Commonwealth of Virginia
Virginia Information Technologies Agency

MISCELLANEOUS COMPUTER PRODUCTS AND ACCESSORIES

Optional Use Contract

Date:	January 23, 2007
Contract #:	VA-040227-DALY
Authorized User:	State Agencies, Institutions and Public Bodies as defined in the Virginia Public Procurement Act (VPPA)
Contractor:	DALY Computers, Inc. 22521 Gateway Center Drive Clarksburg, MD 20871
FIN:	52-1541086
Contact Person:	800-955-DALY Option 2 VAsales@daly.com
Term:	March 2, 2007 – March 1, 2008
Payment:	Net 30 days

For Additional Information, Please Contact:

Virginia Information Technologies Agency
Supply Chain Management

Doug Crenshaw
Phone: 804-371-5993
Fax: 804-371-5969
Email: doug.crenshaw@vita.virginia.gov

NOTES: For updates, please visit our Website at: http://www.vita.virginia.gov/procurement/procurement.cfm

Prior review and approval by the **VIRGINIA INFORMATION TECHNOLOGIES AGENCY (VITA)** for purchases in excess of $100,000.00 is required for State Agencies and Institutions only.

CONTRACT #VA-040227-DALY

CONTRACT CHANGE LOG

Change No.	Description of Change	Effective Date
1	To incorporate “Commonwealth Employee Purchases”	4/15/04
2	Adds “Non-Appropriation” Clause to contract terms	4/23/04
3	Adds discount for Watchguard products to contract	5/17/04
4	Adds CRU “Optical & Storage” devices w/8% discount	6/15/04
5	Adds pricing for Foundry Networking & Wireless products	7/20/04
6	Adds discounts to pricing on Attachment B for Asante Networking Devices & Quantum Optical devices	9/8/04
7	Adds discount pricing on Attachment B for Iron Port Networking Devices	9/27/04
8	Adds discount pricing on Attachment B for Crucial Technology Memory at 5%	11/1/04
9	Equipment Deletion	6/24/05
10	Mod 12 adds Symbol Tech Scanners & LG Electronics Monitors to Attachment B “Pricing” at discount pricing	8/19/05
11	Mod 13 adds Source Technology Printers to Attachment B	9/30/05
12	Mod 14 adds ELO TouchSystems Monitors to the contract	12/21/05
13	Mod 15 extends contract term	3/2/06
14	Mod 16 documents “Percent Off “ Index Pricing	2/16/06
15	Mod #17 Extends Contract Term	5/30/06
16	Mod #18 extends contract term	1/23/07

ATTACHMENT B			
VA-040227-Daly PRICING			
PRINTERS	Higher Ed. Discount	State & Local Disc.	Price Reference
Manufacturer:			
HP/Compaq	31.00%	31.00%	www.hp.com
DELL	4%	4%	www.dell.com
IBM	14.00%	14.00%	www.ibm.com
XEROX	29.00%	29.00%	www.xerox.com
LEXMARK	26.50%	26.50%	www.lexmark.com
EPSON	14.00%	14.00%	www.epson.com
Brother	48.00%	48.00%	www.brother.com
CANON	16.00%	16.00%	www.canon.com
OKIDATA	35.00%	35.00%	www.okidata.com
MEMORY			
Mfg:			
Power User	No Bid	No Bid	
Kingston	30.00%	30.00%	www.kingston.com
HP/Compaq	12%	12%	www.hp.com
Lexar Media	No Bid	No Bid	
Kingston - Value Ram	14.00%	14.00%	www.valueram.com
SanDisk Corporation	35%	35%	www.sandisk.com
IBM	10.00%	10.00%	www.ibm.com
Dell	4%	4%	www.dell.com
Gateway	No Bid	No Bid	
Simpletech	47.00%	47.00%	www.simpletech.com
MONITORS			
Mfg:			
NEC/Mitsubishi	11.00%	11.00%	www.nec.com
Planar	5%	5%	www.planar.com
Phillips	30.00%	30.00%	www.philips.com
Sony	13.00%	13.00%	www.sony.com
ViewSonic	23.00%	23.00%	www.viewsonic.com
Acer	6%	6%	www.acer.com
ProView	13.00%	13.00%	www.proview.com
Enivision Peripherals(EPI)	No Bid	No Bid	www.aocmonitor.com/epius
CTX	39.00%	39.00%	www.ctxintl.com
Gateway	No Bid	No Bid	
DELL	5%	5%	www.dell.com
IBM	11.00%	11.00%	www.ibm.com
HP	14.00%	14.00%	www.hp.com
EIZO	18.00%	18.00%	www.eizo.com
BENQ	21.50%	21.50%	www.benq.com
AOC	30%	30%	www.aocmonitor.com
Samsung	27.00%	27.00%	www.samsung.com

PROJECTORS			
Mfg:			
Canon	35% (See Note 25)	35% (See Note 25)	www.canon.com
Epson	44.00%	44.00%	www.epson.com
InFocus	41.00%	41.00%	www.infocus.com
DELL	5% (See Note 26)	5% (See Note 26)	
Mistubishi	40% (See Note 27)	40% (See Note 27)	www.mitsubishi.com
NEC	40% (See Note 28)	40% (See Note 28)	www.nec.com
Proxima	40.00%	40.00%	www.proima.com
Sony	27% (See Note 29)	27% (See Note 29)	www.sony.com
Toshiba	40.00%	40.00%	www.toshiba.com
ViewSonic	23.00%	23.00%	www.viewsonic.com
OPTOMA	54.00%	54.00%	www.optoma.com
POWER SUPPLIES			
Mfg:			
APC	20.00%	20.00%	www.apc.com
Belkin	34.00%	34.00%	www.belkin.com
Tripp-Lite	34.00%	34.00%	www.tripplite.com
Fellowes	57.00%	57.00%	www.fellowes.com
NETWORK ACCESS.			
Mfg:			
3 Com	33.00%	33.00%	www.3com.com
Linksys	47.00%	47.00%	www.linksys.com
IBM	12.00%	12.00%	www.ibm.com
Intel	33.00%	33.00%	www.intel.com
Hawking Technology	57.00%	57.00%	www.hawkingtech.com
NetGear	36.00%	36.00%	www.netgear.com
D-Link	41.00%	41.00%	www.dlink.com
Belkin	53.00%	53.00%	www.belkin.com
PowerDsine	No Bid	No Bid	
Allied Telesyn	23.00%	23.00%	www.alliedtelesyn.com
OPTICAL & STORAGE			
Mfg:			
Iomega	17.00%	17.00%	www.iomega.com
Sony	18.00%	18.00%	www.sony.com
Plextor	20.00%	20.00%	www.plextor.com
Samsung	20%	20%	www.samsung.com
Memorex	26.00%	26.00%	www.memorex.com
La Cie	11.00%	11.00%	www.lacie.com
HP/Compaq	16.00%	16.00%	www.hp.com
DELL	5%	5%	
IBM	11.00%	11.00%	www.ibm.com
Gateway	No Bid	No Bid	
Maxtor	46.00%	46.00%	www.maxtor.com
Seagate	28.00%	28.00%	www.seagate.com

INPUT DEVICES			
Mfg:			
Logitech	28.00%	28.00%	www.logitech.com
Microsoft	33.00%	33.00%	www.microsoft.com
Fellowes	54.00%	54.00%	www.fellowes.com
Kensington	44.00%	44.00%	www.kensington.com
Labtec	43.00%	43.00%	www.labtec.com
Adaptec	21.00%	21.00%	www.adaptec.com
Simple Technology	45.00%	45.00%	www.simpletech.com
IBM	11.00%	11.00%	www.ibm.com
DELL	5%	5%	
Gateway	No Bid	No Bid	
HP	11.00%	11.00%	www.hp.com
Memorex	45.00%	45.00%	www.memorex.com
PDAs			
Mfg:			
Palm	15.00%	15.00%	www.palm.com
HP/Compaq	6.00%	6.00%	www.hp.com
Sony	14.00%	14.00%	www.sony.com
Dell	5%	5%	
Sharp	18.00%	18.00%	www.sharpusa.com
Toshiba	22.00%	22.00%	www.toshiba.com
Handspring	12.00%	12.00%	www.handspring.com
ViewSonic	8.00%	8.00%	www.viewsonic.com
SCANNERS			
Mfg:			
Epson	17.00%	17.00%	www.epson.com
Fujitsu	33.00%	33.00%	www.fujitsu.com
HP/Compaq	27.00%	27.00%	www.hp.com
Kodak	3%	3%	www.kodak.com
Canon	35.00%	35.00%	www.canon.com
Microtek	16.00%	16.00%	www.microtek.com
PROCESSOR UPGRADES			
Mfg:			
Intel	15.00%	15.00%	www.intel.com
AMD	5.00%	5.00%	www.amd.com
CABLES			
Mfg:			
APC	56.00%	56.00%	www.apc.com
Tripp-Lite	67.00%	67.00%	www.tripplite.com
3M	41%	41%	www.3m.com
Star-Tech	54.00%	54.00%	www.startech.com
Belkin	58.00%	58.00%	www.belkin.com
Iogear	31.00%	31.00%	www.iogear.com
HP/Compaq	10.00%	10.00%	www.hp.com
Belden	5%	5%	
BlackBox	20.00%	20.00%	www.blackbox.com

EXPANSION CARDS			
Mfg:			
ATI	18.00%	18.00%	www.ati.com
3COM	30.00%	30.00%	www.3com.com
NetGear	37.00%	37.00%	www.netgear.com
Creative Labs	19.00%	19.00%	www.creativelabs.com
Allied Telesyn	22.00%	22.00%	www.alliedtelesyn.com
HP/Compaq	17%	17%	www.hp.com
Linksys	21.00%	21.00%	www.linksys.com
Orinoco	No Bid	No Bid	
Jaton	26.00%	26.00%	www.jaton.com
PNY	27.00%	27.00%	www.pny.com
CAMERAS			
Mfg:			
Kodak	15.00%	15.00%	www.kodak.com
Sharp	No Bid	No Bid	
Panasanic	2%	2%	
Sony	20.00%	20.00%	www.sony.com
Canon	21.00%	21.00%	www.canon.com
Nikon	20.00%	20.00%	www.nikon.com
Olympus	38.00%	38.00%	www.olympusamerica.com
Minolta	22.50%	22.50%	www.minolta.com
JVC	2%	2%	
HP/Compaq	26.00%	26.00%	www.hp.com
Sharp	No Bid	No Bid	
Fuji	21.50%	21.50%	www.fujifilm.com
OTHER			
Mfg:			
Targus	29.50%	29.50%	www.targus.com
Fellowes	51.00%	51.00%	www.fellowes.com
APC	30.00%	30.00%	www.apc.com
Kensington	44.00%	44.00%	www.kensington.com
Belkins	49.00%	49.00%	www.bekin.com
3M	38.00%	38.00%	www.3m.com
Cables to Go	40.00%	40.00%	www.cablestogo.com
IBM	11%	11%	www.ibm.com
HP/Compaq	8%	8%	www.hp.com
DELL	5%	5%	
Gateway	No Bid	No Bid	

MODIFICATION #18
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS, INC.

This MODIFICATION #18 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers, Inc., hereinafter referred to as "Contractor," relating to the modification of the above contract. This Modification #18 is hereby incorporated into and made an integral part of Contract VA-040227-DALY.

Both of the above referenced parties agree to the following:

Reference: Section 31 "Term":

The term of Contract VA-040227-DALY shall be extended from March 2, 2007 through March 1, 2008.

The foregoing is the second of three one (1) year renewals of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS, INC.	COMMONWEALTH OF VIRGINIA
BY: Ryan Yu	BY:
NAME: RYAN YU	NAME: GREGORY SCEARCE
TITLE: President	TITLE: STRATEGIC SOURCING SPECIALIST
DATE: 1/16/2007	DATE: 1-23-07

MODIFICATION #17
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #17 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #17 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Section "Cameras"

MANUFACTURER	HIGHER ED/STATE AND LOCAL DISCOUNT	WEBSITE
IQinvision	5%	www.iqeye.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan Yu	BY: Doug Crenshaw
NAME: Ryan Yu	NAME: Doug Crenshaw
TITLE: President	TITLE: Strategic Sourcing Mgr
DATE: May 23, 2006	DATE: 5-26-06

MODIFICATION #16
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #16 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #16 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Projector Accessories

MANUFACTURER	PERCENT OFF INDEX PRICE
CANON	25%
EPSON	22%
INFOCUS	14%
DELL	5%
MISTUBISHI	9%
NEC	12%
PROXIMA	6%
SONY	17%
TOSHIBA	22%
VIEWSONIC	14%
OPTOMOA	13%
SHARP	3%
HP	13%
BENQ	14%

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan Yu	BY: Day Crenshaw
NAME: Ryan T. Yu	NAME: Day Crenshaw
TITLE: President	TITLE: Strategic Sourcing Manager
DATE: 2/10/06	DATE: 2/10/06

MODIFICATION #15
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS, INC.

This MODIFICATION #15 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers, Inc., hereinafter referred to as "Contractor," relating to the modification of the above contract. This Modification #15 is hereby incorporated into and made an integral part of Contract VA-040227-DALY.

Both of the above referenced parties agree to the following:

Reference: Section 31 "Term":

The term of Contract VA-040227-DALY shall be extended from March 2, 2006 through March 1, 2007.

The foregoing is the first of three one (1) year renewals of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS, INC.	COMMONWEALTH OF VIRGINIA
BY: Ryan Yu	BY: Doug Crenshaw
NAME: RYAN Yu	NAME: Doug Crenshaw
TITLE: President	TITLE: Strategic Sourcing Manager
DATE: 1/31/2006	DATE: 2/6/06

MODIFICATION #14
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #6 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #14 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Monitors:
Manufacturer: ELO TouchSystems
Discount: 7% from reference price
Reference: www.elotouch.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan Yu	BY: Philip L. Pippert
NAME: RYAN YU	NAME: PHILIP L. PIPPERT
TITLE: President	TITLE: ASSOC. DIRECTOR, SCM
DATE: 12/9/2005	DATE: 12/21/05

MODIFICATION #13
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #13 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #13 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Printers:
Manufacturer: Source Technology
Discount: 5% from reference price
Reference: www.sourcetech.com

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan Yu	BY: Doug Crenshaw
NAME: RYAN YU	NAME: Doug Crenshaw
TITLE: President	TITLE: Strategic Sourcing Manager
DATE: 9/28/2005	DATE: 9/30/05

MODIFICATION #12
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #12 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #12 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Scanners:
Manufacturer: Symbol Technologies
Discount: 15% from reference price
Reference: www.symbol.com

Monitors:
Manufacturer: LG Electronics
Discount: 7% from reference price
Reference: www.lge.com

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS

BY: Ryan T. Yu

NAME: RYAN T. YU

TITLE: President

DATE: 8/16/2005

COMMONWEALTH OF VIRGINIA

BY: Doug Crenshaw

NAME: Doug Crenshaw

TITLE: Senior Sourcing Consultant

DATE: 8/19/05

MODIFICATION #11
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #11 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #11 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Delete from Attachment B "Pricing":

Networking Devices:
Manufacturer: Iron Port

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan Yu	BY: Doug Crenshaw
NAME: RYAN YU	NAME: Doug Crenshaw
TITLE: President	TITLE: Senior Sourcing Consultant
DATE: 6/20/2005	DATE: 6/24/05

MODIFICATION #10
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #10 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #10 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Memory:
Manufacturer: Crucial Technology
Discount: 5% from reference price
Reference: www.crucial.com

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [illegible]
NAME: RYAN T. YU	NAME: Timothy W Moore
TITLE: President	TITLE: Purchasing + Operations Mgr
DATE: 10/28/2004	DATE: 11/1/04

MODIFICATION #9
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #9 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #9 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Networking Devices:
Manufacturer: Iron Port
Discount: 12% from reference price
Reference: www.ironport.com

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [illegible]
NAME: RYAN T. YU	NAME: Timothy W Moore
TITLE: President	TITLE: Operations Mgr
DATE: 9/22/2004	DATE: 9/27/04

MODIFICATION #8
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #8 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #8 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Networking Devices:
Manufacturer: Asante
Discount: 18% from reference price
Reference: www.asante.com

Optical:
Manufacturer: Quantum
Discount: 8% from reference price
Reference: www.quantum.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [illegible]
NAME: RYAN T. YU	NAME: Timothy W Moore
TITLE: President	TITLE: Operations Mgr
DATE: 9/2/2004	DATE: 9/7/04

MODIFICATION #7
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #7 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #7 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Projectors:
Manufacturer: Hewlett-Packard
Discount: 12% from reference price
Reference: www.hp.com

Manufacturer: BenQ
Discount: 9% from reference price
Reference: www.benq.com

Monitors:
Manufacturer: Hitachi
Discount: 6% from reference price
Reference: www.hitachi.com

Manufacturer: Xerox
Discount: 5% from reference price
Reference: www.Xerox.com

Cables:
Manufacturer: Cables to Go
Discount: 20% from reference price
Reference: www.cablestogo.com

Printers:
Manufacturer: Samsung
Discount: 10% from reference price
Reference: www.samsung.com

Networking Devices:
Manufacturer: Hewlett-Packard
Discount: 16% from reference price
Reference: www.hp.com

Memory:
Manufacturer: Viking
Discount: 6% from reference price
Reference: www.viking.com

Power:
Manufacturer: Liebert
Discount: 5% from reference price
Reference: www.liebert.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY:
NAME: RYAN T. YU	NAME: Timothy M Moore
TITLE: President	TITLE: Operations Mgr
DATE: 8/10/2004	DATE: 8/10/04

MODIFICATION #6
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #6 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #6 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Projectors:
Manufacturer: Sharp
Discount: 15% from reference price
Reference: www.sharpusa.com

Monitors:
Manufacturer: Sharp
Discount: 5% from reference price
Reference: www.sharpusa.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [illegible]
NAME: RYAN T. YU	NAME: Timothy W. Nee
TITLE: President	TITLE: Operations Manager
DATE: 7/16/2009	DATE: 7/20/09

MODIFICATION #5
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #5 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #5 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Network Accessories:
Manufacturer: Foundry
Layer 2 and Layer 3 networking products, wireless products
Discount: 23% from reference price
Reference: www.foundrynetworks.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY:
NAME: RYAN T. YU	NAME: Timothy W Moore
TITLE: President	TITLE: Integrated Sourcing Manager
DATE: 7/6/2004	DATE: 7/13/04

MODIFICATION #4
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #4 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #4 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Optical and Storage:
Manufacturer: CRU
Discount: 8% from referenced price
Reference: www.cruinc.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [signature]
NAME: RYAN T. YU	NAME: Timothy W. Moore
TITLE: President	TITLE: Integrated Sourcing Mgr
DATE: 6/8/2004	DATE: 6/15/04

MODIFICATION #3
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #3 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #3 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add to Attachment B "Pricing":

Network Accessories:
Manufacturer: Watchguard
Discount: 15% from referenced price
Reference: www.watchguard.com

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [illegible]
NAME: RYAN T. YU	NAME: Timothy H Moore
TITLE: President	TITLE: Integrated Sourcing Manager
DATE: 5/12/2009	DATE: 5/17/09

MODIFICATION #2
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #2 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #2 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement

Add as Number 50:

NON-APPROPRIATION
"All funds for payment of equipment, software or services ordered under this Contract are subject to the availability of legislative appropriation for this purpose. In the event of non-appropriation of funds by the Legislature for the items under this Contract, the Commonwealth will terminate this Contract for those goods or services for which funds have not been appropriated. Written notice will be provided to the Contractor as soon as possible after legislative action is completed.

