

STATE OF MICHIGAN
 DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
 PROCUREMENT

525 W. ALLEGAN STREET
 LANSING, MI 48933

P.O. BOX 30026
 LANSING, MI 48909

NOTICE OF CONTRACT NO. 071B6600041

between

THE STATE OF MICHIGAN

and

NAME & ADDRESS OF CONTRACTOR	PRIMARY CONTACT	EMAIL
DocuSign Inc 221 Main Street Suite 1000 San Francisco CA, 94105	Mauricio Pinto	mauricio.pinto@docusign.com
	PHONE	VENDOR TAX ID # (LAST FOUR DIGITS ONLY)
	360-588-1062	3967

STATE CONTACTS	AGENCY	NAME	PHONE	EMAIL
PROGRAM MANAGER	DTMB	Toby Pittman	517-335-2401	pittmant@michigan.gov
CONTRACT ADMINISTRATOR	DTMB	David Hatch	517-284-7044	hatchd@michigan.gov

CONTRACT SUMMARY

DESCRIPTION:

Enterprise Contract for Digital Signature Solution

<u>INITIAL TERM</u>	<u>EFFECTIVE DATE</u>	<u>INITIAL</u> EXPIRATION DATE	<u>AVAILABLE</u> OPTIONS
5 years	March 25, 2016	March 30, 2012	5, 1 year options
PAYMENT TERMS	F.O.B.	SHIPPED TO	
NA	NA	NA	

<u>ALTERNATE PAYMENT OPTIONS</u>	<u>EXTENDED</u> PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
 NA

MISCELLANEOUS INFORMATION
 This contract is for all State of Michigan Agencies and MiDeal members to use. The first implementation is for MDOT.

ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION	\$1,541,400.00
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For the Contractor:

Chris Harris,
Contract Administrator
DocuSign, Inc.

Date

For the State:

William Pemble,
DTMB IT Procurement Director
State of Michigan

Date

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Terms and Conditions**1.0 CONTRACT TERMS AND CONDITIONS**

This Contract (this “**Contract**”) is agreed to between the State of Michigan (the “**State**”) and DocuSign Inc. (“**Contractor**”), a Delaware Corporation. This Contract is effective on 3/18/2016 (“**Effective Date**”), and unless earlier terminated, will expire on 03/1/2021 (the “**Term**”).

This Contract may be renewed for up to five (5) additional 1-year periods. Renewal must be by written notice from the State and will automatically extend the Term of this Contract.

Definitions. For the purposes of this Contract, the following terms have the following meanings:

“**Acceptance**” has the meaning set forth in **Section 9.5**.

“**Acceptance Tests**” means such tests as may be conducted in accordance with **Section 8.1** and the Statement of Work to determine whether the Software meets the requirements of this Contract and the Documentation.

“**Affiliate**” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. For purposes of this definition, the term “control” (including the terms “controlled by” and “under common control with”) means the direct or indirect ownership of more than fifty percent (50%) of the voting securities of a Person.

“**Allegedly Infringing Materials**” has the meaning set forth in **Section 23.3(b)(ii)**.

“**Approved Open-Source Components**” means Open-Source Components that may be included in or used in connection with the Software and are specifically identified in an exhibit to the Statement of Work, and approved by the State.

“**Authorized Services**” means any and all services performed by any Authorized User for the State for or in connection with the State’s use of the Software or Documentation in accordance with this Contract, including any services comprising or relating to the analysis, development, delivery, installation, configuration, integration, testing, deployment, maintenance, support, repair, storage, copying, modification, enhancement, improvement or disaster recovery of, or training of Authorized Users concerning, the Software or Documentation.

“**Authorized Users**” means all employees of the State who are authorized to use the Software. Authorized Users also include all Persons, including all agents, contractors, consultants, and their respective employees that the State retains to provide Authorized Services.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which the State is authorized or required by Law to be closed for business.

“**Business Owner**” is the individual appointed by the agency buyer to (a) act as the agency’s representative in all matters relating to the Contract, and (b) co-sign off on notice of Acceptance for the Software. The Business Owner will be identified in the Statement of Work.

“**Business Requirements Specification**” means the initial specification setting forth the State’s business requirements regarding the features and functionality of the Software, as set forth in the Statement of Work.

“**Change**” has the meaning set forth in **Section 2.2**.

“**Change Notice**” has the meaning set forth in **Section 2.2b**.

Change Proposal” has the meaning set forth in **Section 2.2a**.

Change Request” has the meaning set forth in **Section 2.2**.

Confidential Information” has the meaning set forth in **Section 18.1**.

Configuration” means State-specific changes made to the Software without Source Code or structural data model changes occurring.

Contract” has the meaning set forth in the preamble.

Contract Administrator” is the individual appointed by each party to (a) administer the terms of this Contract, and (b) approve any Change Notices under this Contract. Each party’s Contract Administrator will be identified in the Statement of Work.

Contractor” has the meaning set forth in the preamble.

Contractor’s Bid Response” means the Contractor’s proposal submitted in response to the RFP.

Contractor Personnel” means all employees of Contractor or any Permitted Subcontractors involved in the performance of Services hereunder.

Deliverables” means the Software, and all other documents and other materials that Contractor is required to or otherwise does provide to the State under this Contract and otherwise in connection with any Services, including all items specifically identified as Deliverables in the Statement of Work.

Dispute Resolution Procedure” has the meaning set forth in **Section 28.1**.

Documentation” means all user manuals, operating manuals, technical manuals and any other instructions, specifications, documents or materials, in any form or media, that describe the functionality, installation, testing, operation, use, maintenance, support, technical or other components, features or requirements of the Software.

DTMB” means the Michigan Department of Technology, Management and Budget.

Effective Date” has the meaning set forth in the preamble.

Fees” means collectively, the License Fees, Implementation Fees, and Support Services Fees.

Financial Audit Period” has the meaning set forth in **Section 26.1**.

Force Majeure” has the meaning set forth in **Section 29.1**.

Harmful Code” means any: (a) virus, trojan horse, worm, backdoor or other software or hardware devices the effect of which is to permit unauthorized access to, or to disable, erase, or otherwise harm, any computer, systems or software; or (b) time bomb, drop dead device, or other software or hardware device designed to disable a computer program automatically with the passage of time or under the positive control of any Person, or otherwise prevent, restrict or impede the State’s or any Authorized User’s use of such software.

HIPAA” has the meaning set forth **Section 17.1**.

Implementation Fees” has the meaning set forth in **Section 14.2**.

Implementation Plan” means the schedule included in the Statement of Work setting forth the sequence of events for the performance of Services under the Statement of Work, including the Milestones and Milestone Dates.

Integration Testing” has the meaning set forth in **Section 9.18.1f**.

“Intellectual Property Rights” means all or any of the following: (a) patents, patent disclosures, and inventions (whether patentable or not); (b) trademarks, service marks, trade dress, trade names, logos, corporate names, and domain names, together with all of the associated goodwill; (c) copyrights and copyrightable works (including computer programs), mask works and rights in data and databases, and all derivative works thereto; (d) trade secrets (including structure, sequence and code to CoSign software), know-how and other confidential information; and (e) all other intellectual property rights, in each case whether registered or unregistered and including all applications for, and renewals or extensions of, such rights, and all similar or equivalent rights or forms of protection provided by applicable Law in any jurisdiction throughout the world.

“Key Personnel” means any Contractor Personnel identified as key personnel in the Statement of Work.

“Law” means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree or other requirement or rule of any federal, State, local or foreign government or political subdivision thereof, or any arbitrator, court or tribunal of competent jurisdiction.

“License Agreement” has the meaning set forth in **Section 3.0**.

“License Fee” has the meaning set forth in **Section 14.1**.

“Loss or Losses” means all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs or expenses of whatever kind, including reasonable attorneys' fees and the costs of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

“Maintenance and Support Schedule” means the schedule attached as **Schedule B**, setting forth the service level agreement for Support Services, any corresponding Support Services Fees and the parties' additional rights and obligations with respect thereto.

“Maintenance Release” means any update, upgrade, release or other adaptation or modification of the Software, including any updated Documentation, that Contractor may generally provide to its licensees from time to time during the Term, which may contain, among other things, error corrections, enhancements, improvements or other changes to the user interface, functionality, compatibility, capabilities, performance, efficiency or quality of the Software.

“Milestone” means an event or task described in the Implementation Plan under the Statement of Work that must be completed by the corresponding Milestone Date.

“Milestone Date” means the date by which a particular Milestone must be completed as set forth in the Implementation Plan under the Statement of Work.

“Modification” means State-specific changes made to the Source Code of the Software to enhance, improve or otherwise create derivative works of the Software.

“New Version” means any new version of the Software that the Contractor may from time to time introduce and market generally as a distinct licensed product, as may be indicated by Contractor's designation of a new version number.

“Nonconformity” or **“Nonconformities”** means any failure or failures of the Software to conform to the requirements of this Contract, including any applicable Documentation.

“Open-Source Components” means any software component that is subject to any open-source copyright license agreement, including any GNU General Public License or GNU Library or Lesser Public License, or other obligation, restriction or license agreement that substantially conforms to the Open Source Definition as prescribed by the Open Source Initiative or otherwise may require disclosure or licensing to any third party of any source code with which such software component is used or compiled.

“Open-Source License” has the meaning set forth in **Section 4.0**.

“Operating Environment” means, collectively, the platform, environment and conditions on, in or under which the Software is intended to be installed and operate, as set forth in the Statement of Work, including such structural, functional and other features, conditions and components as hardware, operating software and system architecture and configuration.

“Permitted Subcontractor” has the meaning set forth in **Section 6.5**.

“Person” means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association or other entity.

“Pricing” means any and all fees, rates and prices payable under this Contract, including pursuant to any Schedule or Exhibit hereto.

“Pricing Schedule” means the schedule attached as **Schedule D**, setting forth the License Fees and Implementation Fees, and any other fees, rates and prices payable under this Contract, except for Support Services Fees (which are covered under the Maintenance and Support Schedule).

“Products” means the Software and CoSign Equipment delivered under this Agreement.

“Project Manager” is the individual appointed by each party to (a) monitor and coordinate the day-to-day activities of this Contract, and (b) for the State, to co-sign off on its notice of Acceptance for the Software. Each party’s Project Manager will be identified in the Statement of Work.

“Representatives” means a party’s employees, officers, directors, partners, shareholders, agents, attorneys, successors and permitted assigns.

“RFP” means the State’s request for proposal designed to solicit responses for Services under this Contract.

“Services” means any of the services Contractor is required to or otherwise does provide under this Contract, the Statement of Work, or the Maintenance and Support Schedule as more fully described in the body of this Contract, the Statement of Work, and the Maintenance and Support Schedule.

“Site” means the physical location designated by the State in, or in accordance with, this Contract or the Statement of Work for delivery and installation of the Software.

“Software” means Contractor’s software set forth in the Statement of Work, in object code and embedded firmware, and any Maintenance Releases provided to the State and any Configurations or Modifications made by or for the State pursuant to this Contract, and all copies of the foregoing permitted under this Contract and the License Agreement.

“Source Code” means the human readable source code of the Software to which it relates, in the programming language in which the Software was written, together with all related flow charts and technical documentation, including a description of the procedure for generating object code, all of a level sufficient to enable a programmer reasonably fluent in such programming language to understand, build, operate, support, maintain and develop modifications, upgrades, updates, adaptations, enhancements, new versions and other derivative works and improvements of, and to develop computer programs compatible with, the Software.

“Specifications” means, for the Software, the specifications collectively set forth in the Business Requirements Specification, Technical Specification, Documentation, RFP or Contractor’s Bid Response, if any, for such Software, or elsewhere in the Statement of Work.

“State” means the State of Michigan.

“State Data” has the meaning set forth in **Section 17.1**

“State Materials” means all materials and information, including documents, data, know-how, ideas, methodologies, specifications, software, content and technology, in any form or media, directly or indirectly provided or made available to Contractor by or on behalf of the State in connection with this Contract.

“State Resources” has the meaning set forth in **Section 7.1a**.

“Statement of Work” means any Statement of work entered into by the parties and attached as a schedule to this Contract. The initial Statement of Work is attached as **Schedule A**, and subsequent Statements of Work shall be sequentially identified and attached as Schedules A-1, A-2, A-3, etc.

“Stop Work Order” has the meaning set forth in **Section 20.1**.

“Support Services” means the software maintenance and support services Contractor is required to or otherwise does provide to the State under the Maintenance and Support Schedule.

“Support Services Commencement Date” means, with respect to the Software, the date on which the Warranty Period for the Software expires or such other date as may be set forth in the Statement of Work or the Maintenance and Support Schedule.

“Support Services Fees” has the meaning set forth in **Section 14.3**.

“Technical Specification” means, with respect to any Software, the document setting forth the technical specifications for such Software and included in the Statement of Work.

“Term” has the meaning set forth in the preamble.

“Test Data” has the meaning set forth in **Section 8.1**.

“Test Estimates” has the meaning set forth in **Section 8.1**.

“Testing Period” has the meaning set forth in **Section 9.18.1b**.

“Third Party” means any Person other than the State or Contractor.

“Transition Period” has the meaning set forth in **Section 20.03**.

“Transition Responsibilities” has the meaning set forth in **Section 20.03**

“Unauthorized Removal” has the meaning set forth in **Section 6.4(b)**.

“Unauthorized Removal Credit” has the meaning set forth in **Section 6.4**.

“User Data” means all data, information and other content of any type and in any format, medium or form, whether audio, visual, digital, screen, GUI or other, that is input, uploaded to, placed into or collected, stored, processed, generated or output by any device, system or network by or on behalf of the State, including any and all works, inventions, data, analyses and other information and materials resulting from any use of the Software by or on behalf of the State under this Contract, except that User Data does not include the Software or data, information or content, including any GUI, audio, visual or digital or other display or output, that is generated automatically upon executing the Software without additional user input.

“Warranty Period” means the ninety (90) calendar-day period commencing on the date of the State's Acceptance of the Products

2.0 STATEMENTS OF WORK.

Contractor shall provide Services and Deliverables pursuant to Statements of Work entered into under this Contract. No Statement of Work shall be effective unless signed by each party's Contract Administrator. The term of each Statement of Work shall commence on the parties' full execution of the Statement of Work and terminate when the parties have fully performed their obligations. The terms and conditions of this Contract will apply at all times to any Statements of Work entered into by the parties and attached as a schedule to this Contract. The State shall have the right to terminate such Statement of Work as set forth in **Section 2.0**. Contractor acknowledges that time is of the essence with respect to

Contractor's material obligations under each Statement of Work and agrees that prompt and timely performance of all such obligations in accordance with this Contract and the Statements of Work (including the Implementation Plan and all Milestone Dates) is strictly required.

2.1 Statement of Work Requirements. Each Statement of Work will include the following:

- (a) names and contact information for Contractor's Contract Administrator, Project Manager and Key Personnel;
- (b) names and contact information for the State's Contract Administrator, Project Manager and Business Owner;
- (c) a detailed description of the Services to be provided under this Contract, including any training obligations of Contractor;
- (d) a detailed description of the Software to be provided under this Contract, including the:
 - (i) version and release number of the Software;
 - (ii) Business Requirements Specification;
 - (iii) Technical Specification; and
 - (iv) a description of the Documentation to be provided;
- (e) an Implementation Plan, including all Milestones, the corresponding Milestone Dates and the parties' respective responsibilities under the Implementation Plan;
- (f) the due dates for payment of Fees and any invoicing requirements, including any Milestones on which any such Fees are conditioned, and such other information as the parties deem necessary;
- (g) disclosure of all Open-Source Components (each identified on a separate exhibit to the Statement of Work), in each case accompanied by such related documents as may be required by this Contract;
- (h) N/A
- (i) a detailed description of all State Resources required to complete the Implementation Plan.

2.1 Change Control Process. The State may at any time request in writing (each, a "**Change Request**") changes to the Statement of Work, including changes to the Services and Implementation Plan (each, a "**Change**"). Upon the State's submission of a Change Request, the parties will evaluate and implement all Changes in accordance with this **Section 2.1**.

- (a) As soon as reasonably practicable, and in any case within twenty (20) Business Days following receipt of a Change Request, Contractor will provide the State with a written proposal for implementing the requested Change ("**Change Proposal**"), setting forth:
 - (i) a written description of the proposed Changes to any Services or Deliverables;
 - (ii) an amended Implementation Plan reflecting: (A) the schedule for commencing and completing any additional or modified Services or Deliverables; and (B) the effect of such Changes, if any, on completing any other Services under the Statement of Work;
 - (iii) any additional State Resources Contractor deems necessary to carry out such Changes; and
 - (iv) any increase or decrease in Fees resulting from the proposed Changes, which increase or decrease will reflect only the increase or decrease in time and expenses Contractor requires to carry out the Change.

(b) Within thirty (30) Business Days following the State's receipt of a Change Proposal, the State will by written notice to Contractor, approve, reject, or propose modifications to such Change Proposal. If the State proposes modifications, Contractor must modify and re-deliver the Change Proposal reflecting such modifications, or notify the State of any disagreement, in which event the parties will negotiate in good faith to resolve their disagreement. Upon the State's approval of the Change Proposal or the parties' agreement on all proposed modifications, as the case may be, the parties will execute a written agreement to the Change Proposal ("**Change Notice**"), which Change Notice will be signed by the State's Contract Administrator and will constitute an amendment to the Statement of Work to which it relates; and

(c) If the parties fail to enter into a Change Notice within fifteen (15) Business Days following the State's response to a Change Proposal, the State may, in its discretion:

- (i) require Contractor to perform the Services under the Statement of Work without the Change;
- (ii) require Contractor to continue to negotiate a Change Notice;
- (iii) initiate a Dispute Resolution Procedure; or
- (iv) notwithstanding any provision to the contrary in the Statement of Work, terminate this Contract under **Section 20.2**.

(d) No Change will be effective until the parties have executed a Change Notice. Except as the State may request in its Change Request or otherwise in writing, Contractor must continue to perform its obligations in accordance with the Statement of Work pending negotiation and execution of a Change Notice. Contractor will use its best efforts to limit any delays or Fee increases from any Change to those necessary to perform the Change in accordance with the applicable Change Notice. Each party is responsible for its own costs and expenses of preparing, evaluating, negotiating, and otherwise processing any Change Request, Change Proposal, and Change Notice.

(e) The performance of any functions, activities, tasks, obligations, roles and responsibilities comprising the Services as described in this Contract are considered part of the Services and, thus, will not be considered a Change. This includes the delivery of all Deliverables in accordance with their respective Specifications, and the diagnosis and correction of Non-Conformities discovered in Deliverables prior to their Acceptance by the State or, subsequent to their Acceptance by the State, as necessary for Contractor to fulfill its associated warranty requirements and its Maintenance and Support Services under this Contract.

(f) Contractor may, on its own initiative and at its own expense, prepare and submit its own Change Request to the State. However, the State will be under no obligation to approve or otherwise respond to a Change Request initiated by Contractor.

3.0 LICENSE AGREEMENT.

Contractor hereby grants to the State and its Authorized Users the right and license to use the Software and Documentation in accordance with the terms and conditions of this Contract and the CoSign Subscription Terms and Conditions set forth in **Schedule C – Exhibit 1** (the "**License Agreement**").

4.0 OPEN-SOURCE LICENSES.

Any use hereunder of Open-Source Components shall be governed by, and subject to, the terms and conditions of the applicable open-source license ("**Open-Source License**"). Contractor shall identify and describe in an exhibit to the Statement of Work each of the Approved Open-Source Components of the Software, and include an exhibit attaching all applicable Open-Source Software Licenses or identifying the URL where these licenses are publicly available.

5.0 SOFTWARE IMPLEMENTATION.

5.1 Implementation. Contractor will deliver- the Software on or prior to the applicable Milestone Date in accordance with the criteria set forth in the Statement of Work.

5.2 Site Preparation. Contractor will provide the State with such notice as is specified in the Statement of Work, prior to delivery of the Software to give the State sufficient time to prepare for Contractor's delivery - of the Software. If the State is responsible for Site preparation, Contractor will provide such remote assistance as the State requests to complete such preparation on a timely basis.

6.0 PERFORMANCE OF SERVICES.

Contractor will provide all Services and Deliverables in a timely, professional and workmanlike manner and in accordance with the terms, conditions, and Specifications set forth in this Contract and the Statement of Work.

6.1 State Standards.

(a) The Contractor must adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at <http://www.michigan.gov/dmb/0,4568,7-150-56355-108233--,00.html>.

(b) To the extent that Contractor has access to the State's computer system, Contractor must comply with the State's Acceptable Use Policy, see http://michigan.gov/cybersecurity/0,1607,7-217-34395_34476---,00.html. All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State's system. The State reserves the right to terminate Contractor's access to the State's system if a violation occurs.

(c) Contractor is not authorized to make changes to any State systems without prior written authorization from the State's Project Manager. Any changes Contractor makes to any State systems with the State's approval must be done according to applicable State procedures, including security, access, and configuration standards.

6.2 Contractor Personnel.

(a) Contractor is solely responsible for all Contractor Personnel and for the payment of their compensation, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

(b) Prior to any Contractor Personnel performing any Services, Contractor will:

(i) ensure that such Contractor Personnel have the legal right to work in the United States;

(ii) upon request, require such Contractor Personnel to execute written agreements, in form and substance acceptable to the State, that bind such Contractor Personnel to confidentiality provisions that are at least as protective of the State's information (including all Confidential Information) as those contained in this Contract; and

(iii) As a condition for the State's acceptance of Contractor's assignment of personnel for services provided on site, all such personnel must consent to the State's background requirements. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks on Contractor Personnel. The State will be responsible for coordinating all such background checks with the designated personnel and the investigative service providers. The State will not share the findings of any such checks with Contractor, but simply inform Contractor of the results on a "pass/fail" basis.

(c) Contractor and all Contractor Personnel will comply with all rules, regulations, and policies of the State that are communicated to Contractor in writing, including security procedures concerning systems and data and remote access, building security procedures, including the restriction of access by the State to certain areas of its premises or systems, and general health and safety practices and procedures.

(d) The State reserves the right to require the removal of any Contractor Personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal

request. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and Contractor cannot immediately replace the removed personnel, the State agrees to negotiate an equitable adjustment in schedule or other terms that may be affected by the State's required removal.

6.3 Contractor's Project Manager. Throughout the Term of this Contract, Contractor must maintain a Contractor employee acceptable to the State to serve as Contractor's Project Manager, who will be considered Key Personnel of Contractor. Contractor's Project Manager will be identified in the Statement of Work.

