BOARD OF SUPERVISORS

KUYLER CROCKER
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# Information & Communications Technology

## COUNTY OF TULARE
## AGENDA ITEM

**AGENDA DATE**: May 21, 2019 - REVISED

| | | | |
|---|---|---|---|
| Public Hearing Required | Yes ☐ | N/A ☒ |
| Scheduled Public Hearing w/Clerk | Yes ☐ | N/A ☒ |
| Published Notice Required | Yes ☐ | N/A ☒ |
| Advertised Published Notice | Yes ☐ | N/A ☒ |
| Meet & Confer Required | Yes ☐ | N/A ☒ |
| Electronic file(s) has been sent | Yes ☒ | N/A ☐ |
| Budget Transfer (Aud 308) attached | Yes ☐ | N/A ☒ |
| Personnel Resolution attached | Yes ☐ | N/A ☒ |
| Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s) | Yes ☒ | N/A ☐ |

CONTACT PERSON: Marilyn Lucas    PHONE: 559-622-7313

**SUBJECT**:     Amendment to Agreement with VMware Inc.

## REQUEST(S):

That the Board of Supervisors:

1. Approve an amendment to Tulare County Agreement No. 28905 to modify scope of work for the design and deployment of Secure Socket Layer-Virtual Private Network (SSL-VPN) and include the Design and Deploy NSX Bridge for the application migration at no additional cost to the County retroactive from April 1, 2019 through August 30, 2019. The amendment is retroactive because of the time needed to complete negotiations on contractual details.

2. Find that the Board had authority to enter into the Amendment on April 1, 2019, and that it was in the County's best interests to enter into the Amendment on that date.

3. Authorize the Chairman to sign three copies of the Amendment.

## SUMMARY:

As the County needs continue to change, and the systems that the County uses continue to improve TCiCT must continue to change; improving the base on which these applications reside. Without a solid foundation the applications that the County uses to handle its day to day operations will not be able to run at optimal performance. As we continue to move further into this new century we must look at doing business well and efficiently with the staffing that is currently provided. Therefore, one of the new technologies TCiCT is reviewing for applications is the

cloud. This technology will require us to change some of the basic infrastructure to gain some of the advantages that we are looking for.

The modification of our SSL-VPN will improve our ability to give those who need a secure connection when they are outside the County the ability to do so while adding no additional cost to the County. This will also improve our internal management of our outward facing virtual private networks.

With the addition of the Design and Deploy NSX Bridge for the Application Migration, this will allow us to stagger virtual machines to be moved on the subnet making for a less peril implementation.

The original agreement had been approved as to form by County Counsel. The following terms deviated substantively from the standard County boilerplate:

Late Fees – Under the Agreement, all amounts not paid when due will incur a late charge equal to 1.5% per month and was included in the original Statement of Work.
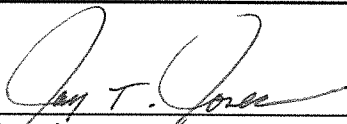
## FISCAL IMPACT/FINANCING:

This is zero cost to add this service to the existing Statement of Work. There is no Net County Cost.

## LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five-year strategic plan includes the Safety and Security Performance Initiative to provide for the safety and security of the public. The ability of the County to maintain community safety and security is dependent on the ability to keep the network equipment operational and, when there is an issue, react to it quickly. The approval of this agreement gives us the ability to maintain the network.

## ADMINISTRATIVE SIGN-OFF:

Jay Jones
Information & Communications Technology Deputy Director

cc:     County Administrative Office


Attachment(s)   A.  Change Request (CR) Form to Agreement
                B.  Tulare County Agreement No. 28905

# BEFORE THE BOARD OF SUPERVISORS
# COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF APPROVE AN )
AMENDMENT TO TULARE COUNTY )
AGREEMENT NO. 28905 WITH ) Resolution No. _____
VMWARE, INC. ) Agreement No. _____

UPON MOTION OF SUPERVISOR _____, SECONDED BY

SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE

BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____

_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: JASON T. BRITT
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

\* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*

1. Approved an amendment to Tulare County Agreement No. 28905 to modify scope of work for the design and deployment of Secure Socket Layer-Virtual Private Network (SSL-VPN) and include the Design and Deploy NSX Bridge for the application migration at no additional cost to the County retroactive from April 1, 2019 through August 30, 2019. This approval of the amendment is retroactive because of the time line needed to complete negotiations on Contract details to meet the requirements of County Counsel.
2. Found that the Board had authority to enter into the Amendment on April 1, 2019, and that it was in the County's best interest to enter into the Amendment on that date.
3. Authorized the Chairman to sign three copies of the Amendment.

vmware
VMware Professional Services
Statement of Work Change Request
Agreement # 00375696

## Change Request (CR) Form

Customer hereby requests that VMware, Inc. ("VMware") alter the scope of work to be performed under the current terms of the Statement of Work dated December 11, 2018 as outlined below. VMware will estimate all applicable fees associated with the change request and communicate them to the contact listed below via email within one week. This change order will be become effective once the estimate is provided to Customer unless written notice of cancellation is provided by Customer within two business days after receiving the estimate.

Customer: Tulare County                      Contract ID# :00339085

Project Name:  Tulare County MSS DD R885     Specific Deliverable(s) affected:
(SLED-West)                              Zero $ scope revision

**Change Request #: 01**

**Summary Description of Change Request**
Scope revision

## Remove the following Scope:
### Overview

VMware will assist with the development of the Customer's capability to do the following:

- Abstract and pool network resources
- Provide granular application security and isolation

VMware will provide the following services:

- Design a network virtualization foundation
- Deploy a network virtualization foundation
- Design an application security and isolation foundation
- Deploy an application security and isolation foundation

The following are high-level activities included in this project:

- Design – Solution design through a series of workshops and consultation
- Implement – Deployment and verification of the solution
- Knowledge Transfer – Knowledge transfer of the design, deployment and operations procedures

This project requires the following VMware SaaS and third-party products, with vendor-supported versions as agreed to by VMware and Customer at project kick-off, but limited to those that are in general availability (GA) on the date of SOW signing:

- VMware NSX™ 6.4.

### Project Scope

The scope of the service includes the following:

### Design a network virtualization foundation

Design of a network virtualization solution based on NSX for vSphere according to a VMware standard architecture that is modified in a series of design workshops to tailor the design for the Customer environment. It includes validation of Customer's business and technical requirements, assessment of platform constraints, risks and prerequisites to design the network virtualization solution.

| Specification | Parameters | Description |
|---|---|---|
| NSX Manager instances | Up to two (2) | NSX Manager instances designed |
| Logical switches | Up to fifteen (15) | Logical switches designed |
| NSX Edge Services Gateway instances | Up to four (4) | Edge Services Gateways designed to provide North-South connectivity |
| Firewall rules | Up to fifteen (15) | Sample firewall rules designed to support infrastructure service delivery. Configured only for the distributed firewall. |
| NSX Logical Distributed Router instances | Up to one (1) | Logical Distributed Router (DLR) instances designed |
| Security groups | Up to eight (8) | Security groups defined to support infrastructure service delivery |

## Design an application security and isolation foundation

Design of a micro-segmentation and security solution based on NSX for vSphere according to a VMware standard architecture that is modified in a set of design workshops to tailor the design for the Customer environment. It includes validation of Customer's business and technical requirements, assessment of platform constraints, risks and prerequisites to design the micro-segmentation and security solution.

| Specification | Parameters | Description |
|---|---|---|
| Review Solution Requirements | | Analysis of solution requirements and use case definition workshops to determine Customer's business and technology requirements and overall goals. The result of these workshops is combined with the materials in the Service Checklist to establish design parameters. These design parameters are used to develop the design for the selected use cases. |
| Review current state Infrastructure | | Confirmation that vSphere and underpinning physical environment is prepared and ready for NSX components. Identification of gaps and risks which requires a change in physical network configurations (e.g., IP addressing, subnets, MTU, DMZ, auto-deploy, jumbo frames and multi-cast), and that they are designed to support the NSX micro-segmentation security services. Parameters that impact design options are discussed in the workshops. Where applicable, VMware presents options and makes VMware best practice recommendations for resolution. |
| NSX for vSphere Component Design | Up to two (2) | NSX Manager and NSX for vSphere component design |
| Design Sessions | | Focusing on: virtual networking and security architecture, firewall policy, data classification guidelines and trust boundary topologies |
| Distributed Firewall | | Firewall policy, distributed firewall operational requirements, security group design |
| Service Composer | | Service Composer use and interaction |
| Firewall rule design pack(s) | Up to three (3) | Firewall rule design packs designed. Firewall rule design packs consist of up to ten (10) firewall rule designs, including firewall policy design, security group design, rule bases for distributed firewall, layer 3 Edge firewall and identity firewall. |
| VMware NSX Edge™ firewall | Up to two (2) | Development of VMware NSX Edge™ firewall architecture design and layer 3 firewall operational requirements |

Operations                                    Logging and monitoring guidelines

## Deploy a network virtualization foundation

### Deploy NSX-V Foundation

Foundational VMware NSX® for vSphere® deployment. This includes the preparation work, the deployment and verification of NSX Manager.

| Specification | Parameters | Description |
|---|---|---|
| NSX Manager instances | Up to two (2) | NSX for vSphere manager appliances deployed and configured, with registration to existing configured VMware vCenter Server® instances |

### Deploy NSX-V for Network Virtualization

Deployment of a network virtualization solution based on NSX for vSphere according to a VMware standard architecture that is implemented and verified in the Customer environment. The service includes technical verification of platform prerequisites, the deployment of network virtualization using NSX for vSphere, testing and a knowledge transfer session for the Customer.

| Specification | Parameters | Description |
|---|---|---|
| NSX Distributed Logical Router instances | Up to one (1) | Distributed Logical Router (DLR) instances deployed and configured |
| NSX Edge Services Gateway instances | Up to four (4) | Edge Services Gateways with ECMP enabled to provide dynamic routing peering (OSPF or BGP) to the Logical Distributed Router and to external physical routers |
| NSX Logical switches | Up to fifteen (15) | Logical switches configured |
| Security groups | Up to eight (8) | Security groups defined to support infrastructure service delivery |
| Firewall rules | Up to fifteen (15) | Sample firewall rules configured to support infrastructure service delivery. Configured only for the distributed firewall. |
| L2/L3 Functionality (VXLAN Configuration) | | Configuration of L2 logical connectivity between sites for workload mobility. OTV will be removed after VXLAN is configured |
| **NSX workshop activities** | | Activities performed in conjunction with this service include the following: |
| NSX basic consumption activities workshop | | Workshop to provide guidance and enablement in the form of "See One, Do One" methodologies. This will be based on operational activities that are predefined at the start of the workshop. |
| NSX monitoring workshop | | Workshop to provide guidance and enablement in NSX Monitoring activities. Review Standards vCenter Alarm related to NSX and other possibilities. |
| NSX troubleshooting concept workshop | | Workshop to provide guidance and enablement in basic troubleshooting concepts |
| NSX platform maintenance activities workshop | | Workshop to provide guidance and enablement in NSX Platform Maintenance. Discuss on backup and recovery strategy for NSX Components |

## Deploy NSX-V for Micro-segmentation and Security

Deployment of a micro-segmentation and security solution based on NSX for vSphere according to a VMware standard architecture that is implemented and verified in the Customer environment. The service includes technical verification of platform prerequisites, the deployment of micro-segmentation using NSX for vSphere, testing and a knowledge transfer session for the Customer.

| Specification | Parameters | Description |
|---|---|---|
| **Micro-Segmentation Deployment** | | |
| Distributed firewall ESXi™ kernel modules | Up to fifty (50) | Distributed firewall ESXi kernel modules installed and configured |
| Firewall rules configuration packs | Up to three (3) | One pack consists of up to ten (10) firewall rule configurations, including firewall policy design, security group design, rule bases for distributed firewall, layer 3 Edge firewall, and identity firewall |
| Logging and Monitoring | | Direct logging output to a pre-installed End Customer-designated syslog target e.g., VMware vRealize™ Log Insight™ |
| Distributed Firewall (DFW) | | Configuration of stateful firewall functionality between tenant virtual machines within the same ESXi host or across different ESXi hosts using the DFW functionality. This includes configuration of one (1) sample security groups and associated firewall rules. Configured only for the Distributed Firewall (DFW). |
| **Micro-segmentation Services** | | |
| Virtual Machine | | Configuration of workload virtual machines using a VMware provided sample application, with up to two (2) communication flows between them that can be allowed or blocked individually |

### Project Activities

The activities for this engagement are organized in the engagement-specific phases shown below.

### Phase 1: Initiate

The VMware Senior Project Manager hosts project initiation call with key Customer and VMware stakeholders. Topics to be discussed include the following:

- Project business drivers, scope and objectives
- Project deadlines, timelines, scheduling and logistics
- Identification of key Customer team members that VMware will work with to assist with performing the tasks defined in this SOW
- Participating team members are confirmed and contact details are exchanged to schedule the project kick-off meeting

### Work products
- Project initiation call

## Phase 2: Plan

VMware leads project kick-off meeting with Customer project sponsors and stakeholders to review expectations about the purpose of the engagement, the delivery approach and timelines. The following are the objectives of the meeting:

- Introducing the VMware team, roles and responsibilities
- Describing the project goals, phases and key dates
- Agreeing on communication and reporting process and creating a communications plan
- Validating the project expectations and clarifying roles and responsibilities
- Confirming prerequisites are met as detailed in the checklist for specified solutions
- Presenting the solution overview for the specified solution including estimated project results and work products

The VMware Senior Project Manager and the Customer Project Manager collaborate to develop the project plan.

### Work products

- Cybersecurity solution checklist
- Cybersecurity solution overview presentation
- Communications plan
- One (1) project kick-off meeting
- Project Plan

## Phase 3: Execute

The key activities for this phase are organized in the following sub-phases:

- Design
- Implement
- Knowledge Transfer

### Execute: Design

VMware leads the Customer project team in a series of workshops to develop a design. VMware does the following:

- Conducts up to fifty-two (52) hours of design workshops
- Documents the design for the specified VMware solution

### Work products

- Up to fifty-two (52)hours of design workshops
- Documents the design for the specified VMware solutions

### Execute: Implement

VMware implements the solution according to the VMware solution specification. VMware does the following:

- Implements the specified solution as detailed in the specification workbooks
- Verifies the implementation and documents results in the verification workbooks for the specified solution

### Work products

- Cybersecurity solution specification workbook
- Cybersecurity solution verification workbook

### Execute: Knowledge Transfer

VMware conducts knowledge transfer sessions covering the design, implementation, and operational considerations relating to the scope of this project. VMware does the following:

- Conducts up twenty-two (22) hours of knowledge transfer sessions for Customer representatives
- Provides an adoption guide containing operational guidance for the specified solution

Note: For the avoidance of doubt, the Knowledge transfer herein does not comprise VMware product training or certification courses as offered by the VMware Education unit - (http://mylearn.vmware.com/mgrreg/index.cfm)

### Work products

- Up to twenty-two (22) hours of knowledge transfer sessions
- Cybersecurity adoption guide document
- Cybersecurity knowledge transfer workshop presentation

## Phase 4: Close

The VMware Senior Project Manager conducts closure meeting with Customer covering project status, next steps, and how to engage further with VMware.