If any purchases are to be supported by federal funding, and such funding is not made available, the Commonwealth may terminate this Contract for goods or services dependent on such federal funds without further obligation".

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [illegible]
NAME: RYAN T. YU	NAME: Timothy W Moore
TITLE: President	TITLE: Integrated Sourcing Mgr
DATE: 4/19/2004	DATE: 4/22/04

MODIFICATION #1
TO
CONTRACT NUMBER VA-040227-DALY
BETWEEN THE
COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

This MODIFICATION #1 is an agreement between the Commonwealth of Virginia, hereinafter referred to as "State" or "Commonwealth" or "VITA" (Virginia Information Technologies Agency), and Daly Computers hereinafter referred to as "Contractor" relating to the modification of the above Contract. This Modification #1 is hereby incorporated into and made an integral part of Contract VA-040227-DALY (the Agreement), as modified.

Reference Master Agreement Item # 49, "Commonwealth Employee Purchases". Change to read:

The Contractor may make available any Products under this Agreement to the employees of the Commonwealth of Virginia at the pricing identified herein, provided the manufacturer of the requested product authorizes same. For any sale to employees of the Commonwealth, the Contractor shall present its standard terms and conditions for execution by both parties (both the Contractor and the employee). THE CONTRACTOR UNDERSTANDS AND AGREES THAT ALL SALES TO COMMONWEALTH EMPLOYEES SHALL BE AS PER PRICING IDENTIFIED HEREIN AND REGULATED AS PER THE CONTRACTOR'S AGREEMENT EXECUTED BETWEEN THE CONTRACTOR AND THE EMPLOYEE. THE CONTRACTOR FURTHER UNDERSTANDS AND AGREES THAT THE COMMONWEALTH OF VIRGINIA IS NOT IN ANY WAY RESPONSIBLE FOR SALES UNDER THIS CONTRACT BETWEEN THE CONTRACTOR AND THE COMMONWEALTH EMPLOYEES. ALL OBLIGATIONS, RISKS, LIABILITES AND ALL OTHER TERMS AND CONDITONS ARE SOLELY LIMITED TO THE CONTRACTOR AND THE COMMONWEALTH EMPLOYEE. Freight and sales taxes will be charged for employee purchases.

The foregoing is the complete and final expression of the parties' agreement to modify Contract VA-040227-DALY and cannot be modified, except by a writing signed by duly authorized representatives of both parties.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THE CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [signature]
NAME: RYAN T. YU	NAME: Timothy L Moore
TITLE: President	TITLE: Sourcing Manager
DATE: 4/13/2004	DATE: 4/15/04

MASTER AGREEMENT
CONTRACT VA-040227-DALY
BETWEEN
THE COMMONWEALTH OF VIRGINIA
AND
DALY COMPUTERS

1. SCOPE OF CONTRACT

This is a Master Agreement (the "Agreement") between the Commonwealth of Virginia, hereinafter referred to as "Commonwealth" or "State" or "VITA" (Virginia Information Technologies Agency) and Daly Computers (the "Contractor"), having its principal place of business at 22521 Gateway Center Drive, Clarksburg, Md. 20871 This Agreement contains the Contractual terms and conditions by which the Commonwealth will establish a Master License Ordering Agreement for State Agencies, Institutions, and other public bodies as defined in Section 2.2-4301. Definitions of the Virginia Public Procurement Act (VPPA), as amended, and hereinafter referred to as "Authorized Users" to acquire "Miscellaneous Computer Products and Accessories" pursuant to the Commonwealth's Request For Proposal #2004-14, dated October 16, 2003 (the "RFP") and the Contractor's proposal, dated November 5, 2003, as amended and in response thereto.

This contract allows Authorized Users to order Miscellaneous Computer Products from Daly Computers' electronic and paper-based catalogs. Upon award, all orders for Miscellaneous Computer Products and Services will be placed directly with the Contractor.

The Virginia General Assembly passed legislation that abolished the Department of information Technology ("DIT") as of July 1, 2003. All activities and functions of DIT have been consolidated into a new agency that is the Virginia Information Technologies Agency ("VITA"). Therefore, for purposes of this Contract ("Agreement") all references to either the Commonwealth, or DIT, or VITA, shall have the same meaning.

2. INTERPRETATION OF AGREEMENT

The documents comprising this Agreement, and their order of precedence in case of conflict are: (1) this document, consisting of terms and conditions 1 through 49; (2) Attachment B entitled "Pricing"; (3) the Contractor's proposal dated November 5, 2003 and amendments thereto; (4) The sheets entitled "Daly Clarification Questions"; and (5) all executed Orders referencing this Agreement. The foregoing documents represent the complete and final agreement of the parties with respect to the subject matter of this agreement.

If any term or condition of this Agreement is found to be illegal or unenforceable, it shall be severed and the validity of the remaining terms and conditions shall not be affected.

Nothing in this Agreement shall be construed as an express or implied waiver of the Commonwealth's sovereign or Eleventh Amendment immunity, or as a pledge of its full faith and credit.

1. EXCLUSIVITY OF TERMS AND CONDITIONS

The Virginia Information Technologies Agency (VITA) will not sign or execute any additional contract, license or other agreement, including shrink-wrap software, containing contractual terms and conditions, as a result of this procurement. Any document signed by persons other than the director of Supply Chain Management, or her designee shall have not validity and the attached Terms and Conditions shall supersede all such agreements.

2. APPLICABLE LAWS AND COURTS

This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations.

3. ANTI- DISCRIMINATION

By submitting their proposals, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and §2.2-4311 of the Virginia Public Procurement Act. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that Contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia, § 2.2-4343.1E).

In every Contract over $10,000 the provisions in A. and B. below apply:

A. During the performance of this Contract, the Contractor agrees as follows:

1) The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to

employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2) The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.

3) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

B. The Contractor will include the provisions of A. above in every subcontract or purchase order over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

4. ETHICS IN PUBLIC CONTRACTING

By submitting their proposals, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

5. ANTITRUST

By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said Contract.

6. PAYMENT

A. <u>To Prime Contractor</u>:

1) Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the state Contract number and/or purchase order number; social security number (for individual Contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

2) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or acceptance, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.

3) All goods or services provided under this Contract or purchase order, that are to be paid for with public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.

4) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

5) **Unreasonable Charges**. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges that appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges that are not in dispute (Code of Virginia, § 2.2-4363).

B. <u>To Subcontractors</u>:

1) A Contractor awarded a Contract under this solicitation is hereby obligated:

(a) To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or

(b) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.

(c) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (b) above.

The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

7. ASSIGNMENT OF CONTRACT

To the fullest extent permitted by law, the parties agree that Contractor's rights under this Contract shall not be assignable, in whole or in part, to any other party without the Virginia Information Technologies Agency's (VITA's) written consent, and that any purported assignment or transfer without such consent shall be null and void. If any law limits the right of the parties to prohibit assignment or nonconsensual assignments, the effective date of the assignment shall be as follows. The Contractor shall give the VITA purchasing office prompt written notice of the assignment, signed by authorized representatives of both the Contractor and the assignee. This written notice shall be on VITA's "Assignment Notice / Payment Instruction" form and shall provide all information requested on that form. Copies of the form may be obtained from the Contracts Manager VITA. Upon VITA's acknowledgment of receipt of the properly executed form, the Assignee shall notify the Controller, VITA of the assignment and shall supply the Controller, with a copy of the properly executed form. Any payments made prior to receipt of such notification and form shall not be covered by this assignment.

In the event VITA receives any notice from a third party claiming to be an assignee of any rights of the Contractor under this Contract, Contractor agrees that payment or other performance in respect of those rights shall not be due until at least thirty days after VITA's receipt of the notice required by the above paragraph or receipt of a similarly executed notice confirming the absence or revocation of the purported assignment. The Acquisition Services Division of VITA shall promptly notify the Contractor of any assignment notice it receives.

8. MODIFICATIONS

This contract maybe modified in accordance with §2.2-4309 of the Code of Virginia. No modifications to this contract shall be effective unless it is in writing and signed by the duly authorized representative of both parties. No term or provision hereof shall be deemed waived and no breach excused unless such waiver or consent to breach is in writing. Any contract issued on a firm fixed price basis may not be increased more than twenty five percent (25%) or $50,000.00 whichever is greater, without the approval of the Governor of the Commonwealth of Virginia or his authorized designee.

9. DEFAULT

In case of failure to deliver goods or services in accordance with the Contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.

10. TAXES

Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request, and can be obtained online at http://www.tax.state.va.us/. Deliveries against this Contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

11. INSURANCE

By signing and submitting a proposal, the Contractor has certified that if awarded the Contract, it will have the following insurance coverages at the time the Contract is awarded. For construction Contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the Code of Virginia. The bidder or offeror further certifies that the Contractor and any subcontractors will maintain these insurance coverages during the entire term of the Contract and that all insurance coverages will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

INSURANCE COVERAGES AND LIMITS REQUIRED:

a. Worker's Compensation - Statutory requirements and benefits.

2. Employers Liability - $100,000.

3. Commercial General Liability - $500,000 combined single limit. Commercial General Liability is to include Premises/Operations Liability, Products and Completed Operations Coverage, and Independent Contractor's Liability or Owner's and Contractor's Protective Liability. The Commonwealth of Virginia must be named as an additional insured when requiring a Contractor to obtain Commercial General Liability coverage

12. IMMIGRATION REFORM AND CONTROL ACT OF 1986

By submitting their proposals, Offerors certify that they do not and will not during the performance of this Contract employ illegal alien workers or otherwise violate the provisions of the federal Immigration Reform and Control Act of 1986.

13. DEBARMENT STATUS

By submitting their proposals, Offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on Contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

14. DRUG-FREE WORKPLACE

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of who are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.

15. NONDISCRIMINATION OF CONTRACTORS

A Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, or disability or against faith-based organizations. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

16. eVA BUSINESS-TO-GOVERNMENT PROGRAM

A. VENDOR REGISTRATION

The eVA Internet electronic procurement solution, web site portal www.eva.state.va.us, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service, and complete the Ariba Commerce Services Network registration.

Vendors are strongly encouraged to register prior to submitting a bid or offer. Failure to register will result in the bid being found non-responsive and rejected. All vendors must register in both the eVA and the Ariba Commerce Services Network Vendor Registration Systems.

a. eVA Basic Vendor Registration Service: $25 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is $500 per order. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, and electronic bidding, as they become available.

b. eVA Premium Vendor Registration Service: $200 Annual Fee plus a Transaction Fee of 1% per order received. The maximum transaction fee is $500 per order. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments, and ability to research historical procurement data, as they become available.

c. Ariba Commerce Services Network Registration. The Ariba Commerce Services Network (ACSN) registration is required and provides the tool used to transmit information electronically between state agencies and vendors. There is no additional fee for this service.

B. eVA BUSINESS-TO-GOVERNMENT CONTRACTS

The eVA Internet electronic procurement solution, web site portal www.eva.state.va.us, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Failure to comply with the requirements in a. and b. below will be just cause for the Commonwealth to reject your bid/offer or terminate this contract for default.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

a. Submit a fully executed American Management Systems, Inc., (AMS) Trading Partner Agreement, a copy of which can be accessed and downloaded from http://learnabouteva.dgs.state.va.us/Supplier/files/TPA110402.pdf. AMS is the Commonwealth's service provider to implement and host the eVA e-procurement solution.

b. Provide an electronic catalog (price list) for items awarded under a term contract. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eva.state.va.us.

17. BREACH

The Contractor shall be deemed in breach of this Agreement if the Contractor (a) fails to make any Product or Service ready for acceptance testing by the specified delivery date; (b) repeatedly fails to respond to requests for maintenance or other required service within the time limits set forth in this Agreement; (c) fails to comply with any other term of this Agreement and fails to cure such noncompliance within ten days (or such greater period as is acceptable to the Commonwealth) following Contractor's receipt of a Show Cause Notice identifying such noncompliance; or (d) fails to provide a written response to the Commonwealth's Show Cause Notice within ten days after receiving same.

The Contractor shall not be in breach of this Agreement if its default was due to causes beyond the reasonable control of, and occurred without any fault or negligence on the part of, both the Contractor and its subcontractors. Such causes may include, but are not restricted to, acts of God or of the public enemy, acts of the Commonwealth in either its sovereign or Contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather.

In the event of breach, in addition to any other remedies provided by law, the Commonwealth may cancel its obligations with respect to any or all unaccepted Products or Services. All costs for de-installation and return of Products shall be borne by the Contractor. In no event shall any failure by the Commonwealth to exercise any remedy available to it be construed as a waiver of or consent to any breach.

18. CONTRACTUAL RECORDS

The Contractor shall make all Contractual books and records and other documents relating to matters under this Agreement available to the Commonwealth and its designated agents for purposes of audit and examination for a period of three years after final payment. Contractual records include, but are not limited to, this Agreement and all executed Orders, Attachments, modifications, invoices, and correspondence between the parties to this Agreement.

19. PRIME CONTRACTOR RESPONSIBILITY

If the Contractor's proposal includes any goods or services to be supplied by another party, the Contractor agrees as follows:

a. The Contractor shall act as prime Contractor for the procurement and maintenance of the entire proposed configuration and shall be the sole point of contact with regard to all obligations under this Agreement.

b. The Contractor hereby represents and warrants that the Contractor has made such other party aware of the proposed use and disposition of the other party's product or services, and that such other party has agreed in writing that it has no objection thereto.

20. PATENT/COPYRIGHT PROTECTION

Contractor, at its own expense, shall defend any suit brought against the Commonwealth for the infringement of patents, copyrights or trade secrets enforceable in the United States if the claim of infringement is alleged to relate to or arise from the Contractor's or Commonwealth's use of any equipment, software, materials or information prepared, developed or delivered in connection with performance of this Agreement. In such suit, Contractor shall indemnify the Commonwealth, its agents, officers and employees for any loss, liability or expense incurred as a result of such suit.

The purchasing agency shall notify the Contractor of such suit within a reasonable time after learning of it and shall give the Contractor the full right and opportunity to conduct the defense of the suit, subject however to the requirements of Section 2.2-510 and Section 2.2-514 of the Code of Virginia or any successor statute. If principles of governmental or public law are involved, the Commonwealth may, at its option and expense, participate in the defense of the suit.

The Contractor shall not be required to indemnify the Commonwealth for liability arising solely out of the Commonwealth's own specifications or design or solely from the combination of equipment or software furnished hereunder with any equipment or software not supplied by the Contractor.

If, any Product or Service becomes, or in the Contractor's opinion, is likely to become, the subject of a claim of infringement, Contractor may, at its option, provide non-infringing substitutes that are satisfactory to the Commonwealth, or at Contractor's option and expense, may obtain the right for the Commonwealth to continue the use of such Product or Service.

If the use of such equipment or software by the Commonwealth is prevented by permanent injunction or by Contractor's failure to procure the right for the Commonwealth to continue using the software, the Contractor agrees to take back the infringing equipment, software, materials or information and refund the total amount the Commonwealth has paid Contractor under this Agreement, less one half (1/2%) percent of the total paid for each month of use by the Commonwealth.

21. CONTRACTUAL DISPUTES

In accordance with Section 2.2-4363 of the Code of Virginia, Contractual claims, whether for money or other relief, shall be submitted in writing to the purchasing agency no later than sixty (60) days after final payment; however, written notice of the Contractor's intention to file such claim must be given to such agency at the time of the occurrence or beginning of the work upon which the claim is based. Pendency of claims shall not delay payment of amounts agreed due in the final payment. The purchasing agency shall render a final decision in writing within thirty (30) days after its receipt of the Contractor's written claim.

The Contractor may not invoke any available administrative procedure under Section 2.2-4365 of the Code of Virginia nor institute legal action prior to receipt of the purchasing agency's decision on the claim, unless that agency fails to render its decision within thirty (30) days. The decision of the purchasing agency shall be final and conclusive unless the Contractor, within six (6) months of the date of the final decision on the claim, invokes appropriate action under Section 2.2-4364, Code of Virginia or the administrative procedure authorized by Section 2.2-4365, Code of Virginia.