(a) Contractor's Project Manager must:

- (i) have the requisite authority, and necessary skill, experience, and qualifications, to perform in such capacity;
- (ii) be responsible for overall management and supervision of Contractor's performance under this Contract; and
- (iii) be the State's primary point of contact for communications with respect to this Contract, including with respect to giving and receiving all day-to-day approvals and consents.

(b) Contractor's Project Manager must attend all regularly scheduled meetings as set forth in the Implementation Plan, and will otherwise be available as set forth in the Statement of Work.

(c) Contractor will maintain the same Project Manager throughout the Term of this Contract, unless:

- (i) the State requests in writing the removal of Contractor's Project Manager;
- (ii) the State consents in writing to any removal requested by Contractor in writing;
- (iii) Contractor's Project Manager ceases to be employed by Contractor, whether by resignation, involuntary termination or otherwise.

(d) Contractor will promptly replace its Project Manager on the occurrence of any event set forth in **Section 6.2(d)**. Such replacement will be subject to the State's prior written approval.

6.4 Contractor's Key Personnel.

(a) The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State's Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection.

(b) Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("**Unauthorized Removal**"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under **Section 20.1**.

(c) It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree

that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under **Section 20.1**, Contractor will issue to the State an amount equal to \$25,000 per individual (each, an “**Unauthorized Removal Credit**”).

(d) Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed under **Subsection (c)** above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any Fees or other charges payable to Contractor under this Contract.

6.5 Subcontractors. Contractor will not, without the prior written approval of the State, which consent may be given or withheld in the State's sole discretion, engage any Third Party to perform Services. The State's approval of any such Third Party (each approved Third Party, a “**Permitted Subcontractor**”) does not relieve Contractor of its representations, warranties or obligations under this Contract. Without limiting the foregoing, Contractor will:

a) be responsible and liable for the acts and omissions of each such Permitted Subcontractor (including such Permitted Subcontractor's employees who, to the extent providing Services or Deliverables, shall be deemed Contractor Personnel) to the same extent as if such acts or omissions were by Contractor or its employees;

b) name the State a third party beneficiary under Contractor's Contract with each Permitted Subcontractor with respect to the Services;

c) be responsible for all fees and expenses payable to, by or on behalf of each Permitted Subcontractor in connection with this Contract, including, if applicable, withholding of income taxes, and the payment and withholding of social security and other payroll taxes, unemployment insurance, workers' compensation insurance payments and disability benefits.

7.0 STATE OBLIGATIONS.

7.1 State Resources and Access. The State is responsible for:

(a) providing the State Materials and such other resources as may be specified in the Statement of Work (collectively, “**State Resources**”); and

(b) providing Contractor Personnel with such access to the Site(s) and Operating Environment as is necessary for Contractor to perform its obligations on a timely basis as set forth in the Statement of Work.

7.2 State Project Manager. Throughout the Term of this Contract, the State will maintain a State employee to serve as the State's Project Manager under this Contract. The State's Project Manager will be identified in the Statement of Work. The State's Project Manager will be available as set forth in the Statement of Work.

8.0 PRE-DELIVERY TESTING.

8.1 Testing By Contractor. Before delivering and installing the Software, Contractor must:

(a) test the Software to confirm that it is fully operable, meets all applicable Specifications and will function in accordance with the Specifications and Documentation when properly installed in the Operating Environment;

(b) scan the Software using the most up-to-date scanning software and definitions to confirm it is free of Harmful Code; and

(c) remedy any Non-Conformity or Harmful Code identified and retest and rescan the Software.

8.1 Test Data and Estimates. Unless otherwise specified in the Statement of Work, Contractor shall provide to the State all test data and testing scripts used by Contractor for its pre-delivery testing (“**Test Data**”), together with the results Contractor expects to be achieved by processing the Test Data using the Software (“**Test Estimates**”).

9.0 ACCEPTANCE TESTING; ACCEPTANCE.

9.1 Acceptance Testing.

a) Unless otherwise specified in the Statement of Work, upon installation of the Products, Acceptance Tests (a/k/a "Proof Of Concept" or "Pilot") will be conducted as set forth in this **Section 9.1** to ensure the Products conform to the requirements of this Contract, including the applicable Specifications and Documentation. The State may, but is not obligated, to utilize the Test Data and Test Estimates for its testing purposes.

b) All Acceptance Tests will take place at the designated Site(s) in the Operating Environment described in the Statement of Work, commence on the Business Day following installation of the Products and be conducted diligently for up to forty-five (45) calendar days following date of the initial shipment, or such other period as may be set forth in the Statement of Work (the "**Testing Period**"). Acceptance Tests will be conducted by the party responsible as set forth in the Statement of Work or, if the Statement of Work does not specify, the State, provided that:

c) for Acceptance Tests conducted by the State, if requested by the State, Contractor will make suitable Contractor Personnel available to observe or participate in such Acceptance Tests; and

d) for Acceptance Tests conducted by Contractor, the State has the right to observe or participate in all or any part of such Acceptance Tests.

e) Contractor is solely responsible for all costs and expenses related to Contractor's performance of, participation in, and observation of Acceptance Testing.

f) Upon delivery and installation of any Configuration or Modification to the Products under the Statement of Work, additional Acceptance Tests will be performed on the configured or modified Products as a whole to ensure full operability, integration, and compatibility among all elements of the Products ("**Integration Testing**"). Integration Testing is subject to all procedural and other terms and conditions set forth in **Section 9.1**, **Section 9.3**, and **Section 9.4**.

g) The State may suspend Acceptance Tests and the corresponding Testing Period by written notice to Contractor if the State discovers a material Non-Conformity in the tested - Products or part or feature of the - Products. In such event, Contractor will immediately, and in any case within ten (10) - Days, correct such Non-Conformity, whereupon the Acceptance Tests and Testing Period will resume for the balance of the Testing Period.

9.2 Notices of Completion, Non-Conformities, and Acceptance. Within fifteen (15) calendar days following the completion of any Acceptance Tests, but no later than forty-five (45) calendar days after Contractor's initial shipment to the State, including any Integration Testing, the party responsible for conducting the tests will prepare and provide to the other party written notice of the completion of the tests. Such notice must include a report describing in reasonable detail the tests conducted and the results of such tests, including any uncorrected Non-Conformity in the tested Products.

a) If such notice is provided by either party and identifies any Non-Conformities, the parties' rights, remedies, and obligations will be as set forth in **Section 9.3** and **Section 9.4**.

b) If such notice is provided by the State, is signed by the State's Business Owner and Project Manager, and identifies no Non-Conformities, such notice constitutes the State's - Notice of Completion of Acceptance Tests of such Products.

c) If such notice is provided by Contractor and identifies no Non-Conformities, the State will have thirty (30) Business Days to use the - Products in the Operating Environment and determine, in the exercise of its sole discretion, whether it is satisfied that the Products contains no Non-Conformities, on the completion of which the State will, as appropriate:

(i) notify Contractor in writing of Non-Conformities the State has observed in the - Products and of the State's non-acceptance thereof, whereupon the parties' rights, remedies and obligations will be as set forth in **Section 9.3** and **Section 9.4**; or

(ii) provide Contractor with a written notice of its Acceptance of such Products, which must be signed by the State's Business Owner and Project Manager.

9.3 Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformities, Contractor, at Contractor's sole cost and expense, will remedy all such Non-Conformities and re-deliver the Products, in accordance with the requirements set forth in the Statement of Work. Redelivery will occur as promptly as commercially possible and, in any case, within thirty (30) – calendar days following, as applicable, Contractor's:

- a) completion of such Acceptance Tests, in the case of Acceptance Tests conducted by Contractor; or
- b) receipt of the State's notice under **Section a)** or **Section (i)**, identifying any Non-Conformities.

9.4 Repeated Failure of Acceptance Tests. If Acceptance Tests identify any Non-Conformity in the Products after a second or subsequent delivery of the -Products, or Contractor fails to re-deliver the Products on a timely basis, the State may, in its sole discretion, by written notice to Contractor:

- a) continue the process set forth in this **Section 8.1**;
- b) accept the Products as a nonconforming deliverable, in which case the Fees for such Products will be reduced equitably to reflect the value of the products as received relative to the value of the Products had it conformed; or
- c) deem the failure to be a non-curable material breach of this Contract and the Statement of Work and terminate this Contract for cause in accordance with **Section 20.1**.

9.5 Acceptance. Acceptance ("**Acceptance**") of the Products (subject, where applicable, to the State's right to Integration Testing) will occur on the date that is the earliest of the State's delivery of a notice accepting the Products under **Section 9.2(b)**.

10.0 TRAINING.

Contractor shall provide training on all uses of the Products permitted hereunder in accordance with the times, locations and other terms set forth in the Statement of Work. Upon the State's request, Contractor shall timely provide training for additional Authorized Users or other additional training on all uses of the Products for which the State requests such training, at such reasonable times and locations and pursuant to such rates and other terms as are set forth in the Pricing Schedule.

11.0 MAINTENANCE RELEASES; NEW VERSIONS.

11.1Maintenance Releases. During the Term, Contractor shall provide the State, at no additional charge, with all Maintenance Releases, each of which will constitute Software and be subject to the terms and conditions of this Contract.

11.2New Versions. The State shall have the right, in its sole discretion, to receive any New Versions of the Products that the Contractor may release from time to time, at a discounted price specified in the Statement of Work. All New Versions provided under this Contract will constitute Products and be subject to the terms and conditions of this Contract.

11.3Installation. The State has no obligation to install or use any - or New Version. - The Contractor's performance of maintenance and support obligations is subject to the State installing all Maintenance Releases when delivered by Contractor.

12.0 SUPPORT SERVICES.

12.1Support Services. Contractor shall provide the State with the Support Services described in the Maintenance and Support Schedule. Such Support Services shall be provided:

- a) Free of charge during the Warranty Period, it being acknowledged and agreed that the License Fee includes full consideration for such Services during such period.

- b) Thereafter, for so long as the State elects to receive Support Services for the Software, in consideration of the State's payment of Support Services Fees in accordance with **Section 11.0** and in Schedule B and the rates set forth in the Maintenance and Support Schedule.

13.0 SOURCE CODE ESCROW.

Escrow Contract. NA

14.0 FEES.

14.1 License Fee. In consideration of, and as payment in full for, the rights and license to use the Software and Documentation as provided in this Contract and the License Agreement, the State shall pay to Contractor the subscription license fees (the "**License Fee**") set forth on the Pricing Schedule, subject to and in accordance with the terms and conditions of this Contract and the License Agreement, including the applicable timetable and other provisions of the Statement of Work and this **Section 2.0**.

14.2 Implementation Fees. In consideration of, and as payment in full for, Contractor's provision of implementation services as provided in this Contract and the Statement of Work, the State shall pay to Contractor the implementation fees (the "**Implementation Fees**") set forth on the Pricing Schedule, subject to and in accordance with the terms and conditions of this Contract, including the applicable timetable and other provisions of the Statement of Work and this **Section 2.0**.

14.3 Support Service Fees. In consideration of Contractor providing the Support Services as required under the Maintenance and Support Schedule, the State shall pay to Contractor the Support Services fees (the "**Support Service Fees**") set forth in the Maintenance and Support Schedule, subject to and in accordance with the terms and conditions of this Contract, including the applicable provisions of the Maintenance and Support Schedule and this **Section 14.0**.

14.4 Firm Pricing/Fee Changes. All Pricing set forth in this Contract is firm and will not be increased during the initial 5 year Term. For any option years, Contractor may increase fees provided that such increased fee shall not exceed the discounts provided under this Agreement when applied to the then current list price.

14.5 Administrative Fee And Reporting.

- a) The Contractor must remit an administrative fee of 1% on all payments remitted to Contractor under the Contract including transactions with the State (including its departments, divisions, agencies, offices, and commissions). Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales.
- b) Itemized purchasing activity reports should be mailed to DTMB-Procurement and the administrative fee payments shall be made by check payable to the State of Michigan and mailed to:

**The Department of Technology, Management and Budget
Financial Services – Cashier Unit
Lewis Cass Building
320 South Walnut St.
P.O. Box 30681
Lansing, MI 48909**

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each quarter.

15.0 INVOICES AND PAYMENT.

15.1 Invoices. Contractor will invoice the State for Fees in accordance with the requirements set forth in the Statement of Work, including any requirements that condition the rendering of invoices and the payment of Fees upon the successful completion of Milestones. Contractor must submit each invoice in both hard copy and electronic format, via such delivery means and to such address as are specified by the State in the Statement of Work. Each separate invoice must:

clearly identify the Contract to which it relates, in such manner as is required by the State;

- a) list each Fee item separately;
- b) include sufficient detail for each line item to enable the State to satisfy its accounting and charge-back requirements;
- c) for Fees determined on a time and materials basis, report details regarding the number of hours performed during the billing period, the skill or labor category for such Contractor Personnel and the applicable hourly billing rates; and
- d) include such other information as may be required by the State as set forth in the Statement of Work.

15.2 Payment. Invoices are due and payable by the State without counterclaim or setoff in accordance with the State's standard payment procedures as specified in 1984 Public Act no. 279, MCL 17.51, *et seq.*, within forty-five (45) calendar days after receipt, provided the State determines that the invoice was properly rendered in accordance with the Payment Milestone in **Schedule D**. The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment.

15.3 Taxes. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services or Deliverables purchased under this Contract are for the State's exclusive use. Notwithstanding the foregoing, all Fees are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, State, or local governmental entity on any amounts payable by the State under this Contract.

15.4 Payment Disputes. The State may withhold from payment any and all payments and amounts the State disputes in good faith, pending resolution of such dispute, provided that the State:

- a) timely renders all payments and amounts that are not in dispute;
- b) notifies Contractor of the dispute prior to the due date for payment, specifying in such notice:
- c) the amount in dispute; and
- d) the reason for the dispute set out in sufficient detail to facilitate investigation by Contractor and resolution by the parties;
- e) works with Contractor in good faith to resolve the dispute promptly; and
- f) promptly pays any amount determined to be payable by resolution of the dispute.

Contractor shall not withhold any Services or fail to perform any obligation hereunder by reason of the State's good faith withholding of any payment or amount in accordance with this **Section 15.4** or any dispute arising therefrom.

Reserved.

16.0 INTELLECTUAL PROPERTY RIGHTS.

16.1 Ownership Rights in the Products

- a) Subject to the rights and licenses granted by Contractor in this Contract and the License Agreement, and the provisions of **Section 16.2**:
- b) Contractor reserves and retains its entire right, title and interest in and to all Intellectual Property Rights arising out of or relating to the Products; and

Contractor reserves and retains its entire right, title and interest in and to all Intellectual Property Rights arising out of or relating to the Products; and

none of the State or Authorized Users acquire any ownership of Intellectual Property Rights in or to the Products or Documentation as a result of this Contract.

16.2 As between the State, on the one hand, and Contractor, on the other hand, the State has, reserves and retains, sole and exclusive ownership of all right, title and interest in and to User Data, including all Intellectual Property Rights arising therefrom or relating thereto.

16.3 Rights in Open-Source Components. Ownership of all Intellectual Property Rights in Open-Source Components shall remain with the respective owners thereof, subject to the State's rights under the applicable Open-Source Licenses.

17.0 STATE DATA.

17.1 Ownership. The State's data ("**State Data**"), which will be treated by Contractor as Confidential Information, includes: (a) User Data; and (b) any other data collected, used, processed, stored, or generated by the State in connection with the Services, including but not limited to (i) personally identifiable information ("**PII**") collected, used, processed, stored, or generated as the result of the Services, including, without limitation, any information that identifies an individual, such as an individual's social security number or other government-issued identification number, date of birth, address, telephone number, biometric data, mother's maiden name, email address, credit card information, or an individual's name in combination with any other of the elements here listed; and (ii) personal health information ("**PHI**") collected, used, processed, stored, or generated as the result of the Services, which is defined under the Health Insurance Portability and Accountability Act ("**HIPAA**") and its related rules and regulations. State Data is and will remain the sole and exclusive property of the State and all right, title, and interest in the same is reserved by the State. This **Section 17.0** survives termination or expiration of this Contract.

17.2 Contractor Use of State Data. Contractor shall not be obligated to receive State Data and may impose limitations on the type and quantity of State Data it is willing to receive for any reason whatsoever. Subject to the foregoing, Contractor is provided a limited license to State Data for the sole and exclusive purpose of providing the Services, including a license to collect, process, store, generate, and display State Data only to the extent necessary in the provision of the Services. Contractor must: (a) keep and maintain State Data in strict confidence, using such degree of care as is appropriate and consistent with its obligations as further described in this Contract and applicable law to avoid unauthorized access, use, disclosure, or loss; (b) use and disclose State Data solely and exclusively for the purpose of providing the Services, such use and disclosure being in accordance with this Contract, any applicable Statement of Work, and applicable law; and (c) not use, sell, rent, transfer, distribute, or otherwise disclose or make available State Data for Contractor's own purposes or for the benefit of anyone other than the State without the State's prior written consent. This **Section 17.2** survives termination or expiration of this Contract.

17.3 Loss or Compromise of Data. In the event of any act, error or omission, negligence, misconduct, or breach on the part of Contractor that compromises or is suspected to compromise the security, confidentiality, or integrity of State Data that Contractor has agreed to accept or the physical, technical, administrative, or organizational safeguards put in place by Contractor that relate to the protection of the security, confidentiality, or integrity of State Data, Contractor must, as applicable: (a) notify the State as soon as practicable but no later than twenty-four (24) hours of becoming aware of such occurrence; (b) cooperate with the State in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the State; (c) in the case of PII or PHI, at the State's sole election, (i) with approval and assistance from the State, notify the affected individuals who comprise the PII or PHI as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the State for any costs in notifying the affected individuals; (d) in the case of PII, provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than twenty-four (24) months following the date of notification to such individuals; (e) perform or take any other actions required to comply with applicable law as a result of the occurrence; (f) pay for any costs associated with the occurrence, including but not limited to any costs incurred by the State in investigating and resolving the occurrence, including reasonable attorney's fees associated with such investigation and

resolution; (g) without limiting Contractor's obligations of indemnification as further described in this Contract, indemnify, defend, and hold harmless the State for any and all claims, including reasonable attorneys' fees, costs, and incidental expenses, which may be suffered by, accrued against, charged to, or recoverable from the State in connection with the occurrence; (h) be responsible for recreating lost State Data in the manner and on the schedule set by the State without charge to the State; and (i) provide to the State a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence. Notification to affected individuals, as described above, must comply with applicable law, be written in plain language, not be tangentially used for any solicitation purposes, and contain, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself or herself; contact information for major credit card reporting agencies; and, information regarding the credit and identity monitoring services to be provided by Contractor. The State will have the option to review and approve any notification sent to affected individuals prior to its delivery. Notification to any other party, including but not limited to public media outlets, must be reviewed and approved by the State in writing prior to its dissemination. This **Section 17.3** survives termination or expiration of this Contract.

18.0 CONFIDENTIAL INFORMATION.

Each party acknowledges that it may be exposed to or acquire communication or data of the other party that is confidential in nature and is not intended to be disclosed to third parties. This **Section 0** survives termination or expiration of this Contract.

18.1 Meaning of Confidential Information. The term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked "confidential" or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term "Confidential Information" does not include any information or documentation that was or is: (a) in the possession of the State and subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party's proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, though, or on behalf of, the receiving party). Notwithstanding the above, in all cases and for all matters, State Data is deemed to be Confidential Information.

18.2 Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to the Contractor's subcontractor is permissible where: (a) the subcontractor is a Permitted Subcontractor; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Permitted Subcontractor's responsibilities; and (c) Contractor obligates the Permitted Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any of the Contractor's Representatives may be required to execute a separate agreement to be bound by these provisions.

18.3 Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract. Each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.

18.4 Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case

of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.

18.5 Surrender of Confidential Information upon Termination. Upon termination or expiration of this Contract or a Statement of Work, in whole or in part, each party must, within five (5) Business Days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party's possession, custody, or control. If Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and certify the same in writing within five (5) Business Days from the date of termination to the other party.

19.0 ADA COMPLIANCE.

If the Services are required to be compliant with the Americans with Disabilities Act or Section 508 of the Workforce Rehabilitation Act of 1973, such compliance requirements shall be specified in the Statement of Work.

20.0 TERMINATION, EXPIRATION, TRANSITION.

20.1 Termination for Cause. In addition to any right of termination set forth elsewhere in this Contract:

(a) The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (i) materially endangers the value, integrity, or security of State Systems, State Data, or the State's facilities or personnel; (ii) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; or (iii) breaches any of its material duties or obligations under this Contract, provided that, with respect to subsections (i) and (iii), that any such termination is subject to Contractor's right of cure the alleged breach or conduct within fourteen days after receipt of written notice from the State stating its intent to terminate and the factual basis for its intended termination. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

(b) If the State terminates this Contract under this Section 20.1, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of this Contract, the termination will be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 20.2.

(c) The State will only pay for amounts due to Contractor for Services accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. Contractor must promptly reimburse to the State any Fees prepaid by the State prorated to the date of such termination, including any prepaid Support Services Fees. Further, Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, and transition costs.

20.2 Termination for Convenience. The State may immediately terminate this Contract in whole or in part, without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance immediately, or (b) continue to perform in accordance with Section 20.3. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities to the extent the funds are available.

20.3 Transition Responsibilities. Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days; the "Transition Period"), provide all reasonable transition assistance requested by the State, at the State's expense to allow for the expired or terminated portion of the Contract to continue without interruption or adverse effect, and to facilitate the orderly transfer of the Services to the State or its designees. Such transition assistance may include but is not limited to: (a) continuing to perform the Services at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Services to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all State Data; and (d) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, the "Transition Responsibilities"). The Term of this Contract is automatically extended through the end of the Transition Period.

20.4 Survival. This Section 20 survives termination or expiration of this Contract.

21.0 STOP WORK ORDER.

The State may, at any time, order the Services of Contractor fully or partially stopped for its own convenience for up to ninety (90) calendar days at no additional cost to the State. The State will provide Contractor a written notice detailing such suspension (a “**Stop Work Order**”). Contractor must comply with the Stop Work Order upon receipt. Within 90 days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate this Contract. The State will not pay for any Services, Contractor's lost profits, or any additional compensation during a stop work period.

22.0 CONTRACTOR REPRESENTATIONS AND WARRANTIES.

22.1 Authority. Contractor represents and warrants to the State that:

- (a) It is duly organized, validly existing, and in good standing as a corporation or other entity as represented under this Contract under the laws and regulations of its jurisdiction of incorporation, organization, or chartering;
- (b) It has the full right, power, and authority to enter into this Contract, to grant the rights and licenses granted under this Contract, and to perform its contractual obligations;
- (c) The execution of this Contract by its Representative has been duly authorized by all necessary organizational action; and
- (d) When executed and delivered by Contractor, this Contract will constitute the legal, valid, and binding obligation of Contractor, enforceable against Contractor in accordance with its terms.