### Work products

- Engagement summary presentation
- Closure meeting
- Number of IP subnets required. Defined minimum: one (1)

## Replace with the following Scope:

### Overview

VMware will assist with the development of the Customer's capability to do the following:

- Abstract and pool network resources
- Provide granular application security and isolation

VMware will provide the following services:

- Design Cross-vCenter network virtualization for Two Data Centers
- Deploy Cross-vCenter Network Virtualization
- Design and Deploy NSX Bridge for Application Migration
- Deploy NSX-V for Micro-Segmentation
- Design Application Migration
- Deploy Application Migration
- Plan and Design SSL-VPN

The following are high-level activities included in this project:

- Design – Solution design through a series of workshops and consultation
- Implement – Deployment and verification of the solution
- Knowledge Transfer – Knowledge transfer of the design, deployment and operations procedures

This project requires the following VMware SaaS and third-party products, with vendor-supported versions as agreed to by VMware and Customer at project kick-off, but limited to those that are in general availability (GA) on the date of SOW signing:

○ VMware NSX™ 6.4.

**Project Scope**

The scope of the service includes the following:

## Design cross-vCenter network virtualization for Two Data Centers

Design of a cross-vCenter network virtualization solution based on NSX for vSphere according to a VMware standard architecture that is modified in a series of design workshops to tailor the design for the Customer environment. It includes validation of Customer's business and technical requirements, assessment of platform constraints, risks and prerequisites to design the network virtualization solution.

The cross-vCenter network virtualization will utilize Layer2 extension capability of NSX, which is VxLAN.

| Specification | Parameters | Description |
| --- | --- | --- |
| NSX Manager instances | Up to two (2) | NSX Manager instances designed |
| Logical switches | Up to fifteen (15) | Logical switches designed |
| NSX Edge Services Gateway instances | Up to four (4) | Edge Services Gateways designed to provide North-South connectivity |
| NSX Universal Logical Distributed Router instances | Up to one (1) | Logical Distributed Router (DLR) instances designed |

## Deploy Cross-vCenter Network Virtualization

Deployment of a network virtualization solution based on NSX for vSphere using custom cross-vCenter network architecture developed during the Design phase of the project. The service includes technical verification of platform prerequisites, the deployment of network virtualization using NSX for vSphere, testing and a knowledge transfer session for the Customer. clTopus, an NSX automation and management tool, will be utilized to expedite the planning, deployment, testing, and validation of the NSX components at both datacenters in the Customer environment.

| Specification | Parameters | Description |
| --- | --- | --- |
| NSX Manager instances | Up to two (2) | NSX Manager instances designed |
| Logical switches | Up to fifteen (15) | Logical switches designed |
| NSX Edge Services Gateway instances | Up to four (4) | Edge Services Gateways designed to provide North-South connectivity |
| NSX Universal Logical Distributed Router instances | Up to one (1) | Logical Distributed Router (DLR) instances designed |

## Design and Deploy NSX Bridge for Application Migration

Design and deployment of NSX bridging function available in the Distributed Logical Router to bridge physical servers or virtual machines on the physical network with the virtual machines on the NSX logical switches. The service also involves design and deployment of a new network topology involving a transport zone, logical switches, and distributed logical routers as well as integrating the distributed logical routers with the physical network. clTopus, an NSX automation and management tool, will be utilized to expedite

the planning, deployment, testing, and validation of the NSX components at both datacenters in the Customer environment.

| Specification | Parameters | Description |
|---|---|---|
| NSX Distributed Logical Router | Up to two (2) | Two DLRs, one on each site will be deployed for the bridge configuration |
| Logical switches | Up to ten (10) | Logical switches for bridging |
| Bridge Configurations | Up to four (4) | Bridge configuration between physical networks and NSX logical networks |

## Deploy NSX-V for Micro-Segmentation

Deployment of a micro-segmentation and security solution based on NSX for vSphere according to a VMware standard architecture that is implemented and verified in the Customer environment. The service includes technical verification of platform prerequisites, the deployment of micro-segmentation using NSX for vSphere, testing and a knowledge transfer session for the Customer. clTopus, an NSX automation and management tool, will be utilized to expedite the planning, deployment, testing, and validation of the NSX components at both datacenters in the Customer environment.

| Specification | Parameters | Description |
|---|---|---|
| **Micro-Segmentation Deployment** | | |
| Distributed firewall ESXi™ kernel modules | Up to fifty (50) | Distributed firewall ESXi kernel modules installed and configured |
| Firewall rules configuration packs | Up to one (1) | One pack consists of up to ten (10) firewall rule configurations, including firewall policy design, security group design, rule bases for distributed firewall, layer 3 Edge firewall, and identity firewall |
| Logging and Monitoring | | Direct logging output to a pre-installed End Customer-designated syslog target e.g., VMware vRealize™ Log Insight™ |
| Distributed Firewall (DFW) | | Configuration of stateful firewall functionality between tenant virtual machines within the same ESXi host or across different ESXi hosts using the DFW functionality. This includes configuration of one (1) sample security groups and associated firewall rules. Configured only for the Distributed Firewall (DFW). |
| **Micro-segmentation Services** | | |
| Virtual Machine | | Configuration of workload virtual machines using a VMware provided sample application, with up to two (2) communication flows between them that can be allowed or blocked individually |

## Design Application Migration

Customer has approximately 850 virtual machines across two data centers. With the implementation of NSX at both data centers, customer plans on migrating all of the virtual machines form the current infrastructure to a new infrastructure. This service includes VMware's guidance on migrating the Virtual Machines from the current physical environment to NSX logical switches. The migration requires changes

to the physical networking infrastructure, including shutting down the Service Virtual Interfaces (SVIs) and changing the prefix advertisement.

This service also includes testing NSX L2 extension, which is VxLAN, across both data centers using test workloads prior to performing application migration. The testing will involve additional cabling, VLAN and routing configuration on the physical switches and routers. All of the physical switch and router configuration will be performed by the customer.

| Specification | Parameters | Description |
| --- | --- | --- |
| **Design Application** | | |
| Virtual Machines | Up to eight-hundred fifty (850) | Customer has approximately 850 virtual machines. The planning and design will include all 850 virtual machines. |

## Deploy Application Migration

This service includes migration of virtual machines from two subnets (i.e. VLAN) to NSX Logical Switches. The migration service will include providing the guidance on maintenance windows for network migration, failback plan, VLAN and SVI change on the physical switches and routers, and prefix advertisement on the physical and NSX environments. The service also involves providing oversight of the virtual machine migration during a change window. cITopus, an NSX management and automation tool may be utilized to automatically migrate virtual machines from physical networking environment to NSX logical networks.

| Specification | Parameters | Description |
| --- | --- | --- |
| **Deploy Application Migration** | | |
| Virtual Machines | Up to fifty (50) | Customer has approximately 850 virtual machines. The deployment will include the migration of one subnet (or VLAN) consisting of up to 50 Virtual machines |
| Networks | Up to two (2) | Two subnets (or VLAN) will be migrated from VLAN to VxLAN |

## Plan and Design SSL-VPN

This service includes requirement analysis and design of Edge Services Gateway SSL-VPN to allow external users to securely connect to Customer data centers. The SSL-VPN design using NSX Edge Services Gateways has several dependencies, including integrating with RSA, routing of public network, configuration of internal network, firewall access from internal network to server farm, and user authentication. The service also includes the feasibility of managing custom groups in NSX Edge Services Gateway SSL-VPN

| Specification | Parameters | Description |
| --- | --- | --- |
| **Design SSL-VPN** | | |
| Edge Services Gateway | Up to two (2) | Dedicated Edge Services Gateway (ESG) will be designed for SSL-VPN. |

## Project Activities

The activities for this engagement are organized in the engagement-specific phases shown below.

### Phase 1: Initiate

The VMware Senior Project Manager hosts project initiation call with key Customer and VMware stakeholders. Topics to be discussed include the following:

- Project business drivers, scope and objectives
- Project deadlines, timelines, scheduling and logistics
- Identification of key Customer team members that VMware will work with to assist with performing the tasks defined in this SOW
- Participating team members are confirmed and contact details are exchanged to schedule the project kick-off meeting

### Work products

- Project initiation call

### Phase 2: Plan

VMware leads project kick-off meeting with Customer project sponsors and stakeholders to review expectations about the purpose of the engagement, the delivery approach and timelines. The following are the objectives of the meeting:

- Introducing the VMware team, roles and responsibilities
- Describing the project goals, phases and key dates
- Agreeing on communication and reporting process and creating a communications plan
- Validating the project expectations and clarifying roles and responsibilities
- Confirming prerequisites are met as detailed in the checklist for specified solutions
- Presenting the solution overview for the specified solution including estimated project results and work products

The VMware Senior Project Manager and the Customer Project Manager collaborate to develop the project plan.

### Work products

- Communications plan
- One (1) project kick-off meeting
- Project Plan

### Phase 3: Execute

The key activities for this phase are organized in the following sub-phases:

- Design
- Implement
- Knowledge Transfer

### Execute: Design

VMware leads the Customer project team in a series of workshops to develop a design. VMware does the following:

- Conducts design workshops
- Documents the design for the specified VMware solution

**Execute: Implement**

VMware implements the solution according to the VMware solution specification. VMware does the following:

- Implements the specified solution as detailed in the specification workbooks
- Verifies the implementation and documents results in the verification workbooks for the specified solution

**Execute: Knowledge Transfer**

VMware conducts knowledge transfer sessions covering the design, implementation, and operational considerations relating to the scope of this project.

Note: For the avoidance of doubt, the Knowledge transfer herein does not comprise VMware product training or certification courses as offered by the VMware Education unit - (http://mylearn.vmware.com/mgrreg/index.cfm)

### Phase 4: Close

The VMware Senior Project Manager conducts closure meeting with Customer covering project status, next steps, and how to engage further with VMware.

**Work products**
- Engagement summary presentation
- Closure meeting

### Work Products

- Network Virtualization Solution Requirements
- Network Virtualization Design Guide
- Network Virtualization Configuration Workbook
- Network Virtualization Operations Manual
- Network Virtualization Installation and Configuration Document
- Network Virtualization Solution Overview
- Network Virtualization Knowledge Transfer Document
- Virtual Machine Migration Plan
- Virtual Machine Migration Design Guide, including Migration Diagrams
- Micro-Segmentation solution checklist
- Micro-Segmentation solution overview presentation

| Customer: Tulare County | VMware, Inc. |
|---|---|
| Printed Name | Printed Name |
| Signature | Signature |
| Title | Title |
| Date: | Date |
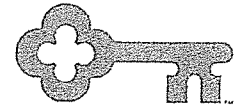
Key Government Finance, Inc.
1000 South McCaslin Boulevard

October 16, 2018

Peg Yeates
County of Tulare
5961 S Mooney Blvd
Visalia, California 93277

Re:    Key Government Finance, Inc.
       Property Schedule No. 2

Dear Ms. Yeates:

Enclosed, please find two (2) sets of financing documents for your review and execution. (If these documents were emailed to you, please print out two (2) sets.) Execute both sets and return all of the originals to my attention. The original sets of the executed documents are required prior to funding your transaction. To expedite the return of these documents, please overnight them to me:

KEY GOVERNMENT FINANCE, INC.  ATTN: Tracy Buckskin
1000 S. MCCASLIN BLVD, SUPERIOR, CO  80027

Only the person with Signing Authority, listed on the Lessee's Certificate, should execute the documents. For verification of original documents, please execute in blue ink. Upon closing, Key Government Finance will return a fully executed original set for your files.

*Please Note: All fully executed documents must be returned no later than November 2, 2018; otherwise, the transaction is subject to re-pricing.*

Executed documents required for funding are:

1.  Property Schedule No. 2
2.  Property Description and Payment Schedule (Exhibit 1)
3.  Lessee's Counsel's Opinion (Exhibit 2)
4.  Lessee's Certificate (Exhibit 3)
5.  Payment of Proceeds Instructions (Exhibit 4)
6.  Acceptance Certificate (Exhibit 5)
7.  Bank Qualification Certificate (Exhibit 6)
8.  Certificate of Insurance – *Required prior to funding.*
9.  Notification of Tax Treatment with Tax Exemption Certificate or Letter – *Required for annual state tax audits.*
10. Invoicing Instructions – *Required in order to ensure that invoices are directed to the proper area in your organization.*
11. IRS Form 8038-G or 8038-CG
12. Software and Services Addendum

Please contact either Katie Hamilton at (720) 980-3811 or me at (720) 304-1212 with any questions.

Sincerely,


Tracy Buckskin
Account Manager

# DOCUMENTATION CHECKLIST

☐ Property Schedule 2*

☐ Property Description and Payment Schedule – Exhibit 1

☐ Lessee's Counsel's Opinion – Exhibit 2. Exhibit 2 is the standard legal opinion used by Key Government Finance, Inc. This opinion will need to be processed by your attorney on their letterhead. Your attorney will want to review the Lease/Purchase Agreement.

☐ Lessee's Certificate – Exhibit 3. Please fill in the date of the meeting of the governing body, referenced in section 1. We would also like a copy of those minutes or board resolutions for our files.

☐ Payment of Proceeds Instructions – Exhibit 4. This is the Vendor payment information.

☐ Acceptance Certificate – Exhibit 5. *The date of Acceptance will need to be filled in* with the date the equipment is installed and accepted.

☐ Bank Qualification Certificate – Exhibit 6. One of the two boxes *must* be checked off.

☐ Request for Certificate of Insurance – Please fill out the form and fax it to your insurance company. The Insurance Certificate is required prior to funding.

☐ Notification of Tax Treatment – Please provide your State of Sales/Use Tax Exemption Certificate

☐ Invoicing Instructions – The information you provide enables us to invoice you correctly.