The Virginia Information Technologies Agency, its officers, agents and employees, including, without limitation, the Contracts Manager, are executing this Agreement and any Orders issued hereunder, solely in its or their statutory and regulatory capacities as agent for the Commonwealth agency purchasing and receiving the goods or services identified in Attachment "A" to this Agreement or on the subsequent Order in question and need not be joined as a party to any dispute that may arise thereunder.

In the event of any breach by the Commonwealth, Contractor's remedies shall be limited to claims for damages and Prompt Payment Act interest and, if available and warranted, equitable relief, all such claims to be processed pursuant to this Section. In no event shall Contractor's remedies include the right to terminate any license or support services hereunder.

22. LIMITATION OF LIABILITY

To the maximum extent permitted by applicable law, the Contractor's liability under this Contract for loss or damages to government property caused by use of any defective or deficient supplies, products, equipment and/or services delivered under this Contract shall not exceed two (2) times the amount of money paid to the Contractor under this Contract during the twelve month period preceding the event or circumstance giving rise to such liability. The Contractor will not be liable under this Contract for any indirect, incidental, special or consequential damages, or damages from loss of profits, revenue, data or use of the supplies, equipment and/or services delivered under this Contract. The above limitation of liability is per incident. The limitation and exclusion of damages in the foregoing sentences will not apply, however, to liability arising from: (a) personal injury or death; (b) defect or deficiency caused by willful misconduct or negligence on the part of the Contractor; or (c) circumstances where the Contract expressly provides a right to damages, indemnification or reimbursement.

23. PERIODIC PROGRESS REPORTS/INVOICES

This Contract shall require the submission of quarterly Contract performance progress reports or program status reports. The Contractor will include a section on involvement of small businesses and businesses owned by women and minorities. This section will specify the actual dollars contracted to date with such businesses, actual dollars expended to date with such businesses and the total dollars planned to be contracted for with such businesses on this Contract. This information shall be provided separately for small and disadvantaged businesses, minority-owned and women-owned businesses.

24. FINAL ACTUAL INVOLVEMENT REPORT

The Contractor will submit, prior to completion or at completion of the Contract and subject to final payment, a report on the actual dollars spent with small businesses and businesses owned by women and minorities during the performance of the Contract. At a minimum, this report shall include for each firm Contracted with and for each such business class (i.e., small, minority-owned, women-owned) the total actual dollars spent on this Contract, the planned involvement of the firm and business class as specified in the proposal, and the actual percent of the total estimated Contract value. A suggested format is as follows:

FIRM NAME ADDRESS AND PHONE NUMBER	TYPE GOODS/ SERVICES	ACTUAL DOLLARS	PLANNED DOLLARS	% OF TOTAL CONTRACT
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
	Totals for Business Class	_____	_____	_____

25. NONVISUAL ACCESS TO TECHNOLOGY

All information technology which, pursuant to this Agreement, is purchased or upgraded by or for the use of any State agency or institution or political subdivision of the Commonwealth (the "Technology") shall comply with the following nonvisual access standards from the date of purchase or upgrade until the expiration of this Agreement:

(i) effective, interactive control and use of the Technology shall be readily achievable by nonvisual means;

(ii) the Technology equipped for nonvisual access shall be compatible with information technology used by other individuals with whom any blind or visually impaired user of the Technology interacts;

(iii) nonvisual access technology shall be integrated into any networks used to share communications among employees, program participants or the public: and

(iv) the technology for nonvisual access shall have the capability of providing equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired.

Compliance with the foregoing nonvisual access standards shall not be required if the head of the using agency, institution or political subdivision determines that (I) the Technology is not available with nonvisual access because the essential elements of the Technology are visual and (ii) nonvisual equivalence is not available.

Installation of hardware, software, or peripheral devices used for nonvisual access is not required when the Technology is being used exclusively by individuals who are not blind or visually impaired, but applications programs and underlying operating systems (including the format of the data) used for the manipulation and presentation of information shall permit the installation and effective use of nonvisual access software and peripheral devices.

If requested, the Contractor must provide a detailed explanation of how compliance with the foregoing nonvisual access standards is achieved and a validation of concept demonstration.

The requirements of this Paragraph shall be construed to achieve full compliance with the Information Technology Access Act, 2.2-3500 through 2.2-3504 of the Code of Virginia.

26. CONTRACTOR'S REPORT OF SALES

Contractor must agree to provide monthly reporting that contains detailed information for each item purchased. Reports are to be provided by the 15th of each month, reporting transactions that took place during the prior month. At any time thereafter, as appropriate, additional reports may be agreed upon. All reports shall be forwarded electronically via Email in a Microsoft Excel Spreadsheet format to the designated Contract officer at VITA.

Specifically, the data fields to be reported for each item purchased are:

1. Agency/Institution/Municipality/Public Body making the purchase
2. PO #
3. Order Date
4. Invoice #
5. Invoice Date
6. Whether item was ordered through eVA (Y/N)
7. Product Description
8. Product Sub-category type (e.g., Printer, Memory, Monitor etc.)
9. Manufacturer Name
10. Manufacturer #
11. Supplier # (if supplier is not manufacturer)
12. Index used for Pricing (e.g., OEM List Price)
13. Index Price on Order Date
14. Discount off Index
15. Discounted Price on Order Date
16. Quantity Ordered
17. Extended Price on Order Date

Late delivery or non-delivery of required reports will be considered a breach of Contract, and preclude Contractor from bidding on any future requirements.

27. SURCHARGE ADJUSTMENT

The Contractor must pay the Department of General Services (DGS), a Surcharge Adjustment (SCA) fee under this Contract. The Contractor must remit the SCA within 30 days after the end of each quarterly reporting period as established in the clause entitled "Contractor's Report of Sales". For the purposes of this Contract, Contractor will consider a sale to be completed when the Contractor receives payment form the Authorized User for the Product. The SCA equals two percent (2%) of the total quarterly sales reported. Contractor shall remit the SCA together with a copy of the Contractor's Report of Sales as delineated in the paragraph herein entitled "Contractor's Report of Sales". The SCA reimburses the Commonwealth and defrays the costs for Spend Management procurements and the administration of the subsequent awards. The SCA amount due must be paid by check with identification of "Contract number", "report amounts", and "report period", on either the check stub or other remittance material.

DGS may at its discretion, agree to an electronic funds transfer, in lieu of a check, however in the absence of an express written agreement from DGS that validates agreement, then the payment shall be made by check as described herein made payable to the Department of General Services.

If the full amount of the SCA is not paid within 30 calendar days after the end of the applicable reporting period, it shall constitute a Contract debt to the Commonwealth of Virginia, and the State may exercise all rights and remedies available under law. Failure to submit sales reports, falsification of sales reports, and or failure to pay the SCA in a timely manner may result in termination or cancellation of this Contract. Willful failure or refusal to furnish the required reports, falsification of sales reports, or failure to make timely payment of the SCA constitutes sufficient cause for terminating this Contract for default.

It is the intent of the Commonwealth to capture 2% of all sales, including but not limited to temporary reduced pricing, fire sales, one time sales, trade ins, and promotional items that have been marked down under this Contract.

28. EQUIPMENT CONDITION

All equipment to be supplied by Contractor shall be new equipment.

29. ORDERS

The Contractor must maintain a web-based ordering site through the eVA system. This system shall be operational within 30 days of the signing of the Contract by VITA. Additionally, toll-free ordering and customer support numbers must be made available

Authorized Users of this Contract may order Products and Software from this Contract by one of the following Order methods:

A. Purchase Order: An official Purchase Order form issued by an Authorized User.

B. Delivery Order (DO): A DO issued by the Office of Acquisition Services, VITA.

C. EVA: eVA is the Commonwealth's total e-procurement solution. Contractor shall accept any and all orders issued through eVA.

D. Charge/Credit Card:

1) Any order/payment transaction processed through the Commonwealth's contract with American Express (AMEX). Each order must not exceed $5,000, or the then current charge

card limit. Payment will made by AMEX to Contractor within three (3) business days.

2) Any other order/payment charge or credit card process, such as AMEX, MASTERCARD, or VISA under contract for use by an Authorized User.

This ordering authority is limited to issuing orders for the Products/Software available under this Agreement. Under no circumstances shall any Authorized User of the Commonwealth have the authority to modify this Agreement.

Contractor acknowledges that the forgoing is not limited to preclude the Commonwealth from issuing Orders against subject Contract as it so chooses.

30. CONTRACTOR SPONSORED PRODUCT PROMOTIONS

The Contractor, at its discretion, is allowed to sponsor product and service promotions during the Contract term or any extensions thereof under the following conditions:

1) Contractor is required to provide in writing to VITA, at least 5 days prior to the promotion, the dates of the promotion or the duration of the promotion to include the commencement date and the ending date; the acceptable writing may be e-mail, or correspondence via USPS or other, and
2) Contractor is required to identify in writing, the exact products or services covered in the promotion, and
3) Contractor is required to identify in writing, the pricing during the promotion or the percentage discount, and
4) All Contractor Sponsored Product or Service Promotions are required to be available to all Authorized Users of the Contract. Should the Contractor request a promotion that would be limiting, either through product configuration or quantities of products, the Commonwealth at its discretion, will not provide a written agreement. Both parties agree that promotions shall not target any one Authorized User, or a few Authorized Users, and
5) All Contractor sponsored Product or Service Promotions shall be mutually agreed to in writing. The Contractor shall be in breach of the Agreement in the absence of a writing from both parties. The writing may be e-mail or correspondence via USPS or other, and
6) In any instance of conflict between this clause "Contractor Sponsored Product or Service Promotions" and the Agreement, this clause shall take precedence. And
7) In any event wherein the Contractor proposes prices that are different than the Contract prices to any Authorized User, without first obtaining mutual agreement in the format as identified herein, the Contractor shall be in breach of the Agreement and the Commonwealth shall have all remedies available under Contract and law. And

8) The Commonwealth, at its discretion, may assist in advertising the promotion. This assistance will consist of advertising space on the Commonwealth's various web sites, or other assistance at the Commonwealth's discretion.

31. TERM

This Agreement shall take effect on the date of its final execution by both parties, and shall continue in full force for two (2) years, "initial Term". The Commonwealth at its sole discretion may extend this Agreement for three (3) additional one (1) year periods. The Commonwealth will issue a written notification to the Contractor stating the extension period, 30 days prior to the expiration of any current Term.

32. TERMINATION FOR CONVENIENCE

The Commonwealth may terminate this Contract in whole or in part for convenience at any time by submitting to the Contractor a writing, sixty (60) days prior to the date of Termination. The Commonwealth shall be obligated for all outstanding Orders, according to the Contract, subsequent to this Termination. The Commonwealth shall not be obligated for any other costs in the event of Termination for convenience.

33. DELIVERY DATE

The Contractor shall deliver the Equipment, ready for testing, within seven (7) days of ARO. If delivery of all Products is not completed within fourteen (14) days after receipt of order by the vendor or Contractor has a history of late deliveries beyond the requirement of seven days, the Commonwealth may, at its sole discretion, cancel the Agreement without further obligation and or the Authorized User may cancel the individual Order. The Commonwealth may postpone any delivery date by notifying the Contractor at least three (3) days prior to the delivery date. However, the delivery date shall not be postponed more than a total of thirty (30) days.

34. RISK OF LOSS

The Contractor shall have the risk of loss or damage to all equipment until clear and unrestricted title to such equipment is transferred to the Commonwealth.

35. TITLE TO EQUIPMENT

Clear and unrestricted title to all equipment purchased under this Agreement shall pass to the Commonwealth upon payment of the purchase price.

36. OPERATIONAL RESTRICTIONS

Contractor warrants that, except as specifically agreed in writing, all Products may be operated at any time for the convenience of the Commonwealth (exclusive of time required for preventive maintenance, remedial maintenance and approved engineering changes). Without limiting the foregoing, Contractor warrants that there are no restrictions as to consecutive hours or length of personnel shifts. The Commonwealth may make the Products available to any Commonwealth agency or any other users under conditions where such use is supervised by the Commonwealth.

37. INSTALLATION RESPONSIBILITY

Except where otherwise expressly provided, "delivery" does not include installation. If installation is required, delivery shall not be complete until the Contractor completes installation of all Products including, without limitation, shipping FOB destination, all unpacking, positioning and connection of such Products with internal utility services, ready for acceptance testing. All equipment installations shall comply with building and facilities standards established by the Commonwealth.

38. COMMENCEMENT OF ACCEPTANCE TESTING

The Products shall be considered ready for testing when the Contractor completes a successful delivery. The Authorized User shall have 15 days to test the Products beginning on the date of successful delivery. All Products shall meet or exceed all conditions as delineated in this Agreement, and meet or exceed any published specifications provided by the Contractor or manufacturer including, but not limited to, physical characteristics, operating characteristics, space requirements, power requirements, and warranty.

39. ACCEPTANCE

The Products shall be deemed accepted on the first day after successful completion of the acceptance period. The Warranty Period shall begin upon successful completion of the acceptance period. Upon request, the Commonwealth shall provide written confirmation of acceptance. If the standard of performance has not been met within thirty (30) calendar days have elapsed from delivery, the Commonwealth may require a replacement to be provided or may avail itself of the remedies for breach

40. SUPPLIES

Authorized charges do not include operational supplies (e.g. paper, tape, etc.) unless such supplies are specifically identified in the Schedule. All supplies used by the State shall conform to the Contractor's published specifications provided to State at time of equipment installation. The State reserves the right to acquire such supplies from any Contractor of its choice.

41. CONTRACTOR'S WARRANTY POINT-OF-CONTACT

The Contractor shall provide the Commonwealth with designated points-of-contact and make arrangements to enable its warranty representative to receive such notification or other continuous telephone coverage to permit the Commonwealth to make such contact.

42. MANUALS

Contractor shall supply an operations manual for each Product

43. CATALOG INTEGRITY

The Contractor agrees to continuously provide an updated catalog minimally every 90 days that will be available to all Authorized Users. The updated catalogue may be on eVA only or located at the Contractor's web site, or both, as provided for herein, but in every instance all catalogs maintained by the Contractor shall be up to date. Additionally, the Contractor shall provide an updated paper-based catalog every 90 days, available to all Authorized Users.

44. INTEGRAL SOFTWARE

All Products are delivered with any necessary firmware, and or software integral to the Product necessary for the complete operation. All firmware and software shall be considered to be the latest version available and any software upgrades necessary for the complete operation of the Products shall be available at no cost to the Authorized User. All licenses granted under this Agreement are provided on a non-exclusive, irrevocable perpetual license basis and shall commence upon the acceptance of the Product by the Authorized User.

45. SUBSTITUIONS

Temporarily out-of-stock items may be substituted with like-quality items, of equal or greater value, upon approval form the ordering User, on a case-by-case basis. The User shall have the option of canceling the order without penalty.

46. WARRANTY

All products shall carry the manufacturer's warranty. Should a 3rd party provide service, Daly shall retain sole responsibility for performance.

47. RETURNS

Customers have the right to return product if the shipment arrives defective, if the shipment arrives damaged or if the shipment is improperly filled. In addition, if any product is to be returned to a Contractor for failure of performance, the Contractor will, at the Commonwealth's discretion, refund all amounts paid to the Contractor for such product or replace the product, and the following shall apply:

- Within twenty (20) days of written notification by the using Authorized User, the Contractor will make arrangements for the return of the product.
- All shipping and insurance costs will be borne by the Contractor.
- Contractor will be liable for damages to the product, unless caused by fault or negligence of the Agency that occur during the return process.
- If the product is returned to the Contractor for any other reason, then the Agency will be responsible for all costs associated with the preparation of the product for shipping, and for shipping costs to the Contractor's nearest service location.

Properly filled orders that are unopened, in good condition, completely sealed, and not opened may be returned within 21 days of receipt of the product. A restocking fee may be assessed and the customers will be responsible for all shipping and insurance costs. The Contractor may waive the restocking fee on a case-by-case basis.

For all product returns, the customers must first obtain a return merchandise authorization (RMA) number from the Contractor prior to the return of the product.

48. CUSTOMER SERVICE

Standard sales support hours shall be from 8:00AM – 5:00PM EST.
Technical support hours shall be from 8:00AM – 7:00PM EST.
Email support is available 24x7 at support@daly.com.

49. COMMONWEALTH EMPLOYEE PURCHASES

Daly shall offer the same discounts to COV employees as it provides to the Commonwealth, provided the manufacturer of the requested product authorizes same. Freight will be charged.

PERSONS SIGNING THIS CONTRACT ARE AUTHORIZED REPRESENTATIVES OF EACH PARTY TO THIS CONTRACT AND ACKNOWLEDGE THAT EACH PARTY AGREES TO BE BOUND BY THE TERMS AND CONDITIONS OF THIS CONTRACT.