22.2 Bid Response. Contractor represents and warrants to the State that:

- (a) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other Contractor for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other Contractor to the RFP; and no attempt was made by Contractor to induce any other Person to submit or not submit a proposal for the purpose of restricting competition;
- (b) All written information furnished to the State by or for Contractor in connection with this Contract, including Contractor's Bid Response, is true, accurate, and complete, and contains no untrue Statement of material fact or omits any material fact necessary to make the information not misleading;
- (c) Contractor is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State within the previous five (5) years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract; and
- (d) If any of the certifications, representations, or disclosures made in Contractor's Bid Response change after contract award, the Contractor is required to report those changes immediately to the Contract Administrator.

22.3 Product Representations and Warranties. Contractor further represents and warrants to the State that:

- (a) - has the right, by title -license, contract or at law in and to the Products, including all Intellectual Property Rights relating thereto to convey all rights and licenses to the State granted herein;
- (b) it has, and throughout the license term, will retain the unconditional and irrevocable right, power and authority to grant and perform the license hereunder;

- (c) the Software, and the State's use thereof, is and throughout the license term will be free and clear of all encumbrances, liens and security interests of any kind;
- (d) neither its grant of the license, nor its performance under this Contract does or to its knowledge will at any time:
 - (i) conflict with or violate any applicable Law;
 - (ii) require the consent, approval or authorization of any governmental or regulatory authority or other third party; or
 - (iii) require the provision of any payment or other consideration to any third party;
- (e) when used by the State or any Authorized User in accordance with this Contract and the Documentation, the Products or Documentation as delivered by Contractor does not or will not:
 - (i) when standing alone and not as the result of their combination with any third party's products or systems, infringe, misappropriate or otherwise violate any Intellectual Property Right or other right of any third party that exists on the date of delivery; or
 - (ii) fail to comply with any applicable Law;
- (f) as provided by Contractor, the Software does not or will not at any time during the license term contain any:
 - (i) Harmful Code; or
 - (ii) Open-Source Components or operate in such a way that it is developed or compiled with or linked to any Open-Source Components, other than Approved Open-Source Components specifically described in the Statement of Work.
- (g) all Documentation is and will be complete and accurate in all material respects when provided to the State such that at no time during the license term will the Software have any material undocumented feature; and
- (h) it will perform all Services in a timely, skillful, professional and workmanlike manner in accordance with commercially reasonable industry standards and practices for similar services, using personnel with the requisite skill, experience and qualifications, and will devote adequate resources to meet its obligations under this Contract.

22.4 Performance Warranty and Limited Remedy.

- (a) Contractor warrants that during the Warranty Period:
 - (i) when used in the Operating Environment (or any successor thereto) -, all Software as provided by Contractor, will be fully operable and function in all respects, in conformity with -the current user manual provided by Contractor; and
 - (ii) the CoSign Equipment and any media on which any Software or Documentation is delivered will be free of any damage or defect in design, material or workmanship, and will remain so under ordinary use as contemplated by (A) this Contract and, with respect to the Software, (B) the Documentation; and
 - (iii) no Maintenance Release or New Version, when properly installed in accordance with this Contract, will have a material adverse effect on the functionality or operability of the Software.
- (b) If the Contractor breaches any of the warranties set forth in this **Section 22.4**, Contractor will, upon written notice from the State and at Contractor's sole cost and expense, remedy such breach in accordance with the Maintenance and Support Schedule, including the time periods set forth in such schedule. In the event Contractor fails to remedy such breach on a timely basis, the State will be entitled to such remedies as are specified in the Maintenance and Support

Schedule or as may otherwise be available under this Contract, at law or in equity for breach of its Maintenance and Support obligations. Nothing in this **Section 22.4** limits the State's right to indemnification under **Section 23.0**.

22.5 Disclaimer. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN THIS AGREEMENT, CONTRACTOR HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, BY LAW WITH RESPECT TO THIS CONTRACT. WITHOUT LIMITATION ON THE GENERALITY OF THE FOREGOING, CONTRACTOR EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. CONTRACTOR DOES NOT WARRANT THAT THE SOFTWARE IS FREE FROM ANY MINOR BUGS THAT DO NOT AFFECT THE SOFTWARE'S FUNCTIONALITY OR THAT MINOR BUGS WILL BE REMEDIED.

23.0 INDEMNIFICATION

23.1 General Indemnification. Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any infringement, misappropriation, or other violation of any Intellectual Property Right or other right of any Third Party that arises due to the Products' use standing alone and not as the result of their combination with any third party's products or systems; and (b) any bodily injury, death, or damage to real or tangible personal property of any Third Party occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

23.2 Indemnification Procedure. The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced, which prejudice shall be presumed by a failure to notify Contractor prior to filing the first responsive pleading or statement in opposition to any claim or suit. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations. The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense, at its own cost and expense, if the State deems necessary. Contractor will not, without the State's prior written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. Any litigation activity on behalf of the State or any of its subdivisions, under this **Section 23.0**, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

23.3 Infringement Remedies.

(a) The remedies set forth in this **Section 23.3** are in addition to, and not in lieu of, all other remedies that may be available to the State under this Contract or otherwise, including the State's right to be indemnified for such actions.

(b) If any Product or any component thereof, other than State Materials, is found to be infringing or if any use of any Product or any component thereof is enjoined, threatened to be enjoined or otherwise the subject of an infringement claim, Contractor must, at Contractor's sole cost and expense:

- (i) procure for the State the right to continue to use such Product or component thereof to the full extent contemplated by this Contract; or
- (ii) modify or replace the materials that infringe or are alleged to infringe ("**Allegedly Infringing Materials**") to make the Product and all of its components non-infringing while providing fully equivalent features and functionality.

(c) If neither of the foregoing is possible notwithstanding Contractor's best efforts, then Contractor may direct the State to cease any use of any materials that have been enjoined or finally adjudicated as infringing, provided that Contractor will:

- (i) refund to the State all amounts paid by the State in respect of such Allegedly Infringing Materials in the CoSign Equipment, provided under the Statement of Work for the Allegedly Infringing Materials that the State cannot reasonably use as intended under this Contract , less depreciation for the value of their prior use measured on a straight line declining basis over five years; and
- (ii) in any case, at its sole cost and expense, if commercially reasonable, secure the right for the State to continue using the Allegedly Infringing Materials for a transition period of up to six (6) months to allow the State to replace the affected features of the Software without disruption.

(d) If Contractor directs the State to cease using any Software under **subsection (c)**, the State may terminate this Contract for cause under **Section 20.0**.

(e) Contractor will have no liability for any claim of infringement arising solely from:

- (i) Contractor's compliance with any designs, specifications, or instructions of the State; or
- (ii) Modification of the Software by the State without the prior knowledge and approval of Contractor unless the claim arose against the Software independently of any of the above specified actions.

24.0 LIQUIDATED DAMAGES.

Reserved

25.0 DAMAGES DISCLAIMERS AND LIMITATIONS.

25.1 Disclaimer of Damages. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT, OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION LOST PROFITS AND LOST BUSINESS OPPORTUNITIES.

25.2 Limitation of Liability. IN NO EVENT WILL EITHER PARTY'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.

25.3 Exceptions. Notwithstanding the foregoing, sections 25.1 and 25.2 shall not apply to Contractor's obligation to indemnify the State for intellectual property infringement.

26.0 RECORDS MAINTENANCE, INSPECTION, EXAMINATION, AND AUDIT.

26.1 Right of Audit. The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to this Contract through the Term of this Contract and for four (4) years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Financial Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Financial Audit Period, Contractor must retain the records until all issues are resolved. The foregoing audit right (1) shall be limited to records relating specifically, and exclusively, to the State's account and not to general corporate or business information concerning Contractor and its corporate affiliates, (2) shall not be performed more than once per calendar year, (3) shall be conducted during normal business hours, and (4) shall not unreasonably interfere with Contractor's business activities.

26.2 Right of Inspection. Within ten (10) calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Services are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices

until the amount is paid or refunded. Any remaining balance at the end of this Contract must be paid or refunded within forty-five (45) calendar days.

26.3 Application. This **Section 26.0** applies to Contractor, any Affiliate, and any Permitted Subcontractor that performs Services in connection with this Contract.

27.0 INSURANCE

27.1 Required Coverage.

(a) **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better and a financial size of VII or better.

Insurance Type	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Umbrella or Excess Liability Insurance	
<u>Minimal Limits:</u> \$5,000,000 General Aggregate	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate	

<u>Deductible Maximum:</u> \$50,000 Per Loss	
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(b) If Contractor's policy contains limits higher than the minimum limits, the State is entitled to coverage to the extent of the higher limits. The minimum limits are not intended, and may not be construed to limit any liability or indemnity of Contractor to any indemnified party or other persons.

(c) If any of the required policies provide claim-made coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of contract work; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the contract of work; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

(d) Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

27.2 Non-waiver. This **Section 27.0** is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

28.0 DISPUTE RESOLUTION.

28.1 Unless otherwise specified in the Statement of Work, the parties will endeavor to resolve any Contract dispute in accordance with **Section 28.0** (the "**Dispute Resolution Procedure**"). The initiating party will reduce its description of the dispute to writing (including all supporting documentation) and deliver it to the responding party's Project Manager. The responding party's Project Manager must respond in writing within five (5) Business Days. The initiating party has five (5) Business Days to review the response. If after such review resolution cannot be reached, both parties will have an additional five (5) Business Days to negotiate in good faith to resolve the dispute. If the dispute cannot be resolved within a total of fifteen (15) Business Days, the parties must submit the dispute to the parties' Contract Administrators. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

28.2 Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' Contract Administrators, and either Contract Administrator concludes that resolution is unlikely, or fails to respond within fifteen (15) Business Days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This **Section 28.0** does not limit the State's right to terminate this Contract.

29.0 GENERAL PROVISIONS

29.1 Force Majeure.

(a) Force Majeure Events. Subject to **Subsection (b)** below, neither party will be liable or responsible to the other party, or be deemed to have defaulted under or breached this Contract, for any failure or delay in fulfilling or performing any term hereof, when and to the extent such failure or delay is caused by: acts of God, flood, fire or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date of this Contract, national or regional emergency, or any passage of law or governmental order, rule, regulation or direction, or any action taken by a

governmental or public authority, including imposing an embargo, export or import restriction, quota or other restriction or prohibition (each of the foregoing, a “**Force Majeure**”), in each case provided that: (a) such event is outside the reasonable control of the affected party; (b) the affected party gives prompt written notice to the other party, stating the period of time the occurrence is expected to continue; (c) the affected party uses diligent efforts to end the failure or delay and minimize the effects of such Force Majeure Event.

(b) State Performance; Termination. In the event of a Force Majeure Event affecting Contractor's performance under this Contract, the State may suspend its performance hereunder until such time as Contractor resumes performance. The State may terminate this Contract by written notice to Contractor if a Force Majeure Event affecting Contractor's performance hereunder continues substantially uninterrupted for a period of five (5) Business Days or more. Unless the State terminates this Contract pursuant to the preceding sentence, any date specifically designated for Contractor's performance under this Contract will automatically be extended for a period up to the duration of the Force Majeure Event.

29.2 Further Assurances. Each party will, upon the reasonable request of the other party, execute such documents and perform such acts as may be necessary to give full effect to the terms of this Contract.

29.3 Relationship of the Parties. The relationship between the parties is that of independent contractors. Nothing contained in this Contract is to be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party has authority to contract for or bind the other party in any manner whatsoever.

29.4 Media Releases. News releases (including promotional literature and commercial advertisements) pertaining to this Contract or project to which it relates must not be made without the prior written approval of the State, and then only in accordance with the explicit written instructions of the State.

29.5 Notices. All notices, requests, consents, claims, demands, waivers and other communications under this Contract must be in writing and addressed to the parties as follows (or as otherwise specified by a party in a notice given in accordance with this **Section 29.5**):

Contractor:

John Marchioni, Area Vice President, e-mail = John.Marchioni@DocuSign.com
221 Main Street, Suite, 1000
San Francisco, CA 94105

If to the State:

David Hatch, Buyer, e-mail = hatchd@michigan.gov
525 W. Allegan, 1st Floor
Lansing, MI 48933

Notices sent in accordance with this **Section 29.5** will be deemed effectively given: (a) when received, if delivered by hand (with written confirmation of receipt); (b) when received, if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by e-mail (with confirmation of transmission), if sent during normal business hours of the recipient, and on the next Business Day, if sent after normal business hours of the recipient; or (d) on the fifth (5th) day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.

29.6 Headings. The headings in this Contract are for reference only and do not affect the interpretation of this Contract.

29.7 Assignment. Contractor may not assign or otherwise transfer any of its rights, or delegate or otherwise transfer any of its obligations or performance, under this Contract, in each case whether voluntarily, involuntarily, by operation of law or otherwise, without the State's prior written consent. The State has the right to terminate this Contract in its entirety or any Services or Statements of Work hereunder, pursuant to **Section 20.1** Termination For Cause. , if Contractor delegates or otherwise transfers any of its obligations or performance hereunder, whether voluntarily, involuntarily, by operation of law or otherwise, and no such delegation or other transfer will relieve Contractor of any of such obligations or performance. For purposes of the preceding sentence, and without limiting its generality, any merger, consolidation or reorganization involving Contractor (regardless of whether Contractor is a surviving or disappearing entity) will be deemed to be a transfer of rights,

obligations, or performance under this Contract for which the State's prior written consent is required. Any purported assignment, delegation, or transfer in violation of this **Section 29.7** is void.

29.8 No Third-party Beneficiaries. This Contract is for the sole benefit of the parties and their respective successors and permitted assigns. Nothing herein, express or implied, is intended to or will confer on any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Contract.

29.9 Amendment and Modification; Waiver. No amendment to or modification of this Contract is effective unless it is in writing, identified as an amendment to this Contract and signed by both parties Contract Administrator. Further, certain amendments to this Contract may require State Administrative Board Approval. No waiver by any party of any of the provisions of this Contract will be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in this Contract, no failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Contract will operate or be construed as a waiver. Nor will any single or partial exercise of any right, remedy, power or privilege under this Contract preclude the exercise of any other right, remedy, power or privilege.

29.10 Severability. If any term or provision of this Contract is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Contract or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto will negotiate in good faith to modify this Contract so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

29.11 Governing Law. This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in the Michigan Court of Claims. Complaints against the State must be initiated in Ingham County, Michigan. Contractor waives any objections, such as lack of personal jurisdiction or forum non conveniens. Contractor must appoint agents in Michigan to receive service of process.

29.12 Equitable Relief. Each party to this Contract acknowledges and agrees that (a) a breach or threatened breach by such party of any of its obligations under this Contract may give rise to irreparable harm to the other party for which monetary damages would not be an adequate remedy and (b) in the event of a breach or a threatened breach by such party of any such obligations, the other party hereto is, in addition to any and all other rights and remedies that may be available to such party at law, at equity or otherwise in respect of such breach, entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to post a bond or other security, and without any requirement to prove actual damages or that monetary damages will not afford an adequate remedy. Subject to Proof that a claim is likely to succeed on its merits, each party to this Contract agrees that such party will not oppose or otherwise challenge the appropriateness of equitable relief or the entry by a court of competent jurisdiction of an order granting equitable relief, in either case, consistent with the terms of this Section

29.13 Nondiscrimination. Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., Contractor and its Permitted Subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.

29.14 Unfair Labor Practice. Under MCL 423.324, the State may void any Contract with a Contractor or Permitted Subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.

29.15 Schedules All Schedules that are referenced herein and attached hereto are hereby incorporated by reference. The following Schedules are attached hereto and incorporated herein:

Schedule A	Statement of Work
Schedule B	Maintenance and Support Schedule

Schedule C	License Agreement
Schedule D	Pricing Schedule
Schedule E	Contractor Information
Schedule F	Requirements
Schedule G	Project Management Plan

29.16 Counterparts. This Contract may be executed in counterparts, each of which will be deemed an original, but all of which together are deemed to be one and the same agreement and will become effective and binding upon the parties as of the Effective Date at such time as all the signatories hereto have signed a counterpart of this Contract. A signed copy of this Contract delivered by facsimile, e-mail or other means of electronic transmission (to which a signed copy is attached) is deemed to have the same legal effect as delivery of an original signed copy of this Contract.

29.17 Effect of Contractor Bankruptcy. All rights and licenses granted by Contractor under this Contract are and will be deemed to be rights and licenses to “intellectual property,” and all Software and Deliverables are and will be deemed to be “embodiments” of “intellectual property,” for purposes of, and as such terms are used in and interpreted under, Section 365(n) of the United States Bankruptcy Code (the “Code”). If Contractor or its eState becomes subject to any bankruptcy or similar proceeding, the State retains and has the right to fully exercise all rights, licenses, elections, and protections under this Contract, the Code and all other applicable bankruptcy, insolvency, and similar Laws with respect to all Software and other Deliverables. Without limiting the generality of the foregoing, Contractor acknowledges and agrees that, if Contractor or its eState shall become subject to any bankruptcy or similar proceeding:

(a) all rights and licenses granted to the State under this Contract will continue subject to the terms and conditions of this Contract, and will not be affected, even by Contractor’s rejection of this Contract; and

(b) the State will be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property and embodiments of intellectual property comprising or relating to any Software or other Deliverables, and the same, if not already in the State’s possession, will be promptly delivered to the State, unless Contractor elects to and does in fact continue to perform all of its obligations under this Contract.

29.18 Compliance with Laws. Contractor and its Representatives must comply with all Laws in connection with this Contract.

29.19 Non-Exclusivity. Nothing contained in this Contract is intended nor is to be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Services from other sources.

29.20 Entire Agreement. This Contract, together with all Schedules, Exhibits, and the Statement of Work constitutes the sole and entire agreement of the parties to this Contract with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, representations and warranties, both written and oral, with respect to such subject matter. In the event of any inconsistency between the Statements made in the body of this Contract, the Schedules, Exhibits, and the Statement of Work, the following order of precedence governs: (a) first, this Contract, excluding its Exhibits and Schedules, and the Statement of Work; and (b) second, the Statement of Work as of the Effective Date; and (c) third, the Exhibits and Schedules to this Contract as of the Effective Date. NO TERMS ON CONTRACTORS WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH Schedule A – Statement of Work

Schedule A – MDOT Statement of Work

1.000 Project Identification

1.001 PROJECT REQUEST

The State of Michigan (SOM or State) through the Michigan Department of Technology, Management and Budget (DTMB), issue this contract to implement a long-term Enterprise digital signature solution¹, accessible to all agencies via issuing a SOW Statement of Work. MDOT is the first agency to implement this solution for internal and external partners. The State is requesting a digital signature solution, not an electronic signature (see footnote).

The solution will greatly increase the speed with which contract amendments can be executed as well as saving money on hourly wages, postage, and paper and be a DTMB enterprise solution of commercial off-the-shelf (COTS) solution, State hosted with on premise Equipment.

Services will begin immediately upon signature execution of the contract.

This contract is available for use by all State agencies. Additional projects are added through approved SOWs, Change Notices, and the standard contract amendment process.

1.002 BACKGROUND

On June 30, 2000, the United States Congress passed the Electronic Signatures in Global and National Commerce Act. The law was enacted to facilitate the use of digital signatures in commerce by ensuring the validity and legal effect of contracts entered into electronically. Later that same year, the State of Michigan adopted the Uniform Electronic Transactions Act, the purpose of which is to coordinate State laws regarding record retention and the validity of digital signatures with the federal act. The Michigan Attorney General's office approved the use of digital signatures for MDOT contracts in August 2011.

Since the Michigan Attorney General's decision in 2011, MDOT has been working to make effective use of the technology. Digital signatures are a key piece of MDOT's e-Construction effort, which leads the nation in successfully implementing a true paperless construction project administration process. MDOT endeavors to take full advantage of innovative technologies for Michigan's transportation construction industry.

Each year, MDOT has hundreds of contracts with companies who provide highway development and construction services. Each design and construction contract is likely to require multiple amendments, often to accommodate changes to the quantity of construction materials that are required or to address unforeseen circumstances encountered during the construction phase. In 2011 MDOT's Highway Construction Field Services division developed an ad hoc process to obtain digital signatures on these contract amendments. This solution uses Adobe and other software to affix digital signatures on documents on PCs and mobile devices. Although this process has been used for a few years, it requires significant manual upkeep including an initial manual digital signature verification process and manual signature verification updates to all users. MDOT was determined that there are better solutions available that can automate the signature application, verification, and validation process to make the final digital solution more suitable for agency-wide use.

Now, MDOT would like to purchase and implement a long-term digital signature solution that can be used by the entire agency as well as by the agency's external partners, who include (but are not limited to) construction contractors, consultants, counties, cities, villages, and townships. The solution will allow authenticated digital IDs to reside in a central repository where signatures can be automatically validated by all users. MDOT and the agency's external partners will be able to use the secure system to digitally sign any commonly-used type of document. The solution will support multiple signatures. MDOT feels strongly that the solution should not cause external partners to incur any costs. Additionally, MDOT will not consider a solution that charges a fee per signature.

¹ A digital signature, often referred to as advanced or standard electronic signature, falls into a sub-group of electronic signatures that provides the highest levels of security and universal acceptance. Digital signatures are based on Public Key Infrastructure (PKI) technology, and guarantee signer identity and intent, data integrity, and the non-repudiation of signed documents. The digital signature cannot be copied, tampered with or altered. In addition, because digital signatures are based on standard PKI technology, they can be validated by anyone without the need for proprietary verification software.

The State envisions the solution being operated in the following manner. The State of Michigan hosts the software/appliance. The contractor would provide system management activities (for example, maintenance, fixes, upgrades, and other operational/maintenance activities) remotely. The State would provide a QA environment in which the contractor would perform system testing, and MDOT/DTMB personnel would perform user acceptance testing (UAT).

DocuSign Inc. A DocuSign Company Executive Summary

DocuSign Inc., a DocuSign Company, is pleased to respond to this Request for Proposal for Transportation Digital Signature issued by the State of Michigan Department of Technology, Management and Budget (DTMB). We are proposing CoSign Digital Signature, a state-hosted solution fully compliant with ESIGN, UETA, and Michigan UETA. It further complies with all international standards for digital signature, including FIPS PUB 186-4, the U.S. Digital Signature Standard.

Digital signature technology guarantees signer Identity, signer Intent (non-repudiation), signed document Integrity. It also offers non-proprietary verification, and portability of the signed record. Put simply, CoSign eliminates the traditional challenges to this technology by centrally managing the components—signing certificates, signing keys, and signature images—as well as the users, in a central server appliance. In conjunction with this CoSign “signing engine”, we offer a variety of signing methods that accommodate all the various functional requirements of your signer population—from finance to engineering.