☐ IRS Form 8038-G or 8038-GC
The original form will be required for funding, which we will submit to the IRS on your behalf. Or, you may submit the original completed form to the IRS directly. KGF will require a copy of the completed form and proof of filing prior to funding
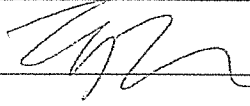
☐ Software and Services Addendum


*The items above marked with an asterisk require a signature in the presence of a witness/attestor. The attesting of the signature does not require a notary, but the signature of a person present at the time the document is signed.
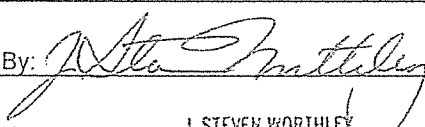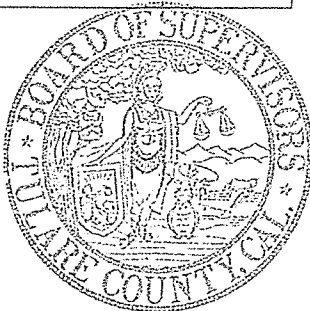
This Property Schedule No. 2 is entered into as of the Commencement Date set forth below, pursuant to that certain Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), dated as of June 19, 2015, between Key Government Finance, Inc., and County of Tulare.

1. **Interpretation.** The terms and conditions of the Master Agreement are incorporated herein by reference as if fully set forth herein. Reference is made to the Master Agreement for all representations, covenants and warranties made by Lessee in the execution of this Property Schedule, unless specifically set forth herein. In the event of a conflict between the provisions of the Master Agreement and the provisions of this Property Schedule, the provisions of this Property Schedule shall control. All capitalized terms not otherwise defined herein shall have the meanings provided in the Master Agreement.

2. **Commencement Date.** The Commencement Date for this Property Schedule is October 26, 2018.

3. **Property Description and Payment Schedule.** The Property subject to this Property Schedule is described in Exhibit A hereto. Lessee shall not remove such property from the locations set forth therein without giving prior written notice to Lessor. The Rental Payment Schedule for this Property Schedule is set forth in Exhibit 1.

4. **Opinion.** The Opinion of Lessee's Counsel is attached as Exhibit 2.

5. **Lessee's Certificate.** The Lessee's Certificate is attached as Exhibit 3.

6. **Payment of Proceeds.** Lessor shall disburse the proceeds of this Property Schedule in accordance with the instructions attached hereto as Exhibit 4.

7. **Acceptance Certificate.** The form of Acceptance Certificate is attached as Exhibit 5.

8. **Additional Purchase Option Provisions.** In addition to the Purchase Option provisions set forth in the Master Agreement, and so long as no Event of Default has occurred and is continuing, Lessee may prepay, in whole but not in part, the principal outstanding hereunder together with all accrued and unpaid Interest thereon, plus a prepayment premium equal to 3% of the outstanding principal

9. **Bank Qualification Certificate.** Attached as Exhibit 6. One of the two boxes *must* be checked off.

10. **Expiration.** Lessor, at its sole determination, may choose not to accept this Property Schedule if the fully executed, original Agreement (including this Property Schedule and all ancillary documents) are not received by Lessor at its place of business by November 2, 2018.

11. **Effective Interest Rate.** 4.31%.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Property Schedule No. 2 to be executed in their names by their duly authorized representatives as of the Commencement Date above. This Property Schedule No. 2 shall not be binding upon Lessor until any and all conditions precedent contained herein have been met and receipt of, in form satisfactory to Lessor in its sole discretion, all required documentation and credit enhancements from Lessee including but not limited to, acceptance certificate, counsel opinion(s), insurance certificate(s), and tax documentation.

| Lessor: Key Government Finance, Inc. | Lessee: County of Tulare |
|---|---|
| By: | By: |
| Name: TRACY BUCKSKIN Designated Signer | Name: J. STEVEN WORTHLEY |
| Title: | Title: CHAIRMAN, BOARD OF SUPERVISORS |

Attest By
Name: Michael C. Spata
Title: Deputy Clerk

TULARE COUNTY AGREEMENT NO.23905

EXHIBIT 1

# Property Description and Payment Schedule

Re:     **Property Schedule No. 2**, dated October 26, 2018, to Master Tax-Exempt Lease/Purchase Agreement dated June 19, 2015, between Key Government Finance, Inc. and County of Tulare.

The Property is as follows:     The Property as more fully described in Exhibit A incorporated herein by reference and attached hereto.

EQUIPMENT LOCATION: 5961 S Mooney Blvd, Visalia, California 932779394

USE: Enterprise Licensing Agreement - This use is essential to the proper, efficient and economic functioning of Lessee or to the services that Lessee provides; and Lessee has immediate need for and expects to make immediate use of substantially all of the Property, which need is not temporary or expected to diminish in the foreseeable future.

Rental Payment Schedule

If the Due Dates are not defined in this Rental Payment Schedule, they shall be defined as the 26th day of each annual period of this Rental Payment Schedule commencing with the Acceptance Date.

The financing table below is net of the special financing promotion payment from Cisco Systems, Inc. in the amount of $53,948.14. This payment will be made by Cisco to Lessor. Lessee is responsible for any and all taxes associated with this initial payment.

Total Principal Amount: $1,200,185.55.

| Payment No. | Due Date | Cisco Payment | Rental Payment | Principal | Interest | Outstanding Balance |
|---|---|---|---|---|---|---|
| 1 | 10/26/2018 | $53,948.14 | $0.00 | $53,948.14 | $0.00 | $1,146,237.41 |
| 2 | 11/26/2018 | | $400,061.85 | $395,944.92 | $4,116.93 | $750,292.49 |
| 3 | 11/26/2019 | | $400,061.85 | $367,077.52 | $32,984.33 | $383,214.97 |
| 4 | 11/26/2020 | | $400,061.85 | $383,214.97 | $16,846.88 | $0.00 |

| Lessee: County of Tulare |
|---|
| By: *[signature]* |
| J. STEVEN WORTHLEY <br> Name: |
| CHAIRMAN, BOARD OF SUPERVISORS <br> Title: |
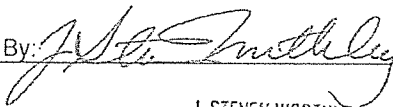
Master TELP-Appropriation

KEYCORP CONFIDENTIAL - This is counterpart # _____ of _____ manually executed counterparts. Only counterpart # 1 constitutes chattel paper

## Property Description

Equipment as described in Development Group, Inc. Proposal #19736, dated August 31, 2018, referred to and incorporated herein by this reference.

# TULARE COUNTY COUNSEL

**County Counsel**
Deanne H. Peterson

**Chief Deputies**
John A. Rozum
Jennifer M. Flores
Kathleen A. Taylor
Jeffrey L. Kuhn

**Special Assistants**
Julia J. Roberts

**Attorneys**
Judith D. Chapman          Amy I. Myers
Amy-Marie Costa            Jennifer E. Takehana
Barbara B. Grunwald        Christopher D. Sorich
Carol E. Helding           Matthew P. Wang
Jason G. Chu               Rachel E. Madden
Abel C. Martinez           Aaron Zaheen
Diana L. Mendez            Eric M. Scott
Marit Erickson             Harsharon Sekhon
Stephanie R. Smittle

☒ 2900 W. Burrel, County Civic Center. Visalia, CA 93291    Telephone: (559) 636-4950    Fax: (559) 737-4319 or (559) 713-3240

October 18, 2018

Attn: Tracy Buckskin
Key Government Finance, Inc.
1000 S. McCaslin Blvd.
Superior, CO 80027

Re:    Property Schedule No.2, dated October 26, 2018, to Master Tax-Exempt Lease/Purchase Agreement dated June 19, 2015, between Key Government Finance, Inc. and County of Tulare.

Dear Ms. Buckskin:

We act as special counsel to County of Tulare ("Lessee"), in connection with the Master Tax-Exempt Lease/Purchase Agreement, dated as of June 19, 2015 (the "Master Agreement"), between County of Tulare, as lessee, and Key Government Finance, Inc. as lessor ("Lessor"), and the execution of Property Schedule No.2 (the "Property Schedule") pursuant to the Master Agreement and, if applicable, that certain Escrow Agreement dated as of October 26, 2018 by and among Lessee, Lessor and KeyBank National Association as Escrow Agent (the "Escrow Agreement", and collectively the "Transaction Documents"). We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

All capitalized terms not otherwise defined herein shall have the meanings provided in the Transaction Documents.

As to questions of fact material to our opinion, we have relied upon the representations of Lessee in the Transaction Documents and in the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1.  Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) the police power.
2.  Lessee has all requisite power and authority to enter into the Transaction Documents and to perform its obligations thereunder, including the account(s) opened pursuant to the Escrow Agreement.
3.  The execution, delivery and performance of the Transaction Documents by Lessee has been duly authorized by all necessary action on the part of Lessee.
4.  All proceedings of Lessee and its governing body relating to the authorization and approval of the Transaction Documents, the execution thereof and the transactions contemplated thereby have been

conducted in accordance with all applicable open meeting laws and all other applicable state and federal laws.

5. Lessee has acquired or has arranged for the acquisition of the Property subject to the Property Schedule, and has entered into the Master Agreement and the Property Schedule, in compliance with all applicable public bidding laws.

6. Lessee has obtained all consents and approvals of other governmental authorities or agencies which may be required for the execution, delivery and performance by Lessee of the Transaction Documents.

7. The Transaction Documents have been duly executed and delivered by Lessee and constitute legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with the terms thereof, except insofar as the enforcement thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other laws of equitable principles of general application, or of application to municipalities or political subdivisions such as the Lessee, affecting remedies or creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

8. As of the date hereof, based on such inquiry and investigation as we have deemed sufficient, no litigation is pending, (or, to our knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Transaction Documents or of other agreements similar thereto; (b) questioning the authority of Lessee to execute the Transaction Documents, or the validity of the Transaction Documents, or the payment of principal of or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Transaction Documents; or (d) affecting the provisions made for the payment of or security for the Transaction Documents.

9. The Lessee is a political subdivision within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder, and the portion of payments identified as the interest component of the rents (as set forth in the payment schedule attached to the Property Schedule) will not be includable in Federal gross income of the recipient under the statutes, regulations, court decisions and rulings existing on the date hereof and consequently will be exempt from Federal income taxes.

This opinion may be relied upon by Lessor, its successors and assigns, and any other legal counsel who provides an opinion with respect to the Property Schedule.

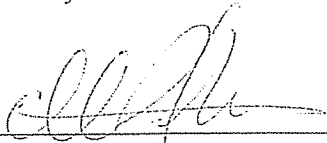Very truly yours,
DEANNE H. PETERSON
County Counsel

By _____
Matthew P. Wang
Deputy County Counsel

MPW/10/18/2018/20181488/1239784

EXHIBIT 3

# Lessee's Certificate

Re:    Property Schedule No. 2, dated October 26, 2018, to Master Tax-Exempt Lease/Purchase Agreement dated June 19, 2015, between Key Government Finance, Inc. and County of Tulare.

The undersigned attestor, being the duly elected, qualified and acting *Chairman of the Board* of the County of Tulare ("Lessee") does hereby certify, as of October 26, 2018, as follows:

1.    Lessee did, at a meeting of the governing body of the Lessee held on _____, by resolution or ordinance duly enacted, in accordance with all requirements of law, approve and authorize the execution and delivery of the above-referenced Property Schedule (the "Property Schedule") and the Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement") by the following named representative of Lessee, to wit:

| NAME OF EXECUTING OFFICIAL (Official(s) who signed the documents.) | TITLE OF EXECUTING OFFICIAL | SIGNATURE OF EXECUTING OFFICIAL |
|---|---|---|
| J. STEVEN WORTHLEY | CHAIRMAN, BOARD OF SUPERVISORS | *[signature]* |
| And/ Or | | |

2.    The above-named representative of the Lessee held at the time of such authorization and holds at the present time the office set forth above.

3.    The meeting(s) of the governing body of the Lessee at which the Master Agreement and the Property Schedule were approved and authorized to be executed was duly called, regularly convened and attended throughout by the requisite quorum of the members thereof, and the enactment approving the Master Agreement and the Property Schedule and authorizing the execution thereof has not been altered or rescinded. All meetings of the governing body of Lessee relating to the authorization and delivery of Master Agreement and the Property Schedule have been: (a) held within the geographic boundaries of the Lessee; (b) open to the public, allowing all people to attend; (c) conducted in accordance with internal procedures of the governing body; and (d) conducted in accordance with the charter of the Lessee, if any, and the laws of the State.

4.    No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default or an Event of Nonappropriation (as such terms are defined in the Master Agreement) exists at the date hereof with respect to this Property Schedule or any other Property Schedules under the Master Agreement.

5.    The acquisition of all of the Property under the Property Schedule has been duly authorized by the governing body of Lessee.

6.    Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rental Payments scheduled to come due during the current budget year under the Property Schedule and to meet its other obligations for the current budget year and such funds have not been expended for other purposes.

7.    As of the date hereof, no litigation is pending, (or, to my knowledge, threatened) against Lessee in any court (a) seeking to restrain or enjoin the delivery of the Master Agreement or the Property Schedule or of other agreements similar to the Master Agreement; (b) questioning the authority of Lessee to execute the Master Agreement or the Property Schedule, or the validity of the Master Agreement or the Property Schedule, or the payment of principal of or interest on, the Property Schedule; (c) questioning the constitutionality of any statute, or the validity of any proceedings, authorizing the execution of the Master Agreement and the Property Schedule; or (d) affecting the provisions made for the payment of or security for the Master Agreement and the Property Schedule.
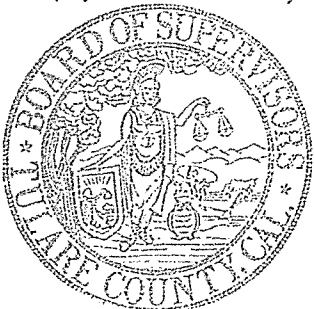
| County of Tulare |
|---|
| Attest By: *[signature]* |
| Title: *Deputy Clerk* |
| SOMEONE OTHER THAN THE EXECUTING OFFICIAL(S) SHOWN ABOVE MUST SIGN HERE. |

Master TELP-Appropriation

KEYCORP CONFIDENTIAL - This is counterpart # _____ of _____ manually executed counterparts. Only counterpart # 1 constitutes chattel paper

EXHIBIT 4

# Payment of Proceeds Instructions

Key Government Finance, Inc.
1000 South McCaslin Blvd.
Superior, CO 80027

Re: **Property Schedule No. 2**, dated October 26, 2018 (the "Property Schedule") to Master Tax-Exempt Lease/Purchase Agreement dated June 19, 2015, between Key Government Finance, Inc. ("Lessor) and County of Tulare ("Lessee").

Ladies and Gentlemen:

The undersigned, an Authorized Representative of the Lessee hereby requests and authorizes Lessor to disburse the net proceeds of the Property Schedule as follows:

Name of Payee: Development Group, Inc.