DALY COMPUTERS	COMMONWEALTH OF VIRGINIA
BY: Ryan T. Yu	BY: [illegible]
NAME: RYAN T. YU	NAME: Timothy L Moore
TITLE: President	TITLE: SCM Sourcing Manager
DATE: 2/27/2004	DATE: 3/2/04

ATTACHMENT B			
VA-040227-Daly PRICING			
PRINTERS	Higher Ed. Discount	State & Local Disc.	Price Reference
Manufacturer:			
HP/Compaq	31.00%	31.00%	www.hp.com
DELL	4%	4%	www.dell.com
IBM	14.00%	14.00%	www.ibm.com
XEROX	29.00%	29.00%	www.xerox.com
LEXMARK	26.50%	26.50%	www.lexmark.com
EPSON	14.00%	14.00%	www.epson.com
Brother	48.00%	48.00%	www.brother.com
CANON	16.00%	16.00%	www.canon.com
OKIDATA	35.00%	35.00%	www.okidata.com
MEMORY			
Mfg:			
Power User	No Bid	No Bid	
Kingston	30.00%	30.00%	www.kingston.com
HP/Compaq	12%	12%	www.hp.com
Lexar Media	No Bid	No Bid	
Kingston - Value Ram	14.00%	14.00%	www.valueram.com
SanDisk Corporation	35%	35%	www.sandisk.com
IBM	10.00%	10.00%	www.ibm.com
Dell	4%	4%	www.dell.com
Gateway	No Bid	No Bid	
Simpletech	47.00%	47.00%	www.simpletech.com
MONITORS			
Mfg:			
NEC/Mitsubishi	11.00%	11.00%	www.nec.com
Planar	5%	5%	www.planar.com
Phillips	30.00%	30.00%	www.philips.com
Sony	13.00%	13.00%	www.sony.com
ViewSonic	23.00%	23.00%	www.viewsonic.com
Acer	6%	6%	www.acer.com
ProView	13.00%	13.00%	www.proview.com
Enivision Peripherals(EPI)	No Bid	No Bid	www.aocmonitor.com/epius
CTX	39.00%	39.00%	www.ctxintl.com
Gateway	No Bid	No Bid	
DELL	5%	5%	www.dell.com
IBM	11.00%	11.00%	www.ibm.com
HP	14.00%	14.00%	www.hp.com
EIZO	18.00%	18.00%	www.eizo.com
BENQ	21.50%	21.50%	www.benq.com
AOC	30%	30%	www.aocmonitor.com
Samsung	27.00%	27.00%	www.samsung.com

PROJECTORS			
Mfg:			
Canon	35% (See Note 25)	35% (See Note 25)	www.canon.com
Epson	44.00%	44.00%	www.epson.com
InFocus	41.00%	41.00%	www.infocus.com
DELL	5% (See Note 26)	5% (See Note 26)	
Mistubishi	40% (See Note 27)	40% (See Note 27)	www.mitsubishi.com
NEC	40% (See Note 28)	40% (See Note 28)	www.nec.com
Proxima	40.00%	40.00%	www.proima.com
Sony	27% (See Note 29)	27% (See Note 29)	www.sony.com
Toshiba	40.00%	40.00%	www.toshiba.com
ViewSonic	23.00%	23.00%	www.viewsonic.com
OPTOMA	54.00%	54.00%	www.optoma.com
POWER SUPPLIES			
Mfg:			
APC	20.00%	20.00%	www.apc.com
Belkin	34.00%	34.00%	www.belkin.com
Tripp-Lite	34.00%	34.00%	www.tripplite.com
Fellowes	57.00%	57.00%	www.fellowes.com
NETWORK ACCESS.			
Mfg:			
3 Com	33.00%	33.00%	www.3com.com
Linksys	47.00%	47.00%	www.linksys.com
IBM	12.00%	12.00%	www.ibm.com
Intel	33.00%	33.00%	www.intel.com
Hawking Technology	57.00%	57.00%	www.hawkingtech.com
NetGear	36.00%	36.00%	www.netgear.com
D-Link	41.00%	41.00%	www.dlink.com
Belkin	53.00%	53.00%	www.belkin.com
PowerDsine	No Bid	No Bid	
Allied Telesyn	23.00%	23.00%	www.alliedtelesyn.com
OPTICAL & STORAGE			
Mfg:			
Iomega	17.00%	17.00%	www.iomega.com
Sony	18.00%	18.00%	www.sony.com
Plextor	20.00%	20.00%	www.plextor.com
Samsung	20%	20%	www.samsung.com
Memorex	26.00%	26.00%	www.memorex.com
La Cie	11.00%	11.00%	www.lacie.com
HP/Compaq	16.00%	16.00%	www.hp.com
DELL	5%	5%	
IBM	11.00%	11.00%	www.ibm.com
Gateway	No Bid	No Bid	
Maxtor	46.00%	46.00%	www.maxtor.com
Seagate	28.00%	28.00%	www.seagate.com

INPUT DEVICES			
Mfg:			
Logitech	28.00%	28.00%	www.logitech.com
Microsoft	33.00%	33.00%	www.microsoft.com
Fellowes	54.00%	54.00%	www.fellowes.com
Kensington	44.00%	44.00%	www.kensington.com
Labtec	43.00%	43.00%	www.labtec.com
Adaptec	21.00%	21.00%	www.adaptec.com
Simple Technology	45.00%	45.00%	www.simpletech.com
IBM	11.00%	11.00%	www.ibm.com
DELL	5%	5%	
Gateway	No Bid	No Bid	
HP	11.00%	11.00%	www.hp.com
Memorex	45.00%	45.00%	www.memorex.com
PDAs			
Mfg:			
Palm	15.00%	15.00%	www.palm.com
HP/Compaq	6.00%	6.00%	www.hp.com
Sony	14.00%	14.00%	www.sony.com
Dell	5%	5%	
Sharp	18.00%	18.00%	www.sharpusa.com
Toshiba	22.00%	22.00%	www.toshiba.com
Handspring	12.00%	12.00%	www.handspring.com
ViewSonic	8.00%	8.00%	www.viewsonic.com
SCANNERS			
Mfg:			
Epson	17.00%	17.00%	www.epson.com
Fujitsu	33.00%	33.00%	www.fujitsu.com
HP/Compaq	27.00%	27.00%	www.hp.com
Kodak	3%	3%	www.kodak.com
Canon	35.00%	35.00%	www.canon.com
Microtek	16.00%	16.00%	www.microtek.com
PROCESSOR UPGRADES			
Mfg:			
Intel	15.00%	15.00%	www.intel.com
AMD	5.00%	5.00%	www.amd.com
CABLES			
Mfg:			
APC	56.00%	56.00%	www.apc.com
Tripp-Lite	67.00%	67.00%	www.tripplite.com
3M	41%	41%	www.3m.com
Star-Tech	54.00%	54.00%	www.startech.com
Belkin	58.00%	58.00%	www.belkin.com
Iogear	31.00%	31.00%	www.iogear.com
HP/Compaq	10.00%	10.00%	www.hp.com
Belden	5%	5%	
BlackBox	20.00%	20.00%	www.blackbox.com

EXPANSION CARDS			
Mfg:			
ATI	18.00%	18.00%	www.ati.com
3COM	30.00%	30.00%	www.3com.com
NetGear	37.00%	37.00%	www.netgear.com
Creative Labs	19.00%	19.00%	www.creativelabs.com
Allied Telesyn	22.00%	22.00%	www.alliedtelesyn.com
HP/Compaq	17%	17%	www.hp.com
Linksys	21.00%	21.00%	www.linksys.com
Orinoco	No Bid	No Bid	
Jaton	26.00%	26.00%	www.jaton.com
PNY	27.00%	27.00%	www.pny.com
CAMERAS			
Mfg:			
Kodak	15.00%	15.00%	www.kodak.com
Sharp	No Bid	No Bid	
Panasanic	2%	2%	
Sony	20.00%	20.00%	www.sony.com
Canon	21.00%	21.00%	www.canon.com
Nikon	20.00%	20.00%	www.nikon.com
Olympus	38.00%	38.00%	www.olympusamerica.com
Minolta	22.50%	22.50%	www.minolta.com
JVC	2%	2%	
HP/Compaq	26.00%	26.00%	www.hp.com
Sharp	No Bid	No Bid	
Fuji	21.50%	21.50%	www.fujifilm.com
OTHER			
Mfg:			
Targus	29.50%	29.50%	www.targus.com
Fellowes	51.00%	51.00%	www.fellowes.com
APC	30.00%	30.00%	www.apc.com
Kensington	44.00%	44.00%	www.kensington.com
Belkins	49.00%	49.00%	www.bekin.com
3M	38.00%	38.00%	www.3m.com
Cables to Go	40.00%	40.00%	www.cablestogo.com
IBM	11%	11%	www.ibm.com
HP/Compaq	8%	8%	www.hp.com
DELL	5%	5%	
Gateway	No Bid	No Bid	

Daly Clarification Questions

Customer Service

A

Please state your sales telephone support hours of operation, including time zone.
Daly's standard sales telephone support hours of operation are: 8am to 5pm EST.

The hours of operation listed above is the official hours of operation. However, the fact of the matter is, Daly's sales team typically works past the normal working hours of operation. Certainly, during peak periods and or during fiscal year end period, Daly's sales team is available during off hours to accommodate the customer's busy schedule. Throughout the year, longer hours are certainly available upon customer's request and hours are always extended during peak buying seasons, such as fiscal year end.

Please describe your telephone technical support, including hours of operation.
Daly Computers maintains a wide range of certified sales and technical support personnel to provide the Commonwealth with one of the most comprehensive technical support resources available. For sales and pre-sales technical support, the customer needs only to call (800) 955-DALY, email us at VASales@daly.com, or fax us at (301) 963-1516. The dedicated team of technically savvy sales personnel will provide the customer with all the sales and pre-sales technical support information immediately. Should there be any questions that the initial person is unable to answer, he or she has the ability to immediately conference in a more senior technical support personnel to obtain the answer in real time. These technical support personnel will either come from Daly's internal engineering staff or from Daly's primary technology and product partner on this contract, Ingram Micro, the world's largest IT distributor. Ingram Micro has over two hundred technical staff on hand to support both Daly and the Commonwealth. This conference call process will be completely seamless to the customer. A sample copy of the technical support resources from Ingram is shown in Exhibit 1. The hours of operation is officially from 8am to 7pm EST.

For post-sales technical support, the customer is welcomed to call the same contact listed above. However, Daly also maintains a technical support help desk and call center to support its customers. This help desk is tiered for increased technical support. The telephone number is (888) DALY-TEC. The email address is support@daly.com. This help desk / call center number is live/staffed 7x24. In fact, Ingram Micro contracts Daly's help desk / call center to run Ingram Micro's 7x24 customer help desk and nationwide dispatch system.

How much/what percentage of your tech support is web-based?
Currently, most of the pre-sales technical support is provided over the telephone via Daly's toll free telephone number. From time to time, pre-sales technical support is also received and responded to via emails. Post-sales technical support is very much evenly divided with 50% coming in via telephone and 50% coming in via emails or via the DalyNet. DalyNet is Daly's web enabled technical support and help desk. DalyNet has an answer book populated by Daly's years of technical experiences and also populated by industry knowledge base such as Technet.

The Commonwealth customer is welcomed to use any means that is convenient to them. Some customers prefer to use the web-based method as that provides an electronic paper trail. In response to this contract, Daly Computers stands ready to provide a contract specific web site and if permitted, provide the Commonwealth with a dedicated Intranet.

Does the same representative providing sales support provide technical support?
The customer is welcomed to call the same sales representative for both pre-sales technical support and post-sales technical support. We have many customers who prefer this method. However, in general, the same representative that provides the sales support does not provide the post-sales technical support. Daly maintains a separate help desk and call center in addition to our sales support team. We have found that customers like to have one point of contact to get their answers from. Therefore, all our sales personnel have direct lines into our help desk staff and can conference in additional help to support the customer or to facilitate a trouble call.

What is the average response (wait time) for sales and technical support?
The average call is answered immediately, however, even under extreme-load times, response is clocked-in at less than two minutes. Both Daly's phone system and its email system are designed with integrated backup support in place. Unless a specific telephone personal extension is dialed, the call will ring to a group ring that everyone on the Virginia Sales Team can pick up. In the same manner, unless a specific representative's email address is used, the vasales@daly.com email is forwarded to the entire Virginia Sales Team. This team system ensures that the customer's wait time is reduced to almost zero. In the unlikely event that someone cannot pickup immediately, the sales personnel will respond to voice mail and or email as soon as possible, which usually is typically less than 10 minutes.

When the customer calls into Daly's help desk, the calls are picked up immediately. Typical help desk wait time is immediate pickup, and again even under extreme call load averages less than a minute. Daly's management monitors its phone queue constantly to ensure that there is no back up. There is actually a large monitor located in the middle of the floor showing calls coming in, various phone queue activities, and abandoned calls. This system provides an important service metrics that are constantly monitored by Daly.

B
What are your technical support qualifications (e.g. MCSE's or apple certified, etc)?
Daly Computers maintains over 70 industry certified customer and system engineers on staff. This team of qualified engineers maintains certifications from Microsoft (MCSE), Cisco (CCNA), HP (ASE and Storageworks), IBM (xSeries & Shark), Symantec, Citrix, Lexmark, Novell (CNE), etc. Daly's Technical Services Organization is A+ certified as well authorized by most Enterprise Tier manufacturers. A partial listing of Daly's certification status is as follows:

- IBM Authorized Service Center
- Hewlett Packard Authorized Service Center
- Compaq Authorized Service Center
- Dell Authorized Service Center
- Gateway Authorized Service Center

- Citrix Authorized Support Center
- Cisco Premier Solutions Provider
- Microsoft Solution Provider
- A+ Authorized Service Center

In addition to the resources noted above, in response to this contract, Daly Computers will also utilize Ingram Micro's technical support resources, which include over a thousand industry certifications. In addition, Daly has access to Ingram Micro's service network, which has a combined certification total in excess of ten thousand. A sample listing of Ingram Micro's technical resources and certifications available to Daly and the Commonwealth can be found in Exhibit 2.

C

Where is the physical location of your technical support?

Daly's technical support organization is located at its national headquarters in Clarksburg, Maryland. Daly's 7x24 help desk is physically located at this facility. All on site dispatches are coordinated from this centralized help desk location and dispatched out to field engineers located throughout the country in a geographically based format. Daly is currently providing statewide on site technical support to the Commonwealth under its many service contracts. Daly's on site technical support coverage for the Commonwealth is shown in Exhibit 3.

Have you outsourced your technical support to another country?

Daly does not and has not outsourced any of its technical support to another country. Daly brings to the Commonwealth a world-class technical support organization. This organization has just received the VarBusiness 2003 Technology Leader Award as shown in Exhibit 4.

If so, what actions have you taken to ensure that customers receive the same level of quality support from a foreign based support structure than from a US based support line (i.e. language barriers, hours of operations, etc)?

Daly does not and has not outsourced any of its technical support to another country.

D

Is any part of your on-site service provided by a third-party provider(s)? If so, who is the provider(s)?

In response to this contract, Daly Computers intends to use its own on-site service staff to service the Commonwealth. Daly is currently providing statewide onsite services to all areas of the Commonwealth. Daly has a proven track record of providing statewide on-site services for the Commonwealth for over 10 years. However in cases where Daly were to use a third-party service provider, it will use the technical resources from Ingram Micro's National Service Network or currently known as Ingram Micro Service Network (IMSN). Technical personnel from IMSN are pre-qualified and certified engineers. Daly Computers has an electronic link between the IMSN call tracking system and the Daly call tracking system so that any calls to the Daly Help Desk that require third party dispatching are automatically updated in Daly's system also. With this connection, Daly can be certain of the accuracy of the information in our system

and the Commonwealth will only have one point of contact for its on site service requirements. As noted above, Daly Computers is the dispatch arm for IMSN, and therefore will have complete control over any third party support provider that would be servicing the Commonwealth. As the prime contractor, Daly Computers will be responsible for all communications, accountability, and service issues.

How long has DALY worked with this vendor(s)? Since the COV requires that all service ultimately be the responsibility of DALY, will DALY guarantee any work done by a third party service provider(s)?
Daly has had an active relationship with IMSN for over 8 years. Daly Computers understands that as the prime contractor that it is responsible for any work done by a third party service provider. Daly will guarantee all work that is done by a third party service provider. Daly has the proven contract compliance track record in the public sector arena.

Who will be the point of contact for service calls, DALY or the third party?
As the prime contractor, Daly will be the point of contact for all service calls.

Daly Computers is currently providing the Commonwealth of Virginia with a single point of contact for all service calls. All service calls come into Daly Computers' main Technical Services Organization located in Clarksburg, Maryland via a toll free number (888) DALY-TEC via email at support@daly.com or via the web at www.daly.com/dalynet. From here the Daly Call Center and Help Desk assign or dispatch the most qualified engineer to service the account. All service calls placed into the Daly Help Desk are entered immediately into Daly's automated service management system (SMS) for tracking and updates until the call is closed. For each call, a unique work order (WO) number is generated and the call is immediately time stamped. The WO number is used to track the service call through all events and to its completion. An event may be any activity on the call, such as parts ordered, call status changes, customer inquiries or actions taken by the on-site engineer to resolve the call. Customers using e-mails and faxes may also initiate service calls. Daly's service organization is web enabled. Authorized customers may initiate, track, and monitor service calls through this service web portal as well as generate service metrics and reports.

Response Time, Service Call Tracking and Escalation
As stated above, all customer service requests are entered into Daly's Service Management System (SMS) and responded to immediately. Once the call is entered and acknowledged by the SMS, it is time stamped and tracked meticulously. Each service call is assigned a unique Daly Service Work Order (WO) Number in the service database. The Work Order contains all the pertinent information related to the customer and/or the service call, i.e. customer name, equipment type, nature of problem(s) reported, time/date call was made, and any other pertinent information. This meticulous recording process ensures that all calls are tracked properly, responded to in a timely manner, and serviced properly. Daly Computers' Technical Services Organization maintains an escalation process whereby if a problem is not resolved within the contractual time frame or within 24 hours, the call is automatically escalated to a higher level by the SMS system followed by e-mails and paging of statuses to company management. This escalation process continues until the problem is resolved. Parts orders, part returns, Help Desk calls, and service work order resolutions are also escalated. Escalations can be easily customized

for customers requiring higher levels of support including paging customer support personnel and providing reports via fax, paper or e-mail. Upon request, the customer can also be added to the escalation announcement list to receive pager or e-mail broadcasts. Authorized customers can check status of requests, place requests and run activity reports via the Internet access. This feature truly empowers the customers to access mission critical information real time.