Another advantage of the CoSign solution, and a marked difference from most applications, is its plug ‘n play implementation approach. Regardless of the number of signers, it can be installed, configured and tested in less than a day. While the customer may choose to delay or stagger training or departmental roll-outs, CoSign itself is ready to go from Day 1.

CoSign is already used by DC DOT, SC DOT, WA DOT, OR DOT, UT DOT, and Puerto Rico DOT, as well as a number of local transportation authorities’ such as Metropolitan Atlanta Rapid Transit Authority (MARTA), Santa Clara Valley, CA Transportation Authority (SC VTA), and Orange County, CA Transportation Authority (OCTA).

DocuSign and the CoSign product were acquired by DocuSign as of May 1, 2015, offering their joint customers access to both an on-premises digital signature solution and a secure electronic signature solution offered as a cloud service. In compliance with the requirements of this Contract, this proposal only offers the digital signature solution. For this Contract, we were able to offer a perpetual license fee for a purchase. Note that DocuSign and DocuSign may be used interchangeably in this Contract response.

CoSign Digital Signature will help the MDOT meet its goal of reducing or eliminating paper processing and significantly reducing the amount of time required for approvals and authorizations. It will also meet the objective of enterprise-wide deployment by offering cross-departmental functionality in a centralized digital signature management system that is simple to install, and easy to maintain.

DocuSign/DocuSign is confident that the CoSign Digital Signature solution is the best solution for helping the MDOT meet its goals and objectives and streamline its processes in a secure and compliant manner. We look forward to your favorable response.

Contractor Response

Overview of the CoSign Solution

CoSign is a complete solution designed to 1) facilitate deployment and management of digital signatures, and 2) provide enhanced signing functionality. As a welcome alternative to the traditional approach of decentralized distribution of individual certificates and/or keys, CoSign centrally manages the components in a self-hosted, secure, network-attached server (the CoSign Equipment). This allows customers to manage users via Active Directory by simply adding/deleting from a security group for signers in AD, and it leverages use of your AD credentials for authentication at the moment of signing. Second Factor authentication is also supported and is discussed under features below.

For most deployments, the CoSign solution actually converts our customers into Certificate Authorities (CAs), eliminating the need to purchase or use a 3rd party CA. The appliance generates the Root Certificate of the organization as well as the individual signer certificates, which chain up to the Root Certificate. Alternatively, CoSign does work with partnering 3rd party CA's, in which case the 3rd party Root CA signs the CoSign internal CA, simply adding one more link to the digital signature chain of trust.

The centralized approach also provides more signing options, such as signing from tablets & mobile devices, and from within the major ECMs, including SharePoint, Laserfiche, Alfresco, Documentum, Open Text and Oracle. CoSign further provides enhanced signing functionality such as multi-page signing, batch-signing, and sectional signing for Office documents, allowing you to specify what section of the document is protected by the signature(s).

CoSign Features

- Central storage and management of signing certificates and keys: Certificate and keys are generated and stored in a secure tamper-evident appliance, eliminating the need for hardware tokens such as smartcards, USB tokens, etc. The keys are kept encrypted and never leave the appliance. All signing operations are performed within the appliance.

It should be noted that the CoSign Equipment offered by DocuSign are the only hardware that will work with CoSign Software. As this RFP specifically excludes hardware, the recommended CoSign Equipment have been separately detailed in Appendix E, but they will be needed for implementation.

- Central management of users: CoSign leverages existing directory user management systems, such as Microsoft Active Directory® or LDAP, for managing internal signers. With the seamless integration, CoSign continually tracks changes in the user directory and automatically enrolls new users, updates user details, and revokes certificates for users deleted from the directory. For external signers or mixed environments, the CoSign appliance comes with a built-in user directory and signers can be added manually or programmatically using CoSign Signature API (see last bullet below).

It should be noted that a single CoSign Equipment cannot handle both an AD environment and a built-in directory environment. As a result, either external signers must be included in your AD environment within the same forest, or a separate appliance will be needed for the external signers.

- Built-in Certification Authority (CA): CoSign's built-in CA independently issues, revokes, and renews all signing certificates for CoSign users. This eliminates the need (and the cost) of third-party certificates. However, CoSign does work with third party certificates, if desired.

- Authentication methods at moment of signing: CoSign supports various authentication methods, including username and password and Single Sign-On based on Active Directory Kerberos tickets. CoSign can also be deployed with a two-factor authentication mechanism, such as OTP (One Time Password) tokens with RADIUS server, smart cards, USB tokens, and biometric devices.

- Support for all desired methods of signing: CoSign permits signing via locally-installed signing software, web application, ECM connectors, mobile apps for smartphones and tablets, simple integration for custom applications and portals, and (with the DocuSign acquisition) an application that routes documents to external parties for one-off signatures.

- Support for signing the most commonly used applications: CoSign works with any application that natively supports digital signature, such as Microsoft Office, Adobe Acrobat, AutoCAD, and Bentley. In addition, it provides extra functionality such as sectional signing for Office documents, signing PDFs without the need for Acrobat licenses, signing any printable output, and signing with web connectors for ECM applications. Currently available ECM Connectors include SharePoint and SharePoint Online, Alfresco, Documentum, OpenText, Oracle WCC, and Laserfiche.

- Visible signature presentation options: In addition to the embedded standard digital signature certificate information, CoSign can optionally include graphic signature images, name, title, reason code(s), time stamp, and organizational logo.

- Signature API (SAPI) – CoSign’s API enables web-signing capability and easy integration of digital signature support for new applications, document management systems, homegrown systems, etc. SAPI supports various interfaces (COM object, Web services, .Net assembly, Java, and more).

CoSign Architecture

The CoSign solution is composed of a hardware appliance connected to the network and a choice of signing methods that can address any customer requirement:

- The appliance stores the private keys, certificate and graphical signatures of all users. The appliance also performs the sensitive signing operation using the signer’s private key, which never leaves the appliance. These signing operations are PKI-based and comply with all the relevant signing standards. Note that the appliance is available in two versions—one that is certified to comply with FIPS 140-2, Level 3 security requirements, and another that is not FIPS certified. In Appendix E we are proposing the FIPS-certified CoSign Equipment.
- The various signing “agents” shown below also provide the connection with the appliance. They triggers the user authentication, sign documents using the certificate and keys stored within the appliance, and embed a graphic signature image within the signed document. While any of the above can be used by both internal and external signers, with the acquisition by DocuSign, we can additionally offer an electronic signature routing services so that the external party receives an email with a link for viewing and signing the document (see the last icon below). Note that DocuSign is an electronic signature solution and is priced separately.

1.100 Scope of Work and Deliverables

1.101 IN SCOPE

The following items are within the scope of this project:

- Software/appliance purchase or lease
- Purchase of Equipment FIPS CoSign Certified and Non-certified
- Implementation
 - ✓ Installation
 - ✓ Configuration
 - ✓ Interface(s)/integration
 - ✓ Testing
- Go-Live
- 90 day warranty period
- Training
- Documentation
- Operation services
- Maintenance and support

A more detailed description of the software, services (work) and deliverables sought for this project is provided in Article 1, Section 1.104, Work and Deliverables.

Additional implementations for separate agencies or as an enterprise wide solution may be purchased off of this contract. A separate Statement of Work which outlines the Work and Deliverables for additional implementations will be processed as amendments to this contract and billed under separate POs. All of Contractor’s digital signature solutions and products are available for purchase off of this contract. If this contract is used for an enterprise wide solution the in and out of scope sections for the enterprise solution may be adjusted as agreed upon by the parties to meet the State’s needs.

1.102 OUT OF SCOPE

The following items are outside the scope of this project:

- Business requirements
- Facilitated sessions

- Application/System design
- Application development
- Customization
- Data Conversion
- Data Migration

1.103 ENVIRONMENT

The links below provide information on the State’s Enterprise information technology (IT) policies, standards and procedures which includes security policy and procedures, eMichigan web development, and the State Unified Information Technology Environment (SUITE).

Contractors are advised that the State has methods, policies, standards and procedures that have been developed over the years. Contractors are expected to provide proposals that conform to State IT policies and standards. All services and products provided through this Contract must comply with all applicable State IT policies and standards. Contractor is required to review all applicable links provided below and State compliance in their response.

Enterprise IT Policies, Standards and Procedures:

http://michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html

All software and hardware items provided by the Contractor must run on and be compatible with the DTMB standard Information Technology Environment. Additionally, the State must be able to maintain software and other items produced as the result of the Contract. Therefore, non-standard development tools may not be used unless approved by DTMB. The Contractor must request, in writing, approval to use non-standard software development tools, providing justification for the requested change and all costs associated with any change. The DTMB Project Manager must approve any tools, in writing, before use on any information technology project.

It is recognized that technology changes rapidly. The Contractor may request, in writing, a change in the standard environment, providing justification for the requested change and all costs associated with any change. The State’s Project Manager must approve any changes, in writing, and DTMB, before work may proceed based on the changed environment.

Information Technology Network and Infrastructure

http://www.michigan.gov/documents/dmb/1345.00_282982_7.pdf

Enterprise IT Security Policy and Procedures:

- http://www.michigan.gov/documents/dmb/1310_183772_7.pdf
- http://www.michigan.gov/documents/dmb/1310.02_183775_7.pdf
- http://www.michigan.gov/documents/dmb/1325_193160_7.pdf
- http://www.michigan.gov/documents/dmb/1335_193161_7.pdf
- http://www.michigan.gov/documents/dmb/1340_193162_7.pdf
- http://www.michigan.gov/documents/dmb/1350.20_184600_7.pdf

The State’s security environment includes:

- DTMB Identity and Access Management
- DTMB provided SQL security database.
- Secured Socket Layers.
- SecureID (State Security standard for external network access and high risk Web systems)

ADA Compliance

Contractor shall comply with and adhere to the Accessibility Standards of Section 508 of the Rehabilitation Act of 1973, including any more specific requirements set forth in an applicable Statement of Work. See DTMB Policy at http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621.

The State Unified Information Technology Environment (SUITE):

Contractor must follow the State Unified Information Technology Environment (SUITE) standards, which are available at <http://www.michigan.gov/suite>. This site includes policies regarding:

- Project management
- Systems engineering (Policy 1360, Systems Engineering Methodology), and
- Associated forms and templates

Agency Specific Technical Environment (EASA Worksheet Vendor Version Information)

The DTMB/MDOT Standard Information Technology Environment consists of the Desktop Environment, Project Management Tools, the Business System Development Environment, the Web / Intranet Site and Application Development Environment, the Security Environment, and the Network Environment. These environments include but are not limited to the following identified IT tools:

Desktop Environment

- Windows 7 and Windows XP
- Microsoft Office 365
- Microsoft Internet Explorer 8.0
- Mozilla Firefox 17.x +
- Oracle Net Services 10g +
- Adobe standard X

Development Languages, Tools

- JDK 6
- JEE 6
- Spring Framework 3.x
- JQuery 1.x
- JPA 2.0
- Hibernate 3.x
- Apache CXF
 - Apache Maven
 - Nexus (Maven Repository Manager)
- JBoss BRMS 5.x
- JBoss ESB 4.x
- JavaScript, JQuery
- PowerBuilder 9.x, 10.x, 11.x
- XML
- HTML
- CSS
- AJAX
- Microsoft .NET 2.x, 3.x, 4.x
- C#
- ASP.NET
- ColdFusion 7.x, 8.x
- JBoss Developer Studio
- Microsoft Visual Studio 2008
- Eclipse, CFEclipse
- TOAD Data Modeler
- Toad for Oracle 11
- Enterprise application Studio (PowerBuilder 9.x PowerJ 3.x, PowerSite)
 - Sybase PowerBuilder Enterprise

Mobile Development

For Mac:

- XCode

- iOS emulator

For Both:

- Android SDK
- Android Emulator + x86 hax (makes the emulator actually usable)
- Phonegap/Cordova – Different names for the same thing
- Eclipse
- Eclipse Plugins: Android ORM, Android Development Tools for Eclipse, Android ADT extensions

MDOT targets:

- iOS version 6 and higher
- Android version 4 (Ice Cream Sandwich) and higher

MDOT does not target Microsoft for mobile application development at this time.

Web/Application Servers

- Apache 2.x
- JBoss SOA Platform 5.x
- Microsoft Internet Information Server 6, 7
- Cold Fusion, 8
- Enterprise Application Server 3.x (Jaguar CTS 3.x, PowerDynamo)

Database Server

- Oracle 11g (with spatial)
- SQL Server

Spatial

- ArcGIS Server 10
- ArcSDE

Content Management

- Serena Dimensions CM
- Serena Dimensions RM
- Serena Business Manager
- Serena Prototype Composer

Document Management

- IBM FileNet
- Bentley ProjectWise
- Adobe Acrobat version 6.0 +

Electronic Forms

- Presentation: Adobe Acrobat version 6.0 +
- FileNet eForms for document management

Testing Environment

- Junit 4.x
- HP Load Runner 11.5
- SoapUI 4.x
- Quick Test Professional 11

Security Environment

- Java J2EE Security
- IBM Tivoli Single Sign On

- SSL
- SecureID (State Security standard for external network access and high risk Web systems)
- Spring Security

Operating Systems

- Windows Server 2003, 2008
- Sun Solaris 10
- RedHat Enterprise Linux 5

Network Environment/Hardware

- Cisco Routers
- Dell, Sun, HP, Redhat servers
- Citrix ICA Client
- Citrix Metaframe

Reporting

Crystal Reports 2011
Business Objects XI 3.1

Identity and Access Management (reserved for future use, not being used for MDOT initial implementation)

The Contractor solution will be suitable for integration with the SOM's IT Identity and Access Management (IAM) environment as described in the State of Michigan Digital Strategy, which consist of:

- MILogin/Michigan Identity, Credential, and Access Management (MICAM)—An enterprise single sign-on and identity management solution based on IBM's Identity and Access Management products including, IBM Security Identity Manager (ISIM), IBM Security Access Manager for Web (ISAM), IBM Tivoli Federated Identity Manager (TFIM), IBM Security Access Manager for Mobile (ISAMM), and IBM DataPower, which enables the State to establish, manage, and authenticate user identities for the State's Information Technology (IT) systems.
- MILogin Identity Federation for allowing federated single sign-on (SSO) for business partners as well as citizen based applications.
- MILogin Multi Factor Authentication (MFA) for those applications whose data classification is Confidential and Restricted as defined by the 1340.00 Information Technology Information Security, meaning the application needs to comply with PHI, PCI, CJIS, IRS, and other standards.
- MILogin Identity Proofing services, which verify people's identities before the State allows access to its IT system. The services are based on "life history" or transaction information aggregated from public and proprietary data sources. This service is provided by a leading credit bureau.

Refer to:

Authoritative Policy	<u>1335 Information Technology Access Control Policy</u>
Standard Number	<u>1335.00.07 Identity, Credentialing, and Access Management Standard</u>
Technical Procedure	1335.00.07.01Michigan Identity, Credentialing, and Access Management (MICAM) Procedure Under Review

Contractor agrees to use reasonable commercial efforts to comply with no exception.

1.104 WORK AND DELIVERABLES

The State will provide a PM for this project and the Contractor will provide a technical subject matter expert to work with the PM in implementing the project plan.

A. Software

The Contractor will provide a solution that satisfies the MDOT requirements as outlined in **Schedule F - Requirements**; and is a COTS solution that is hosted by the State.

Deliverable(s)

- Software provided as a COTS solution meeting all requirements detailed in **Schedule F** which *has a* complete response for each item, including a clear description of how Contractor's proposed solution meets each requirement.

Acceptance Criteria:

- High-level acceptance criteria per **Section 1.501** and the **Contract Terms**.
- Software meets the requirements detailed in **Schedule F**.
- All requirements are answered.

B. Hardware Requirements

The selected hardware is the CoSign Central FIPS and Non-FIPS Equipment with Server software **v7.4**. For Disaster Recovery and because mandatory technical requirement (in RFP #74) calls for multiple hosting centers, a 2nd CoSIGN Central Equipment FIPS or Non-FIPS is recommended, as well as the High Availability Load Balancing Module. The latter permits hot sync of the 2nd appliance.

The State is responsible for any test and production environments and management of them, and can purchase separate appliances later to meet the State's needs.

Contractor Response:

The CoSign User Software requires the CoSign Equipment and related firmware. DocuSign/DocuSign is the only source for these appliances, and CoSign software does not work with any other hardware nor in a VM environment.

CoSign is a solution that deploys in the Customer's data center and remains under the Customer's control. This is not a service operated by the Contractor. A single appliance can be set up either with Active Directory Integration (typically for internal users) OR with the built-in directory (typically for external, non-AD users). As a result, unless the external signers are part of your Active Directory and on the same forest, you will require a separate appliance (or set of appliances) for external users. The solution as proposed is deployed on appliances in high-availability load-balancing configuration.

Should the State ever wish to deploy a 3rd party certificate in conjunction with CoSign, the CAs require the use of the FIPS-certified appliance. For this reason, DocuSign is proposing the FIPS appliance.

Detailed description of all infrastructure requirements for the proposed hardware.

The solution is completely self-contained. All that is needed is an A/C electrical outlet 110v, 1 Ethernet port, 1 IP address, Active Directory (for internal users), and a Windows workstation joined to AD domain for installation. Each appliance has dual-power supplies.

C. Initiation, Planning and Requirements Validation

Contractor's System and Services will meet the functional and technical requirements detailed in **Section 1.103**, **Section 1.104**, and **Schedule F**.

The parties will collaborate and review the State Preliminary Project Plan until final, Contractor will then provide the Final Project Plan and final report formats described in **Section 1.300 et seq.** detailing how the System will be set up to provide the State's requested functionality.

The parties will collaborate and review the Preliminary Enterprise Architecture Solution Assessment (EASA) Contractor will assist and collaborate with the Final EASA to the DTMB Project Manager (PM) encapsulating any identified changes within the timeframe established in the Final Project Plan.

It is the contractor's responsibility to assist with the completion DTMB 0170 or other similar documentation as the State may require, to obtain Michigan Cyber Security written approvals as required by the State within the timeframe established in the Final Project Plan.

Deliverable(s):

- Ship MDOT products at contract signature
- Collaborate as requested on State Project Plan
- Collaborate and assist State with Final EASA
- Collaborate and assist with any necessary State Final Security Assessment documentation

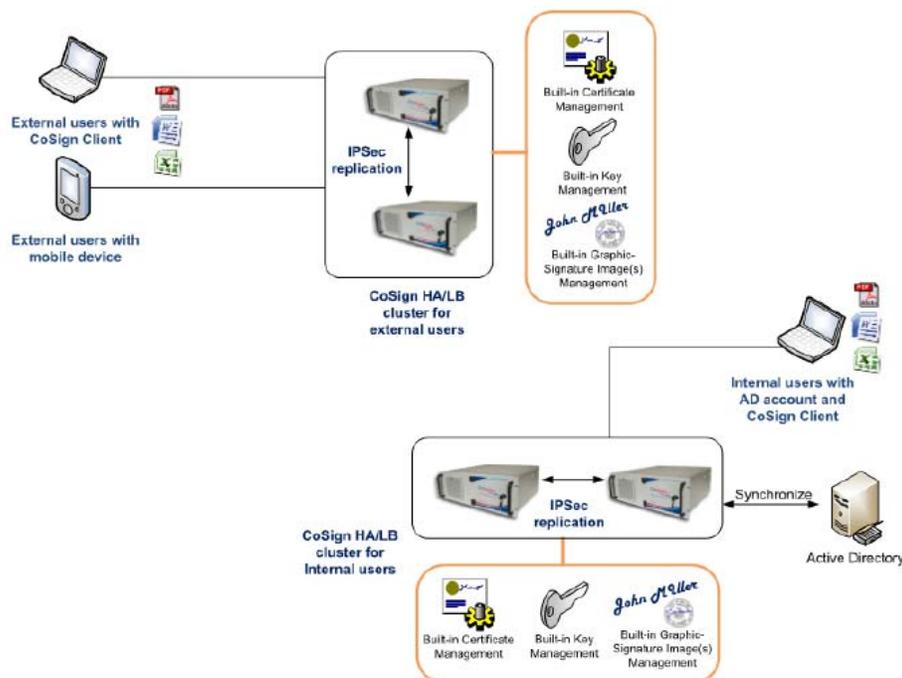
Acceptance Criteria:

- High-level acceptance criteria per **Section 1.501**.

CONTRACTOR RESPONSE:

The State will utilize a Project Management Plan, requesting input and status throughout project from CoSign support services identified in the cost tables. Contractor and State roles are defined in responses to section 1.201.

CoSign Solution Flow Diagram:



CoSign centrally manages the digital signature components (keys, certificates, signature images) and users in a self-hosted, secure, network-attached server (the CoSign Equipment). This allows customers to manage internal users via Active Directory and external users via a built-in directory system (DI Mode). We propose to deploy 2 clusters of appliances, 1 in AD mode for internal users and 1 in DI mode for external users.

Advantages of solution:

CoSign is a complete solution designed to 1) facilitate deployment and management of digital signatures, and 2) provide enhanced signing functionality on a variety of document formats.

Provide a list of components that are configurable in your solution.

CoSign Equipment, CoSign Client, CoSign WebApp.

Flow diagram illustrating how information passes through the components:

Please see Attachment- CoSign Solution Flow Diagram.

List development tools including versions:

CoSign Signature APIs (SAPI) includes SAPI Local API, SAPI SOAP API, SAPI REST API and Signature Web Agent (XML based API).

Provide a list of development standards/models/patterns:

SOAP 1.2, COM Object, REST and XML.

D. Implementation

Contractor will ship the purchased products for the solution in cooperation with the State's designated employees and/or contractors to ensure the complete and successful implementation of the software. All software installations will be performed by qualified personnel. Contractor will perform the initial software installation and configuration. Thereafter, Contractor will assist with installation either via phone, email, web session, on-site or remotely via VPN. At all times during implementation, Contractor will work with State staff to identify gaps in fulfilling requirements, will propose changes to the software to manage such gaps and will document the fulfillment of all gaps.

The software must, at a minimum, meet all mandatory requirements provided in **Schedule F**, Business and Technical Requirements with the exception of items 38,105, and 109.

Although the digital signature solution is a COTS package, the installation and configuration will need to be tested, both by the Contractor and during user acceptance testing.