By check __X__          By wire transfer _____

If by check, Payee's address:   _Development Group, Inc._
                                 _32880 Collections Center Drive_
                                 _Chicago, IL 60693_

If by wire transfer, pay to:

| | |
|---|---|
| Bank Name: | |
| Bank Address: | |
| Bank City, State, Zip: | |
| Bank Phone: | |
| For Account of: | |
| Account No.: | |
| ABA No.: | |

County of Tulare

By: _J. Steven Worthley (signature)_
Name: _J. STEVEN WORTHLEY_
Title: _CHAIRMAN, BOARD OF SUPERVISORS_

EXHIBIT 5

# Acceptance Certificate

Key Government Finance, Inc.
1000 South McCaslin Blvd.
Superior, CO 80027

Re:    **Property Schedule No. 2**, dated October 26, 2018, to Master Tax-Exempt Lease/Purchase Agreement dated June 19, 2015, between Key Government Finance, Inc. and County of Tulare.

Ladies and Gentlemen:

In accordance with the above-referenced Master Tax-Exempt Lease/Purchase Agreement (the "Master Agreement"), the undersigned ("Lessee") hereby certifies and represents to, and agrees with Key Government Finance, Inc. ("Lessor"), as follows:

(1)    The Property, as such terms are defined in the above-referenced Property Schedule, has been acquired, made, delivered, installed and accepted on the date indicated below.

(2)    Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.

(3)    No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default or an Event of Nonappropriation (as such terms are defined in the Master Agreement) exists at the date hereof.

Date: _October 23, 2018_

County of Tulare
as Lessee

By: _____

Name:     J. STEVEN WORTHLEY

Title:     CHAIRMAN, BOARD OF SUPERVISORS

EXHIBIT 6

# Bank Qualification Certificate

Key Government Finance, Inc.
1000 South McCaslin Blvd.
Superior, CO 80027

Re:    **Property Schedule No. 2**, dated October 26, 2018, to Master Tax-Exempt Lease/Purchase Agreement dated June 19, 2015, between Key Government Finance, Inc. and County of Tulare.

## Bank Qualified Tax-Exempt Obligation

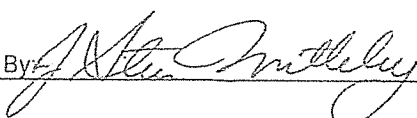☐    (Check box for Bank Qualified designation)

Lessee hereby designates this Property Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. Lessee reasonably anticipates issuing tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds and including all tax-exempt obligations of subordinate entities of the Lessee) during the calendar year in which the Commencement Date of this Property Schedule falls, in an amount not exceeding $10,000,000.00.

## Non-Bank Qualified Tax-Exempt Obligation

☑    (Check box for Non-Bank Qualified designation)

Lessee reasonably anticipates issuing more than $10,000,000.00 in tax-exempt obligations in the calendar year of the Commencement Date as defined in the Property Schedule.

**\*\*Note: ONE of the boxes above MUST be checked.**

| Lessee: County of Tulare |
|---|
| By: *[signature]* |
| Name:    J. STEVEN WORTHLEY |
| Title:    CHAIRMAN, BOARD OF SUPERVISORS |

# Request for Certificate of Insurance

**TO:**
**Insurance Carrier:**

*(Name)* _____

*(Address)* _____

*(Address)* _____

*(Contact Name)* _____

*(Contact Phone)* _____

*(Contact Fax)* _____

**FROM:**
**Customer/Lessee:** ·     County of Tulare
Hal Cypert 5961 S Mooney Blvd
Visalia, California 93277
Contact Name: Peg Yeates
Contact Phone: (559) 636-4805

County of Tulare is in the process of financing Enterprise Licensing Agreement with Key Government Finance, Inc.

County of Tulare requests that Key Government Finance, Inc. be listed as "Key Government Finance, Inc., their successors and assigns" and that it be named ADDITIONAL INSURED as to liability coverage and LOSS PAYEE as to property coverage. A copy of said certificate should be forwarded to Key Government Finance, Inc. as described below.

NOTE: Coverage is to include:
  (1)   insurance against all risks of physical loss or damage to the Equipment;
  (2)   commercial general liability insurance (including blanket contractual liability coverage and products liability coverage) for personal and bodily injury and property damage of not less than $1,000,000; and
  (3)   if applicable, automobile liability coverage of not less than $3,000,000.

Key Government Finance, Inc. is to receive **30 days** prior written notice of cancellation or material change in coverage. *Qualifying language such as "endeavor to provide"; "but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representative" or the like will* <u>*NOT*</u> *be accepted and will delay funding.*

☐   1. Please EMAIL or FAX this completed information to:
        Key Government Finance, Inc.
        Tracy Buckskin, Account Manager
        Phone Number: (720) 304-1212
        Email: tracy.l.buckskin@leasingcentral.com; Fax: (866) 840-3016

☐   2. Please MAIL a Certificate of Insurance to:
        Key Government Finance, Inc.
        Attn: Collateral Services
        1000 South McCaslin Blvd.
        Superior, CO 80027

☐   3. Please CONTACT the Account Manager:
        ✓ When sending this Certificate.
        ✓ If this cannot be completed today.
        ✓ If you have any questions.

# Notification of Tax Treatment

Key Government Finance, Inc. is required to collect and remit sales/use tax in the taxing jurisdiction where your equipment will be located. In the event we do not receive a valid sales tax exemption certificate prior to the date your lease commences, you will be charged sales/use tax.

Personal property tax returns will be filed as required by local law. In the event that any tax abatements or special exemptions are available on the equipment you will be leasing from us, please notify us as soon as possible and forward the related documentation to us. This will ensure that your leased equipment will be reported correctly.

Please indicate below if you feel that your lease is subject to tax or whether a valid exemption exists.

_____✓_____  I agree that my lease is subject to sales/use tax.

_____  I am exempt from sales/use tax and I have attached a completed exemption certificate to Key Government Finance, Inc.

_____  I have previously provided a completed exemption certificate to Key Government Finance, Inc. which is valid for this transaction.

_____  I am exempt from state tax but subject to local tax. I have attached a completed exemption certificate.

_____  I have a valid abatement or property tax exemption (documentation attached).

If applicable to the tax rates in your state, are you outside the city limits or in an unincorporated area? _____

Additional comments:

_____

_____

_____

| Lessee: County of Tulare |
|---|
| By: *[signature]* |
| J. STEVEN WORTHLEY<br>Name: |
| CHAIRMAN, BOARD OF SUPERVISORS<br>Title: |

Master TELP-Appropriation

KEYCORP CONFIDENTIAL - This is counterpart # _____ of _____ manually executed counterparts. Only counterpart # 1 constitutes chattel paper

## LESSEE INVOICE INSTRUCTIONS
### (The information you provide enables us to invoice you correctly.)

County of Tulare

BILL TO ADDRESS:
TCiCT
2200 West Midvalley Avenue
Visalia, CA 93277

BILLING CONTACT:
First, M.I. and Last Name: Peg Yeates
Title: ICT Director
Phone Number: 559-622-7305
Fax Number: 559-730-2568

PURCHASE ORDER NUMBER:
Invoices require purchase order numbers: YES _____ NO __X__
Purchase Order Number:

FEDERAL TAX ID NUMBER: 94-6000545

EQUIPMENT LOCATION (If different from Billing Address):
5953 South Mooney Boulevard, Suite 127
Visalia, CA 93277

ADDITIONAL INFORMATION NEEDED ON INVOICE:

Form **8038-G**

(Rev. September 2018)

Department of the Treasury
Internal Revenue Service

## Information Return for Tax-Exempt Governmental Bonds

▷ Under Internal Revenue Code section 149(e)
▷ See separate instructions.
Caution: *If the issue price is under $100,000, use Form 8038-GC.*
▷ Go to *www.irs.gov/F8038G* for instructions and the latest information.

OMB No. 1545-0720

### Part I — Reporting Authority

If Amended Return, check here ▷ ☐

| 1  Issuer's name | 2  Issuer's employer identification number (EIN) |
|---|---|
| County of Tulare | 94-6000545 |

| 3a  Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions) | 3b  Telephone number of other person shown on 3a |
|---|---|
|  |  |

| 4  Number and street (or P.O. box if mail is not delivered to street address) | Room/suite | 5  Report number (For IRS Use Only) |
|---|---|---|
| 221 S. Mooney Blvd | 101E | 3 |

| 6  City, town, or post office, state, and ZIP code | 7  Date of issue |
|---|---|
| Visalia, California 93291 | 10/26/2018 |

| 8  Name of issue | 9  CUSIP number |
|---|---|
| NSX Implementation |  |

| 10a  Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) | 10b  Telephone number of officer or other employee shown on 10a |
|---|---|
| Cass Cook, Auditor-Controller/Treasurer-Tax Collector | 559-636-5200 |

### Part II — Type of Issue (enter the issue price). See the instructions and attach schedule.

| | | | |
|---|---|---|---|
| 11 | Education . . . . . . . . . . . . . . . . . . . . . . . . . . | 11 | |
| 12 | Health and hospital . . . . . . . . . . . . . . . . . . . . | 12 | |
| 13 | Transportation . . . . . . . . . . . . . . . . . . . . . . | 13 | |
| 14 | Public safety . . . . . . . . . . . . . . . . . . . . . . . | 14 | |
| 15 | Environment (including sewage bonds) . . . . . . . . . . . . | 15 | |
| 16 | Housing . . . . . . . . . . . . . . . . . . . . . . . . . | 16 | |
| 17 | Utilities . . . . . . . . . . . . . . . . . . . . . . . . . | 17 | |
| 18 | Other. Describe ▷ $ 1,200,185.55 Enterprise Licensing Agreement | 18 | |

19a If bonds are TANs or RANs, check only box 19a . . . . . . . . . . . . . . . . . . . . ▷ ☐
  b If bonds are BANs, check only box 19b . . . . . . . . . . . . . . . . . . . . . . . ▷ ☐
20 If bonds are in the form of a lease or installment sale, check box . . . . . . . . . . ▷ ☐

### Part III — Description of Bonds. Complete for the entire issue for which this form is being filed.

| | (a) Final maturity date | (b) Issue price | (c) Stated redemption price at maturity | (d) Weighted average maturity | (e) Yield |
|---|---|---|---|---|---|
| 21 | 11/26/2020 | $ 1,200,185.55 | $ 1,200,185.55 | 1 years | 4.31 % |

### Part IV — Uses of Proceeds of Bond Issue (including underwriters' discount)
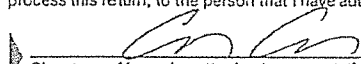
| | | | | |
|---|---|---|---|---|
| 22 | Proceeds used for accrued interest . . . . . . . . . . . . . . . . . . . . . . . . | | 22 | |
| 23 | Issue price of entire issue (enter amount from line 21, column (b)) . . . . . . . . . . | | 23 | |
| 24 | Proceeds used for bond issuance costs (including underwriters' discount) | 24 | | |
| 25 | Proceeds used for credit enhancement . . . . . . . . . . . . | 25 | | |
| 26 | Proceeds allocated to reasonably required reserve or replacement fund . | 26 | | |
| 27 | Proceeds used to refund prior tax-exempt bonds. Complete Part V . . . | 27 | | |
| 28 | Proceeds used to refund prior taxable bonds. Complete Part V . . . . | 28 | | |
| 29 | Total (add lines 24 through 28) . . . . . . . . . . . . . . . . . . . . . . . . | | 29 | |
| 30 | Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . | | 30 | |

### Part V — Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded . . . ▷ _____ years
32 Enter the remaining weighted average maturity of the taxable bonds to be refunded . . . . ▷ _____ years
33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) . . ▷ _____
34 Enter the date(s) the refunded bonds were issued ▷ (MM/DD/YYYY)

For Paperwork Reduction Act Notice, see separate instructions.  Cat. No. 63773S  Form **8038-G** (Rev. 9-2018)

**Part VI**    Miscellaneous

| | | | |
|---|---|---|---|
| 35 | Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . | 35 | |
| 36a | Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . . . . . . . . . . . . . . . . . . . . . . . | 36a | |
| b | Enter the final maturity date of the GIC ▷ (MM/DD/YYYY) _____ | | |
| c | Enter the name of the GIC provider ▷ _____ | | |
| 37 | Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . . . . . . . . . . . . . . . . . . . . . . . | 37 | |

38a   If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▷ ☐ and enter the following information:

   b   Enter the date of the master pool bond ▷ (MM/DD/YYYY) _____

   c   Enter the EIN of the issuer of the master pool bond ▷ _____

   d   Enter the name of the issuer of the master pool bond ▷ _____

39   If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . . ▷ ☐

40   If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . . . . . . . . . . . ▷ ☐

41a   If the issuer has identified a hedge, check here ▷ ☐ and enter the following information:

   b   Name of hedge provider ▷ _____

   c   Type of hedge ▷ _____

   d   Term of hedge ▷ _____

42   If the issuer has superintegrated the hedge, check box . . . . . . . . . . . . . . . . . . . . . . ▷ ☐

43   If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . . . . . . ▷ ☐

44   If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . . ▷ ☐

45a   If some portion of the proceeds was used to reimburse expenditures, check here ▷ ☐ and enter the amount of reimbursement . . . . . . . . . . . . . . . . ▷ _____

   b   Enter the date the official intent was adopted ▷ (MM/DD/YYYY)

| | |
|---|---|
| **Signature and Consent** | Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.<br><br>▷ _[signature]_    10·29·18    ▷ Cass Cook   Auditor/Controller<br>Signature of issuer's authorized representative    Date    Type or print name and title |

| **Paid Preparer Use Only** | Print/Type preparer's name | Preparer's signature | Date | Check ☐ if self-employed | PTIN |
|---|---|---|---|---|---|
| | Firm's name ▷ | | | Firm's EIN ▷ | |
| | Firm's address ▷ | | | Phone no. | |

THIS SOFTWARE AND SERVICES ADDENDUM ("Addendum"), dated as of October 26, 2018, constitutes an addendum to that certain **Master Tax-Exempt Lease/Purchase Agreement** dated as of **June 19, 2015**, between KEY GOVERNMENT FINANCE, INC., as Lessor, and **County of Tulare**, as Lessee (the "Lease").

Unless otherwise specified herein, all capitalized terms shall have the meanings ascribed thereto in the Lease.

Lessor and Lessee hereby agree, with respect to the Lease, that:

1. To the extent that the property subject to the Lease and described in Exhibit A to the Lease consists of (a) software licenses (the "Software") granted by a Vendor pursuant to a separate licensing agreement between such Vendor and Lessee or (b) services relating to the transportation, delivery, installation, maintenance or operation of the Equipment or Software (the "Services") provided by the Vendor, the following provisions shall apply.

Lessee acknowledges that the Software subject to the Lease has been delivered, installed and made available for use and has been or, as applicable, shall be, shipped directly from the Vendor to Lessee.

Lessee acknowledges that Lessor has no rights in or to any Software, and no title or ownership interest in Software shall be transferred to Lessee pursuant to the Lease, whether or not Lessor finances the fees therefor, and notwithstanding Lessee's exercise of any purchase or renewal options under the Lease. Lessor has no obligation with respect to Software or Services, whether or not Lessor finances the fees therefor.