Please provide a detailed description of DALY's on site service program with this vendor(s), specifically for service in the COV.

Daly Computers currently has teams of customer and system engineers providing on-site customer services and support throughout the Commonwealth of Virginia. Depending on the requirements, the response time for a service call may be within 4 hours, same day or next day. Daly Computers currently has several service and engineering personnel stationed permanently in Northern Virginia and in the Richmond area. Engineers are regularly dispatched out to all the far reaches of the state. In response to this contract, Daly Computers will provide prompt on site service and support as required.

As a new feature in Daly's service infrastructure, Daly's field service personnel are equipped with cell phone that has embedded GPS system to allow the Daly Help Desk and management to locate and monitor each field personnel real time. This system provides statewide direct connect, email forward, 2 way text paging, 2 way paging, application accesses and other vital service features.

From Daly's centralized call center and help desk located in Clarksburg, Maryland, technical personnel and engineers are dispatched to the customer sites statewide from locations situated throughout Virginia and from areas bordering the states. Daly Computers will dispatch qualified engineers and technicians from four major sources. They are: Daly's internal engineering staff located in Northern Virginia, Richmond, Virginia, and Clarksburg, Maryland as well as qualified engineers from the Ingram Micro Service Network. Daly Computers is an active member of IMSN and sits on its advisory board. There are currently over 650 member companies in the Network with over 3,000 certified service professionals located across the country. Daly Computers has at its disposal technical personnel from IMSN located throughout the Commonwealth and the country. There are currently over 30 IMSN technical resources located throughout Virginia and the surrounding states. From these locations, Daly Computers can utilize and dispatch qualified service technicians to customer sites located throughout the Commonwealth. Using this service mechanism, Daly Computers can dispatch technical resources from the following areas to make sure that all service calls are responded to properly and timely:

State	*Locations*
Virginia	Northern Virginia, Blacksburg, Roanoke, Culpeper, Virginia Beach, Richmond, and Charlottsville
Maryland	Clarksburg, Salisbury
West Virginia	Charleston
North Carolina	Greensboro, Rocky Mount, Winston-Salem
Tennessee	Johnson City or Blountville

Please note that regardless of where the actual technical dispatch and support will come from, the entire service process will be seamless to the customer as all the calls are centrally booked and tracked at Daly's main 7x24 call center located in Maryland. By maintaining a centralized 7x24 service help desk and call center system, Daly Computers' management is ensured that all calls are properly monitored and managed. As the prime contractor, Daly Computers certifies that it will be responsible to the customer directly, will be the customer's single point of contact, and will be responsible for all service calls through its resolution.

Pricing

A

Should you be awarded a contract, how will you ensure that pricing of your products on eVA will always be more aggressive than what's available on your public web-site?

Daly Computers can assure the Commonwealth that the pricing on eVA will always be more aggressive than what is available on our public web site due to the fact that Daly controls all of the price catalogs on its web site. The discounts proposed under this contract are by far the most aggressive discounts Daly has offered to any entities. If Daly were to be awarded this contract, this proposed set of discounts would be hard coded into a new punch out catalog that will supersede the current eVA punch out catalog.

We are particularly concerned about special deals, fire sales, etc. that you may be offering to the public. Obviously, it is unacceptable for eVA pricing to be worse off than what can be obtained from your public web-site.

In cases of special deals and fire sales, Daly will adjust the eVA punch out catalog accordingly to make sure that such promotions and discounts are offered and available to the Commonwealth through the eVA catalog.

B

Please describe how you arrived at the discounts that you offered to the Commonwealth in your RFP response. Specifically, how did you arrive at the discounts for the various product categories?

Daly Computers, working in conjunction with Ingram Micro, generated a massive database consisting of all the products available from all the manufacturers requested. Within this database, Daly and Ingram broke the catalog into manufacturers and product categories for each manufacturer. We then reviewed the various discount levels offered by each manufacturer by product category. The initial discounts proposed were based on numerous factors that included the following: base line discounts given by the manufacturers; additional government / educational discounts provided by said manufacturers; government / education institution buying trends; comparable contracts discount levels; the required contract fees; other ancillary costs and COV's project demand profiles. Using this information, knowledge, and its years of experience working in the public sector arena, the Daly Team compiled and arrived at its initial offerings.

Please note that Daly has offered different discounts for the same manufacturer under different product categories, i.e. Canon printers, Canon projectors, Canon cameras, and Canon scanners all have different discounts based on each product category.

C

Please confirm that all pricing offered accounts for SCA, freight and eVA fees.

Daly Computers confirms that all pricing offered accounts for the SCA, freight and the eVA fees.

Warranty and Product Return

Please provide a detailed outline regarding your return policy and warranty related service. Please include any additional fees or cost (i.e. restocking fees) that may be incurred by the Commonwealth.

Return Policy

Daly Computers' product return policy is summarized as follows:

1. If Daly makes a mistake in its order fulfillment, or if Daly makes a mistake in its shipment, or if the shipment arrives at the customer site defective, or if the shipment arrives at the customer site damaged, Daly Computers will take the product back with absolutely no problem. In this case, the customer simply needs to contact Daly and receive a Return Material Authorization (RMA) number. Daly will either issue a call tag for a freight carrier to pick up the product or Daly will have the shipment picked up by its own field staff. In any case, Daly will cover the cost of any freight charges.

2. If Daly did not commit any of the above mistakes and or actions in its order fulfillment and the customer simply wants to return the product due to over ordering or order mistakes, we encourage the customer to still call Daly to try and obtain a RMA number. Daly will work diligently to facilitate the return of the product by the customer. There may be a restocking fee assessed in these instances and the customer will most likely be assessed a shipping charge. The basic rule of thumb is if the product is in good resellable condition, is completely sealed and not opened, and Daly is informed of this situation within 21 days of receipt of the product, Daly will work diligently to facilitate the return of the product. In most instances products that have been opened will be more difficult for Daly to take back. Basically, Daly's ability to take back the product is direct reflection of the particular manufacturer's willingness to take back products under its return policy. Some manufacturers are more lenient than others. Some manufacturers will take back "open box" with few questions asked while others may be stricter. With Daly's business partner being Ingram Micro, the world's largest IT distributor, Daly in fact has more lee ways when it comes to accepting "return exceptions". Daly's representative will work closely with the customer to make these product returns as reasonable as possible and as fair as possible. At times, restocking fees may be waived and at times, Daly's field staff may even pick up the products for return.

Daly's official product return policy is as follows:

Returned Goods – Policy and Procedures

The returned goods policy is based on Ingram Micro's standard *Return Policy* as described below:

A. **Requirements** – The Customer or Buyer must obtain a valid Return Material Authorization ("RMA") number from the Daly Team for all Product returns. RMAs will be issued in accordance with the following terms and conditions:

1. The Customer / Buyer must provide all information as required by the Daly Team for all returns, i.e. location of Product, reason for return, purchase order number, etc.
2. RMAs are valid for twenty (20) calendar days from the date of issuance.
3. Purchaser must allow for in-transit time for products to be returned to the Daly Team, as the Daly Team must physically receive the Products within the twenty (20) calendar days.
4. RMAs will be issued for authorized returns under one of the following categories: (i) defective Products, (ii) billing or shipping discrepancies, (iii) mis-shipment, or (iii) damaged Product.
5. The Customer or Buyer is responsible for ensuring that the RMA number is clearly visible on the address label of the Product packaging when it is returned.
6. The Daly Team will refuse delivery of any boxes without a valid, clearly visible RMA number as noted above.
7. *Overgoods* are unauthorized returns. Any Products received by the Daly Team (i) without a valid RMA number, including Product shipments refused by the Customer or the Buyer's customer except those damaged in transit from the Daly Team to the Customer or from the Daly Team to Buyer's customer, (ii) later than twenty calendar (20) days from the RMA date, or (iii) in a condition unsuitable for resale (excluding defective Products), will be considered Overgoods.
8. The Daly Team will return Overgoods to the Customer or the Buyer's customer, and will charge a $50 processing fee per shipment plus related freight charges. If the Customer or Buyer refuses the shipment of Overgoods from the Daly Team or returns the Overgoods to the Daly Team a second time without the Daly Team's prior authorization, the Customer or Buyer agrees to relinquish all right and title to and waives all claims against the Daly Team for credit related to such Products.
9. Notwithstanding anything to the contrary, the Daly Team reserves the right not to authorize the return of Products that are no longer in production or are being produced or published by a manufacturer or publisher that (i) is insolvent, (ii) has declared bankruptcy, or (iii) will not accept returns from Ingram.

B. **Defective Product Returns** - Defective returns are only for Products purchased from the Daly Team that are inoperable or do not function in accordance with the specifications published by the manufacturer or publisher and are covered under the manufacturer or publisher's warranty. All defective returns may be subject to more restrictive manufacturer or publisher policies. The Customer or Buyer may request an

RMA for the return of defective Products, excluding Special Order Products, within thirty (30) calendar days of invoice date. Upon receipt of the defective Product for which the RMA was issued, the Daly Team may test the Products and may return to the Customer or Buyer, at the Customer's expense, any Products found not to be defective. Upon verification that the returned Product is defective, the Daly Team may will either (i) repair the defective Product, (ii) ship the Customer / Buyer a replacement Product, or (iii) provide the Customer / Buyer a credit.

The Daly Team reserves the right to require the Customer or Buyer to return defective Products directly to the manufacturer or publisher for replacement according to its defective Products return policy. The Daly Team shall not be obligated to repair, replace, or issue credit to the Customer or Buyer for Products rendered defective, in whole or in part, by causes external to the Products, including, but not limited to, power failure, overvoltage on interface, improper use, maintenance or application of the Products or use of unauthorized parts. The Customer or Buyer shall bear all risks of loss when returning defective Products.

C. **Stock Balance Returns** - Stock balance returns are only for Products purchased from the Daly Team that are unopened and unused and can be re-sold as new. All stock balance Products returned must be in the manufacturer's original packaging and in condition suitable for resale including, but not limited to, without price tags or stickers or additional shrink wrapping, clean, undamaged and complete. All stock balance returns may be subject to more restrictive manufacturer or publisher policies. The Customer / Buyer may request an RMA for the return of Products in Stock Balance Condition, except for Special Order Products, within ninety (90) calendar days of invoice date.

Upon receipt of the Product for which the RMA was issued, the Daly Team will verify the condition of the Product. Any Products that are not in Stock Balance Condition will be considered Overgoods. Ingram will return Overgoods to the Customer / Buyer and will charge a $50 processing fee per shipment returned plus related freight charges. Additional fees may apply to returned Products; e.g., re-box, label removal, reshrink, etc., that are not in Stock Balance Condition. Upon verification that the returned Product is in Stock Balance Condition, the Daly Team will issue a credit to the Customer / Buyer. The Customer / Buyer shall pay all costs and bear all risks of loss when returning Stock Balance Products.

D. **Damaged Product Returns** - Damaged Product returns are only for Products purchased from the Daly Team. The Customer or Buyer's customer shall refuse any Product delivered in damaged condition. If the Product is received in damaged condition, the Customer or the Buyer shall notify the Daly Team and request an RMA within three (3) business days of receipt of such Product. Failure to notify the Daly Team and request an RMA within such time shall be deemed an acceptance of the Product as of the date of shipment.

Claims Processing

In addition to RMA processing, the Daly Team will work closely with the Commonwealth on all non-product claims. These claims are requests for credit when a package is lost, damaged or if a short shipment occurs. For these issues, the assigned Daly Team member will diligently work with the customer until resolution. For any claim by the customer or Buyer of non-delivery, the Daly Team will be able to see the shipment data via the Web and therefore, trace any order using the data from order review. The Daly Team can use the carriers' Web interfaces to trace the orders.

Warranty Policy

In response to this contract, Daly Computers guarantees its products to be free from defects in materials and workmanship, given normal use and care, over the period of the manufacturer's warranty. Daly Computers agrees to repair and/or immediately replace without charge (including freight both ways) to Authorized Users any product or part thereof that proves to be defective or fails within the warranty period as specified.

Other Warranty Related Services

Assistance in Application Installation and Configuration

Daly Computers' Technical Services Organization is experienced in assisting government and educational customers in installing and configuring IT peripherals, accessories, and computer systems. The Daly Team maintains scores of technicians and engineers to assist the Commonwealth with installation and configuration problems. For complex problems, senior engineers are called upon for assistance. Daly Computers currently has over 10,000 customers in the government and public sectors subscribing to this service.

Assistance in Resolving Compatibility Issues

Daly Computers' technicians and engineers regularly resolve compatibility issues related to IT peripherals and systems. Daly Computers' technicians and engineers are available, equipped, and trained to answer most compatibility related questions.

Troubleshooting for Any Basic Installation Problems

The Daly Team's technicians have hands on experience troubleshooting most installation problems. We stand ready to answer any basic installation questions either at the customer's site or over the phone.

Break Fix Services and Hardware Maintenance Program

Daly Computers is a certified service center for all the major Enterprise Tier computer manufacturer such as IBM, Compaq / HP, and Dell. As such, Daly is able to custom configure a break fix and or maintenance hardware maintenance program for its public sector customers. This program can cover all of the existing equipment to include PCs, monitors, printers, terminals, hubs, and other devices required under this contract. Daly Computers is currently providing a variety of these services to various government agencies and educational institutions nationwide.

Help Desk and Call Center

Daly's 7x24 help desk and call center are actively supporting numerous government and educational institutions as well as global commercial account nationwide. Depending on the contract on hand, the help desk program can be available as part of a larger contract or be provided via several other means such as per call basis, flat fee contract, or a bulk purchase of time. The Help Desk supports over 135 applications to include Microsoft's entire suite of programs. The Daly Call Center is providing dispatch services to numerous government and education customers. These clients are using the Daly Call Center as an extension of their service departments via an ASP model to help track and monitor their service call loads.

Technology Briefings, Seminars, and Overviews

Daly Computers will provide COV government and educational entities with regular scheduled product briefings. The briefings may be conducted by either Daly personnel or personnel from the manufacturers. In either case, Daly Computers will facilitate the briefings on a regular basis. The depth of the product overview will depend on the skill level of the audience. The content of the product overviews will be focused on the audience's interest. Daly Computers will solicit feedback and input from the customer. The size of the setting will depend on the size of the attendees. Daly Computers typically conducts this type of product overview at least once a month for its major government customers. These activities are in addition to the customer site visits conducted on regular basis by Daly's account manager.

In addition, Daly Computers regularly provides major technology seminars and overviews for its major account government customers. This type of events is typically more focused on a particular manufacturer's technology or on a general topic of networks. The event may last 3 to 4 hours long with in-depth coverage of the topic on hand. A typical session has 40 to 60 people with as much as 2 to 4 sessions running simultaneously. We have been hosting this type of events once or twice a year for the past 3 years now. Interested Commonwealth customers are welcomed to submit the seminar topics.

Payment System

In order to reduce costs associated with payment transactions, the COV would like to know whether or not you are capable of using the state's EDI payment system. Please state whether you are currently using EDI or ACH. If ACH, please state your ability to sign up for EDI.

Daly is currently receives government payments via ACH. Daly Computers is currently not using EDI for payment but is signed up with a VAN and is EDI ready. Daly has been using EDI to transact with the Federal government for over 6 years. Daly is willing to review the EDI payment systems with the Commonwealth and utilize it.

Other State-Wide PC Accessories Contracts

Please provide the Commonwealth with a list of states where you currently have a PC Accessories contract and the respective contact person(s) at each state. If possible, please provide references for states similar in size and scope to the COV and this solicitation.

