARTNERSHIP, ASSOCIATION OR CORPORATION RESIDENT VENDOR WHO HAS MAINTAINED ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR <input type="checkbox"/> BIDDER IS A CORPORATION NONRESIDENT VENDOR WHICH HAS AN AFFILIATE OR SUBSIDIARY WHICH EMPLOYS A MINIMUM OF ONE HUNDRED STATE RESIDENTS AND WHICH HAS MAINTAINED ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS WITHIN WEST VIRGINIA CONTINUOUSLY FOR THE FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION.						

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<p>B. APPLICATION IS MADE FOR 2.5% PREFERENCE FOR THE REASON CHECKED:</p> <p>() BIDDER IS A RESIDENT VENDOR WHO CERTIFIES THAT, DURING THE LIFE OF THE CONTRACT, ON AVERAGE AT LEAST 75% OF THE EMPLOYEES WORKING ON THE PROJECT BEING BID ARE RESIDENTS OF WEST VIRGINIA WHO HAVE RESIDED IN THE STATE CONTINUOUSLY FOR THE TWO YEARS IMMEDIATELY PRECEDING SUBMISSION OF THIS BID;</p> <p>OR</p> <p>() BIDDER IS A NONRESIDENT VENDOR EMPLOYING A MINIMUM OF ONE HUNDRED STATE RESIDENTS OR IS A NONRESIDENT VENDOR WITH AN AFFILIATE OR SUBSIDIARY WHICH MAINTAINS ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS WITHIN WEST VIRGINIA EMPLOYING A MINIMUM OF ONE HUNDRED STATE RESIDENTS WHO CERTIFIES THAT, DURING THE LIFE OF THE CONTRACT, ON AVERAGE AT LEAST 75% OF THE EMPLOYEES OR BIDDERS' AFFILIATE'S OR SUBSIDIARY'S EMPLOYEES ARE RESIDENTS OF WEST VIRGINIA WHO HAVE RESIDED IN THE STATE CONTINUOUSLY FOR THE TWO YEARS IMMEDIATELY PRECEDING SUBMISSION OF THIS BID.</p> <p>BIDDER UNDERSTANDS IF THE SECRETARY OF TAX & REVENUE DETERMINES THAT A BIDDER RECEIVING PREFERENCE HAS FAILED TO CONTINUE TO MEET THE REQUIREMENTS FOR SUCH PREFERENCE, THE SECRETARY MAY ORDER THE DIRECTOR OF PURCHASING TO: (A) RESCIND THE CONTRACT OR PURCHASE ORDER ISSUED; OR (B) ASSESS A PENALTY AGAINST SUCH BIDDER IN AN AMOUNT NOT TO EXCEED 5% OF THE BID AMOUNT AND THAT SUCH PENALTY WILL BE PAID TO THE CONTRACTING AGENCY OR DEDUCTED FROM ANY UNPAID BALANCE ON THE CONTRACT OR PURCHASE ORDER.</p> <p>BY SUBMISSION OF THIS CERTIFICATE, BIDDER AGREES TO DISCLOSE ANY REASONABLY REQUESTED INFORMATION TO THE PURCHASING DIVISION AND AUTHORIZES THE DEPARTMENT OF</p>						

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<p>TAX AND REVENUE TO DISCLOSE TO THE DIRECTOR OF PURCHASING APPROPRIATE INFORMATION VERIFYING THAT BIDDER HAS PAID THE REQUIRED BUSINESS TAXES, PROVIDED THAT SUCH INFORMATION DOES NOT CONTAIN THE AMOUNTS OF TAXES PAID NOR ANY OTHER INFORMATION DEEMED BY THE TAX COMMISSIONER TO BE CONFIDENTIAL.</p> <p>UNDER PENALTY OF LAW FOR FALSE SWEARING (WEST VIRGINIA CODE 61-5-3), BIDDER HEREBY CERTIFIES THAT THIS CERTIFICATE IS TRUE AND ACCURATE IN ALL RESPECTS; AND THAT IF A CONTRACT IS ISSUED TO BIDDER AND IF ANYTHING CONTAINED WITHIN THIS CERTIFICATE CHANGES DURING THE TERM OF THE CONTRACT, BIDDER WILL NOTIFY THE PURCHASING DIVISION IN WRITING IMMEDIATELY.</p> <p>BIDDER: <i>IBM</i></p> <p>DATE: <i>July 21, 2008</i></p> <p>SIGNED: <i>Rud. Miller</i></p> <p>TITLE: <i>IT Services Manager</i></p> <p>* CHECK ANY COMBINATION OF PREFERENCE CONSIDERATION(S) IN EITHER "A" OR "B", OR BOTH "A" AND "B" WHICH YOU ARE ENTITLED TO RECEIVE. YOU MAY REQUEST UP TO THE MAXIMUM 5% PREFERENCE FOR BOTH "A" AND "B". (REV. 12/00)</p> <p>NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p>						

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DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130						
THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED: SEALED BID						
BUYER:		KRISTA FERRELL-FILE 21				
RFQ. NO.:		ISCH0265				
BID OPENING DATE:		07/23/2008				
BID OPENING TIME:		1:30 PM				
PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID: ----- 612-486-4149 -----						
CONTACT PERSON (PLEASE PRINT CLEARLY): ----- <i>Kathy Johnson</i> -----						

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