To the extent that the Lease includes any Software or Services, the Rental Payments specified in the Lease include amounts to cover payment of the related fees.
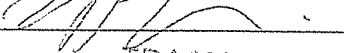
2. At all times during the Lease Term, Lessee shall, at Lessee's own cost and expense, cause casualty and property damage insurance to be carried and maintained with respect to the property for which the Software and/or Services are being provided (the "Maintained Property"), sufficient to protect the full replacement value of such Maintained Property. Lessee shall furnish to Lessor, upon Lessor's request, certificates of insurance or a letter of self-insurance evidencing such coverage throughout the Term.

3. This Addendum shall become effective when Lessor and Lessee shall have received counterparts of this Addendum as executed by Lessor and Lessee, and facsimile copies are valid as originals, but together constitute one and the same instrument;

4. Except as modified hereby, all of the terms, covenants and conditions of the Lease shall remain in full force and effect, and are in all respects hereby ratified and affirmed. As modified hereby, all terms and provisions in the Lease that relate to Equipment shall apply as well to the Software and Services, as if fully set forth in the Lease.
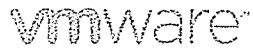
LESSOR:

KEY GOVERNMENT FINANCE INC.

By: _____

Its: _____
TRACY BUCKSKIN
Authorized Signer

LESSEE:

COUNTY OF TULARE

By: _____

Its: _____
J. STEVEN WORTHLEY

CHAIRMAN, BOARD OF SUPERVISORS

| Agreed to: | Agreed to: |
|---|---|
| VMware, Inc.<br><br>By<br>       Authorized Signature<br>Date: | Customer: Tulare County<br><br>By *[signature]*<br>       Authorized Signature<br>Date: October 23, 2018 |
| Name:<br>Title: | Customer Name:<br>Address:<br>City:<br>State:<br>ZIP:<br>Country: U.S.A<br>Phone:<br>Email: |
| VMware PSO order contact (Name, Title): | |

After this SOW is signed by Customer, it must be emailed to the VMware PSO order contact along with the purchase order, if required. The purchase order must be addressed to VMware, Inc. Dept. CH10806, Palatine, IL 60055-0806, and shall include the end user's email address and phone number, billing email address, and billing and shipping addresses.

## Appendix A – Project Management Scope

**PROJECT MANAGEMENT SERVICES**
VMware will designate a Senior Project Manager as the principal point-of-contact for the Project to provide the project management services below. Customer agrees to designate a Customer Project Manager to assist the VMware Senior Project Manager to fulfill the responsibilities as set out below.

| Project Management Scope | VMware Responsibility | Customer Responsibility |
|---|---|---|
| **Project Setup and Initiation** | | |
| Conduct kick-off conference call with key stakeholders | ✓ | ☐ |
| Develop high-level project schedule | ✓ | ☐ |
| Develop Project Management Plan | ✓ | ☐ |
| Conduct kick-off meeting with select members of project team | ✓ | ✓ |
| Validate project setup between multiple VMware projects | ☐ | ✓ |
| **Scope Management** | | |
| Validate that all work is within scope of SOW | ✓ | ☐ |
| Document changes to scope and execute change control process | ✓ | ✓ |
| Maintain list and status of project work products | ✓ | ☐ |
| Maintain Work Breakdown Structure (WBS) | ✓ | ✓ |
| **Schedule Management** | | |
| Create and maintain schedule and status of work products | ✓ | ☐ |
| Maintain schedule as need arises | ✓ | ☐ |
| Assign resources to project schedule | ✓ | ☐ |
| Manage Customer resources in schedule | ☐ | ✓ |
| Communicate impact of scheduling conflict between multiple VMware projects | ☐ | ✓ |
| **Financial Management** | | |
| Track actual hours and expenses | ✓ | ☐ |
| Report project expenditures vs. budget (hours for T&M projects only) | ✓ | ☐ |
| Review invoices for accuracy | ✓ | ☐ |
| Multi-project consolidated reporting | ☐ | ✓ |
| **Quality Management** | | |
| Define and execute formal review process | ✓ | ☐ |
| Establish Customer's project readiness | ✓ | ✓ |
| Document requirements for operational readiness and incorporate into schedule | ☐ | ✓ |
| Facilitate review meetings | ✓ | ☐ |
| **Risk and Issue Management** | | |
| Track and manage product risks and issues | ✓ | ☐ |
| Track and manage technical project risks and issues | ✓ | ☐ |
| Track and manage project risks and issues | ☐ | ✓ |
| **Resource Management** | | |
| Identify and assign qualified VMware resources | ✓ | ☐ |
| Determine and document Customer resources required for project | ✓ | ✓ |
| Integrate Customer resources into the project schedule | ☐ | ✓ |
| **Communications Management** | | |
| Weekly status report | ✓ | ☐ |
| Weekly status meeting | ✓ | ☐ |
| Facilitate requirements gathering meetings | ✓ | ☐ |
| Facilitate design meetings | ✓ | ☐ |
| Facilitate meetings for major project decisions | ✓ | ☐ |
| Periodic stakeholder meeting | ☐ | ✓ |
| Executive briefing | ☐ | ✓ |
| Multi-project consolidated reporting | ☐ | ✓ |
| **Project Closure** | | |
| Obtain Customer signature on Time sheets for T&M engagements | ✓ | ☐ |
| Project closure conference call | ✓ | ☐ |
| Formal project closure meeting | ✓ | ☐ |
| Facilitate "Lessons Learned" session | ✓ | ☐ |

# BEFORE THE BOARD OF SUPERVISORS
# COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF APPROVE )
ENTERPRISE AGREEMENT WITH ) Resolution No. 2018-0869
VMWARE INC FOR THE PROVISION ) Agreement No. 28905
OF VxLAN ACROSS THE NETWORK )

UPON MOTION OF SUPERVISOR VANDER POEL, SECONDED BY SUPERVISOR SHUKLIAN, THE FOLLOWING WAS ADOPTED BY THE BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD OCTOBER 23, 2018, BY THE FOLLOWING VOTE:

AYES: SUPERVISORS CROCKER, VANDER POEL, SHUKLIAN, WORTHLEY, AND ENNIS
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE
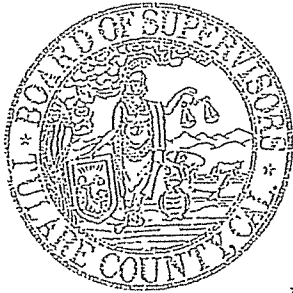
ATTEST: MICHAEL C. SPATA
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
/Deputy Clerk

\* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*

1. Approved Enterprise agreement with VMware, Inc. in an amount not to exceed $1,200,185.55 for Enterprise Licensing Agreement for time period of October 23, 2018 to October 23, 2021

2. Authorized the Chairman of the Board to sign three copies of the agreement, and the Key Government Finance Application.

TCICT

HAR
10/23/18

vmware

VMware Agreement #00339085

Order #                                              Date: October 9, 2018

This Statement of Work ("SOW") is made by and between VMware, Inc. ("VMware") and Tulare County ("Customer") This SOW authorizes VMware to provide Customer with Consulting Services that are subject to the terms and conditions of Section 1 [Model N Quote #Q564035] to the ELA Order Form by and between VMware and Customer (the "Agreement"). Capitalized terms used herein shall have those meanings set forth in the Agreement.

## Overview

VMware will assist with the development of the Customer's capability to do the following:

- Abstract and pool network resources
- Provide granular application security and isolation

VMware will provide the following services:

- Design a network virtualization foundation
- Deploy a network virtualization foundation
- Design an application security and isolation foundation
- Deploy an application security and isolation foundation

The following are high-level activities included in this project:

- **Design** – Solution design through a series of workshops and consultation.
- **Implement** – Deployment and verification of the solution.
- **Knowledge Transfer** – Knowledge transfer of the design, deployment, and operations procedures.

This project requires the following VMware SaaS and third-party products, with vendor-supported versions as agreed to by VMware and Customer at project kick-off, but limited to those that are in general availability (GA) on the date of SOW signing:

- VMware NSX™ 6.4.

## Project Scope

The scope of the service includes the following.

### Design a network virtualization foundation

Design of a network virtualization solution based on NSX for vSphere according to a VMware standard architecture that is modified in a series of design workshops to tailor the design for the Customer environment. It includes validation of customer's business and technical requirements, assessment of platform constraints, risks and prerequisites to design the network virtualization solution.

| Specification | Parameters | Description |
|---|---|---|
| NSX Manager instances | Up to two (2) | NSX Manager instances designed. |
| Logical switches | Up to fifteen (15) | Logical switches designed. |
| NSX Edge Services Gateway instances | Up to four (4) | Edge Services Gateways designed to provide North-South connectivity. |
| Firewall rules | Up to fifteen (15) | Sample firewall rules designed to support infrastructure service delivery. Configured only for the distributed firewall. |
| NSX Logical Distributed Router instances | Up to one (1) | Logical Distributed Router (DLR) instances designed. |

| Security groups | Up to eight (8) | Security groups defined to support infrastructure service delivery. |

## Design an application security and isolation foundation

Design of a micro-segmentation and security solution based on NSX for vSphere according to a VMware standard architecture that is modified in a set of design workshops to tailor the design for the Customer environment. It includes validation of Customer's business and technical requirements, assessment of platform constraints, risks and prerequisites to design the micro-segmentation and security solution.

| Specification | Parameters | Description |
|---|---|---|
| Review Solution Requirements | | Analysis of solution requirements and use case definition workshops to ascertain Customer's business and technology requirements and overall goals. The result of these workshops is combined with the materials in the Service Checklist to establish functional design parameters. These design parameters are used to develop the design for the selected use cases. |
| Review current-state Infrastructure | | Confirmation that vSphere and underpinning physical environment is prepared and ready for NSX components. Identification of gaps and risks which requires a change in physical network configurations (e.g., IP addressing, subnets, MTU, DMZ, auto-deploy, jumbo frames, and multicast), and that they are appropriately designed to support the NSX micro-segmentation security services. Any parameters that impact design options are discussed in the workshops. Where applicable, VMware presents options and make VMware best practice recommendations for resolution. |
| NSX for vSphere Component Design | Up to two (2) | NSX Manager and NSX for vSphere component design |
| Design Sessions | | Focusing on: virtual networking and security architecture, firewall policy, data classification guidelines and trust boundary topologies. |
| Distributed Firewall | | Firewall policy, distributed firewall operational requirements, security group design. |
| Service Composer | | Service Composer use and interaction. |
| Firewall rule design pack(s) | Up to three (3) | Firewall rule design packs designed. Firewall rule design packs consist of up to ten (10) firewall rule designs, including firewall policy design, security group design, rule bases for distributed firewall, layer 3 Edge firewall and identity firewall. |
| VMware NSX Edge™ firewall | Up to two (2) | Development of VMware NSX Edge™ firewall architecture design and layer 3 firewall operational requirements. |
| Operations | | Logging and monitoring guidelines. |

## Deploy a network virtualization foundation

### Deploy NSX-V Foundation

Foundational VMware NSX® for vSphere® deployment. This includes the preparation work, the deployment and verification of NSX Manager.

| Specification | Parameters | Description |
|---|---|---|

| | | |
|---|---|---|
| NSX Manager instances | Up to two (2) | NSX for vSphere manager appliances deployed and configured, with registration to existing configured VMware vCenter Server® instances. |

## Deploy NSX-V for Network Virtualization

Deployment of a network virtualization solution based on NSX for vSphere according to a VMware standard architecture that is implemented and verified in the Customer environment. The service includes technical verification of platform prerequisites, the deployment of network virtualization using NSX for vSphere, functional testing and a knowledge transfer session for the Customer.

| Specification | Parameters | Description |
|---|---|---|
| NSX Distributed Logical Router instances | Up to one (1) | Distributed Logical Router (DLR) instances deployed and configured. |
| NSX Edge Services Gateway instances | Up to four (4) | Edge Services Gateways with ECMP enabled to provide dynamic routing peering (OSPF or BGP) to the Logical Distributed Router and to external physical routers. |
| NSX Logical switches | Up to fifteen (15) | Logical switches configured. |
| Security groups | Up to eight (8) | Security groups defined to support infrastructure service delivery. |
| Firewall rules | Up to fifteen (15) | Sample firewall rules configured to support infrastructure service delivery. Configured only for the distributed firewall. |
| L2/L3 Functionality (VXLAN Configuration) | | Configuration of L2 logical connectivity between sites for workload mobility<br>OTV will be removed after VXLAN is configured |
| NSX workshop activities | | Activities performed in conjunction with this service include the following: |
| NSX basic consumption activities workshop | | Workshop to provide guidance and enablement in the form of "See One, Do One" methodologies. This will be based on operational activities that are predefined at the start of the workshop. |
| NSX monitoring workshop | | Workshop to provide guidance and enablement in NSX Monitoring activities. Review Standards vCenter Alarm related to NSX and other possibilities. |
| NSX troubleshooting concept workshop | | Workshop to provide guidance and enablement in basic troubleshooting concepts. |
| NSX platform maintenance activities workshop | | Workshop to provide guidance and enablement in NSX Platform Maintenance. Discuss on backup and recovery strategy for NSX Components. |

## Deploy NSX-V for Micro-segmentation and Security

Deployment of a micro-segmentation and security solution based on NSX for vSphere according to a VMware standard architecture that is implemented and verified in the Customer environment. The service includes technical verification of platform prerequisites, the deployment of micro-segmentation using NSX for vSphere, functional testing and a knowledge transfer session for the Customer.

| Specification | Parameters | Description |
|---|---|---|

### Micro-Segmentation Deployment

| | | |
|---|---|---|
| Distributed firewall ESXi™ kernel modules | Up to fifty (50) | Distributed firewall ESXi kernel modules installed and configured. |
| Firewall rules configuration packs | Up to three (3) | One pack consists of up to ten (10) firewall rule configurations, including firewall policy design, security group design, rule bases for distributed firewall, layer 3 Edge firewall, and identity firewall. |
| Logging and Monitoring | | Direct logging output to a pre-installed End Customer-designated syslog target e.g., VMware vRealize™ Log Insight™. |
| Distributed Firewall (DFW) | | Configuration of stateful firewall functionality between tenant virtual machines within the same ESXi host or across different ESXi hosts using the DFW functionality. This includes configuration of one sample security groups and associated firewall rules. Configured only for the Distributed Firewall (DFW). |

### Micro-segmentation Functional Services

| | |
|---|---|
| Virtual Machine | Configuration of workload virtual machines using a VMware provided sample application, with up to two (2) communication flows between them that can be allowed or blocked individually. |

## Out of Scope

The following are out of scope for this engagement:

### General

- Installing and configuring tailored or third-party applications and operating systems on deployed virtual machines.
- Operating system administration including the operating system itself or any features or components contained within it.
- Management of change to virtual machines, operating systems, tailored or third-party applications, databases, and administration of general network changes within Customer control.
- Installation or configuration of VMware products not included in the scope of this SOW.
- Installation and configuration of third-party software or other technical services that are not applicable to VMware components.
- Installation and configuration of Customer-signed certificates.
- Customer solution training other than the defined knowledge transfer session.