Deliverable(s)

- Upon State receiving shipped products, DocuSign will provide the Initial assistance with (8 Hours) software installation and implementation in State's test environment as identified in the cost tables
- DocuSign will provide assistance with initial configurations (8 Hours) identified in cost tables per the requirements and project plan
- DocuSign will provide assistance with testing the State hosted solutions (8 Hours), system interfaces/integration with State's environment and hardware as identified in the cost tables

Acceptance Criteria

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

CONTRACTOR RESPONSE:

Please see all responses as listed in **Schedule F**. Some items are not applicable to CoSign and has been noted as such. Some sections are listed as “To be filled by State of Michigan” as they are not applicable to DocuSign (e.g., internal approval processes).

Contractor’s role in assisting State installation will be limited to that set forth in the Statement of Work

Implementation methodology including State roles and Contractor roles:

Note that CoSign is a COTS, turnkey digital signature solution, and most customers are installed and deployed for production within a matter of days or hours. The majority of installations are performed remotely, via guided web-sessions, and the actual installation is carried out by State of Michigan personnel. Contractor and state roles are defined in responses to section 1.201.

E. Testing

Contractor must follow a testing process comparable to the SUITE testing process which includes a test plan, test type approach, and test cases. Documentation of testing and testing types/levels, and test cases and how defect tracking and resolution is handled must be provided for test environments and production. Testing will demonstrate the system’s compliance with the requirements of the Contract. At a minimum, the testing will confirm the capabilities of the system with respect to the functions and features described in the Contract and the ability of the system to perform the workflow throughput requirements. Detailed information about SUITE testing processes can be found in the documents linked to and referenced in Appendix F. DTMB and MDOT personnel will execute user acceptance testing (UAT) after the contractor completes system testing in a QA environment.

Deliverables

- 8 Hours Testing services with State as identified in the cost tables

Acceptance Criteria

- Each test phase is accepted and signed off by State PM.
- High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

CONTRACTOR RESPONSE:

1. Not all SUITE type test plans are suitable for CoSign and we have modified our answers as such.
2. CoSign is a simple product to test, and we do not expect testing to be extensive or require a lot of effort. Many tests involves a simple right-mouse click, Select Sign, and visually make sure a green check mark is present.
3. Description of proposed testing methodology including State roles and Contractor roles:
4. Testing will be manually carried out by State personnel and, if required, DocuSign technical support will provide assistance via web session.

F. Go-Live

As part of implementation, the State project team will execute the release of the software into production. The digital signature solution will be put into operation for use both within MDOT and by external partners.

Prior to production, the State may determine that a short pilot of the software should be completed before the solution is fully implemented in a production environment. Refer to a complete SOM Deliverable list is in Appendix F

Deliverable(s)

- Assist State with Pilot project prior to production release
- Provide support and services as identified in the cost tables
- Provide documentation identified in the cost tables

Acceptance Criteria

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

CONTRACTOR RESPONSE:

1. Refer to **Schedule G – Project Management Plan** for the installation plan, no other project plan is needed for this project. The State is free to choose its own Go Live date once CoSign has been installed.
2. Go-Live process or methodology including State roles and Contractor roles:
3. The CoSign installation process as stated in **Schedule G – Project Management Plan** will allow installation of all CoSign Equipment to production-ready state. The SOM is free to choose its own Go-Live process at that point by creating user accounts for users to access CoSign features. For example, for internal users using Active Directory, the CoSign administrator will grant membership to the Active Directory group that is in sync with CoSign. CoSign will generate the accounts for the users who can start signing immediately.

G. Warranty

For a period of 90 days after Notice of Completion Of Acceptance Tests, and for so long as the State has a Support And Maintenance contract in effect, the Contractor will be responsible for fixing any breach of warranty related to the application. (See definition of Warranty Period under Contract Terms and Conditions. And all provisions concerning Support herein.)

Deliverables		
Deliverable Description	Form #, if applicable	Comments or additional information
Defect Tracking Log		
All defects with severity level under critical or high are resolved.		

Acceptance Criteria

- State PM agrees and signs off that Contractor’s solution has operated properly during the warranty period.
- High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

H. Training and Documentation

The Contractor is providing training, and system administration, technical documentation and on-line help documentation at no additional cost.as identified in the cost tables. .

Training Plan

Contractor shall provide the training as identified in the cost tables as outlined training needs below.

- End users – both MDOT personnel and external partners. External partners consist primarily of contractors who work on highway development projects.
- System administrator(s) – MDOT expects to assign one or more system administrators to this software who will be responsible for adding and removing users, password resets, any on-going configuration tasks, etc.

Deliverables

- Two - Remote Train the Trainer 2 hour sessions
- 12 Hours – End User Training
- Two Hours – System Administration Training
- 8 Hours – Knowledge Transfer Training
- End user online help
- System administrator documentation
- System documentation
- Technical documentation
- Documentation provided at no additional cost see cost tables

All training manuals, training plans and other documentation provided are copyrighted by Contractor and should be provided both in an electronic format and as hard copy. The State shall own the physical media on which all copies are provided.

Acceptance Criteria

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

I. Maintenance, Support, and Operation Services:

The digital signature solution will be hosted by the State of Michigan.

Service Level Agreement

A service level agreement (SLA) between the Contractor and the State of Michigan is listed below and in **Schedule B - Maintenance and Support Schedule**.

Maintenance and Support

Contractor is responsible for providing ongoing maintenance and support of the digital signature solution for MDOT and MDOT's external partners. Support is based on the solution being State hosted and using the State CSC. Details are below and in **Schedule B - Maintenance and Support Schedule**.

State **will host the solution**, support will be carried out jointly by DTMB and the Contractor. The Contractor will be responsible for maintaining and supporting the software, and DTMB will be responsible for infrastructure related issues. In the event of technical or software problems, the escalation process will be as follows:

1. User calls the State's Client Service Center. The CSC will be able to answer basic, predetermined questions about the digital signature solution.
2. If the CSC can't resolve the issue, the user will be directed to the MDOT system administrator for the digital signature solution.
3. If the MDOT system administrator cannot resolve the issue, he/she will contact the Contractor's support department.
4. If the Contractor determines that the issues is infrastructure-related, they will contact DTMB to resolve the issue. If the issue is system-related, the Contactor will resolve the issue.

For the duration of the contract, the Contractor will ensure that the State is provided with all current service packs as well as any new major and minor versions and/or releases. The software maintenance program includes all future software updates applicable to system modules licensed without further charge to all licensed users maintaining an annually renewable software support contract. New Versions are separately licensed (see Section 11.2 of States terms).

The Contractor will assist the State to ensure compatibility of the Solution with the State technical environment during this maintenance and support period, including compatibility with current software versions (database, server operating systems, etc.) and conformance to security standards. Contractor will provide support for superseded releases and back releases still in use by the State for a period not to exceed one year from the date of the next, following release.

The Contractor will work with the State to ensure that the support services during the maintenance and support period are at sufficient levels, including at a minimum:

- Service packs are installed
- Upgrades are installed
- Hot fixes are installed
- Defects are resolved

Acceptance Criteria

High-level acceptance criteria for Document Deliverables and Software Deliverables are listed in Section 1.501.

CONTRACTOR RESPONSE:

Service Level Agreement

- Availability and uptime -- the percentage of the time services will be available: N/A For State Hosted
- The schedule for notification in advance of network changes that may affect users: N/A For State Hosted
- CoSign is a solution that deploys in the Customer's data center and remains under the Customer's control. This is not a service operated by the Contractor.
- The solution is deployed on appliances in high-availability load-balancing configuration. Furthermore, each appliance has dual-power supplies.

Maintenance and Support

- The software maintenance program includes all future software updates and system enhancements applicable to system modules licensed without further charge to all licensed users maintaining an annually renewable software support contract. New Versions are separately licensed (see Section 11.2 of States COTS terms).
- Contractor will provide support for superseded releases and back releases still in use by the State for a period not to exceed one year from the date of the next, following release.
- Please see SEM-0301 for other exceptions.
- Updates to CoSign are periodically announced on our web site (www.DocuSign.com), customers can request a copy of the new software by contacting DocuSign technical support.
- Technical support is provided via email, phone and web meeting tools.
- Additional maintenance and support features provided beyond those specified above.
- Self-help video tutorials and community forums moderated by DocuSign/DocuSign are available as additional resources for customers.

1.200 Roles and Responsibilities

1.201 CONTRACTOR STAFF, ROLES, AND RESPONSIBILITIES

A. Contractor Staff

The contractor will identify a single point of contact (SPOC)/technical subject matter expert and all other resources needed to satisfy the deliverables of this Statement of Work.

1. Key Personnel.

All Key Personnel may be subject to the State's interview and approval process. Any key staff substitution must have the prior approval of the State. The State has identified the following as key personnel for this project:

- Single Point of Contact (SPOC)/Subject Matter Expert (SME)

The same resource should serve as both the SPOC and SME.

2. Designate a Single Point of Contact (SPOC)/Subject Matter Expert (SME).

The SPOC role's duties include, but not be limited to:

- Supporting the management of the Contract,
- Ensuring that all defined contractor responsibilities in this scope of services are completed appropriately,
- Serving as the point person for all project issues,
- Assessing and reporting project feedback and status,
- Escalating project issues, project risks, and other concerns,
- Facilitating dispute resolution, and
- Updating the state of performance under the terms and conditions of the Contract.

The duties of the technical subject matter expert will include, but are not limited to:

- Working with DTMB personnel to complete the DTMB 170 and the EASA worksheet

- Assist DTMB with the installation of the software (if the solution is hosted by the State)
- Configuring the software appropriately for use by MDOT
- Completing system testing of the software as configured for use by MDOT
- Providing support during user acceptance testing
- Overseeing and supporting the implementation process
- Providing support during installation/configuration/testing/implementation to DTMB personnel including, but not limited to:
 - DBAs
 - Server team
 - DTMB helpdesk (CSC) support personnel

The State reserves the right to require a change in the current SPOC/SME if the assigned SPOC is not, in the opinion of the State, adequately serving the needs of the State.

In addition, the Contractor will provide all other necessary, qualified staffing to satisfy the deliverables of this Statement of Work.

3. **(Optional) Propose Additional Personnel** beyond the required Key Personnel listed above. Not included for MDOT SOW. May be needed for future agency or enterprise SOWs under this Contract.
4. **Provide a list of all subcontractors**, including firm name, address, contact person, and a complete description of the work to be contracted. Include descriptive information concerning subcontractor's organization and abilities.
5. **Provide an organizational chart** indicating (a) lines of authority for personnel involved in performance of this Contract and relationships of this staff to other programs or functions of the firm, (b) lines of authority to the next senior level of management and (c) indicating who within the firm will have prime responsibility and final authority for the work. Provide an updated chart when changes occur.

B. On Site Work Requirements

1. Location of Work

Any work performed at a State facility rather than at a contractor facility will be executed at the following address:

Van Wagoner Transportation Building
 425 W. Ottawa
 Lansing, MI 48913

Should contractor staff need to work on site at a State facility, the State will provide the following resources for the Contractor's use:

- Work space
- Minimal clerical support
- Desk
- Access to copiers and fax machine

2. Hours of Operation:

- Normal State working hours are 8:00 a.m. to 5:00 p.m. EST, Monday through Friday, with work performed as necessary after those hours to meet project deadlines. No overtime will be authorized or paid.
- The State is not obligated to provide State management of assigned work outside of normal State working hours. The State reserves the right to modify the work hours in the best interest of the project.
- Contractor shall observe the same standard holidays as State employees. The State does not compensate for holiday pay.

3. Travel:

- No travel or expenses will be reimbursed. This includes travel costs related to training provided to the State by Contractor.
- Travel time will not be reimbursed.

4. Additional Security and Background Check Requirements:

Contractor must present certifications evidencing satisfactory Michigan State Police Background checks ICHAT and drug tests for all staff who will work on site in a State facility.

Contractor will pay for all costs associated with ensuring their staff meets all requirements.

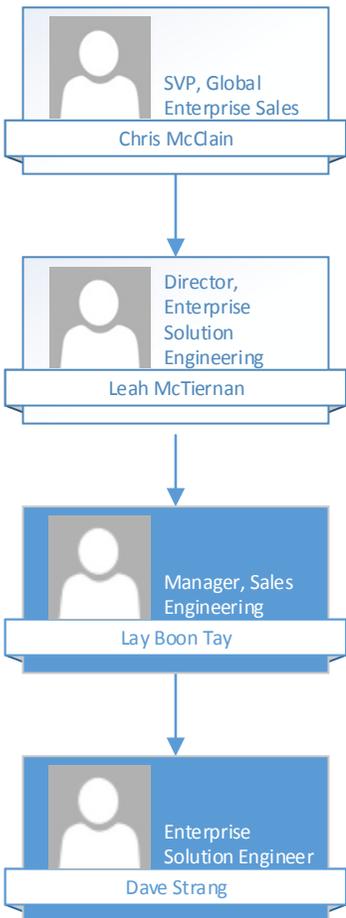
As a condition for the State’s acceptance of Contractor’s assignment of personnel for services provided on site, all such personnel must consent to the State’s background requirements. The State will be responsible, at Contractor’s expense, for coordinating all such background checks with the designated personnel and the investigative service providers. The State will not share the findings of any such checks with Contractor, but simply inform Contractor of the results on a “pass/fail” basis.

CONTRACTOR RESPONSE:

Contractor’s Organizational Chart and a description of Contractor’s organizational structure:

DocuSign, the parent company of DocuSign Inc. has doubled in size in the last 12 months and continues to grow rapidly. A full organizational chart is not practical, but company leadership can be viewed here: <https://www.docusign.com/company/leadership>.

The reporting structure for the CoSign implementation team and their management is provided as follows:



1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

The items below cover the initial MDOT Project. Future SOWs need to define roles for each engagement with Contractor. The State project team will consist of a DTMB project manager, MDOT subject matter experts (SMEs), and a DTMB contract manager. Prior to system implementation, MDOT will identify a digital signature system administrator, and DTMB will assign a system support resource.

State Project Manager

DTMB will provide a project manager. The project manager is a DTMB employee who works in the ePMO IT Program Management Office.

The DTMB project manager will provide the following services:

- Provide State facilities, as needed
- Coordinate the State resources necessary for the project
- Facilitate coordination between various external contractors
- Facilitate communication between different State departments/divisions
- Provide acceptance and sign-off of deliverable/milestone
- Review and sign-off of timesheets and invoices
- Resolve project issues
- Escalate outstanding/high priority issues
- Utilize change control procedures
- Conduct regular and ongoing review of the project to confirm that it meets original objectives and requirements
- Document and archive all important project decisions
- Arrange, schedule and facilitate State staff attendance at all project meetings.

Name	Agency/Division	Title
Jim Normandin	DTMB	Project Manager
Jason Todd	DTMB	IT Project Manager

Subject Matter Experts

The subject matter experts (SMEs) representing the business units involved will provide the vision for the business design and how the application will support the vision. They will be available on an as-needed basis. The SME's will be empowered to:

- Resolve project issues in a timely manner
- Review project plan, status, and issues
- Resolve deviations from project plan
- Provide acceptance sign-off
- Utilize change control procedures
- Ensure timely availability of State resources
- Make key implementation decisions, as identified by the Contractor's project manager, within 48-hours of their expected decision date.

Name	Agency/Division
Jason Clark	MDOT/Bureau of Construction Field Services
Scott Green	MDOT/Bureau of Construction Field Services
Demetrius Parker	MDOT/Bureau of Finance
Michael Meddaugh	MDOT/Bureau of Finance
Andy Esch	MDOT/Bureau of Finance

DTMB shall provide a Contract Administrator whose duties shall include, but not be limited to, supporting the management of the Contract.

Name	Agency/Division	Title
David Hatch	DTMB	Contract Administrator

Digital Signature System Administrator

The system administrator will be an MDOT resource. This person will be responsible for authorizing new digital signature users, storing digital ID certificates if needed, and first-level end user support.

System Support Resource

The system support resource will be a DTMB technical support person. If the solution is hosted by the State, this resource will serve as a liaison with the appropriate DTMB server team. Regardless of where the solution is hosted, this resource will also serve as a liaison with the contractor company’s technical support personnel.

1.203 OTHER ROLES AND RESPONSIBILITIES

The State may provide other DTMB staff as needed to support completion of the Statement of Work, which may include:

- System Administrators: grant and deny access to servers
- Data Base Administrator (DBA): provide backups, manage database
- Network Administrators: assign network login credentials to Contractor
- Infrastructure Services: assist in system implementation
- Systems Security Administrator: responsible for systems security environment
- IT Business Analyst

Performance Review Meetings

The State will require the Contractor to attend monthly meetings, at a minimum, to review the Contractor’s performance under the Contract. The meetings will be held in Lansing, Michigan, or by teleconference, as mutually agreed by the State and the Contractor. The State shall bear no cost for the time and travel of the Contractor for attendance at the meeting.

Project Control

1. The Contractor will carry out this project under the direction and control of DTMB and MDOT.
2. Within fourteen (14) working days of the execution of the Contract, the Contractor will submit the final Project Management Plan to the State Project Manager for final approval. This project plan must be in agreement with Article 1, Section 1.104 Work and Deliverables, and must include the following:
 - The Contractor’s project organizational structure.
 - The Contractor’s staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
 - The project work breakdown structure (WBS) showing sub-projects, activities and tasks, and resources required and allocated to each.
 - The time-phased plan in the form of a graphic display, showing each event, task, and decision point in the WBS.
3. The Contractor will manage the project in accordance with the State Unified Information Technology Environment (SUITE) methodology, which includes standards for project management, systems engineering, and associated forms and templates which is available at <http://www.michigan.gov/suite>
 - a. Contractor will use an automated tool for planning, monitoring, and tracking the Contract’s progress and the level of effort of any Contractor personnel spent performing Services under the Contract. The tool shall have the capability to produce:
 - Staffing tables with names of personnel assigned to Contract tasks.
 - Project plans showing tasks, subtasks, deliverables, and the resources required and allocated to each (including detailed plans for all services to be performed within the next two business weeks, updated bi-weekly.
 - Updates must include actual time spent on each task and a revised estimate to complete.

- Graphs showing critical events, dependencies and decision points during the course of the Contract.
- b. Any tool(s) used by Contractor for such purposes must produce information of a type and in a manner and format that will support reporting in compliance with the State standards.

CONTRACTOR RESPONSE:

The CoSign project methodology follows ISO 9001:2000. It follows a repeatable, standard set of steps that result in implementation within a matter of hours/days.

1.302 PROJECT REPORTS

Reporting formats must be submitted to the State’s Project Manager for approval within five (5) business days after the execution of the contract. Once both parties have agreed to the format of the report, it shall become the standard to follow for the duration of the contract.

Contractor will provide a bi-weekly Project Update Report on the overall status to implement the Solution, which will include:

- Weekly Project status
- Updated project plan
- Summary of activity during the report period
- Accomplishments during the report period
- Deliverable status
- Schedule status
- Action Item status
- Issues
- Change Control
- Repair status
- Maintenance Activity

CONTRACTOR RESPONSE:

“CoSign Project Proposed Status Report”, which can be tailored to accommodate the above or any other requested update topics. But please note that the entire implementation will take a matter of days. The only likely delay would be staggered roll-out and training of end-users.

1.400 Project Management

1.401 ISSUE MANAGEMENT

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State’s Project Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

- Description of issue
- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Contractor)
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description

Issues shall be escalated for resolution from level 1 through level 3, as defined below:

Level 1 – Subject Matter Experts (SME's)

Level 2 – Project Managers / Business Owner

Level 3 – Executive Sponsor

The Contractor shall also maintain a defects log for software defects identified by the State. The defects log must be communicated to the State's Project Manager on an agreed upon schedule, with email notifications and updates. The defects log must be updated and must contain the following minimum elements:

- Description of each defect
- Defect identification date
- Priority for fixing defects (to be mutually agreed upon by the State and the Contractor)
- Contractor resources assigned responsibility for fixing each defect
- Estimated date for fixing each defect
- Description of the fix to be applied

CONTRACTOR RESPONSE:

Approach to Issue Management, including State Roles and Contractor roles.

Our approach is to log any issue first in our internal case management system, and then communicate it to the customer either via mutually approved reporting or verbally. Issues can be jointly prioritized for resolution and appropriate resources brought in as required.

1.402 RISK MANAGEMENT

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the project.

The Contractor is responsible for establishing a risk management plan and process, including the identification and recording of risk items, prioritization of risks, definition of mitigation strategies, monitoring of risk items, and periodic risk assessment reviews with the State.

A risk management plan format shall be submitted to the State for approval within twenty (20) business days after the effective date of the contract. The risk management plan will be developed during the initial planning phase of the project, and be in accordance with the State's PMM methodology. Once both parties have agreed to the format of the plan, it shall become the standard to follow for the duration of the contract. The plan must be updated bi-weekly, or as agreed upon.

The Contractor shall provide the tool to track risks. The Contractor will work with the State and allow input into the prioritization of risks.

The Contractor is responsible for identification of risks for each phase of the project. Mitigating and/or eliminating assigned risks will be the responsibility of the Contractor. The State will assume the same responsibility for risks assigned to them.

CONTRACTOR RESPONSE:

Approach to Risk Management, including State Roles and Contractor roles:

Our approach to risk management is tied to the installation and configuration plan of CoSign. Required steps, resources and infrastructure access are identified early during the installation planning. Risks are managed and contained by immediate communication with customer personnel. Please note that the installation takes a matter of hours/days and the risks are therefore commensurate.

State roles will be primary in managing risks (e.g., designing password policy) and contractor roles will be to support State personnel.

1.403 CHANGE MANAGEMENT

Change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract.

If a proposed contract change is approved by the Agency, the Contract Administrator will submit a request for change to the Department of Technology, Management and Budget, Procurement Buyer, who will make recommendations to the Director of DTMB-Procurement regarding ultimate approval/disapproval of change request. If the DTMB Procurement Director agrees with the proposed modification, and all required approvals are obtained (including State Administrative Board), the DTMB-Procurement Buyer will issue an addendum to the Contract, via a Contract Change Notice. **Contractors who provide products or services prior to the issuance of a Contract Change Notice by the DTMB-Procurement, risk non-payment for the out-of-scope/pricing products and/or services.**

The Contractor must employ change management procedures to handle such things as “out-of-scope” requests or changing business needs of the State while the migration is underway.

The Contractor will employ the change control methodologies to justify changes in the processing environment, and to ensure those changes will not adversely affect performance or availability.

CONTRACTOR RESPONSE:

Approach to Change Management, including State Roles and Contractor roles:

Potential changes to the contract take the form of additional requested services or product. All such requests will be discussed with the customer Account Executive, who will communicate with the customer and provide documented response and/or quotations. No additional product or service is provided without documented customer approval and/or contract addendums.