National Institutes of Health Electronic Computer Store 3 Contract
Contracting Officer: Millicent Manning
Tel: (301) 402-3072

State of Maryland Computer and Peripheral Contract
Contracting Officer: Bill Bowser
Tel: (410) 260-7683

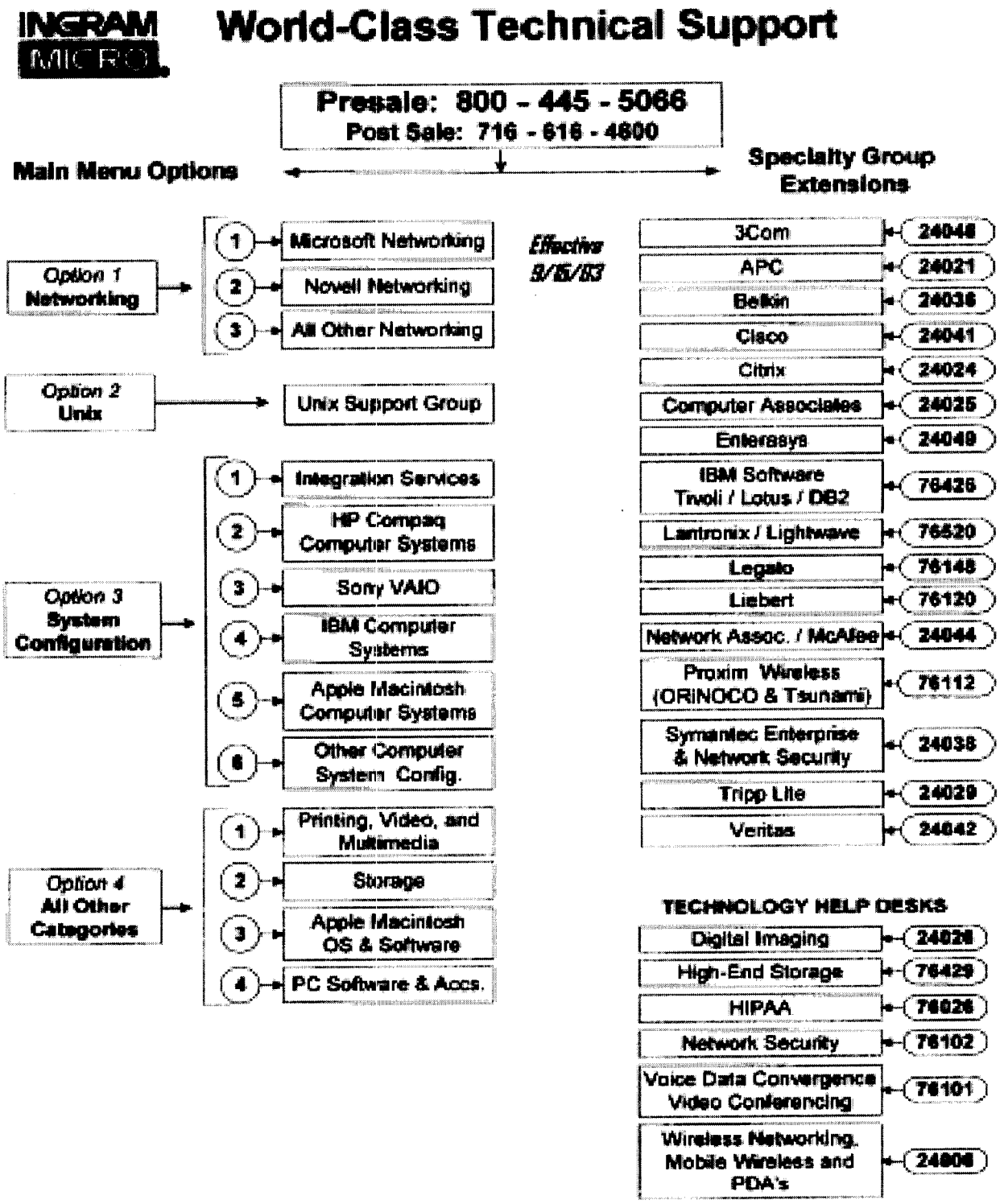
City of Chicago Public Schools Contract Peripheral and Accessory Contract
Contracting Officer: Charlita Fain
Tel: (773) 553-2549

Commonwealth of Pennsylvania PEPPM Contract
Contracting Project Coordinator: David Manney
Tel: (570) 523-1155 Ext 2174

Exhibits

Exhibit 1	**Sample Listing of Ingram Micro Technical Resources Available to Daly and the Commonwealth**
Exhibit 2	**Sample Listing of Ingram Micro Technical Resources and Certifications**
Exhibit 3	**Daly's Commonwealth of Virginia Territory Coverage**
Exhibit 4	**Daly's VARBusiness 2003 Technology Leader Award**

Exhibit 1



Confidential Information

Exhibit 1

INGRAM MICRO

World-Class Technical Support

800-445-5066 for Presale
716-616-4600 For Post-Sale

This page contains extensions you may dial to get directly to our Segments, Specialty Groups and Help Desks. These extensions may all be dialed at the prompt: "*If you know the group you wish to reach you may enter it at anytime during this message.*" Although our menu will still be in place for your use, we are providing you this option to enhance your accessibility to our service.

Direct Dial Extensions by Product Segments

Networking	76295
PC Software & Accessories	76292
Printing, Video, Multimedia	76126
Storage	76127
System Configuration	76128
Unix/Linux	76294
General Support	76292

Technology Help Desks

Digital Imaging	24026
High-End Storage	76429
HIPAA	76026
Network Security	76102
Video Conferencing Voice Data Convergence	76101
Wireless Networking, Mobile Wireless and PDA's	24096

Effective 9/15/03

Direct Dial Extensions by Specialty Groups

3Com	24046
Apple/Macintosh Systems & Software	76293
Amercian Power Conversion (APC)	24021
Belkin	24036
Cisco	24041
Citrix	24024
Compaq Systems	24020
Computer Associates	24025
Enterasys	24049
HP Systems	24039
IBM Software (DB2)	76426
IBM Systems	24043
Integration Services	76107
Lantronix / Lightwave	76620
Legato	76148
Liebert	76120
Microsoft Networking	76291
Novell Networking	24035
Network Associates / McAfee	24044
Proxim Wireless ORINOCO & Tsunami	76112
Sony VAIO	76324
Symantec Enterprise Network Security	24038
Tripp Lite	24029
Veritas	24042

Confidential Information

Exhibit 2

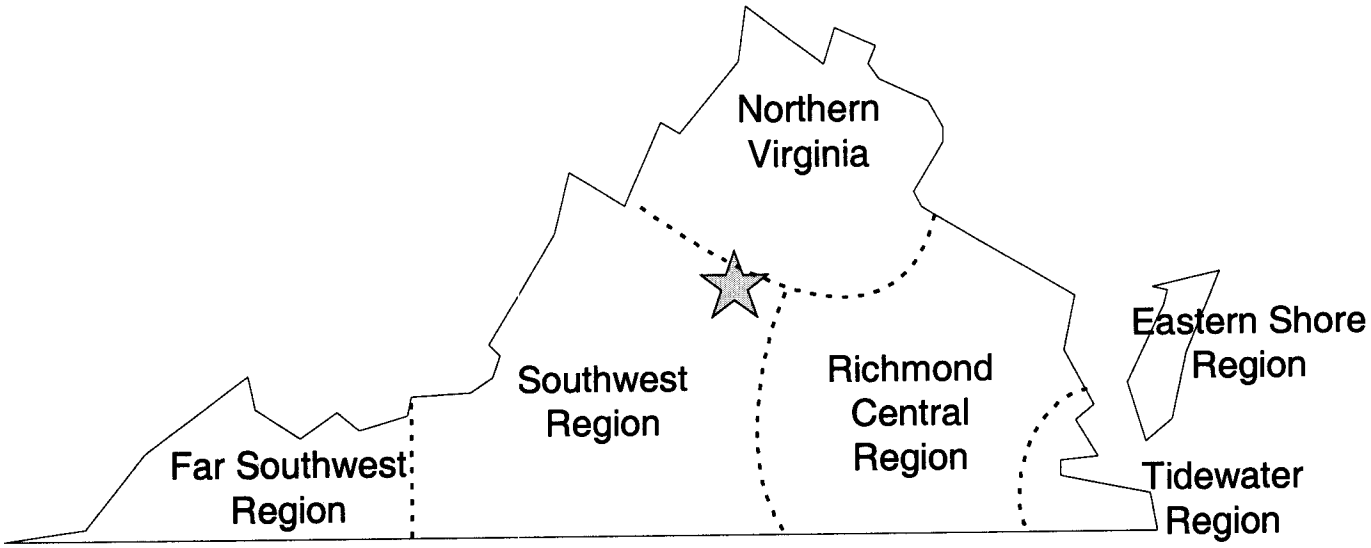
IMSN Engineering Capabilities

Certifications	# of Professionals	Certifications	# of Professionals
Comptia A+	3349	Epson	273
Apple	441	IBM	3000+
Cisco CCNA	855	Lexmark	1739
Citrix CCEA	749	Microsoft MCSE	1393
Compaq / HQ	2000+	Microsoft MCP	1695
Dell	2000+	Novell CNE	761
3Com	276	Panasonic	349
APC	121	Polycom	41
Sony	96	Xerox	308

***Partial List of IMSN Certifications**

Exhibit 3

Daly Statewide Coverage



Sales

(800) 955-DALY

Email: VAsales@daly.com

Web Portal: www.estore.daly.com

Service / Support

(888) DALY-TEC

Email: Support@daly.com

Web Portal: www.daly.com/dalynet

Exhibit 4

DALY COMPUTERS

2003 Technology Leader Award

A transcript of the VARBusiness500 event in Rockefeller Center's Rainbow Room By *VARBusiness* Wed., June 25, 2003

For this award, VARBusiness went in search of two companies that were masters of technology. These organizations demonstrate exacting technical capabilities with leading edge technologies to deliver real world solutions for their customers. This year's winners distinguish themselves among a large pool of competitors. Our first winner has shown leadership by evolving their management and services business, spinning it off from home-grown solutions developed in house to become a separate business unit so respected that it's deployed by some of their competitors. Our first Technology Leader Award goes to Daly Computers. Mr. Ryan Yu, President of Daly Computers will be accepting the award.

Lemuel C. Stewart
Chief Information Officer

COMMONWEALTH of VIRGINIA
Virginia Information Technologies Agency
Supply Chain Management
110 S. 7th Street
Richmond, Va. 23219-3900

Phone: (804) 371-5993
Fax: (804) 371-5969
Email:
doug.crenshaw@vita.virginia.gov

March 5, 2004

Ryan Yu
Daly Computers
22521 Gateway Center Drive
Clarksburg, Md. 24101

RE: RFP# 2004-14, Contract VA-040227-DALY

Dear Mr. Yu:

Please accept this letter as your official notice of award for item/s as noted in block 11, page 1, solicited under the above referenced procurement. A copy of the fully executed contract (indicating the specific items awarded) is enclosed with this notice. Please reference the contract number shown above in all future correspondence/invoices concerning this agreement.

Correspondence concerning acceptance of the products and services should be addressed to the attention of the individual ordering agent, as shown in block #7, Page 1, of DIT Form 62 / the contract. The VITA point of contact for this contract is the undersigned (804) 371-5993.

Sincerely,

Doug Crenshaw

Doug Crenshaw
Virginia Information Technologies Agency

Enclosure
cc: File

ATTACHMENT B			
VA-040227-Daly PRICING			
PRINTERS	Higher Ed. Discount	State & Local Disc.	Price Reference
Manufacturer:			
HP/Compaq	31.00%	31.00%	www.hp.com
DELL	4%	4%	www.dell.com
IBM	14.00%	14.00%	www.ibm.com
XEROX	29.00%	29.00%	www.xerox.com
LEXMARK	26.50%	26.50%	www.lexmark.com
EPSON	14.00%	14.00%	www.epson.com
Brother	48.00%	48.00%	www.brother.com
CANON	16.00%	16.00%	www.canon.com
OKIDATA	35.00%	35.00%	www.okidata.com
MEMORY			
Mfg:			
Power User	No Bid	No Bid	
Kingston	30.00%	30.00%	www.kingston.com
HP/Compaq	12%	12%	www.hp.com
Lexar Media	No Bid	No Bid	
Kingston - Value Ram	14.00%	14.00%	www.valueram.com
SanDisk Corporation	35%	35%	www.sandisk.com
IBM	10.00%	10.00%	www.ibm.com
Dell	4%	4%	www.dell.com
Gateway	No Bid	No Bid	
Simpletech	47.00%	47.00%	www.simpletech.com
MONITORS			
Mfg:			
NEC/Mitsubishi	11.00%	11.00%	www.nec.com
Planar	5%	5%	www.planar.com
Phillips	30.00%	30.00%	www.philips.com
Sony	13.00%	13.00%	www.sony.com
ViewSonic	23.00%	23.00%	www.viewsonic.com
Acer	6%	6%	www.acer.com
ProView	13.00%	13.00%	www.proview.com
Enivision Peripherals(EPI)	No Bid	No Bid	www.aocmonitor.com/epius
CTX	39.00%	39.00%	www.ctxintl.com
Gateway	No Bid	No Bid	
DELL	5%	5%	www.dell.com
IBM	11.00%	11.00%	www.ibm.com
HP	14.00%	14.00%	www.hp.com
EIZO	18.00%	18.00%	www.eizo.com
BENQ	21.50%	21.50%	www.benq.com
AOC	30%	30%	www.aocmonitor.com
Samsung	27.00%	27.00%	www.samsung.com

PROJECTORS			
Mfg:			
Canon	35% (See Note 25)	35% (See Note 25)	www.canon.com
Epson	44.00%	44.00%	www.epson.com
InFocus	41.00%	41.00%	www.infocus.com
DELL	5% (See Note 26)	5% (See Note 26)	
Mistubishi	40% (See Note 27)	40% (See Note 27)	www.mitsubishi.com
NEC	40% (See Note 28)	40% (See Note 28)	www.nec.com
Proxima	40.00%	40.00%	www.proima.com
Sony	27% (See Note 29)	27% (See Note 29)	www.sony.com
Toshiba	40.00%	40.00%	www.toshiba.com
ViewSonic	23.00%	23.00%	www.viewsonic.com
OPTOMA	54.00%	54.00%	www.optoma.com
POWER SUPPLIES			
Mfg:			
APC	20.00%	20.00%	www.apc.com
Belkin	34.00%	34.00%	www.belkin.com
Tripp-Lite	34.00%	34.00%	www.tripplite.com
Fellowes	57.00%	57.00%	www.fellowes.com
NETWORK ACCESS.			
Mfg:			
3 Com	33.00%	33.00%	www.3com.com
Linksys	47.00%	47.00%	www.linksys.com
IBM	12.00%	12.00%	www.ibm.com
Intel	33.00%	33.00%	www.intel.com
Hawking Technology	57.00%	57.00%	www.hawkingtech.com
NetGear	36.00%	36.00%	www.netgear.com
D-Link	41.00%	41.00%	www.dlink.com
Belkin	53.00%	53.00%	www.belkin.com
PowerDsine	No Bid	No Bid	
Allied Telesyn	23.00%	23.00%	www.alliedtelesyn.com
OPTICAL & STORAGE			
Mfg:			
Iomega	17.00%	17.00%	www.iomega.com
Sony	18.00%	18.00%	www.sony.com
Plextor	20.00%	20.00%	www.plextor.com
Samsung	20%	20%	www.samsung.com
Memorex	26.00%	26.00%	www.memorex.com
La Cie	11.00%	11.00%	www.lacie.com
HP/Compaq	16.00%	16.00%	www.hp.com
DELL	5%	5%	
IBM	11.00%	11.00%	www.ibm.com
Gateway	No Bid	No Bid	
Maxtor	46.00%	46.00%	www.maxtor.com
Seagate	28.00%	28.00%	www.seagate.com

INPUT DEVICES			
Mfg:			
Logitech	28.00%	28.00%	www.logitech.com
Microsoft	33.00%	33.00%	www.microsoft.com
Fellowes	54.00%	54.00%	www.fellowes.com
Kensington	44.00%	44.00%	www.kensington.com
Labtec	43.00%	43.00%	www.labtec.com
Adaptec	21.00%	21.00%	www.adaptec.com
Simple Technology	45.00%	45.00%	www.simpletech.com
IBM	11.00%	11.00%	www.ibm.com
DELL	5%	5%	
Gateway	No Bid	No Bid	
HP	11.00%	11.00%	www.hp.com
Memorex	45.00%	45.00%	www.memorex.com
PDAs			
Mfg:			
Palm	15.00%	15.00%	www.palm.com
HP/Compaq	6.00%	6.00%	www.hp.com
Sony	14.00%	14.00%	www.sony.com
Dell	5%	5%	
Sharp	18.00%	18.00%	www.sharpusa.com
Toshiba	22.00%	22.00%	www.toshiba.com
Handspring	12.00%	12.00%	www.handspring.com
ViewSonic	8.00%	8.00%	www.viewsonic.com
SCANNERS			
Mfg:			
Epson	17.00%	17.00%	www.epson.com
Fujitsu	33.00%	33.00%	www.fujitsu.com
HP/Compaq	27.00%	27.00%	www.hp.com
Kodak	3%	3%	www.kodak.com
Canon	35.00%	35.00%	www.canon.com
Microtek	16.00%	16.00%	www.microtek.com
PROCESSOR UPGRADES			
Mfg:			
Intel	15.00%	15.00%	www.intel.com
AMD	5.00%	5.00%	www.amd.com
CABLES			
Mfg:			
APC	56.00%	56.00%	www.apc.com
Tripp-Lite	67.00%	67.00%	www.tripplite.com
3M	41%	41%	www.3m.com
Star-Tech	54.00%	54.00%	www.startech.com
Belkin	58.00%	58.00%	www.belkin.com
Iogear	31.00%	31.00%	www.iogear.com
HP/Compaq	10.00%	10.00%	www.hp.com
Belden	5%	5%	
BlackBox	20.00%	20.00%	www.blackbox.com

EXPANSION CARDS			
Mfg:			
ATI	18.00%	18.00%	www.ati.com
3COM	30.00%	30.00%	www.3com.com
NetGear	37.00%	37.00%	www.netgear.com
Creative Labs	19.00%	19.00%	www.creativelabs.com
Allied Telesyn	22.00%	22.00%	www.alliedtelesyn.com
HP/Compaq	17%	17%	www.hp.com
Linksys	21.00%	21.00%	www.linksys.com
Orinoco	No Bid	No Bid	
Jaton	26.00%	26.00%	www.jaton.com
PNY	27.00%	27.00%	www.pny.com
CAMERAS			
Mfg:			
Kodak	15.00%	15.00%	www.kodak.com
Sharp	No Bid	No Bid	
Panasanic	2%	2%	
Sony	20.00%	20.00%	www.sony.com
Canon	21.00%	21.00%	www.canon.com
Nikon	20.00%	20.00%	www.nikon.com
Olympus	38.00%	38.00%	www.olympusamerica.com
Minolta	22.50%	22.50%	www.minolta.com
JVC	2%	2%	
HP/Compaq	26.00%	26.00%	www.hp.com
Sharp	No Bid	No Bid	
Fuji	21.50%	21.50%	www.fujifilm.com
OTHER			
Mfg:			
Targus	29.50%	29.50%	www.targus.com
Fellowes	51.00%	51.00%	www.fellowes.com
APC	30.00%	30.00%	www.apc.com
Kensington	44.00%	44.00%	www.kensington.com
Belkins	49.00%	49.00%	www.bekin.com
3M	38.00%	38.00%	www.3m.com
Cables to Go	40.00%	40.00%	www.cablestogo.com
IBM	11%	11%	www.ibm.com
HP/Compaq	8%	8%	www.hp.com
DELL	5%	5%	
Gateway	No Bid	No Bid	

Daly Clarification Questions

Customer Service

A

Please state your sales telephone support hours of operation, including time zone.
Daly's standard sales telephone support hours of operation are: 8am to 5pm EST.