## Schedule

VMware estimates that the execution of this project will have a duration of eight (8) weeks to execute if all assumptions in Customer Responsibilities and Assumptions section are met and there are no intervening delays outside of VMware control. Work will be performed according to a schedule agreed upon by both parties. Typically, work will be performed during normal business hours and workdays (weekdays and non-holidays).

## Project Activities

The activities for this engagement are organized in the engagement-specific phases shown below.

## Phase 1: Initiate

The VMware Senior Project Manager hosts project initiation call with key Customer and VMware stakeholders. Topics to be discussed include the following:

- Project business drivers, scope, and objectives.
- Project deadlines, timelines, scheduling, and logistics.
- Identification of key Customer team members that VMware will work with to assist with performing the tasks defined in this SOW.
- Participating team members are confirmed and contact details are exchanged to schedule the project kick-off meeting.

### Work products
- Project initiation call

## Phase 2: Plan

VMware leads project kick-off meeting with Customer project sponsors and stakeholders to review expectations about the purpose of the engagement, the delivery approach, and timelines. The following are the objectives of the meeting:

- Introducing the VMware team, roles, and responsibilities.
- Describing the project goals, phases, and key dates.
- Agreeing on communication and reporting process and creating a communications plan.
- Validating the project expectations and clarifying roles and responsibilities
- Confirming prerequisites are met as detailed in the checklist for specified solutions.
- Presenting the solution overview for the specified solution including estimated project results and work products.
- The VMware Senior Project Manager and the Customer Project Manager collaborate to develop the project plan.

### Work products
- Cybersecurity solution checklist
- Cybersecurity solution overview presentation
- Communications plan
- One (1) project kick-off meeting
- Project Plan

## Phase 3: Execute

The key activities for this phase are organized in the following sub-phases:

- Execute: Design
- Execute: Implement
- Execute: Knowledge Transfer

### Execute: Design

VMware leads the Customer project team in a series of workshops to develop a design. VMware does the following:

- Conducts up to fifty-two (52) hours of design workshops.
- Documents the design for the specified VMware solution.

### Work products

- ○ Up to fifty-two (52) hours of design workshops
- ○ Documents the design for the specified VMware solutions.

## Execute: Implement

VMware implements the solution according to the VMware solution specification. VMware does the following:

- ○ Implements the specified solution as detailed in the specification workbooks.
- ○ Verifies the implementation and documents results in the verification workbooks for the specified solution.

### Work products
- ○ Cybersecurity solution specification workbook
- ○ Cybersecurity solution verification workbook

## Execute: Knowledge Transfer

VMware conducts knowledge transfer sessions covering the design, implementation, and operational considerations relating to the scope of this project. VMware does the following:

- ○ Conducts up twenty-two (22) hours of knowledge transfer sessions for Customer representatives.
- ○ Provides an adoption guide containing operational guidance for the specified solution.

Note: For the avoidance of doubt, the Knowledge transfers herein do not comprise VMware product training or certification courses as offered by the VMware Education unit - (http://mylearn.vmware.com/mgrreg/index.cfm).

### Work products
- ○ Up to twenty-two (22) hours of knowledge transfer sessions
- ○ Cybersecurity adoption guide document
- ○ Cybersecurity knowledge transfer workshop presentation

## Phase 4: Close

The VMware Senior Project Manager conducts closure meeting with Customer covering project status, next steps, and how to engage further with VMware.

### Work products
- ○ Engagement summary presentation
- ○ Closure meeting

# Prerequisites

The following are prerequisites for this service engagement.

Customer is responsible for executing all items discussed in the Service Checklist prior to arrival of VMware consultants on site.

## Hardware Requirements

Customer will provide computer hardware and systems support for the knowledge transfer workshops, including: working hardware, network and storage that is compatible with VMware products.

## Software Requirements

Customer will be solely responsible for procuring products and product support for all software to be used in connection with this SOW.

## Technical Requirements

### Deploy NSX-V Foundation
- vSphere Distributed Switches Required. Defined minimum: one (1)
- ESXi version. Defined minimum: 6.0.0 U2
- vCenter Server version. Defined minimum: 6.0.0 U2
- Service account with permissions in vCenter.
- NTP must be setup and time verified to be correct.

### Design NSX-V for Network Virtualization
- Number of IP subnets required. Defined minimum: 1

### Deploy NSX-V for Network Virtualization
- Minimum number of hosts required of. Defined minimum: seven (7)
- MTU Size required. Defined minimum: one-thousand-six-hundred (1,600)
- Number of IP subnets required. Defined minimum: one (1)
- Physical network configured for dynamic routing (BGP or OSPF).

### Design NSX-V for Micro-segmentation and Security
- Security policies, including traffic flow control, access control, application and data classification policy documents to be provided to VMware during requirement assessment sessions.

### Deploy NSX-V for Micro-segmentation and Security
- Minimum number of hosts required of. Defined minimum: 2
- Syslog events must be sent to a log centralization system (ideally vRealize Log Insight).
- Number of hosts in the Payload Cluster or Workload domain. Defined minimum: one (1) to fourteen (14)

## Roles and Responsibilities

### VMware Roles and Responsibilities

VMware provides and coordinates the activities of VMware resources. The VMware technical resources are VMware certified professionals and have significant technical expertise with the VMware products required for this service.

### VMware Project Team

The VMware team will be comprised of multiple roles and may vary in the level of effort, as dictated by the project needs. VMware anticipates that all team members will contribute throughout the work efforts, utilizing their respective skills and integrating the findings. The roles anticipated for this engagement are described below.

### VMware Technical Resources

The VMware Technical Resource(s) have primary responsibility for drafting the design documentation as well as implementing and testing the systems as defined by the design and test plans.

VMware Technical Resources do the following:

- Lead requirements gathering and design workshops
- Assist with performing process, technical and architectural duties outlined in this SOW
- Produce the document work products

### Senior Project Manager

- Provides overall Customer relationship and project management.
- Provides escalation troubleshooting and maintains risk register.
- Provides final versions of all project documents.
- Identifies the project team, roles and responsibilities and assignment dates.
- Identifies final work products.
- Establishes the communication plan and directs formal communication and coordination with Customer Project Manager.
- Reports project status and holds weekly update meetings.
- Schedules resources.
- Maintains the project timeline, including activities, duration, and task owners.
- Handles planning and pre-engagement preparation.
- Oversees logistics, including security, remote access, and facility access.

Refer to Appendix A

## Customer Roles & Responsibilities

- Customer will provide a Project Manager knowledgeable in pertinent internal Customer processes and able to collaborate with the VMware Senior Project Manager as specified in this SOW. VMware consulting services will not commence until the Customer Project Manager is assigned.

- Customer will support and provide representation at project review meetings at a mutually agreed to time and location to discuss the project status, issues, new requirements and overall project satisfaction. These meetings may also cover performance status updates, schedule updates, pending changes, open issues, and action items.

- Customer's Project Manager must have the authority to make project decisions and represent Customer in all matters related to this SOW. Customer's Project Manager will provide a single consolidated response to any review, approval, change, or decision request and will coordinate internal Customer technical resources in a manner consistent with the overall project schedule.

- Customer Project Manager will arrange for and coordinate internal Customer technical resources that will be required to interface with VMware consultants for the execution of the project. Customer staff will actively participate in this engagement, and individuals with relevant domain, business, and/or technical expertise will be available as required. These participants are the acknowledged spokespersons for the areas they represent, and the VMware project team requires regular and timely access to them. If participants are unable to attend a scheduled meeting, then the Customer Project Manager becomes the final authority on all items of discussion.

- Customer will provide access to facilities and computer systems as required for VMware project team to perform tasks as outlined in this SOW.

- For engagement activities that need to occur at Customer work locations, VMware expects Customer to make reasonable facilities accommodations for the VMware project team at these locations. These accommodations will include a desk/cubicle, voice telephone, permission to operate mobile telephone within Customer work locations, internet access, and shared access to laser printer, copier, and conference room facilities.

- Customer will provide a suitable environment for knowledge transfer (overhead projector and conference facilities). Computer hardware and systems support is required for the knowledge transfer workshops, including: working hardware, network, and storage that is compatible with VMware ESXi™.

- Customer is responsible for, and assumes any risk associated with, any problems resulting from the content, completeness, accuracy and consistency of any data, materials, and information supplied by Customer.

- Any change to the scope of work explicitly described in this SOW, and any associated additional fees, must be mutually agreed to in writing.

- The following stakeholders are required for this service:
  - VMware operations team leads
  - Enterprise Architect
  - Infrastructure Architect
  - Network Architecture team leads
  - Network Operations team leads

## Payment Terms and Schedule

VMware will provide the services as outlined in this SOW, inclusive of travel expenses but exclusive of applicable taxes, on a time and materials basis, through the redemption of VMware Consulting and Training Credits purchased by Customer.

Daily credit redemption rates for each VMware resource, and an estimate of the number of days likely to be required from that resource to complete the services, are set forth in the table below. VMware shall deduct the VMware Consulting and Training Credits from the Customer balance based on Customer approval of timesheets.

The scope above includes suggested work products or deliverables. Notwithstanding anything to the contrary contained herein, however, the actual delivery of work products or deliverables will be limited by the time available under this SOW.

| Consulting Resources | # | VMware Consulting and Training Credit Daily Rate | Days | Extended Quantity of VMware Consulting and Training Credits |
|---|---|---|---|---|
| Senior Consultant | 1 | 25.25 | 20 | 505 |
| Architect | 1 | 30.88 | 17 | 525 |
| Consultant | 1 | 22.90 | 21 | 481 |
| Senior Project Manager | 1 | 27.33 | 12 | 328 |
| | | | Totals | 1,839 |

For engagements requiring on-site consulting resources that are not local to the Customer's facility, travel for VMware consultants will occur on Mondays and Thursdays. It is expected that consultants will travel to the Customer's facility on Monday morning, arriving on site as early on Monday as possible, as dictated by flight options and travel time. The consultants will work on-site through Thursday and will schedule return travel on Thursday evenings, as available. It is expected that the consultants will provide forty (40) hours of work during a typical week and will accrue that time in a combination of on-site work on Monday through Thursday and off-site work on Friday.

Engagements that require consultants to work in excess of 40 hours per week, to work on weekends or major national holidays and/or to travel outside of this schedule will be considered exceptions to this policy and will be reviewed and approved by VMware and Customer as required.

The parties indicate their acceptance of the terms outlined herein by execution of this Statement of Work by their duly authorized representatives. These terms expire 30 days after the date on this SOW unless executed by both parties.

# Key Government Finance, Inc., on behalf of Cisco Systems Capital Corp.
## Financing Application

| | |
|---|---|
| Borrower's Legal Name as Shown on Audited Financials: | County of Tulare |
| If Borrower's Parent is Different, Input Parent Name Here: | |
| Website to Obtain 3 years of Audited Financials Found At: | www.co.tulare.ca.us |
| Street Address | 221 S. Mooney Blvd Rm 9-E |

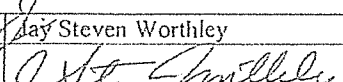| | | *Invoices to be sent to:* | |
|---|---|---|---|
| City | Visalia | | |
| State | CA | Contact | Sheryl Montanez |
| Zip Code | 93291 | Department | TCiCT |
| Contact | Peg Yeates | Address | 221 S. Mooney Blvd Rm 9-E |
| Phone Number | 559-636-4805 | City, State, Zip | Visalia, CA 93291 |
| Fax Number | 559-730-2568 | Phone & Fax Number | 559-636-4752, 559-730-2568 |
| Email | PYeates@co.tulare.ca.us | Email | TCiCT_Logistics@co.tulare.ca.us |
| EIN *(Required)* | 94-6000545 | Special Instructions | |

Double-clicking on a response box will allow you to add or remove a check mark

1) Have you ever defaulted or non-appropriated on a lease purchase, loan or bond obligation? Yes: ☐ No: ☒

2) Are you currently operating under emergency financial/fiscal management or have you in the past 3 years? Yes: ☐ No: ☒

3) Are there any known issues that could impact the future repayment of this financing? Yes: ☐ No: ☒

4) Will any loan or grant proceeds be used as the dedicated source of repayment for this financing? Yes: ☐ No: ☒

5) Have you issued or do you reasonably intend to issue more than $10MM in tax exempt debt during the calendar year? Yes: ☐ No: ☒

6) For any payments due in your current FY, have those payments been formally appropriated? Yes: ☐ No: ☒
    If no or if your 1st payment is due in next fiscal year, has this been formally approved by board resolution? Yes: ☐ No: ☒

7) Will payments be made from your General Fund? Yes: ☒ No: ☐

| If no, which fund & provide page in most recent audit where found? | |
|---|---|

8) Will any portion of the financed property be used by a private corporation or individual? Yes: ☐ No: ☒

| If Yes, what % will be used by a private corporation or individual? | |
|---|---|

9) Do you operate under home-rule (a charter)? Yes: ☐ No: ☒ Unsure: ☐

10) Will the proceeds of this lease be used entirely for software? Yes: ☐ No: ☒
    If "Yes", will the software be installed on equipment that you own or are financing? Own: ☐ Financed: ☐

11) Will any portion of the financed property be affixed to real property? Yes: ☐ No: ☒

12) Are you self insured for property damage? Yes: ☒ No: ☐

13) Are you self insured for liability? Yes: ☒ No: ☐

14) Are you a member of a managed risk pool for insurance? Yes: ☒ No: ☐

15) Is this replacing equipment, expanding an existing system or completely brand new? Replacement: ☒ Expansion: ☒ New: ☐

| If replacement, what is the age of the equipment it is replacing? | |
|---|---|
| If replacement or expansion, is the existing equipment paid off? | |

| | | | |
|---|---|---|---|
| 16) What is your population or enrollment? | 459,863 | As of what date? | 2015 |
| 17) What is your tax-based assessed value? | $34,735,655.00 | As of what date? | 6/14/2018 |

18) Equipment/Product Description *(please refrain from using acronyms or part numbers)*:

Multi-year software maintenance and support agreement for VMware software.

19) What is the purpose of this acquisition, what makes it essential & what benefits are expected *(eg. cost savings, productivity, functionality, etc.)*?