1.500 Acceptance

1.501 CRITERIA

Document Deliverables

- Documents are dated and in electronic format, compatible with State of Michigan software in accordance with Article 1.103.
- Requirements documents are reviewed and updated throughout the development process to assure requirements are delivered in the final product.
- Draft documents are not accepted as final deliverables.
- The documents will be reviewed and accepted in accordance with the requirements of the Contract and Appendices.
- DTMB will review documents within a mutually agreed upon timeframe.
 - Approvals will be written and signed by the DTMB project manager.
 - Issues will be documented and submitted to the Contractor.
 - After issues are resolved or waived, the Contractor will resubmit documents for approval within 30 days of receipt.
- Deliverable approval process detailed in the Contract Terms has been followed and met.

Software Deliverables

- Deliverable approval process detailed in the Contract Terms has been followed and met. See Acceptance Testing; Acceptance section in COTS terms; or Service Preparation, Testing and Acceptance section in SaaS terms depending on the type of solution proposed.

1.502 FINAL ACCEPTANCE

Final acceptance is expressly conditioned upon completion of ALL deliverables/milestones identified in Section 1.104 Work and Deliverables, completion of ALL tasks in the project plan, completion of ALL applicable inspection and/or testing procedures, and the certification by the State that the Contractor has met the defined requirements. Final acceptance will be given after the expiration of the initial ninety day Warranty Period (which commences after Notice of Completion of Acceptance Testing) if all outstanding issues have been resolved to the State’s satisfaction. See Contract Terms for further details.

1.600 Compensation and Payment

1.601 COMPENSATION AND PAYMENT

Method of Payment

Payments to the Contractor will be made upon the completion and acceptance of specified milestones. Payment milestones are defined in **Appendix C, Cost Tables**. Failure to provide deliverable/milestone by the identified date may be subject to liquidated damages as identified in Article 2, Section 2.073.

The preliminary Project Management Plan shall include the following deliverable/milestones for which payment shall be made. Payment to the Contractor will be made upon the completion and acceptance of the deliverable or milestone, not to exceed contractual costs of the phase. A milestone is defined as complete when all of the deliverables within the milestone have been completed.

After each milestone is completed, the contractor may invoice the SOM for the indicated amount of the total amount of one-time costs. See **Appendix C – Cost Tables** instructions for the milestone payment table and other cost details.

Contractor may bill for recurring annual costs (i.e., Maintenance and Support, ongoing licensing costs) after final acceptance and annually thereafter, pro-rating the costs as needed to fit within the contract years.

Extended purchasing program volume requirements are not included, unless stated otherwise. See Schedule E, Section 4.025.

Most Favored Pricing

If Contractor reduces its prices for any of the software or services during the term of this Contract, for similar quantities and terms, the State shall have the immediate benefit of such lower prices for new purchases. Contractor shall send notice to the State's Contract Administrator with the reduced prices within twenty-one (21) calendar days of the reduction taking effect.

Statements of Work and Issuance of Purchase Orders

Unless otherwise agreed by the parties, each Statement of Work will include:

1. Background
2. Project Objective
3. Scope of Work
4. DocuSign Questionnaire
5. Deliverables
6. Acceptance Criteria
7. DocSign Proposal
8. Payment Schedule

The parties agree that the Services/Deliverables to be rendered by Contractor pursuant to this Contract (and any future amendments of it) will be defined and described in detail in Statements of Work or Purchase Orders (PO) executed under this Contract. Contractor shall not be obliged or authorized to commence any work to implement a Statement of Work until authorized via a PO issued against this Contract. Contractor shall perform in accordance with this Contract, including the Statements of Work/Purchase Orders executed under it.

Invoicing

Contractor will submit properly itemized invoices to

DTMB – Financial Services
Accounts Payable
P.O. Box 30026
Lansing, MI 48909
Or

. Invoices must provide and itemize, as applicable:

- Contract number;
- Purchase Order number
- Contractor name, address, phone number, and Federal Tax Identification Number;
- Description of any commodities/hardware, including quantity ordered;
- Date(s) of delivery and/or date(s) of installation and set up;
- Price for each item, or Contractor's list price for each item and applicable discounts;
- Maintenance charges;
- Net invoice price for each item;
- Shipping costs;
- Other applicable charges;
- Total invoice price; and
- Payment terms, including any available prompt payment discount.

The State may pay maintenance and support charges on a monthly basis, in arrears. Payment of maintenance service/support of less than one (1) month's duration shall be prorated at 1/30th of the basic monthly maintenance charges for each calendar day.

Incorrect or incomplete invoices will be returned to Contractor for correction and reissue.

1.602 HOLDBACK

The State shall have the right to hold back an amount equal to ten percent (10%) of all amounts invoiced by Contractor for Software License Costs, Services, and Deliverables. The amounts held back shall be released to Contractor after the State has granted Final Acceptance.

Schedule B - Maintenance and Support Schedule

1. Definitions. For purposes of this Schedule, the following terms have the meanings set forth below. All initial capitalized terms in this Schedule that are not defined in this **Section 1** shall have the respective meanings given to them in the Contract.

"Contact List" means a current list of Contractor contacts and telephone numbers set forth in the attached **Exhibit A** to enable the State to escalate its Support Requests, including: (a) the first person to contact; and (b) the persons in successively more qualified or experienced positions to provide the support sought.

"Error" means any failure of the Software to operate in all material respects in accordance with the Specifications and, to the extent consistent with and not limiting of the Specifications, the Documentation, including any problem, failure or error referred to in the Service Level Table.

"First Line Support" means the identification, diagnosis and correction of Errors by the provision of the following Support Services by help desk technicians sufficiently qualified and experienced to identify and Resolve the State's Support Requests reporting these Errors: (a) telephone and email assistance; and (b) access to technical information on the Contractor's website for proper use of the Software.

"Contract" means the Contract to which this Schedule relates.

"Out-of-scope Services" means any of the following: (a) any services requested by the State and performed by Contractor in connection with any apparent Software Error that the State and Contractor agree in writing has been caused by a State Cause; and (b) any Second Line Support requested by the State and provided by an individual requested by the State whose qualification or experience is greater than that reasonably necessary to resolve the relevant Support Request, provided that an appropriately qualified or experienced individual was available at the time when the Second Line Support was sought.

"Resolve" and the correlative terms, **"Resolved"**, **"Resolving"** and **"Resolution"** each have the meaning set forth in subsection "Service Levels".

"Schedule" means this **Schedule B** to the Contract.

"Second Line Support" means the identification, diagnosis and correction of Errors by the provision of on-site technical support at the State's premises by a qualified individual on the Contact List.

"Service Credits" means the service credits specified in **Schedule B** (if any).

"Service Levels" means the defined Error severity levels and corresponding required service level responses, response times, Resolutions and Resolution times referred to in the **Schedule B** Service Level Table.

"Service Level Table" means the table set out in Service Level Table.

"Severity Level 1 Error" has the meaning set forth in the Service Level Table.

"Severity Level 2 Error" has the meaning set forth in the Service Level Table.

"Severity Level 3 Error" has the meaning set forth in the Service Level Table.

"State Cause" means any of the following causes of an Error, except, in each case, any such causes resulting from any action or inaction that is authorized by this Schedule or the Contract, specified in the then-current Specifications or Documentation, or otherwise authorized in writing by Contractor: (a) any grossly negligent or improper use, misapplication, misuse or abuse of, or damage to, the Software by the State; (b) any maintenance, update, improvement or other modification to or alteration of the Software made solely by the State; or (c) any use by the State of any Third-party Materials that Contractor has not provided or caused to be provided to the State.

"**State Systems**" means the State's information technology infrastructure, including the State's computers, software, databases, electronic systems (including database management systems) and networks.

"**Support Fees**" has the meaning set forth in **Schedule B and D**.

"**Support Hours**" means 8 hours a day, five days a week, excluding State holidays.

"**Support Period**" means the period of time beginning on the date the State has accepted the Aggregate Software under the Contract and ending on the date the Contract expires or is terminated.

"**Support Request**" has the meaning set forth in **Schedule B**.

"**Support Services**" means Contractor's support of the Software, including First Line Support and Second Line Support, but excluding any Out-of-scope Services.

"**Third-party Products**" means all third-party software, computer hardware, network hardware, electrical, telephone, wiring and all related accessories, components, parts and devices that Contractor has not provided or caused to be provided to the State under the Contract.

Support Services. Contractor shall perform all First Line Support, Second Line Support and other Support Services during the Support Hours throughout the Support Period in accordance with the terms and conditions of this Schedule and the Contract, including the Service Levels and other Contractor obligations set forth in this **Schedule B**

Support Service Responsibilities. Contractor shall:

- a) respond to and Resolve all Support Requests in accordance with the Service Levels;
- b) provide unlimited First Line Support to the State during all Support Hours by means of the telephone number and e-mail address as set forth in the section titled **Contractor Contacts** below;
- c) provide Second Line Support to the State in accordance with **Schedule B**.
- d) provide the State with online access to technical support bulletins and other user support information and forums, to the full extent Contractor makes such resources available to its other customers; and
- e) provide to the State all such other services as may be necessary or useful to correct an Error or otherwise fulfill the Service Level requirements, including defect repair, programming corrections and remedial programming.

Service Levels. - Response and Resolution times will be measured from the time Contractor receives a Support Request until the respective times Contractor has (a) responded to that Support Request, in the case of response time and (b) Resolved that Support Request, in the case of Resolution time. "**Resolve**", "**Resolved**", "**Resolution**" and correlative capitalized terms mean, with respect to any particular Support Request, that Contractor has corrected the Error that prompted that Support Request and that the State has confirmed such correction and its acceptance of it in writing. Contractor shall respond to and Resolve all Support Requests within the following times based on the State's designation of the severity of the associated Error, subject to the parties' written agreement to revise such designation after Contractor's investigation of the reported Error and consultation with the State:

Severity Level of Error	Definition	Required Service Level Response and Response Time	Required Service Level Resolution Time
1	Business Critical Failures: An Error that:	Level 1 Response:	Contractor shall Resolve the Support Request as soon as practicable and no later than (24) twenty four hours after

	<p>(a) materially affects the operations of the State's business or marketability of its service or product;</p> <p>(b) prevents necessary work from being done; or</p> <p>(c) disables or materially impairs (i) any major function of the Software or (ii) the State's use of any major function of the Software.</p>	<p>Contractor shall acknowledge receipt of a Support Request within (4) four hours.</p> <p>Level 2 Response:</p> <p>Contractor shall work on the problem continuously and:</p> <p>(a) restore the Software to a condition that allows the State to continue to use all functions of the Software in all material respects within (24) twenty four hours after the Level 1 Response time has elapsed; and</p> <p>(b) exercise best efforts to Resolve the Error until full restoration of function is provided.</p>	<p>Contractor's receipt of the Support Request.</p> <p>If the Contractor Resolves the Support Request by way of a work-around accepted in writing by the State, the severity level assessment will be reduced to a Severity Level of Error 2.</p>
2	<p>System Defect with Work-around:</p> <p>(a) a Severity Level 1 Error for which the State has received, within the Resolution time for Severity Level 1 Errors, a work-around that the State has accepted in writing; or</p> <p>(b) an Error, other than a Severity Level 1 Error, that affects operations of the State's business or marketability of its service or product.</p>	<p>Level 1 Response:</p> <p>Contractor shall acknowledge receipt of a Support Request or, where applicable, the State's written acceptance of a Severity Level 1 Error work-around, within (4) four hours.</p> <p>Level 2 Response:</p> <p>Contractor shall, within (2) two Business Days after the Level 1 Response time has elapsed, provide:</p> <p>(a) an emergency Software fix or work-around; or</p> <p>(b) temporary Software release or update release,</p> <p>that allows the State to continue to use all functions of the Software in all material respects.</p>	<p>Contractor shall Resolve the Support Request as soon as practicable and no later than (2) two Business Days after Contractor's receipt of the Support Request or, where applicable, the State's written acceptance of a Severity Level 1 Error work-around.</p>
3	<p>Minor Error:</p> <p>An isolated or minor Error in the Software that meets each of the following requirements:</p>	<p>Level 1 Response:</p> <p>Contractor shall acknowledge receipt of the Support Request within (4) four hours.</p>	<p>Contractor shall Resolve the Support Request as soon as practicable and no later than (5) five Business Days after Contractor's receipt of the Support Request.</p>

	<p>(a) does not significantly affect Software functionality;</p> <p>(b) can or does impair or disable only certain non-essential Software functions;</p> <p>(c) does not materially affect the State's use of the Software; and</p> <p>(d) has no or no more than a minuscule effect on the operations of the State's business or marketability of its service or product.</p>		
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Escalation to Second Line Support. Contractor shall provide Second Line Support to the State within (48) forty-eight hours of its receipt of any State Request for such Second Line Support. Contractor shall ensure that all Second Line Support is provided by personnel designated in the Contact List who have the appropriate qualifications, skills and experience to fully and efficiently Resolve the State's Support Request within the Resolution time specified for such Support Request in the Service Level Table.

Escalation to Parties' Project Managers. If Contractor does not respond to a Support Request within the relevant Service Level response time, the State may escalate the Support Request to the parties' respective Project Managers and then to their respective Contract Administrators.

Time Extensions. The State may, on a case-by-case basis, agree in writing to a reasonable extension of the Service Level response or Resolution times.

Contractor Updates. Contractor shall give the State monthly electronic or other written reports and updates of:

- a) the nature and status of its efforts to correct any Error, including a description of the Error and the time of Contractor's response and Resolution;
- b) its Service Level performance, including Service Level response and Resolution times; and
- c) the Service Credits to which the State has become entitled.

Time of the Essence. Contractor acknowledges and agrees that time is of the essence with respect to its performance under this Schedule and that Contractor's prompt and timely performance hereunder, including its performance of the Service Levels, is strictly required.

Fees.

Support Fees. In consideration of Contractor's performance of the Support Services in accordance with the terms and conditions of this Schedule and the Contract, the State shall pay to Contractor the fees set forth in the attached **Schedule D** (the "**Support Fees**"). Payment to Contractor of the Support Fees pursuant to **Schedule B and D** will constitute payment in full for the performance of the Support Services and the State will not be responsible for paying any other fees, costs, expenses or other charges for or in connection with the Support Services. The Support Fees set forth in this Schedule are firm and will not be modified during the Support Period.

Warranty Period

The Maintenance And Support Contract commences upon - notice of completion of Acceptance Tests, and payment of Support Fees in accordance with Exhibit B: (i) extends the initial warranty period for the duration of the Support Contract,

including all renewals thereof, and (ii) provides additional technical support services during the initial ninety day warranty period, as described in Contractor's standard Maintenance And Support agreement.

Support Requests and State Obligations.

Support Requests. The State may request Support Services by way of a Support Request. The State shall classify its requests for Error corrections in accordance with the severity level numbers and definitions of the Service Level Table set forth in **Schedule B** (each a "**Support Request**"). The State shall notify Contractor of each Support Request by e-mail or telephone or such other means as the parties may agree to in writing. The State shall include in each Support Request a description of the reported Error and the time the State first observed the Error, with sufficient technical information that will enable Contractor to duplicate the error in its support laboratory, or on-site.

State Obligations. The State shall provide the Contractor with each of the following to the extent reasonably necessary to assist Contractor to reproduce operating conditions similar to those present when the State detected the relevant Error and to respond to and Resolve the relevant Support Request:

- a) direct access at the State's premises to the State Systems and the State's files, equipment and personnel;
- b) output and other data, documents and information, each of which is deemed the State's Confidential Information as defined in the Contract; and
- c) such other reasonable cooperation and assistance as Contractor may request.

Contractor Support Contact Information

Support Contact number and website:

USA: (866).219.4318 | [docusign.com](https://support.docusign.com)

Please use DocuSign's support-request form as it provides us necessary details of issues you may be experiencing:
(<https://support.docusign.com/contactSupport>)

If for any reason the State is not satisfied with the attention and response by Contractor's Senior Director, the State may further escalate the service failure to Contractor's Vice President of Global Support, Customer Service, who shall have the same responsibility as that of the Senior Director. As of the date of this Proposal, these positions are filled by the following individuals:

Senior Director, Global Support, Customer Service:

Mr. Christopher Santini Christopher.Santini@docusign.com

VP Global Support, Customer Service:

Ella Dillon ella.dillon@docusign.com

Contractor Maintenance and Support

The system will be hosted and operated by the State, with Contractor's support and maintenance on a "reasonable commercial efforts" basis, and without liability for service credits, deductions or offsets. In addition to the escalation procedure in the "Service Level Procedures", Contractor offers the State access to additional management resources:

In the event of Contractor's failure to meet the Required Service Level Response or Resolution within the allotted time, the State may next notify Contractor's Senior Director, Global Support, Customer Service, of the service issue. The Senior Director's shall provide a response within twenty four hours, including an acknowledgment of the request, a status update on all remedial steps being taken to address the issue in sufficient technical detail to enable the State to adequately monitor Contractor's progress, and the Senior Director's best estimate of the time to resolution. The Senior Director shall remain actively involved in supervising the remediation, and provide status updates no less than every twenty four hours until resolution.

DocuSign, INC. Support and Maintenance Summary

Warranty Terms:	Equipment – Term specified on applicable Order Form.
Return to Factory:	Shipping and insurance costs paid by DocuSign; 7-day turnaround (receipt to shipment).
Return to Customer:	Shipping and insurance paid by Subscriber if no defect in Equipment found.
Support & Escalation:	Support hours: 8:00 AM - 6:00 PM Monday-Friday US Central Standard Time, and 8:00 AM - 6:00 PM Sunday-Thursday Central European Time. Escalated response, via Subscriber's DocuSign account manager: 8 hour phone and/or email response.
Installation:	No charge phone and/or email support for installation for first 30-days after receipt of Product.
Onsite Service:	Standard daily rate specified on Order Form plus actual travel and expenses.

1. SUPPORT AND MAINTENANCE

1.1 DocuSign agrees to provide Support and Maintenance pursuant to the following terms and conditions for CoSign Service(s) ("Agreement"). Except as provided in the Terms and Conditions for CoSign Services, no support and maintenance services are provided to Subscriber unless Subscriber purchases a support and maintenance plan. Under a CoSign Service Support and Maintenance plan, Subscriber is entitled to customer support, technical support and Equipment maintenance.

1.2 This Agreement does not cover Equipment, or versions of Equipment, which are no longer offered by DocuSign for general commercial availability (otherwise known as "End Of Life" or "EOL"). In the event any Equipment is categorized as EOL Equipment during the current Term, DocuSign will continue providing support until expiration of the then current Term. Subscribers are encouraged to contact their DocuSign sales representative to determine whether any of Subscriber's Equipment has reached its EOL. DocuSign's receipt of Support and Maintenance fees for Equipment that has already reached its EOL does not constitute an agreement to extend this Term of coverage. Any support offered by DocuSign for Products that have already reached their EOL will be offered at DocuSign's sole discretion and if offered will be provided "as is" without warranty of any kind related to the service(s) and/or Product(s).

1.3 The services and remedies offered under this Agreement are exclusive of all other remedies for Equipment defects which may arise during the Term of coverage. All services and remedies are offered on a "reasonable commercial efforts" basis, and DocuSign does not guarantee that all Equipment defects can be remedied.

2. CUSTOMER SUPPORT AND TECHNICAL SUPPORT

2.1 DocuSign Customer Support provides assistance to Subscriber as specified in Section 2.2. utilizing DocuSign's team of experienced technical support professionals online and/or by phone. DocuSign will provide prompt response and escalated support during Subscriber's business day, with specific time coverage described below.

2.2 CoSign Support Deliverable Description:

- Support portal and Knowledge Base – Search for answers and submit Support requests
- DocuSign Community - Q&A community staffed by DocuSign employees and power users of our product
- Online Case Submission and Management – Submit cases online for assistance from our Support Team
- Phone or Email Support - Talk to our DocuSign Support Team for technical CoSign questions, billing inquiries and account support. Support hours: 8:00 AM - 6:00 PM Monday-Friday US Central Standard Time, and 8:00 AM - 6:00 PM Sunday-Thursday Central European Time. Escalated response via your DocuSign account manager: 8 hour phone and/or email response.

- Escalated Tier 2 Support – Direct access to senior technical resource as part of standard support escalation process.
- CoSign Integration Support (CoSign Integration Tools)

2.3 An account manager will be assigned to Subscriber to provide support through DocuSign’s online case submission and management tools that allows Subscriber to track questions through resolution.

3. EQUIPMENT MAINTENANCE AND WARRANTY

3.1 Limited Warranty. DocuSign’s limited Equipment warranty is in place for the period determined by the CoSign Service Support and Maintenance plan purchased by Subscriber under an applicable Order Form (“Equipment Warranty Period”). The Equipment warranty covers Equipment purchased from DocuSign or DocuSign-authorized reseller.

Equipment warranty does not cover:

- Damage resulting from improper handling, lack of care or accidents
- Any consequential damage resulting from failure to use or maintain the Equipment in accordance with the Equipment’s documentation

3.2 DocuSign’s sole responsibility is, at DocuSign’s option, the repair, correction of error, or replacement of the defective hardware Equipment. Warranty automatically becomes void in the event of servicing or repair of the Equipment by any person not duly authorized by DocuSign.

In the event of Equipment failure, Subscriber shall first notify DocuSign’s account manager. Subscriber shall make all reasonable efforts to troubleshoot and document the Equipment failure in accordance with DocuSign’s recommendations prior to requesting replacement or repair of any Equipment covered under this Agreement. Subscriber’s failure to implement DocuSign’s recommendations may result in limited services, denial of services or additional costs incurred by the Subscriber under this Agreement.

3.3 Equipment Returns for Repair. Prior to return of Equipment, the Subscriber is obligated to first obtain a Return Material Authorization (RMA). If hardware components are deemed faulty by DocuSign, DocuSign will issue a RMA and return instructions. Subscriber will ship the faulty hardware with the RMA# to DocuSign, and upon receipt DocuSign will then ship a repaired or replacement unit to the Subscriber within ten (10) business days.

DocuSign shall arrange and pay for all costs of returning the Equipment to DocuSign. For Equipment destined outside the United States, Subscriber shall also pay for all costs incurred in returning the Equipment to Subscriber’s location, including transportation, import fees, duties and taxes, if any.

3.4 Equipment Warranty Exclusions. All the above warranties are contingent upon proper use of the Equipment in accordance with DocuSign’s user documentation. These warranties will not apply (i) if adjustment, repair or parts replacement is required because of accident, unusual physical, electrical or electro-magnetic stress, negligence of Subscriber, misuse, failure of electric power environmental controls, transportation, not maintained in accordance with DocuSign specifications, or abuses other than ordinary use; (ii) if the Equipment has been modified by Subscriber or has been repaired or altered outside DocuSign’s factory, unless DocuSign specifically authorizes such repairs or alterations; (iii) where DocuSign serial numbers, warranty data or quality assurance decals have been removed or altered. In no event shall DocuSign be liable for any breach of warranty in an amount exceeding the total amount payable by Subscriber to DocuSign under the Order Form to which the CoSign Service(s) relates. No person, including any dealer, agent or representative of DocuSign is authorized to assume for DocuSign any other liability on its behalf except as set forth herein. Non-payment of any invoice rendered within the payment terms of this Agreement automatically cancels any warranty or guarantee stated or implied.