The hours of operation listed above is the official hours of operation. However, the fact of the matter is, Daly's sales team typically works past the normal working hours of operation. Certainly, during peak periods and or during fiscal year end period, Daly's sales team is available during off hours to accommodate the customer's busy schedule. Throughout the year, longer hours are certainly available upon customer's request and hours are always extended during peak buying seasons, such as fiscal year end.

Please describe your telephone technical support, including hours of operation.
Daly Computers maintains a wide range of certified sales and technical support personnel to provide the Commonwealth with one of the most comprehensive technical support resources available. For sales and pre-sales technical support, the customer needs only to call (800) 955-DALY, email us at VASales@daly.com, or fax us at (301) 963-1516. The dedicated team of technically savvy sales personnel will provide the customer with all the sales and pre-sales technical support information immediately. Should there be any questions that the initial person is unable to answer, he or she has the ability to immediately conference in a more senior technical support personnel to obtain the answer in real time. These technical support personnel will either come from Daly's internal engineering staff or from Daly's primary technology and product partner on this contract, Ingram Micro, the world's largest IT distributor. Ingram Micro has over two hundred technical staff on hand to support both Daly and the Commonwealth. This conference call process will be completely seamless to the customer. A sample copy of the technical support resources from Ingram is shown in Exhibit 1. The hours of operation is officially from 8am to 7pm EST.

For post-sales technical support, the customer is welcomed to call the same contact listed above. However, Daly also maintains a technical support help desk and call center to support its customers. This help desk is tiered for increased technical support. The telephone number is (888) DALY-TEC. The email address is support@daly.com. This help desk / call center number is live/staffed 7x24. In fact, Ingram Micro contracts Daly's help desk / call center to run Ingram Micro's 7x24 customer help desk and nationwide dispatch system.

How much/what percentage of your tech support is web-based?
Currently, most of the pre-sales technical support is provided over the telephone via Daly's toll free telephone number. From time to time, pre-sales technical support is also received and responded to via emails. Post-sales technical support is very much evenly divided with 50% coming in via telephone and 50% coming in via emails or via the DalyNet. DalyNet is Daly's web enabled technical support and help desk. DalyNet has an answer book populated by Daly's years of technical experiences and also populated by industry knowledge base such as Technet.

The Commonwealth customer is welcomed to use any means that is convenient to them. Some customers prefer to use the web-based method as that provides an electronic paper trail. In response to this contract, Daly Computers stands ready to provide a contract specific web site and if permitted, provide the Commonwealth with a dedicated Intranet.

Does the same representative providing sales support provide technical support?
The customer is welcomed to call the same sales representative for both pre-sales technical support and post-sales technical support. We have many customers who prefer this method. However, in general, the same representative that provides the sales support does not provide the post-sales technical support. Daly maintains a separate help desk and call center in addition to our sales support team. We have found that customers like to have one point of contact to get their answers from. Therefore, all our sales personnel have direct lines into our help desk staff and can conference in additional help to support the customer or to facilitate a trouble call.

What is the average response (wait time) for sales and technical support?
The average call is answered immediately, however, even under extreme-load times, response is clocked-in at less than two minutes. Both Daly's phone system and its email system are designed with integrated backup support in place. Unless a specific telephone personal extension is dialed, the call will ring to a group ring that everyone on the Virginia Sales Team can pick up. In the same manner, unless a specific representative's email address is used, the vasales@daly.com email is forwarded to the entire Virginia Sales Team. This team system ensures that the customer's wait time is reduced to almost zero. In the unlikely event that someone cannot pickup immediately, the sales personnel will respond to voice mail and or email as soon as possible, which usually is typically less than 10 minutes.

When the customer calls into Daly's help desk, the calls are picked up immediately. Typical help desk wait time is immediate pickup, and again even under extreme call load averages less than a minute. Daly's management monitors its phone queue constantly to ensure that there is no back up. There is actually a large monitor located in the middle of the floor showing calls coming in, various phone queue activities, and abandoned calls. This system provides an important service metrics that are constantly monitored by Daly.

B
What are your technical support qualifications (e.g. MCSE's or apple certified, etc)?
Daly Computers maintains over 70 industry certified customer and system engineers on staff. This team of qualified engineers maintains certifications from Microsoft (MCSE), Cisco (CCNA), HP (ASE and Storageworks), IBM (xSeries & Shark), Symantec, Citrix, Lexmark, Novell (CNE), etc. Daly's Technical Services Organization is A+ certified as well authorized by most Enterprise Tier manufacturers. A partial listing of Daly's certification status is as follows:

- IBM Authorized Service Center
- Hewlett Packard Authorized Service Center
- Compaq Authorized Service Center
- Dell Authorized Service Center
- Gateway Authorized Service Center

- Citrix Authorized Support Center
- Cisco Premier Solutions Provider
- Microsoft Solution Provider
- A+ Authorized Service Center

In addition to the resources noted above, in response to this contract, Daly Computers will also utilize Ingram Micro's technical support resources, which include over a thousand industry certifications. In addition, Daly has access to Ingram Micro's service network, which has a combined certification total in excess of ten thousand. A sample listing of Ingram Micro's technical resources and certifications available to Daly and the Commonwealth can be found in Exhibit 2.

C

Where is the physical location of your technical support?

Daly's technical support organization is located at its national headquarters in Clarksburg, Maryland. Daly's 7x24 help desk is physically located at this facility. All on site dispatches are coordinated from this centralized help desk location and dispatched out to field engineers located throughout the country in a geographically based format. Daly is currently providing statewide on site technical support to the Commonwealth under its many service contracts. Daly's on site technical support coverage for the Commonwealth is shown in Exhibit 3.

Have you outsourced your technical support to another country?

Daly does not and has not outsourced any of its technical support to another country. Daly brings to the Commonwealth a world-class technical support organization. This organization has just received the VarBusiness 2003 Technology Leader Award as shown in Exhibit 4.

If so, what actions have you taken to ensure that customers receive the same level of quality support from a foreign based support structure than from a US based support line (i.e. language barriers, hours of operations, etc)?

Daly does not and has not outsourced any of its technical support to another country.

D

Is any part of your on-site service provided by a third-party provider(s)? If so, who is the provider(s)?

In response to this contract, Daly Computers intends to use its own on-site service staff to service the Commonwealth. Daly is currently providing statewide onsite services to all areas of the Commonwealth. Daly has a proven track record of providing statewide on-site services for the Commonwealth for over 10 years. However in cases where Daly were to use a third-party service provider, it will use the technical resources from Ingram Micro's National Service Network or currently known as Ingram Micro Service Network (IMSN). Technical personnel from IMSN are pre-qualified and certified engineers. Daly Computers has an electronic link between the IMSN call tracking system and the Daly call tracking system so that any calls to the Daly Help Desk that require third party dispatching are automatically updated in Daly's system also. With this connection, Daly can be certain of the accuracy of the information in our system

and the Commonwealth will only have one point of contact for its on site service requirements. As noted above, Daly Computers is the dispatch arm for IMSN, and therefore will have complete control over any third party support provider that would be servicing the Commonwealth. As the prime contractor, Daly Computers will be responsible for all communications, accountability, and service issues.

How long has DALY worked with this vendor(s)? Since the COV requires that all service ultimately be the responsibility of DALY, will DALY guarantee any work done by a third party service provider(s)?
Daly has had an active relationship with IMSN for over 8 years. Daly Computers understands that as the prime contractor that it is responsible for any work done by a third party service provider. Daly will guarantee all work that is done by a third party service provider. Daly has the proven contract compliance track record in the public sector arena.

Who will be the point of contact for service calls, DALY or the third party?
As the prime contractor, Daly will be the point of contact for all service calls.

Daly Computers is currently providing the Commonwealth of Virginia with a single point of contact for all service calls. All service calls come into Daly Computers' main Technical Services Organization located in Clarksburg, Maryland via a toll free number (888) DALY-TEC via email at support@daly.com or via the web at www.daly.com/dalynet. From here the Daly Call Center and Help Desk assign or dispatch the most qualified engineer to service the account. All service calls placed into the Daly Help Desk are entered immediately into Daly's automated service management system (SMS) for tracking and updates until the call is closed. For each call, a unique work order (WO) number is generated and the call is immediately time stamped. The WO number is used to track the service call through all events and to its completion. An event may be any activity on the call, such as parts ordered, call status changes, customer inquiries or actions taken by the on-site engineer to resolve the call. Customers using e-mails and faxes may also initiate service calls. Daly's service organization is web enabled. Authorized customers may initiate, track, and monitor service calls through this service web portal as well as generate service metrics and reports.

Response Time, Service Call Tracking and Escalation
As stated above, all customer service requests are entered into Daly's Service Management System (SMS) and responded to immediately. Once the call is entered and acknowledged by the SMS, it is time stamped and tracked meticulously. Each service call is assigned a unique Daly Service Work Order (WO) Number in the service database. The Work Order contains all the pertinent information related to the customer and/or the service call, i.e. customer name, equipment type, nature of problem(s) reported, time/date call was made, and any other pertinent information. This meticulous recording process ensures that all calls are tracked properly, responded to in a timely manner, and serviced properly. Daly Computers' Technical Services Organization maintains an escalation process whereby if a problem is not resolved within the contractual time frame or within 24 hours, the call is automatically escalated to a higher level by the SMS system followed by e-mails and paging of statuses to company management. This escalation process continues until the problem is resolved. Parts orders, part returns, Help Desk calls, and service work order resolutions are also escalated. Escalations can be easily customized

for customers requiring higher levels of support including paging customer support personnel and providing reports via fax, paper or e-mail. Upon request, the customer can also be added to the escalation announcement list to receive pager or e-mail broadcasts. Authorized customers can check status of requests, place requests and run activity reports via the Internet access. This feature truly empowers the customers to access mission critical information real time.

Please provide a detailed description of DALY's on site service program with this vendor(s), specifically for service in the COV.

Daly Computers currently has teams of customer and system engineers providing on-site customer services and support throughout the Commonwealth of Virginia. Depending on the requirements, the response time for a service call may be within 4 hours, same day or next day. Daly Computers currently has several service and engineering personnel stationed permanently in Northern Virginia and in the Richmond area. Engineers are regularly dispatched out to all the far reaches of the state. In response to this contract, Daly Computers will provide prompt on site service and support as required.

As a new feature in Daly's service infrastructure, Daly's field service personnel are equipped with cell phone that has embedded GPS system to allow the Daly Help Desk and management to locate and monitor each field personnel real time. This system provides statewide direct connect, email forward, 2 way text paging, 2 way paging, application accesses and other vital service features.

From Daly's centralized call center and help desk located in Clarksburg, Maryland, technical personnel and engineers are dispatched to the customer sites statewide from locations situated throughout Virginia and from areas bordering the states. Daly Computers will dispatch qualified engineers and technicians from four major sources. They are: Daly's internal engineering staff located in Northern Virginia, Richmond, Virginia, and Clarksburg, Maryland as well as qualified engineers from the Ingram Micro Service Network. Daly Computers is an active member of IMSN and sits on its advisory board. There are currently over 650 member companies in the Network with over 3,000 certified service professionals located across the country. Daly Computers has at its disposal technical personnel from IMSN located throughout the Commonwealth and the country. There are currently over 30 IMSN technical resources located throughout Virginia and the surrounding states. From these locations, Daly Computers can utilize and dispatch qualified service technicians to customer sites located throughout the Commonwealth. Using this service mechanism, Daly Computers can dispatch technical resources from the following areas to make sure that all service calls are responded to properly and timely:

State	*Locations*
Virginia	Northern Virginia, Blacksburg, Roanoke, Culpeper, Virginia Beach, Richmond, and Charlottsville
Maryland	Clarksburg, Salisbury
West Virginia	Charleston
North Carolina	Greensboro, Rocky Mount, Winston-Salem
Tennessee	Johnson City or Blountville

Please note that regardless of where the actual technical dispatch and support will come from, the entire service process will be seamless to the customer as all the calls are centrally booked and tracked at Daly's main 7x24 call center located in Maryland. By maintaining a centralized 7x24 service help desk and call center system, Daly Computers' management is ensured that all calls are properly monitored and managed. As the prime contractor, Daly Computers certifies that it will be responsible to the customer directly, will be the customer's single point of contact, and will be responsible for all service calls through its resolution.

Pricing

A

Should you be awarded a contract, how will you ensure that pricing of your products on eVA will always be more aggressive than what's available on your public web-site?

Daly Computers can assure the Commonwealth that the pricing on eVA will always be more aggressive than what is available on our public web site due to the fact that Daly controls all of the price catalogs on its web site. The discounts proposed under this contract are by far the most aggressive discounts Daly has offered to any entities. If Daly were to be awarded this contract, this proposed set of discounts would be hard coded into a new punch out catalog that will supersede the current eVA punch out catalog.

We are particularly concerned about special deals, fire sales, etc. that you may be offering to the public. Obviously, it is unacceptable for eVA pricing to be worse off than what can be obtained from your public web-site.

In cases of special deals and fire sales, Daly will adjust the eVA punch out catalog accordingly to make sure that such promotions and discounts are offered and available to the Commonwealth through the eVA catalog.

B

Please describe how you arrived at the discounts that you offered to the Commonwealth in your RFP response. Specifically, how did you arrive at the discounts for the various product categories?

Daly Computers, working in conjunction with Ingram Micro, generated a massive database consisting of all the products available from all the manufacturers requested. Within this database, Daly and Ingram broke the catalog into manufacturers and product categories for each manufacturer. We then reviewed the various discount levels offered by each manufacturer by product category. The initial discounts proposed were based on numerous factors that included the following: base line discounts given by the manufacturers; additional government / educational discounts provided by said manufacturers; government / education institution buying trends; comparable contracts discount levels; the required contract fees; other ancillary costs and COV's project demand profiles. Using this information, knowledge, and its years of experience working in the public sector arena, the Daly Team compiled and arrived at its initial offerings.

Please note that Daly has offered different discounts for the same manufacturer under different product categories, i.e. Canon printers, Canon projectors, Canon cameras, and Canon scanners all have different discounts based on each product category.

C

Please confirm that all pricing offered accounts for SCA, freight and eVA fees.

Daly Computers confirms that all pricing offered accounts for the SCA, freight and the eVA fees.

Warranty and Product Return

Please provide a detailed outline regarding your return policy and warranty related service. Please include any additional fees or cost (i.e. restocking fees) that may be incurred by the Commonwealth.

Return Policy

Daly Computers' product return policy is summarized as follows:

1. If Daly makes a mistake in its order fulfillment, or if Daly makes a mistake in its shipment, or if the shipment arrives at the customer site defective, or if the shipment arrives at the customer site damaged, Daly Computers will take the product back with absolutely no problem. In this case, the customer simply needs to contact Daly and receive a Return Material Authorization (RMA) number. Daly will either issue a call tag for a freight carrier to pick up the product or Daly will have the shipment picked up by its own field staff. In any case, Daly will cover the cost of any freight charges.

2. If Daly did not commit any of the above mistakes and or actions in its order fulfillment and the customer simply wants to return the product due to over ordering or order mistakes, we encourage the customer to still call Daly to try and obtain a RMA number. Daly will work diligently to facilitate the return of the product by the customer. There may be a restocking fee assessed in these instances and the customer will most likely be assessed a shipping charge. The basic rule of thumb is if the product is in good resellable condition, is completely sealed and not opened, and Daly is informed of this situation within 21 days of receipt of the product, Daly will work diligently to facilitate the return of the product. In most instances products that have been opened will be more difficult for Daly to take back. Basically, Daly's ability to take back the product is direct reflection of the particular manufacturer's willingness to take back products under its return policy. Some manufacturers are more lenient than others. Some manufacturers will take back "open box" with few questions asked while others may be stricter. With Daly's business partner being Ingram Micro, the world's largest IT distributor, Daly in fact has more lee ways when it comes to accepting "return exceptions". Daly's representative will work closely with the customer to make these product returns as reasonable as possible and as fair as possible. At times, restocking fees may be waived and at times, Daly's field staff may even pick up the products for return.

Daly's official product return policy is as follows:

Returned Goods – Policy and Procedures

The returned goods policy is based on Ingram Micro's standard *Return Policy* as described below:

A. **Requirements** – The Customer or Buyer must obtain a valid Return Material Authorization ("RMA") number from the Daly Team for all Product returns. RMAs will be issued in accordance with the following terms and conditions:

1. The Customer / Buyer must provide all information as required by the Daly Team for all returns, i.e. location of Product, reason for return, purchase order number, etc.
2. RMAs are valid for twenty (20) calendar days from the date of issuance.
3. Purchaser must allow for in-transit time for products to be returned to the Daly Team, as the Daly Team must physically receive the Products within the twenty (20) calendar days.
4. RMAs will be issued for authorized returns under one of the following categories: (i) defective Products, (ii) billing or shipping discrepancies, (iii) mis-shipment, or (iii) damaged Product.
5. The Customer or Buyer is responsible for ensuring that the RMA number is clearly visible on the address label of the Product packaging when it is returned.
6. The Daly Team will refuse delivery of any boxes without a valid, clearly visible RMA number as noted above.
7. *Overgoods* are unauthorized returns. Any Products received by the Daly Team (i) without a valid RMA number, including Product shipments refused by the Customer or the Buyer's customer except those damaged in transit from the Daly Team to the Customer or from the Daly Team to Buyer's customer, (ii) later than twenty calendar (20) days from the RMA date, or (iii) in a condition unsuitable for resale (excluding defective Products), will be considered Overgoods.
8. The Daly Team will return Overgoods to the Customer or the Buyer's customer, and will charge a $50 processing fee per shipment plus related freight charges. If the Customer or Buyer refuses the shipment of Overgoods from the Daly Team or returns the Overgoods to the Daly Team a second time without the Daly Team's prior authorization, the Customer or Buyer agrees to relinquish all right and title to and waives all claims against the Daly Team for credit related to such Products.
9. Notwithstanding anything to the contrary, the Daly Team reserves the right not to authorize the return of Products that are no longer in production or are being produced or published by a manufacturer or publisher that (i) is insolvent, (ii) has declared bankruptcy, or (iii) will not accept returns from Ingram.