To provide VMware maintenance and support of County Infrastructure.

| Submitted By (Name): | Jay Steven Worthley | Title: | Tulare County Board Supervisors -Chairman |
|---|---|---|---|
| Signature | | Date: 10\23\18 | |

A representative may reach out to you for further detail or to explain any adverse responses to questions on this application.

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CISCO.
Capital

CISCO CAPITAL LEASING OPTION - Public Entities

September 25, 2018
**Quote Expires:10-24-2018

County of Tulare

**EQUIPMENT
LEASE OPTION:**

The lease financing will be completed by Key Government Finance, Cisco Systems Capital's financing partner for government and education customers.

LESSOR: Key Government Finance, Inc.

LESSEE: County of Tulare

EQUIPMENT: Cisco Systems Product & Service

| Cisco Systems Product & Service | $1,200,185.55 |
|---|---|
| TOTAL AMOUNT TO BE LEASED | $ 1,200,185.55 |

**FINANCING
STRUCTURE:**

This is a tax-exempt state and municipal government lease with the title to the equipment passing to lessee. This is a net lease under which Lessee pays all costs, including insurance, maintenance and taxes, for the term of the lease. At the end of the lease term the equipment can be purchased for $1

| Amount to be Leased | Interest Rate | Payments | Payment Factor(*) | Pmts / Year | Term | Adv. / Arr. | Total Incentive Discount |
|---|---|---|---|---|---|---|---|
| $1,200,185.55 | 0.00% | $400,061.85 | 0.3333333 | 1 | 3 years | Adv. | $ 54,000.00 |

(*) The payment factor expresses the payment as a percentage of the Equipment Cost. To calculate the periodic lease payment for any Equipment Cost, multiply the payment factor by the Equipment Cost.

RATE INDEX: The interest rate provided above is based on current market rates as of the date of this proposal, and will be subject to change based on market conditions as of the time of closing. After closing the interest rate will be fixed for the term of the financing.

APPROVAL:

The financing contemplated by this proposal is subject to the execution and delivery of all appropriate documents (in form satisfactory to Lessor), including without limitation, to the extent applicable, the Master Lease Agreement, any Schedule, financing statements, legal opinion or other documents or agreements reasonably required by Lessor. This proposal, until credit approved, serves as a quotation, not a commitment by Key Government Finance to provide credit. Final acceptance of this proposal is subject to credit, collateral and essential use review and approval by Lessor.

The interest rate quoted herein assumes that the interest component of the Payments is exempt from federal income tax. Lessor will provide a taxable financing proposal if it is determined that the financing will not qualify for tax-exempt interest rates.

CONTACT: Contact your financing representative with any questions:

*Stan Hulshof, Cisco Capital*
Financial Solutions Manager
Mobile 714-813-0916
shulshof@cisco.com

Katie Hamilton - Inside Sales Representative
Key Government Finance, a Cisco Systems Capital Partner
1000 South McCaslin Blvd
Superior Colorado 80027
720-980-3811, 216-370-9393 Fax
katie.l.hamilton@Key.com

Kendall Hansen - Region Manager
Key Government Finance, a Cisco Capital Partner
503-701-6476 office
kendall.hansen@Key.com

NOTES:

Alternative financing options available on request. The quoted interest rate assumes the Lessee designates the Lease as "bank-qualified" pursuant to Section 265(b) of the Code.

The rates provided above are based on a minimum funding amount of $250,000. If total to be funded will be less than $250,000 please contact us for a revised Proposal.

*IMPORTANT INFORMATION ABOUT PROCEDURES FOR APPLYING FOR FINANCING WITH Key Government Finance.

[Lessor] notifies [Lessee] that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, as amended and supplemented) (the "Patriot Act"), that [Lessee] is required to obtain, verify and record all information that identifies [Lessee], which information includes the name and address of [Lessee] and other information that will [Lessee] to identify [Lessee] in accordance with the Patriot Act."

*This proposal is issued in reliance upon the accuracy of all information presented by you to us and is contingent upon the absence of any material adverse change in your condition, financial or otherwise, from the condition as it was represented to us at the time of this proposal. This proposal is subject to our formal approval and the execution of documentation acceptable to each of us. IT IS NOT A COMMITMENT BY US TO ENGAGE IN THIS TRANSACTION.
(¹) Key Government Finance ("KGF") is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act to you with respect to the information and material contained in this communication; (b) KGF is acting for its own interests; and (c) you should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material." The legal documentation will contain provisions relating to increase costs, taxability and changes in corporate income tax rates."

Date: 10 | 23 | 18     Signature: _[signature]_

In Association with Key Government Finance, Inc.
1000 South McCaslin Blvd
Superior, CO 80027

# VMware Professional Services
## General Terms & Conditions (Exhibit A to SOW)

1. Definitions.

a) "Acceptance Period" means a period of ten (10) business days following, (i) with respect to a fixed fee engagement, delivery of the Project Milestone Completion Form, or (ii) with respect to time and materials engagements, the submission of timesheets to Customer.

b) "Affiliate" means, with respect to a party, an entity that is directly or indirectly controlled by or is under common control with that party, where "control" means an ownership, voting or similar interest representing fifty percent (50%) or more of the total interests of the entity (but only as long as that person or entity meets these requirements).

c) "Consulting Services" means the services provided by VMware to Customer as described in the Statement of Work to which these General Terms & Conditions are attached ("SOW"). Alternatively, if Customer ordered the services via a VMware online datasheet, all references to the SOW will be deemed to refer to that online datasheet.

d) "Customer Materials" means any materials or Technology provided to VMware by Customer in connection with the Consulting Services.

e) "Deliverables" means any reports, analyses, scripts, templates, code or other work products, tangible or intangible, to be delivered by VMware to Customer as set forth in the SOW.

f) "Derivative Work" means a derivative work as defined under applicable intellectual property laws. [For the US only, we will replace "applicable" with "U.S."]

g) "Intellectual Property Rights" means all worldwide intellectual property rights including copyrights, trademarks, service marks, trade secrets, know-how, inventions, patents, patent applications, moral rights and all other proprietary rights, whether registered or unregistered.

h) "Parties" means VMware and Customer collectively, and a "Party" means VMware or Customer individually.

i) "Taxes" means any sales, use and other taxes (other than taxes on VMware's income), export and import fees, customs duties and similar charges applicable to the Consulting Services as described in the SOW that are imposed by any government or other authority.

j) "Technology" means algorithms, approaches, source and object codes, concepts, data, designs, developments, documentation, discoveries, expressions, inventions, know-how, methodologies, multimedia files, processes, programs, skills, software, techniques, technology, templates, text, tools, and web pages.

k) "VMware Retained Materials" means (i) materials (other than products) developed or obtained by or for VMware independently of the Consulting Services, and (ii) subsets or modules of the Deliverables that by themselves provide generic technical information not unique to Customer's business.

2. Consulting Services.

a) Consulting Services. VMware will provide the Consulting Services and the Deliverables as specified in the SOW. The SOW will (i) incorporate by reference this Professional Services General Terms and Condition; and (ii) specify and describe the relevant business parameters, including, but not limited to, the Consulting Services, the Deliverables, the Customer Materials, primary contact information for VMware and Customer, project description, delivery schedule, staff roles, pricing, and a payment schedule. In the event of a conflict between the terms of this General Terms and Conditions and the terms of an SOW, the General Terms and Conditions will govern unless otherwise explicitly superseded in the SOW. The General Terms and Conditions and the SOW are collectively referred as "SOW" hereinafter.

b) Acceptance.

i) For fixed fee engagements, upon completion of each milestone, VMware will deliver to Customer a Project Milestone Completion Form. For time and materials engagements, VMware will deliver timesheets to Customer. Customer will return the Project Milestone Completion Form or timesheets, as applicable, to VMware within the Acceptance Period, indicating Customer's acceptance of the SOW's Deliverables or Consulting Services.

ii) If Customer reasonably believes that VMware did not perform the Consulting Services or the Deliverables in substantial conformance with the SOW, Customer will notify VMware, in writing, within the Acceptance Period. Customer's notice must specifically identify and explain each alleged non-conformance with the terms of the SOW. VMware will use reasonable efforts to correct Customer's issues and then again

present the Project Milestone Completion Form or timesheets for Customer's acceptance as required by this Section 2.

iii) If VMware does not receive Customer's acceptance or rejection within the Acceptance Period, the Consulting Services and the Deliverables will be deemed accepted by Customer, and Customer will have waived any right of rejection.

c) Project Change Request.

i) Either Party may request a modification to the Deliverables or to any material provision of the SOW by submitting a Project Change Request ("PCR"). Upon receipt of a PCR, VMware will estimate its financial and schedule impacts, if any. The Parties will review these estimates to determine whether the PCR would be mutually acceptable. VMware may not unreasonably refuse to accept a PCR initiated by Customer, if Customer agrees to bear the pricing and schedule impacts.

ii) If the Parties agree on the PCR, VMware will attach the final PCR to the SOW. If the Parties are unable to agree within five (5) business days after the PCR is submitted, then the submitting Party may either withdraw the PCR or terminate the SOW. If the SOW is terminated, the only payments due are for the Deliverables delivered, Consulting Services performed, and expenses incurred by VMware prior to the termination date.

d) Customer Materials Delays. Customer acknowledges that VMware's performance of the Consulting Services and delivery of the Deliverables is contingent on Customer's timely delivery of the Customer Materials required to perform the Consulting Services. Customer agrees that any reasonable scheduling or financial impacts caused by Customer's failure to deliver Customer Materials within the specified time will be treated as a PCR.

e) Personnel. VMware will determine the personnel assigned to perform the Consulting Services. Customer may request, in writing, with specific reasons stated, the replacement of VMware personnel or VMware contractors that Customer reasonably believes are not adequately performing the Consulting Services.

3. Intellectual Property.

a) Grant of Copyright in the Deliverables. Subject to Customer's payment of the amounts due under the SOW and to Customer's compliance with the SOW, Customer will own all copyrights to the portion of the Deliverables consisting solely of written reports, analyses, and other working papers (other than VMware Retained Materials), prepared and delivered by VMware to Customer under the SOW, provided that Customer will exercise its rights for Customer's internal business operations only and will not resell or distribute the Deliverables to any third party.

b) Grant of License Rights in the Deliverables. For VMware Retained Materials and the portion of the Deliverables that consists of scripts, code, templates, and all other materials developed or otherwise provided by VMware in connection with the Consulting Services, VMware grants Customer a non-exclusive, non-transferable, irrevocable (except in case of breach of the SOW), perpetual license, without the right to sublicense, to use and copy (without the right to sublicense), for Customer's internal business operations only (the "Deliverables License"). The Deliverables License does not apply to (i) Customer Materials, and (ii) any other products or items licensed, or otherwise provided, under a separate agreement.

c) Customer Materials. Any Customer Materials used by VMware in connection with the SOW remain Customer property. Pursuant to Customer's Intellectual Property Rights in Customer Materials, Customer grants VMware a non-exclusive and non-transferable right to use Customer Materials solely for the benefit of Customer in fulfillment of VMware's obligations under the SOW. Customer warrants that it has the necessary rights to provide Customer Materials to VMware, so that VMware can access, use, and modify Customer Materials as necessary for VMware's performance of the Consulting Services.

d) Reservation of other Intellectual Property Rights. Each Party reserves for itself all other Intellectual Property Rights that it has not expressly granted to the other. All rights in VMware Retained Materials remain VMware's sole property. VMware will not be limited in developing, using or marketing services, materials or products that are similar to or related to the Deliverables (other than those portions of the Deliverables where ownership of the copyright has been granted to Customer) or the Consulting Services, or, subject to VMware's confidentiality obligations to Customer, in using the Deliverables in or performing similar Consulting Services for any other projects or parties.

4. Confidentiality.

a) Definition. "Confidential Information" means information or materials provided by one Party ("Discloser") to the other Party ("Recipient") which are in tangible form and labelled "confidential" or the like, or information which a reasonable person knew or should have known to be confidential in the circumstances. The following information will be considered Confidential Information whether or not marked or identified as

confidential: any personally identifiable information (such as the names of Discloser's customers), or the physical address of any equipment contained in any information collected about Discloser's computing environment, Discloser's business operations, pricing, discounts, source code, product roadmaps or strategic marketing plans.

b) Protection. Recipient may use Confidential Information of Discloser: (i) to exercise its rights and perform its obligations under the SOW; or (ii) in connection with the Parties' on-going business relationship. Recipient will not use any Confidential Information of Discloser for any purpose not expressly permitted by the SOW, and will disclose the Confidential Information of Discloser only to Recipient's employees or contractors who have a need to know the Confidential Information for purposes of the SOW and who are under a duty of confidentiality no less restrictive than Recipient's duty under the SOW. Recipient will protect Discloser's Confidential Information from unauthorized use, access, or disclosure in the same manner as Recipient protects its own confidential or proprietary information of a similar nature, but with no less than reasonable care.

c) Exceptions. Recipient's obligation under this Section 4 with respect to any of Discloser's Confidential Information will terminate if Recipient can show by written records that this information: (i) was already rightfully known to the Recipient at the time of disclosure; (ii) was disclosed to Recipient by a third party who had the right to make the disclosure without any confidentiality restrictions; (iii) is, or through no fault of Recipient, has become, generally available to the public; or (iv) was independently developed by Recipient without access to, or use of, Discloser's Confidential Information. In addition, Recipient will be allowed to disclose Discloser's Confidential Information to the extent that the disclosure is required by law or by order of a court or similar judicial or administrative body, provided that Recipient notifies (to the extent permitted by law) Discloser of that required disclosure promptly and in writing and cooperates with Discloser, at Discloser's request and expense, in any lawful action to contest or limit the scope of that required disclosure.

d) Permitted Disclosure. Notwithstanding anything to the contrary in these General Terms & Conditions, neither Party will disclose the SOW to any third party without prior written consent of the other Party. Notwithstanding the foregoing, each Party may disclose the terms and conditions of the SOW without the prior written consent of the other Party (i) as required by any court or other governmental body, (ii) as otherwise required by law, (iii) to legal counsel of the Parties, (iv) in confidence, to their respective accountants, banks, and financing sources and other professional advisors, (v) in connection with the enforcement of the SOW or the Party's rights under the SOW; (vi) in confidence, in connection with an actual or proposed merger, acquisition, or similar transaction; or (vii) if compelled by law, in which case the Party compelled to make the disclosure will use its best efforts to give the other Party advance notice of the requirement.