Schedule C – License Agreement

DocuSign, INC.
TERMS AND CONDITIONS for CoSign Services
v160112

These Terms and Conditions are subject to the order of precedence set forth in the Agreement at Section 29.20.

1. DEFINITIONS. Capitalized terms not defined in this Section 1 are as defined in the Agreement.

“**Agreement**” shall have the same definition as “**Contract**,” as both refers to **CONTRACT NO. 071B6600041** between the State of Michigan and DocuSign.

“**CoSign Service(s)**” means the CoSign Software, Professional Services, and Support and Maintenance as subscribed to by the State during the Term and subject to this Agreement.

“**Equipment**” (also referred to “CoSign appliance”) means the CoSign hardware purchased under this agreement.

“**Order Form**” means the schedule that sets forth the Service(s) and Product(s) selected by the State in accordance with this Agreement. An Order Form is not binding until it is duly executed by both DocuSign and State, at which point it becomes incorporated into and part of the Agreement.

“**New and Updated Product Offerings**” as new and updated products and solutions become available, DocuSign will provide updated price listings to the State of Michigan for purchase as new enterprise contract product offerings become available.

2. SUBSCRIPTION SERVICE AND LICENSE.

2.1 Provision of CoSign Services. Subject to the terms of this Agreement, DocuSign grants the State a personal, non-exclusive, non-transferrable, revocable license to use the Equipment and Software in object code and embedded firmware to operate the Equipment in accordance with the Documentation. DocuSign will provide CoSign Service(s) in accordance with the Agreement. The right to use CoSign Service(s) and Product(s) is limited to the Authorized Users, and Subscriber may not resell CoSign Service(s) and/or Product(s) or use the Equipment with software other than the Software provided by DocuSign to the State under this Agreement. DocuSign hereby grants to the State for the Term a non-exclusive, non-transferable license to copy and use the object code versions of the Software in object code and embedded firmware that will accompany the Equipment, for the purposes of (i) integrating CoSign Service(s) with Subscriber’s Application, (ii) using CoSign Service(s) for the State’s application with Equipment, and (iii) supporting CoSign Service(s). No sublicensing rights are granted or implied. Title to the CoSign Service(s) Software shall at all times remain with DocuSign. Title to the hardware components of the Equipment transfer to the State upon delivery.

2.2 Usage and Access Limitations. All Software license rights which are not expressly granted herein are deemed withheld. Without limitation on the foregoing, no rights to the DocuSign Source Code are granted or implied. Aggregate use of the CoSign Services by the State per each year of the Term shall not exceed a number equal to the amount set forth in **Schedule D** to the Agreement. The State shall not: (i) adapt, alter, modify, translate, create derivative works of, reverse compile, disassemble, or otherwise attempt to reconstruct the source code of the Software; (ii) use the Software for any purpose that is not authorized in the Software documentation; (iii) allow use of the Software in any manner that allows internal access to its functionality other than through the functionality of the Subscriber’s systems that incorporate the Software or the Software’s interface (as the same may be enhanced from time to time) published by DocuSign; (iv) allow use of the Software to create digital signatures by any device other than the Equipment; (v) allow use of the Equipment with any software not provided by DocuSign; (vi) assign, pledge, rent, lease, loan or timeshare the Software to third parties; (vii) obfuscate, remove or alter any of the trademarks, trade names, logos, patent or copyright notices, confidential or proprietary rights notices or legends or other notices or markings on or in CoSign Service(s) or accompanying documentation, without DocuSign’s express written consent; (viii) add, or permit any third party to add, any markings, notices or legends to CoSign Service(s) and/or Product(s) without DocuSign’s express prior written consent; (ix) publish or otherwise disclose to any third party the results of any analysis, benchmark or other tests on CoSign Service(s) and/or Product(s); (x) copy any portion of the Software for any purpose not expressly allowed under this Agreement; (xi) sublicense or distribute the Software in any

manner to any third party; or (xii) in the event the Subscriber's Application is specifically identified in the Order Form, use the Software for any other application.

Schedule D – Pricing Schedule

INITIAL MDOT PAYMENT MILESTONES

The State will pay Contractor on a firm-fixed price, deliverables basis. The State plans to pay the one-time project costs in three payments not exceeding the percentages for each milestone listed below. The milestones below are directly tied to the Deliverables detailed in **Section 1.104**. The State will not make partial payments nor make progress payments for milestones. Contractor may invoice for a completed milestone only after the State has formally accepted all deliverables associated with that milestone. The formal acceptance procedure is detailed in **Section 1.500** See Table 1.

TABLE 1:

Payment milestones for the initial MDOT project.

MDOT Payment Milestone#	Item	Amount to be Invoiced/Explanation	Amount
#1	Hardware/One-Time	At contract signature products shipped equals Day 1 of warranty, invoice at shipment of 2 Non-FIPS Enterprise Appliances/Hardware Subscription Implementation Bundle flat fee price 100% due	\$5,000
#1	Hardware/One-Time	CoSign HALB-Software Load Balancing Module (price/set of 2 CoSign appliances)- Enterprise included	No Cost
#1	License / Annual	2500 Internal Licenses @ \$85.00, 2000 External License @ \$ 24.82, 30% of 2 years = (\$262,140 X 2 year = \$524,280) 30% = \$157,284	\$157,284
		Total Payment #1	\$162,284
#2	License / Annual	After Acceptance Testing of Proof of Concept/Pilot; approximately 30 days after delivery of products 60 % balance of 2 years licenses due = \$314,568	\$314,568
#2	Support / Annual	100% of 2 years Annual Maintenance = \$52,428 X 2 = \$104,856	\$104,856
#2	Training & Services	\$6000 Training; \$6000 Support;	\$12,000
#2	Hardware/One-Time	CoSign FIPS Subscription Implementation Bundle[3] (4U Appliance)	\$10,000
#2	Hardware / One-Time	CoSign HALB-Software Module (price/set of 2 CoSign appliances)- FIPS	No Cost
		Total Payment #2	\$441,424
#3		At final acceptance and end of warranty, 10% balance due from licenses 2 year total of \$524,280	\$52,428
Year 2 - 2017 Estimated Annual Cost	License / Annual Support	Paid for in full year 1	\$0

Year 3 - 2018 Estimated Annual Cost	License / Annual Support	Licenses Annual = \$262,140/Maintenance =20% of total license cost	\$314,568
Year 4 - 2019 Estimated Annual Cost	License / Annual Support	Licenses Annual = \$262,140/Maintenance =20% of total license cost	\$314,568
Year 5 -2020 Estimated Annual Cost	License / Annual Support	Licenses Annual = \$262,140/Maintenance =20% of total license cost	\$314,568
		Total Estimated 5 year cost	\$1,599,840

TABLE 2:
Initial MDOT Project Cost Tables

Cost Table Item	Vendor Part #	MDOT DocuSign Project Costs	Amount \$
Hardware / One-Time	APT-0168	CoSign Enterprise Subscription Implementation Bundle[2] (1U Appliance) 2 Non-FIPS Appliances/Hardware Flat Fee	\$5,000
Hardware / One-Time	NA	CoSign HALB-Software Module (price/set of 2 CoSign appliances)- Enterprise Non-FIPS	Included with Subscription[4]
Hardware / One-Time	APT-0177	CoSign FIPS Subscription Implementation Bundle[3] (4U Appliance) Flat Fee	\$10,000
Hardware / One-Time	NA	CoSign HALB-Software Module (price/set of 2 CoSign appliances)- FIPS	Included with Subscription[5]
Cost Table Item		Digital Signature DocuSign Licenses	
License / Annual	APT-0169	CoSign Enterprise Subscription Signer Licenses (Internal User) 2,500 @ \$85.00 each/annually with 525 annual signatures per license MDOT only	\$212,500
License / Annual	APT-0178	CoSign Enterprise Subscription Signer Licenses (External User) 2,000 @ \$24.82 each/annually with 525 annual signatures per license MDOT only	\$49,640
		Total Annual License	\$262,140
Cost Table Item		Maintenance and Support Services	

Maintenance / Annual	APT-0148	Annual Support and Maintenance[8] Calculated at 20% of the annual total license at each agency/purchase	\$52,428
Support Services / One-Time	APT-0196-R	Professional Services - 8 Hours configuration @ \$250/HR 8 Hours installation @ \$250/HR 8 Hours testing @ \$250/HR	\$6,000
Support Services / One-Time	APT-0198-R	CoSign End-User Training Module- Remote; 2 Hours Train the Trainer Training by PM 2 @ \$500; 12 Hours End User Training by PM @ \$3000; 2 Hours System Admin Training @ \$500; 8 Hours Knowledge Transfer as agreed in Approved Transition Plan (SEM 701) @ \$2000 total	\$6,000
Documentation		All Documentation Included/On-line Help, Systems Admin Documentation, Technical Documentation included @ NC	\$0
		Total 1st year costs	\$341,568

Subscription License Costs MDOT ONLY: During the initial Year 1 and 2 subscription period, MDOT will have a combined signature count pool of 4,950,000 available and not subject to any overage charges. Initial signature count is calculated as = 4,500 licenses X 525 X 2 years. At the beginning of year 3, the total signature count from year 1 and 2, will be captured. The total signature count (for year 1 and 2) will be used to determine any overages. If there are any overages the following will be applied (see instruction sheet below for signature counter reports):

- If overage is less than 10% of appliance signature allotment, no additional cost are incurred and no additional user licenses will be provided for the subsequent renewal term
- If overage is greater than 10% of appliance signature allotment, the overage data from the prior subscription term will be divided by 525 to arrive at the additional new user licenses needed upon renewal.
 - The cost for these additional licenses will depend on the appliance and will receive a further discount of 50%:
 - Internal User Appliance: A rate of \$85 x 50% will apply. No Support fee is added.
 - External User Appliance: A rate of \$24.82 x 50% will apply. No Support fee is added.
- The cost for these additional licenses will be added to the order form for the subsequent support renewal.
- With each increase of additional licenses, a new license key will be issued to MDOT, and the new license count x 525 will be the new number used for the subsequent annual signature limit reviews.
- Signature counter review will happen annually after Year 2, starting in Year 3 as noted above.

COST TABLE FUTURE STATE OF MICHIGAN PURCHASES

Table 3
DocuSign Price Lists – State of Michigan (other than MDOT)

State of Michigan Category	Vendor Subscription Part #	071B6600014 DocuSign Price List for State of Michigan Enterprise	Cost/Pricing \$[1]
Hardware / One-Time	APT-0168	CoSign Enterprise Non-FIPS Subscription Implementation Bundle[2] (1U Appliance)	\$5,000 Flat Fee
Hardware / One-Time	APT-0177	CoSign FIPS Subscription Implementation Bundle[3] (4U Appliance)	\$10,000 Flat Fee
Hardware / One-Time	NA	CoSign HALB-Software Module (price/set of 2 CoSign appliances)- Enterprise Non-FIPS	Included with Subscription[4]
Hardware / One-Time	NA	CoSign HALB-Software Module (price/set of 2 CoSign appliances)- FIPS	Included with Subscription[5]

Maintenance		Maintenance and Support Services		Cost/Pricing \$	
Maintenance / Annual	APT-0148	Annual Support and Maintenance[8] Calculated at 20% of the annual total license at each agency/purchase		20% of total license purchase	
Support Services / One-Time	APT-0196-R	Professional Services- Remote[9]		\$2,000/day	
Support Services / One-Time	APT-0196-O	Professional Services- Onsite[10]		\$2,750/day	
Training		CoSign Training Services		Cost/Pricing \$	
Training	APT-0198-R	CoSign End-User Training Module- Remote		\$2,000 Flat Fee	
Training	APT-0198-O	CoSign End-User Training Module- Onsite		\$2,750 Flat Fee, Daily Rate	
Training	APT-0197-R	CoSign Administrator Training Module- Remote		\$2,000 Flat Fee	
Training	APT-0197-O	CoSign Administrator Training Module- Onsite		\$2,750 Flat Fee, Daily Rate	
Category:		Digital Signature DocuSign Licenses		Cost/Pricing \$	
License / Annual	APT-0169	CoSign Enterprise Subscription Signer Licenses (Internal User)[12]		\$85 per user/year	
License / Annual	APT-0178	CoSign Enterprise Subscription Signer Licenses (External User)[12]		\$24.82 per user/year	
Enterprise Purchases		Agencies		Volume Thresholds	
2/29/2016	MDOT	Initial Fixed Purchase Amount of 2500 Internal Users - 65% off current list price of \$240 MDOT initial purchases		\$85 per user/year	
2/29/2016	MDOT	Initial Fixed Purchase Amount of 2000 External Users - 89% off current list price MDOT initial purchases		\$24.72 per user/year	
	Next Volume Discount	Next 15,000 Internal Users %70 off current list price		\$80 per user/year	
		Next 15,000 External Users 91% off current list price		\$20 per user/year	
Governance		Minimum purchase of 100 users is required for purchase of appliances-- FIPS or Non-FIPS			
Governance		State of Michigan will entertain a "Enterprise Service" to accommodate agencies without their own appliance and requests for licenses with less than 100 users			
Governance		Annual reconciliation performed -by State for "True-Up" processing on users, discounts, and aggregate enterprise signature totals, reporting and vendor performance reviews and annual maintenance. See instructions below.			
Governance		"Signature Counter" to be turned on at the time the appliance is put into production, for each set of appliances during implementation. See Instructions sheet below.			
Other		System Add-on options and pricing (Quantity 1)			
	APT-0171	CoSign Connector for SharePoint & Nintex- Enterprise		\$48 per user/year	
	APT-0180	CoSign Connector for SharePoint & Nintex- FIPS		\$72 per user/year	
	APT-0172	CoSign Connector for SAP- Enterprise		\$48 per user/year	
	APT-0181	CoSign Connector for SAP- FIPS		\$72 per user/year	
	APT-0173	CoSign Connector for Laserfiche- Enterprise		\$48 per user/year	
	APT-0182	CoSign Connector for Laserfiche- FIPS		\$72 per user/year	
	APT-0176	CoSign Web App- Enterprise		\$48 per user/year	
	APT-0185	CoSign Web App- FIPS		\$72 per user/year	
	APT-0170	CoSign Batch-Sign (Auto Seal) Module- Enterprise (1 signer license only, includes 20,000 stamps/year)		\$10,000/year	

	APT-0179	CoSign Batch-Sign (Auto Seal) Module- FIPS (1 signer license only, includes 20,000 stamps/year)	\$20,000/year
	APT-0175	SAPI® COM SDK and/or SAPI Web Service API- Enterprise	\$48 per user/year
	APT-0184	SAPI® COM SDK and/or SAPI Web Service API- FIPS	\$72 per user/year
	APT-0174	CoSign 3rd-Party CA Interface License[6]- Enterprise	\$48 per user/year
	APT-0183	CoSign 3rd-Party CA Interface License[7]- FIPS	\$72 per user/year
New Product Offerings		New Products/Services – Additional DocuSign offerings as agreed by both parties will be added as they become available by change notices to the contract.	
TBD	TBD	TBD	TBD

[1] Product prices are subject to adjustment based on State of Michigan "Aggregate" Volume discounts and taxes.

[2] Subscription Implementation Bundle includes two CoSign Enterprise 1U hardware appliances, Enterprise server software, HALB module, E-Pad, and shipping. Future firmware and software upgrades are included with subscription plan.

[3] Subscription Implementation Bundle includes two CoSign FIPS 4U hardware appliances, FIPS server software, HALB module, E-Pad, and shipping. Future firmware and software upgrades are included with subscription plan.

[4] Subscription Implementation Bundle includes two CoSign Enterprise 1U hardware appliances, Enterprise server software, HALB module, E-Pad, and shipping. Future firmware and software upgrades are included with subscription plan.

[5] Subscription Implementation Bundle includes two CoSign FIPS 4U hardware appliances, FIPS server software, HALB module, E-Pad, and shipping. Future firmware and software upgrades are included with subscription plan.

[6] CoSign 3rd Party CA Interface license fee is a one-time charge for a logical configuration or connection between a CoSign appliance and any non-CoSign CA (including CoSign installed as subordinate to 3rd party CA service or product). This fee does not include any services or product-license fees which the customer may be required to obtain from 3rd Party CA/PKI vendors.

[7] CoSign 3rd Party CA Interface license fee is a one-time charge for a logical configuration or connection between a CoSign appliance and any non-CoSign CA (including CoSign installed as subordinate to 3rd party CA service or product). This fee does not include any services or product-license fees which the customer may be required to obtain from 3rd Party CA/PKI vendors.

[8] Annual Support and Maintenance fee is calculated on total list price per bundle/signer/module/unit sold and is due and payable on initial purchase. It covers support, updates, and extended hardware warranty

[9] Subject to DocuSign approval of scope of work; Professional Services rates are on a daily 8-hour basis and do not include travel and lodging expenses.

[10] Subject to DocuSign approval of scope of work; Professional Services rates are on a daily 8-hour basis and do include travel and lodging expenses.

[11] Subscription Implementation Bundle includes two CoSign Enterprise 1U hardware appliances, Enterprise server software, HALB module, E-Pad, and shipping. Future firmware and software upgrades are included with subscription plan.

[12] Each Authorized User is permitted 300 signatures annually, aggregated over State wide purchases (i.e. number of Authorized Users X 300), prorated on 365 calendar year basis for any partial year Authorized Users.

Subscription License Costs All Others:

Upon completion of initial one-year subscription period, the agency will review signature count reports by set of appliance (see instruction sheet below). If the total signatures exceed the signature allotment (number of signer licenses x 300), the following applies:

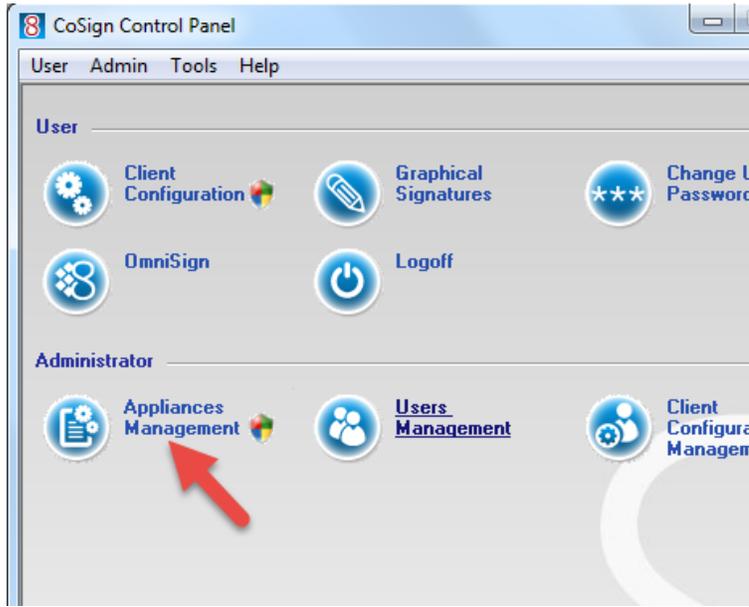
- If overage is less than 10% of appliance signature allotment, no cost is incurred
- If overage is greater than 10% of appliance signature allotment, the overage will be divided by 300 to arrive at the additional user licenses needed.
- The cost for these additional licenses will depend on the use of the appliance, i.e., internal vs. internal users:
 - Internal User Appliance: A rate of \$85 will apply, plus Support of 20%

- o External User Appliance: A rate of \$24.82 will apply, plus Support of 20%
- With each purchase, a new license key will be issued per appliance, and this new license count x 300 will be the new number used for subsequent annual signature limit reviews.

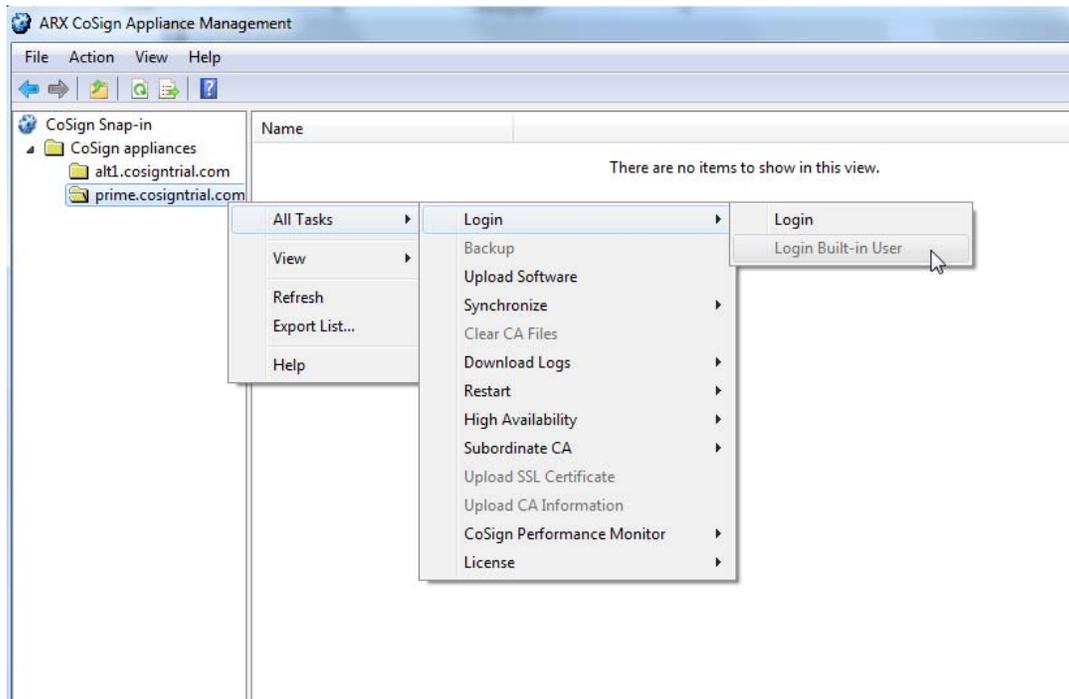
INSTRUCTIONS – COSIGN APPLIANCE SIGNATURE COUNTER

1. Setting CoSign to record signature counters (v.7.5)

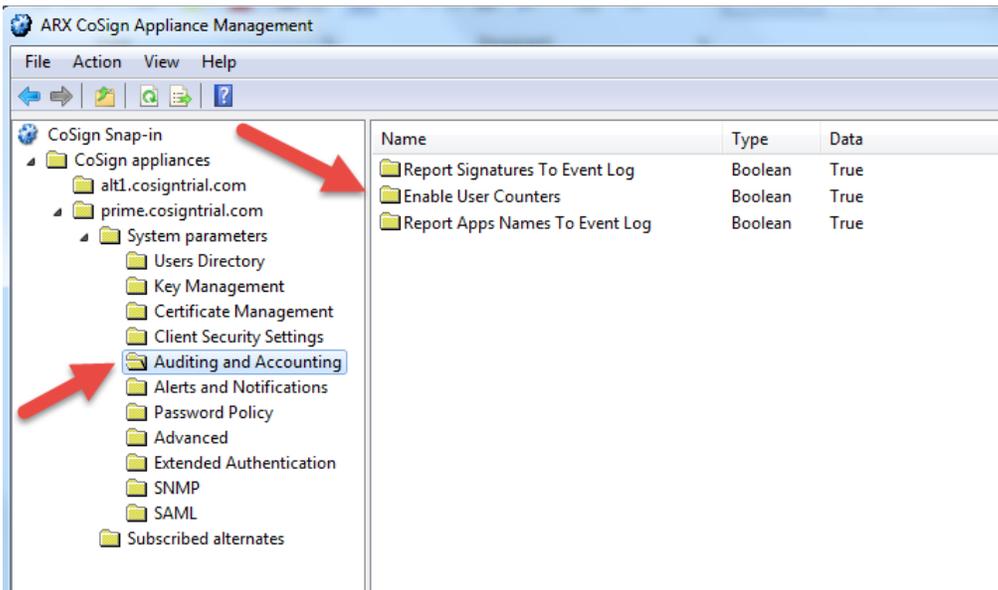
Open the CoSign Control Panel (located in the Windows directory C:\Program Files\ARX\ARX CoSign Client), and click the Appliances Management icon to open the Appliances Management console.