B. **Defective Product Returns** - Defective returns are only for Products purchased from the Daly Team that are inoperable or do not function in accordance with the specifications published by the manufacturer or publisher and are covered under the manufacturer or publisher's warranty. All defective returns may be subject to more restrictive manufacturer or publisher policies. The Customer or Buyer may request an

RMA for the return of defective Products, excluding Special Order Products, within thirty (30) calendar days of invoice date. Upon receipt of the defective Product for which the RMA was issued, the Daly Team may test the Products and may return to the Customer or Buyer, at the Customer's expense, any Products found not to be defective. Upon verification that the returned Product is defective, the Daly Team may will either (i) repair the defective Product, (ii) ship the Customer / Buyer a replacement Product, or (iii) provide the Customer / Buyer a credit.

The Daly Team reserves the right to require the Customer or Buyer to return defective Products directly to the manufacturer or publisher for replacement according to its defective Products return policy. The Daly Team shall not be obligated to repair, replace, or issue credit to the Customer or Buyer for Products rendered defective, in whole or in part, by causes external to the Products, including, but not limited to, power failure, overvoltage on interface, improper use, maintenance or application of the Products or use of unauthorized parts. The Customer or Buyer shall bear all risks of loss when returning defective Products.

C. **Stock Balance Returns** - Stock balance returns are only for Products purchased from the Daly Team that are unopened and unused and can be re-sold as new. All stock balance Products returned must be in the manufacturer's original packaging and in condition suitable for resale including, but not limited to, without price tags or stickers or additional shrink wrapping, clean, undamaged and complete. All stock balance returns may be subject to more restrictive manufacturer or publisher policies. The Customer / Buyer may request an RMA for the return of Products in Stock Balance Condition, except for Special Order Products, within ninety (90) calendar days of invoice date.

Upon receipt of the Product for which the RMA was issued, the Daly Team will verify the condition of the Product. Any Products that are not in Stock Balance Condition will be considered Overgoods. Ingram will return Overgoods to the Customer / Buyer and will charge a $50 processing fee per shipment returned plus related freight charges. Additional fees may apply to returned Products; e.g., re-box, label removal, reshrink, etc., that are not in Stock Balance Condition. Upon verification that the returned Product is in Stock Balance Condition, the Daly Team will issue a credit to the Customer / Buyer. The Customer / Buyer shall pay all costs and bear all risks of loss when returning Stock Balance Products.

D. **Damaged Product Returns** - Damaged Product returns are only for Products purchased from the Daly Team. The Customer or Buyer's customer shall refuse any Product delivered in damaged condition. If the Product is received in damaged condition, the Customer or the Buyer shall notify the Daly Team and request an RMA within three (3) business days of receipt of such Product. Failure to notify the Daly Team and request an RMA within such time shall be deemed an acceptance of the Product as of the date of shipment.

Claims Processing

In addition to RMA processing, the Daly Team will work closely with the Commonwealth on all non-product claims. These claims are requests for credit when a package is lost, damaged or if a short shipment occurs. For these issues, the assigned Daly Team member will diligently work with the customer until resolution. For any claim by the customer or Buyer of non-delivery, the Daly Team will be able to see the shipment data via the Web and therefore, trace any order using the data from order review. The Daly Team can use the carriers' Web interfaces to trace the orders.

Warranty Policy

In response to this contract, Daly Computers guarantees its products to be free from defects in materials and workmanship, given normal use and care, over the period of the manufacturer's warranty. Daly Computers agrees to repair and/or immediately replace without charge (including freight both ways) to Authorized Users any product or part thereof that proves to be defective or fails within the warranty period as specified.

Other Warranty Related Services

Assistance in Application Installation and Configuration

Daly Computers' Technical Services Organization is experienced in assisting government and educational customers in installing and configuring IT peripherals, accessories, and computer systems. The Daly Team maintains scores of technicians and engineers to assist the Commonwealth with installation and configuration problems. For complex problems, senior engineers are called upon for assistance. Daly Computers currently has over 10,000 customers in the government and public sectors subscribing to this service.

Assistance in Resolving Compatibility Issues

Daly Computers' technicians and engineers regularly resolve compatibility issues related to IT peripherals and systems. Daly Computers' technicians and engineers are available, equipped, and trained to answer most compatibility related questions.

Troubleshooting for Any Basic Installation Problems

The Daly Team's technicians have hands on experience troubleshooting most installation problems. We stand ready to answer any basic installation questions either at the customer's site or over the phone.

Break Fix Services and Hardware Maintenance Program

Daly Computers is a certified service center for all the major Enterprise Tier computer manufacturer such as IBM, Compaq / HP, and Dell. As such, Daly is able to custom configure a break fix and or maintenance hardware maintenance program for its public sector customers. This program can cover all of the existing equipment to include PCs, monitors, printers, terminals, hubs, and other devices required under this contract. Daly Computers is currently providing a variety of these services to various government agencies and educational institutions nationwide.

Help Desk and Call Center

Daly's 7x24 help desk and call center are actively supporting numerous government and educational institutions as well as global commercial account nationwide. Depending on the contract on hand, the help desk program can be available as part of a larger contract or be provided via several other means such as per call basis, flat fee contract, or a bulk purchase of time. The Help Desk supports over 135 applications to include Microsoft's entire suite of programs. The Daly Call Center is providing dispatch services to numerous government and education customers. These clients are using the Daly Call Center as an extension of their service departments via an ASP model to help track and monitor their service call loads.

Technology Briefings, Seminars, and Overviews

Daly Computers will provide COV government and educational entities with regular scheduled product briefings. The briefings may be conducted by either Daly personnel or personnel from the manufacturers. In either case, Daly Computers will facilitate the briefings on a regular basis. The depth of the product overview will depend on the skill level of the audience. The content of the product overviews will be focused on the audience's interest. Daly Computers will solicit feedback and input from the customer. The size of the setting will depend on the size of the attendees. Daly Computers typically conducts this type of product overview at least once a month for its major government customers. These activities are in addition to the customer site visits conducted on regular basis by Daly's account manager.

In addition, Daly Computers regularly provides major technology seminars and overviews for its major account government customers. This type of events is typically more focused on a particular manufacturer's technology or on a general topic of networks. The event may last 3 to 4 hours long with in-depth coverage of the topic on hand. A typical session has 40 to 60 people with as much as 2 to 4 sessions running simultaneously. We have been hosting this type of events once or twice a year for the past 3 years now. Interested Commonwealth customers are welcomed to submit the seminar topics.

Payment System

In order to reduce costs associated with payment transactions, the COV would like to know whether or not you are capable of using the state's EDI payment system. Please state whether you are currently using EDI or ACH. If ACH, please state your ability to sign up for EDI.

Daly is currently receives government payments via ACH. Daly Computers is currently not using EDI for payment but is signed up with a VAN and is EDI ready. Daly has been using EDI to transact with the Federal government for over 6 years. Daly is willing to review the EDI payment systems with the Commonwealth and utilize it.

Other State-Wide PC Accessories Contracts

Please provide the Commonwealth with a list of states where you currently have a PC Accessories contract and the respective contact person(s) at each state. If possible, please provide references for states similar in size and scope to the COV and this solicitation.

National Institutes of Health Electronic Computer Store 3 Contract
Contracting Officer: Millicent Manning
Tel: (301) 402-3072

State of Maryland Computer and Peripheral Contract
Contracting Officer: Bill Bowser
Tel: (410) 260-7683

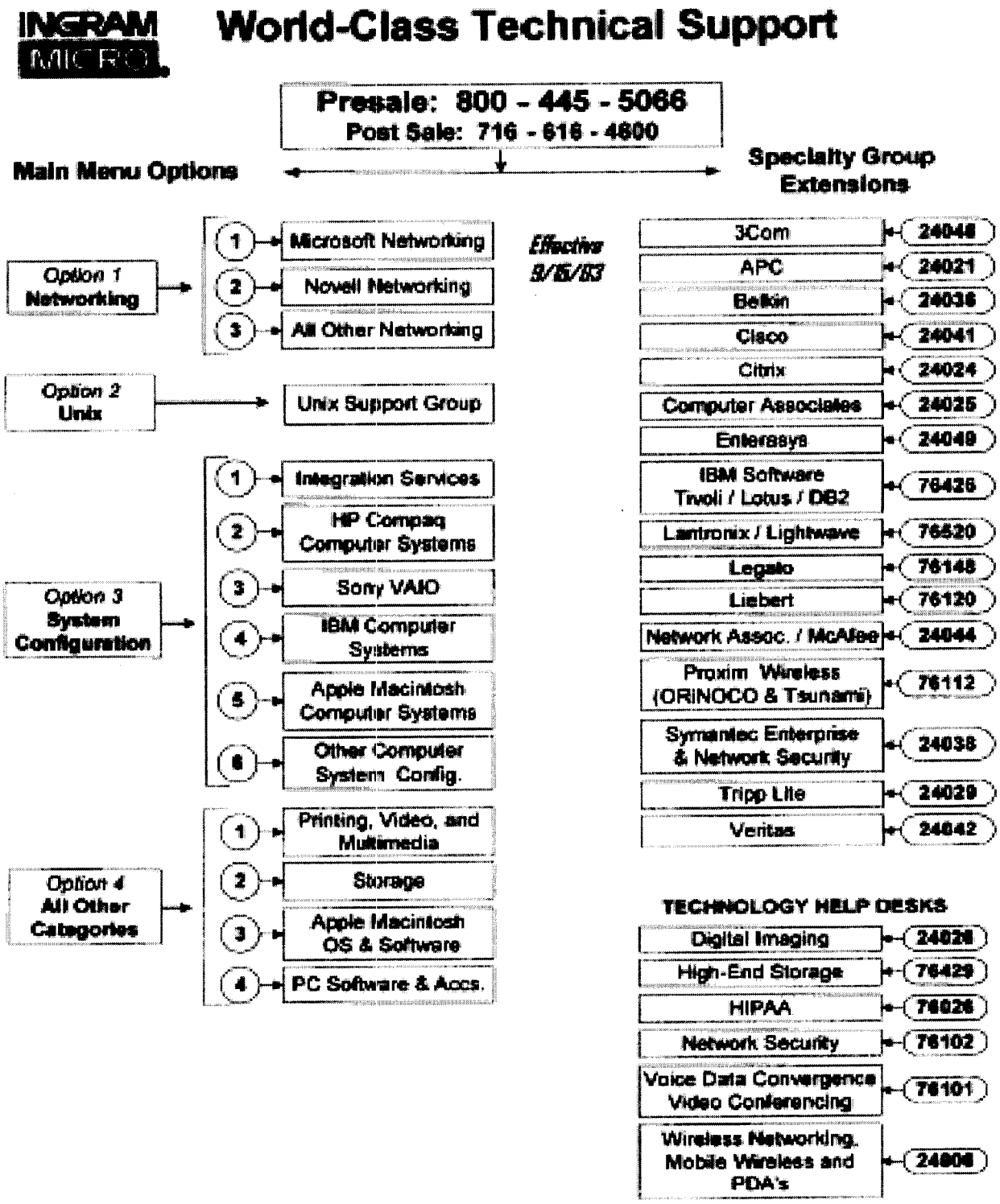
City of Chicago Public Schools Contract Peripheral and Accessory Contract
Contracting Officer: Charlita Fain
Tel: (773) 553-2549

Commonwealth of Pennsylvania PEPPM Contract
Contracting Project Coordinator: David Manney
Tel: (570) 523-1155 Ext 2174

Exhibits

Exhibit 1	**Sample Listing of Ingram Micro Technical Resources Available to Daly and the Commonwealth**
Exhibit 2	**Sample Listing of Ingram Micro Technical Resources and Certifications**
Exhibit 3	**Daly's Commonwealth of Virginia Territory Coverage**
Exhibit 4	**Daly's VARBusiness 2003 Technology Leader Award**

Exhibit 1



Confidential Information

Exhibit 1

INGRAM MICRO

World-Class Technical Support

800-445-5066 for Presale
716-616-4600 For Post-Sale

This page contains extensions you may dial to get directly to our Segments, Specialty Groups and Help Desks. These extensions may all be dialed at the prompt: "*If you know the group you wish to reach you may enter it at anytime during this message.*" Although our menu will still be in place for your use, we are providing you this option to enhance your accessibility to our service.

Direct Dial Extensions by Product Segments

Networking	76295
PC Software & Accessories	76292
Printing, Video, Multimedia	76126
Storage	76127
System Configuration	76128
Unix/Linux	76294
General Support	76292

Technology Help Desks

Digital Imaging	24026
High-End Storage	76429
HIPAA	76026
Network Security	76102
Video Conferencing Voice Data Convergence	76101
Wireless Networking, Mobile Wireless and PDA's	24096

Effective 9/15/03

Direct Dial Extensions by Specialty Groups

3Com	24046
Apple/Macintosh Systems & Software	76293
Amercian Power Conversion (APC)	24021
Belkin	24036
Cisco	24041
Citrix	24024
Compaq Systems	24020
Computer Associates	24025
Enterasys	24049
HP Systems	24039
IBM Software (DB2)	76426
IBM Systems	24043
Integration Services	76107
Lantronix / Lightwave	76620
Legato	76148
Liebert	76120
Microsoft Networking	76291
Novell Networking	24035
Network Associates / McAfee	24044
Proxim Wireless ORINOCO & Tsunami	76112
Sony VAIO	76324
Symantec Enterprise Network Security	24038
Tripp Lite	24029
Veritas	24042

Confidential Information

Exhibit 2

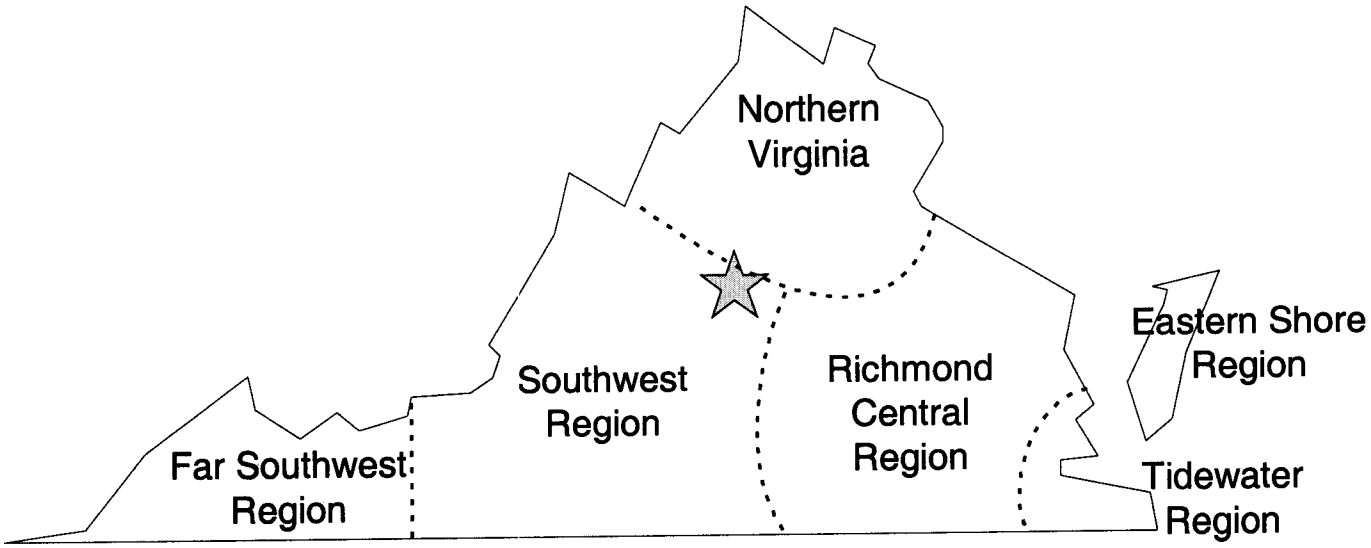
IMSN Engineering Capabilities

Certifications	# of Professionals	Certifications	# of Professionals
Comptia A+	3349	Epson	273
Apple	441	IBM	3000+
Cisco CCNA	855	Lexmark	1739
Citrix CCEA	749	Microsoft MCSE	1393
Compaq / HQ	2000+	Microsoft MCP	1695
Dell	2000+	Novell CNE	761
3Com	276	Panasonic	349
APC	121	Polycom	41
Sony	96	Xerox	308

***Partial List of IMSN Certifications**

Exhibit 3

Daly Statewide Coverage



Sales

(800) 955-DALY

Email: VAsales@daly.com

Web Portal: www.estore.daly.com

Service / Support

(888) DALY-TEC

Email: Support@daly.com

Web Portal: www.daly.com/dalynet

Exhibit 4

DALY COMPUTERS

2003 Technology Leader Award

A transcript of the VARBusiness500 event in Rockefeller Center's Rainbow Room By *VARBusiness* Wed., June 25, 2003

For this award, VARBusiness went in search of two companies that were masters of technology. These organizations demonstrate exacting technical capabilities with leading edge technologies to deliver real world solutions for their customers. This year's winners distinguish themselves among a large pool of competitors. Our first winner has shown leadership by evolving their management and services business, spinning it off from home-grown solutions developed in house to become a separate business unit so respected that it's deployed by some of their competitors. Our first Technology Leader Award goes to Daly Computers. Mr. Ryan Yu, President of Daly Computers will be accepting the award.