5. Intellectual Property Indemnification.

a) Defense and Indemnification. Subject to the remainder of this Section 5, VMware will defend against any third party claim that the Deliverables, when used as contemplated by the SOW, infringe any patent, trademark or copyright of a third party, or misappropriate a trade secret (but only to the extent that the misappropriation is not a result of Customer's actions), under the laws of: (a) the United States; (b) Canada; (c) the European Economic Area; (d) Australia; (e) New Zealand; (f) Japan; or (g) the People's Republic of China, to the extent that those countries are part of the territory of use for the Deliverables ("Infringement Claim"), and indemnify Customer from the resulting costs and damages awarded against Customer by a court of competent jurisdiction or agreed to in settlement. The foregoing obligations are applicable only if Customer: (i)promptly notifies VMware in writing of the Infringement Claim; (ii) allows VMware sole control over the defense for the claim and any settlement negotiations; (iii) reasonably cooperates in response to VMware's requests for assistance; and (iv) is not in material breach of the SOW. Customer may not settle or compromise any Infringement Claim without the prior written consent of VMware.

b) Remedies. If the allegedly infringing Deliverables become, or in VMware's opinion be likely to become, the subject of a Infringement Claim, VMware will, at VMware's option and expense, do one of the following: (a) procure the rights necessary for Customer to make continued use of the affected Deliverables; (b) replace or modify the affected Deliverables to make them non-infringing; or (c) terminate the Deliverables License to the affected Deliverables, and, upon Customer's certified deletion or destruction of the affected Deliverables, refund that portion of the fees paid by Customer for the affected Deliverables. Nothing in this Section 5(b) will limit VMware's obligation under Section 5(a) to defend and indemnify Customer, provided that Customer replaces the allegedly infringing Deliverables upon VMware's making alternate Deliverables available to Customer or Customer discontinues using the allegedly infringing Deliverables upon receiving VMware's notice.

c) Exclusions. Notwithstanding the foregoing, VMware will have no obligation with respect to any claim based on: (a) a combination of the Deliverables with non-VMware products (other than non-VMware products that are listed on the relevant purchase order and used in an unmodified form); (b) use for a purpose or in a manner for which the Deliverables was not designed; (c) use of any older version of VMware software or the Deliverables when use of a newer VMware revision would have avoided the infringement; (d) any modification to the Deliverables made without VMware's express written approval; (e) any Deliverables provided by VMware in accordance with Customer's specifications or designs; (f) any claim that relates to open source software or freeware technology or any derivatives or other adaptations that is not embedded by VMware into VMware software listed on VMware's commercial price list or into Deliverables; or (g) Customer Materials or Technology that Customer instructs VMware to develop in a specific way or to achieve a specific end result. THIS SECTION 5 STATES CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AND VMWARE'S ENTIRE LIABILITY FOR ANY INFRINGEMENT CLAIMS OR ACTIONS ARISING UNDER OR IN CONNECTION WITH THE SOW.

6. Warranties and Limitation of Liability.

a) VMware Warranty. VMware warrants that the Consulting Services will be performed in a workmanlike manner in accordance with the standards of the industry. Customer must notify VMware of any alleged breach of this warranty before the end of the Acceptance Period. VMware's entire liability and Customer's sole remedy for VMware's breach of this warranty will be for VMware to, at its option, (i) use reasonable efforts to correct that breach, , or (ii) terminate the SOW and refund that portion of any fees received that corresponds to that breach.

b) Disclaimer of Warranties. THE EXPRESS WARRANTY SET FORTH IN SECTION 6(a) ABOVE IS IN LIEU OF ALL OTHER WARRANTIES, AND, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, VMWARE DISCLAIMS, ALL OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, TITLE, NONINFRINGEMENT, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE REGARDING OR RELATING TO THE CONSULTING SERVICES OR DELIVERABLES, OR ANY OTHER MATERIALS FURNISHED OR PROVIDED TO CUSTOMER UNDER THE SOW. VMWARE WILL NOT BE LIABLE FOR ANY THIRD-PARTY SERVICES OR PRODUCTS IDENTIFIED OR REFERRED TO CUSTOMER BY VMWARE. NO EMPLOYEE, AGENT, REPRESENTATIVE OR AFFILIATE OF VMWARE HAS THE AUTHORITY TO BIND VMWARE TO ANY REPRESENTATIONS OR WARRANTIES OUTSIDE OF THE SOW.

c) Limitation of Liability.

i) Limitation on Direct Damages. Except with respect to claims pursuant to Section 5 above, VMware's total liability and Customer's sole and exclusive remedy for a claim of any nature arising out of the SOW, regardless whether the claim is based on contract, tort, strict liability or otherwise, will be limited to proven direct damages caused by VMware's sole negligence in an amount not to exceed (i) US$1,000,000 for damages to real or tangible personal property; and (ii) the fees paid to VMware for the Consulting Services from which the claim arises, for damages of any type not identified in (i) above or otherwise excluded under the SOW.

ii) Disclaimer of Liability. To the maximum extent permitted by applicable law, neither Party will be liable for any indirect, incidental, special, punitive or consequential damages, or for any loss of profits, business opportunity, revenue, goodwill or data, even if advised of the possibility of those damages.

iii) Limitation of Liability Exclusions. [NASA Version] The limitations of liability in this Section 6(c) will not apply to (a) Customer's violation of VMware's or its licensors' Intellectual Property Rights or Customer's use of the Deliverables in a manner not expressly authorized by the SOW; (b) VMware's indemnification obligations under Section 5; (c) either Party's breach of confidentiality under the SOW; (d) Customer's payment obligations under the SOW; or (e) any liability which may not be excluded by applicable law. [EMEA/APAC Version:] The limitations of liability in this Section 6(c) shall not apply to: (a) Customer's liability for violation of VMware's or its licensors' Intellectual Property Rights or use of the Deliverables by Customer in a manner not expressly authorized by the SOW; (b) VMware's indemnification obligations under the SOW; (c) either Party's liability for breaches of confidentiality under the SOW; (d) Customer's payment obligations under the SOW; (e) either Party's liability for death or personal injury caused by its negligence; (f) either Party's liability for any fraudulent pre-contractual misrepresentations made by one party on which the other party can be shown to have relied; or (g) any liability which cannot be excluded by applicable law.

iv) Further Limitations. VMware's licensors will have no liability of any kind under the SOW, and VMware's liability with respect to any third party software embedded in the

Deliverables will be subject to Section 6 (a) and (b) above. Customers may not bring a claim under the SOW more than eighteen (18) months after the cause of action arises.

7. Fees and Payment.

a) Payment. VMware will provide the Consulting Services (i) for a fixed fee or (ii) on a time and materials basis, as described in the SOW, plus applicable taxes and travel expenses in accordance with VMware's travel and expense policy. Invoicing occurs upon Customer's acceptance of each milestone or timesheet, or approval of travel expenses, and must be paid by Customer within thirty (30) days of the date of invoice. If Customer uses pre-purchased VMware Consulting and Training Credits as the means of payment, then upon Customer's acceptance of Project Milestone Completion Form(s), timesheets, or travel expenses, the VMware Consulting & Training Credits will be deducted from Customer's balance. Customer is responsible for ensuring that its purchase order ("PO") issued to VMware for the Consulting Services reflects the pricing set forth in the SOW. Once VMware fulfills its obligations under a PO from Customer, VMware will have no liability for any pricing in Customer's PO that is inconsistent with the pricing set forth in the SOW. Customer agrees that POs do not have to be signed by Customer to be valid and enforceable. Subject to the SOW, all fees paid by Customer are non-refundable.

b) Taxes. [NASA Version] Fees are exclusive of Taxes, and Customer will pay or reimburse VMware for all Taxes arising out of the SOW. If Customer is required to pay or withhold any Taxes in respect of any payments due to VMware, Customer will gross up payments actually made such that VMware will receive sums due in full and free of any deduction for any Taxes. Customer confirms that VMware can rely on the Customer address set forth in the SOW as being the place of supply for tax purposes. [EMEA/APAC Version] Fees are exclusive of Taxes, and Customer will pay or reimburse VMware for all Taxes arising out of the SOW. If Customer is required to pay or withhold any Taxes in respect of any payments due to VMware, Customer will gross up payments actually made such that VMware will receive sums due in full and free of any deduction for any Taxes. Where VMware is making a supply of services under Article 44 of VSAT Directive 2006/112/EC, Customer confirms that VMware can rely on the "bill to" name and address as per the PO issued by Customer to VMware as being the place of supply for VAT purposes where Customer has established its business.

c) Late Payments. All amounts not paid when due will incur a late charge equal to the lesser of one and one-half percent (1.5%) per month, or the maximum amount allowed by applicable law. VMware may suspend performance of the Consulting Services while any payment is delinquent.

d) Currency. All charges and fees provided for in the SOW will be in the currency specified in the SOW.

e) Canceling/Rescheduling SOW before Commencement. A minimum of fifteen (15) business days' written notice is required for rescheduling or canceling the SOW prior to the commencement of the Consulting Services. Only incurred expenses (e.g., airfare), if any, will be owed and invoiced if that notice is given. The entire payment and any incurred expenses are owed if the SOW is canceled with less than that notice.

8. Term and Termination.

a) Term. The term of the SOW begins on the date stated in the SOW and continues until (i) Customer's acceptance of the final Deliverables or final timesheet, (ii) terminated under Section 8(b), or (iii) the Parties mutually terminate the SOW in writing.

b) Termination. Either Party may terminate the SOW immediately upon written notice if: (i) the other Party breaches any provision of the SOW and does not cure the breach within thirty (30) days after receiving written notice from the other Party; or (ii) the other Party commits a material breach of the SOW that is not capable of being cured. VMware may terminate the SOW in its entirety effective immediately upon written notice to Customer if Customer: (i) terminates or suspends its business; (ii) becomes insolvent, admits in writing its inability to pay its debts as they mature, makes an assignment for the benefit of creditors, or becomes subject to control of a trustee, receiver or similar authority; or (iii) becomes subject to any bankruptcy or insolvency proceeding.

c) Survival. Any provision of the SOW will survive any termination or expiration of the SOW if by its nature and context it is intended to survive, including provisions relation to payment of outstanding fees, confidentiality, intellectual property, warranties and limitation of liability.

9. Miscellaneous.

a) Insurance. VMware will, for the term of the SOW, carry general and professional liability, automobile, and workers compensation insurance, for claims for bodily injury (including death) or damage to tangible or real property, which may arise or result from

VMware's performance under the SOW. VMware will provide Customer with its then-current Memorandum of Insurance upon reasonable request.

b) Non-solicitation. During the period of the performance and one year from the completion of the Consulting Services under the SOW, neither Party will solicit directly or indirectly the employment or services of the employees or contractors of the other Party who were involved in the performance under the SOW. Both Parties acknowledge that (i) any newspaper or other public solicitation not directed specifically to that person will not be deemed to be a solicitation for purpose of this provision, and (ii) this provision is not intended to limit the individual's right to change jobs.

c) Assignment. Customer will not assign this SOW or a PO or any right or obligation herein or delegate any performance without VMware's prior written consent, which consent will not be unreasonably withheld. Any other attempted assignment or transfer by Customer will be void. VMware may use its Affiliates or other sufficiently qualified subcontractors to provide the Consulting Services to Customer, provided that VMware remains responsible to Customer for the Consulting Services' performance.

d) Independent Parties. The Parties are independent contracting parties. Nothing in the SOW will be construed to create a partnership, joint venture or agency relationship between the Parties.

e) Governing Law. [NASA Version] The SOW is governed by the laws of the State of California (excluding its conflict of law rules) and the federal laws of the United States. To the extent permitted by law, the state and federal courts located in Santa Clara County, California, will be the exclusive jurisdiction for disputes arising out of or in connection with the SOW. The UN Convention on Contracts for International Sale of Goods does not apply. [EMEA/APAC Version] The SOW is governed by the laws of England. The UN Convention on Contracts for the International Sale of Goods does not apply. The Parties consent to the exclusive jurisdiction of English courts.

f) Force Majeure. Except for payment of fees, neither Party will be liable for failure to perform its obligations during any period if performance is delayed or rendered impracticable or impossible due to circumstances beyond that Party's reasonable control.

g) Compliance with Laws; Export Control; Government Regulations. Each Party will comply with all laws applicable to the actions contemplated by the SOW. All content, including the Consulting Services and the Technology included therein (collectively the "Materials") provided under the SOW are subject to governmental restrictions on (i) exports from the United States; (ii) exports from other countries in which the Materials may be produced or located; (iii) disclosure of Technology to non-U.S. persons; (iv) exports from abroad of products derivative of the Materials; (v) the importation and/or use of the Materials outside of the United States or other countries (collectively, "Export Laws"). Customer must comply with all Export Laws. Diversion contrary to United States law or other Exports Laws is expressly prohibited.

h) End User License Agreement. If the Consulting Services involve VMware software products licensed to Customer under a separate license agreement, unless otherwise provided in the SOW, the terms set out in the separate license agreement will apply with respect to each VMware software product.

i) Acknowledgement. Unless otherwise stated in the SOW, Customer acknowledges that the Consulting Services do not include significant production, modification or customization of VMware licensed software.

j) Waiver. Failure to enforce a provision of the SOW will not constitute a waiver.

k) Reference. VMware will not use Customer's name, logo, or project description in press releases or other marketing material without the prior written consent of Customer, and Customer agrees that consent will not be unreasonably withheld. Customer agrees to allow VMware to use its name and industry in alphabetical customer listings of VMware's customers generally, provided that no additional project information or other detail is used without Customer's written consent.

l) Counterparts. Facsimile, scanned or electronic signatures on the SOW will bind the Parties to the same extent as originals. The SOW may be executed in multiple counterparts all of which taken together shall constitute one single agreement between the Parties.

m) Severability. If any part of the SOW is held to be unenforceable, the validity of all remaining parts will not be affected.

n) Construction. The headings of sections of the SOW are for convenience and are not to be used in interpreting the SOW. As used herein, the word "including" means "including but not limited to."

o) Notices. Unless otherwise set forth in the SOW, any notice regarding the SOW or required by law must be in writing and delivered to the other Party's legal department at the address listed below via: (a) personal delivery confirmed in writing by the recipient;

(b) certified mail, return receipt requested; or (c) recognized commercial courier offering confirmation of delivery. Notices will be deemed received upon the date of delivery shown by the corresponding confirmation. Either Party may change its address by notice to the other Party. All notices will be directed to Customer to the address set forth in the SOW, and to VMware as follows:  VMware, Inc., 3401 Hillview Ave., Palo Alto CA 94304, Attention: Legal Department.

p) Entire Agreement.  The SOW (including these General Terms & Conditions, and the Exhibits) contains the entire agreement between the Parties with respect to the subject matter of the SOW and supersedes all previous or contemporaneous communications, representations, proposals, commitments, understandings and agreements, whether oral or written, between the Parties regarding the subject matter of the SOW.  The SOW may be amended only in writing and signed by authorized representatives of both Parties. VMware rejects any additional or conflicting terms and conditions on any PO, acknowledgement or other business form issued by Customer, unless expressly otherwise agreed to by the Parties in writing.