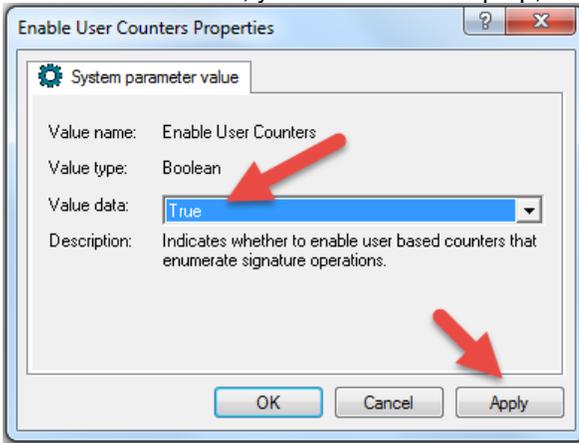
Once Appliances Management Console is Open, log into the appliance by right-clicking the appliance and going to All tasks > Login > Login or Login Built-in User (Only available in Active Directory mode)



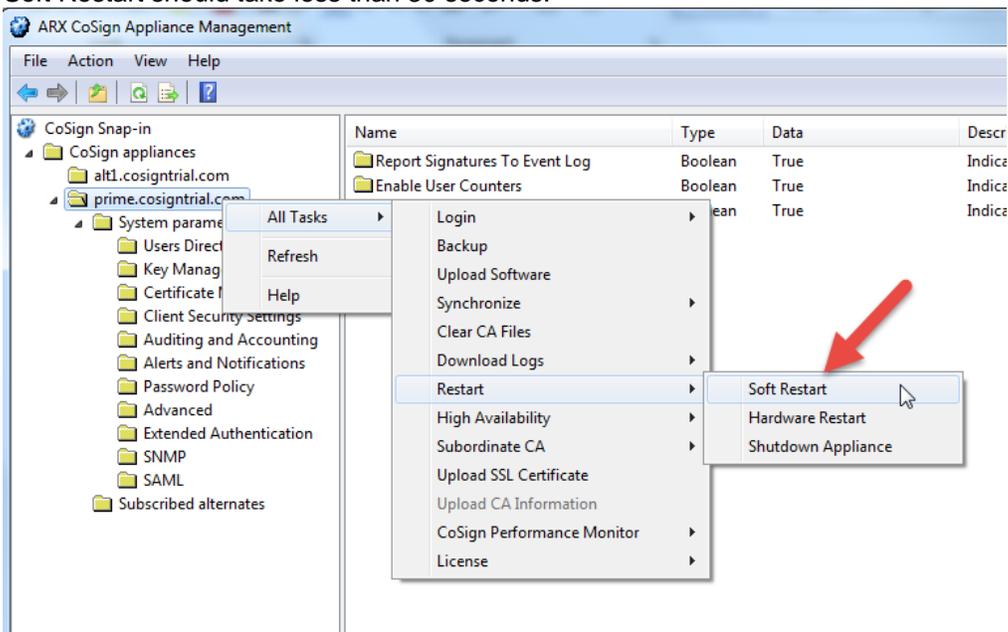
Once you are logged in you will be able to expand all the Folders on the left side panel. Select “Auditing and Accounting” on the left side panel and double click “Enable User Counters” on the right side panel.



Once double clicked, you will see this Pop up, and select True from the drop down menu. Click Apply and then OK.

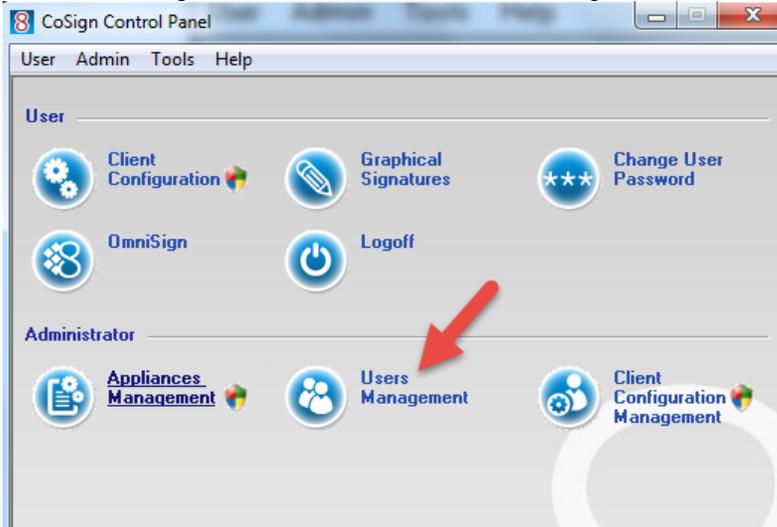


Once you click OK, the pop up disappears and the value should now be displayed as True. For changes to take affect you will need to right-click the appliance IP/DNS name on the left side panel, and select All Tasks > Restart > Soft Restart. The Soft Restart should take less than 30 seconds.

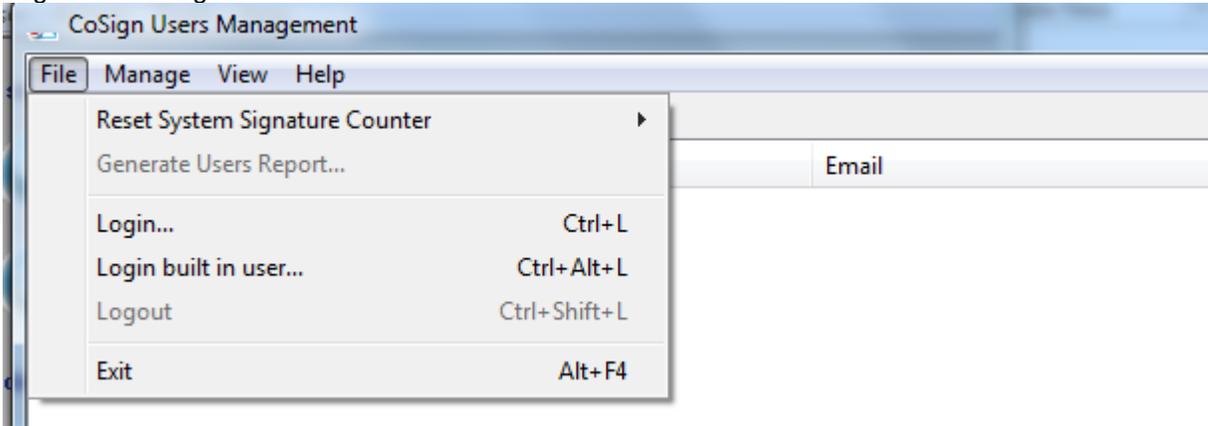


2. Retrieving signature counters statistics

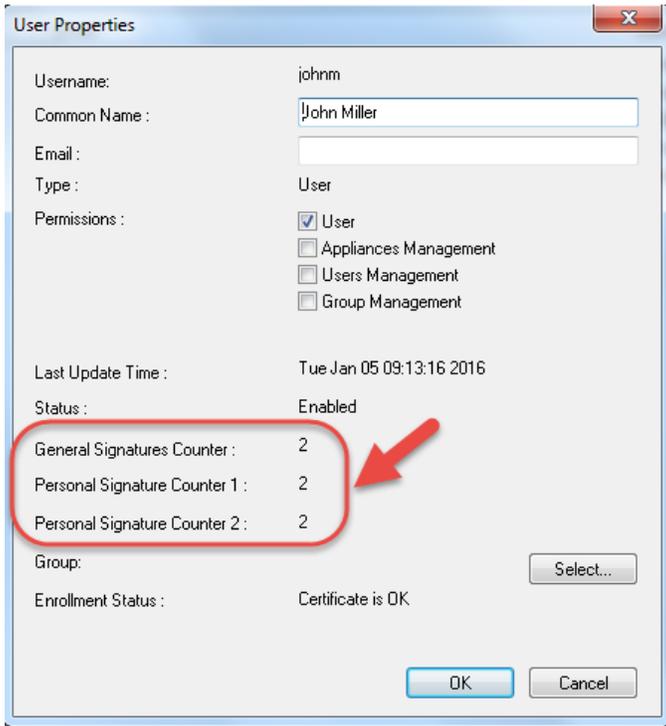
From the CoSign control Panel Click User's Management



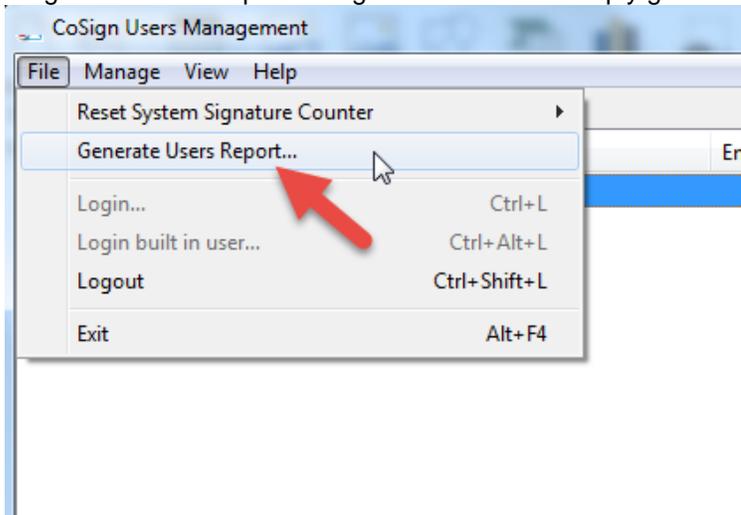
Log in: File > Login or Ctrl + L



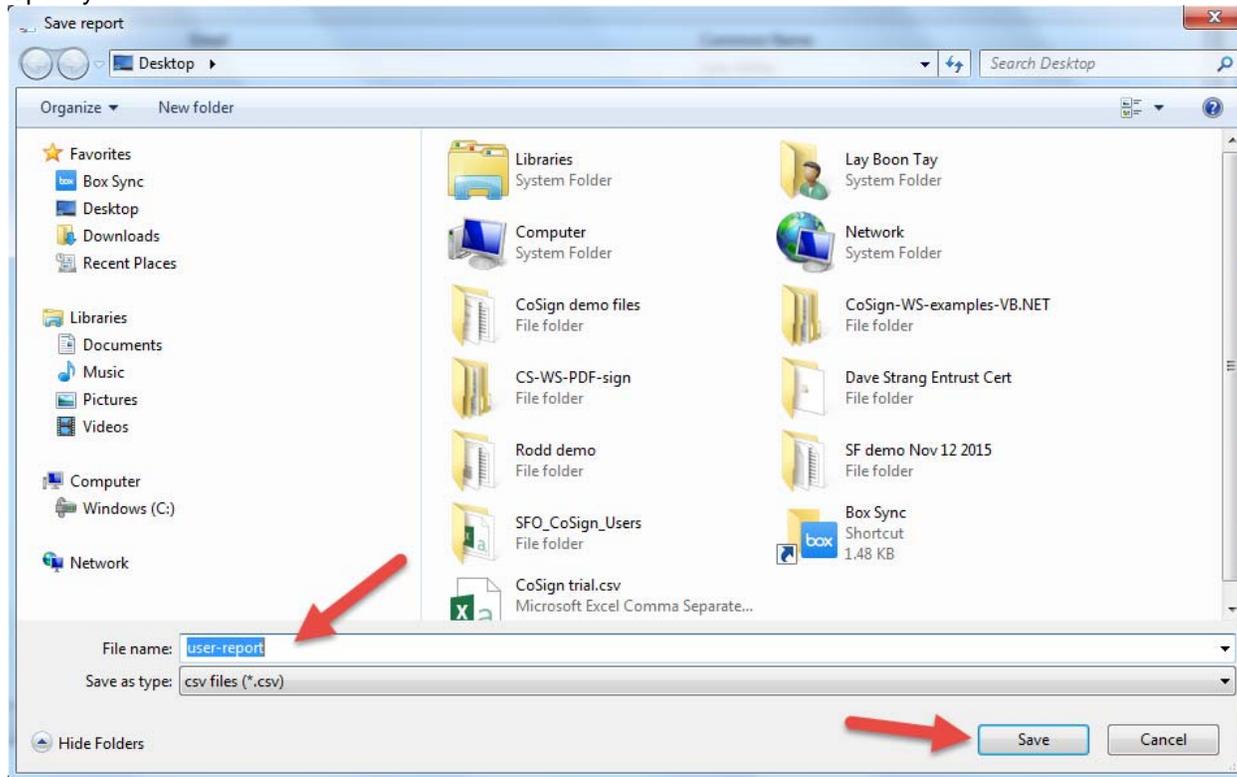
Once logged in, you will be presented with list of users. You can search these users and double click them for more details, including their individual signature counter stats:



To generate a full report on signature Counters simply go back to File > Generate user's report



Specify what to name the file and where to save it.



Contacting DocuSign Technical Support

If you need technical assistance, please do not hesitate to contact DocuSign Technical Support. We can be reached via:

- Web: <https://support.docusign.com/>
- Email: support.arx@docusign.com
- Phone: 1-800-379-9973

COSIGN TECHNICAL QUESTIONNAIRE – FUTURE PURCHASES

CoSign Questionnaire

General Information:

Latest update	22 January 2016
ARX Sales person name	<input type="text"/>
Reseller/ Distributor name	<input type="text"/>
Date	<input type="text"/>

Customer Information:

Customer name	<input type="text"/>	
Customer type	<input type="checkbox"/> Customer <input type="checkbox"/> Reseller <input type="checkbox"/> Business Partner	
Industry	<input type="checkbox"/> Local government / Municipal <input type="checkbox"/> Governmental <input type="checkbox"/> Financial <input type="checkbox"/> Commercial <input type="checkbox"/> Pharmaceutical <input type="checkbox"/> Healthcare <input type="checkbox"/> Life Sciences <input type="checkbox"/> Engineering <input type="checkbox"/> Insurance <input type="checkbox"/> Other: <input type="text"/>	
Address & Location	<input type="text"/>	
Time zone	<input type="text"/>	
Project Manager contact details	Name	<input type="text"/>
	Phone	<input type="text"/>
	Email	<input type="text"/>
Technical Representative contact details	Name	<input type="text"/>
	Phone	<input type="text"/>
	Email	<input type="text"/>

Part I – Preparing to Install CoSign

User Management System

1. Which of the following is your primary user management system:
 - Microsoft Active Directory **(please respond to items #2 - #6 below)**
 - ADFS based
 - Sun One (iPlanet)
 - Lotus Domino
 - IBM Tivoli
 - Oracle OID / OVD
 - SQL Database
 - Other:
 - None (Directory Independent)

For **MS Active Directory**, please answer items #2 to #6 below:

Structure:

2. Please describe the Active Directory's basic structure:
 - Single Forest
 - Multiple Forests

 - Single Domain
 - Multiple Domains
 - Two Way Trust between domains
 - One Way Trust between domains
 - No Trust between domains

Users:

3. Do all signing users exist in a single domain, or are they split up between multiple domains?
 - All signing users reside in a single domain
 - Signing users are split up between multiple domains
4. How many users do you have in your forest? (Only user objects, not all AD objects)
5. If MS Active Directory is the user management system, are all signing users' machines part of the main organization domain?
 - Yes
 - No

Active Directory time:

6. Is the domain workstation's time obtained from the DC or from other independent NTP servers?
 - Time obtained from the DC
 - Time obtained from the independent NTP

Certificate authority:

7. The users' signature certificates shall be issued by:
 - CoSign's internal CA (default configuration)
 - CoSign's internal CA set up as subordinate to an existing CA
 - An existing CA
 - Other:

Part II – Preparing to deploy CoSign

Digital Signatures Purpose:

8. What are your reasons for wanting to use digital signatures:

- Approval of workflow steps
- Non-repudiation of data
- Data integrity
- Long-term archiving
- Server signing
- Compliance to standards
- Other:

9. Please provide a general description of the expected signing processes. Describe all applications, documents, forms, transactions and procedures that will include digital signatures:

Applications:

10. What applications require signatures:

Check	Application Name	Use Graphical Signatures?
<input type="checkbox"/>	MS Word (versions 2003/2007/2010/2013)	<input type="checkbox"/>
<input type="checkbox"/>	MS Excel (versions 2003/2007/2010/2013)	<input type="checkbox"/>
<input type="checkbox"/>	MS Outlook / Outlook Express	<input type="checkbox"/>
<input type="checkbox"/>	SharePoint 2010/2013	<input type="checkbox"/>
<input type="checkbox"/>	PDF documents	<input type="checkbox"/>
<input type="checkbox"/>	TIFF files	<input type="checkbox"/>
<input type="checkbox"/>	Engineering drawings (AutoCAD, Microstation, others)	
<input type="checkbox"/>	Web forms	<input type="checkbox"/>
<input type="checkbox"/>	Content Management System (OpenText CS/LL/eDocs, Oracle WCC, Alfresco ECM, Documentum) Other: <input type="text"/>	
<input type="checkbox"/>	Workflow system (Nintex, K2) Other: <input type="text"/>	
<input type="checkbox"/>	In-house applications (please provide details below)	<input type="checkbox"/>
<input type="checkbox"/>	Other: <input type="text"/>	

11. Please provide more information on other in-house applications that are expected to use digital signatures?

12. Please provide more information on other 3rd party vendor applications are expected to use digital signatures? (Content Management Systems, ERP, CRM, Workflow, industry-specific):

13. Do you plan on using CoSign's integration tools (SAPI) to integrate CoSign's signatures in home-grown or 3rd party applications?

- No Yes Please elaborate:

Signing with CoSign:

14. How many digital signatures are expected per day system-wide?

Signing users:

15. How many end-users are expected to sign:

- In the first stage of system deployment:
- Within one year of deployment:
- Final maximum estimate:

16. What operating systems are in use on signers' client machines?

Operating System	<input type="checkbox"/>
Windows XP	<input type="checkbox"/>
Windows 2003	<input type="checkbox"/>
Windows Vista	<input type="checkbox"/>
Windows 7	<input type="checkbox"/>
Windows 8 / 8.1	<input type="checkbox"/>
Windows Server 2008	<input type="checkbox"/>
Windows Server 2012	<input type="checkbox"/>
Mobile (Android, iOS, Windows, Blackberry)	<input type="checkbox"/>
Linux	<input type="checkbox"/>
Others: <input type="text"/>	<input type="checkbox"/>

17. Remote signing: signatures will be requested remotely using:

- Web interface by integration with SAPI
- Citrix
- Terminal Services
- Other:

18. Are all client machines **always** on-line when signing takes place?

- Yes
- No. There is a need for offline signing

Verifying Users:

19. Who will typically be performing the signature verification?

- Other organization employees
- Business partners please elaborate:
- External users

20. From what operating will the digital signature verification typically take place?

- Windows XP / Vista / 2003 / 2008 / 2012 / Win 7 / Win 8
- Smartphones / Tablets
- Other:

Schedule E – Required Contractor Information

4.011 COMPANY INFORMATION

Company Full Legal Name:	Phone Number:
DocuSign Inc.	(866) 219-4318
Company Address (include 9 digit zip code):	Website Address:
221 Main Street, Suite 1000 San Francisco, CA 94105	http://DocuSign.com/
Legal Status (i.e. corporation, partnership, DBA):	Number of Years in Business:
Corporation	13
State Incorporated:	Gross Annual Sales for Last 5 Years
Delaware	Year 1 *
	Year 2 *
Data Universal Number System (DUNS) #	Year 3 *
	Year 4 *
187653592	Year 5 *
If licensed, provide the license number and the State in which the company is licensed:	
License	State

* DocuSign was a privately held company, as is the new parent company, DocuSign Inc., and neither share revenues. However, the most recent funding activity in May 2015 provides analyst information (see <http://www.forbes.com/sites/alexkonrad/2015/05/12/docusign-raises-233-million/>) and values DocuSign at \$3B.

4.013 AUTHORIZED CONTRACT SIGNATORY

Person named will be sole contact for your company to receive the Contract. Include the name and telephone number of person(s) in your company authorized to expedite any proposed contract with the State.

Name:	Chris Harris	Title:	Vice President Revenue Operations, Finance	Phone:	(415) 489-4087
Name:		Title:		Phone:	

4.015 STAFFING

The written proposal should indicate the competence of personnel whom the Contractor intends to assign to the project as specified Section 1.201. Qualifications will be measured by education and/or experience, with particular reference to experience on projects similar to that described in the Contract. For all personnel identified in Section 1.201, provide resumes, which include detailed, chronological work experience.

4.023 E-VERIFY

If the Michigan Department of Human Services or Michigan Department of Transportation receives goods or services under this Contract and pays for them using funds appropriated under 2012 PA 200, then the Contractor must comply with the requirements of §§ 291 and 381 of 2012 PA 200, as applicable, and use the federal E-Verify system to verify that new hire employees of the Contractor and its Subcontractors are legally present in the United States, and then certify the verification to the State.

DocuSign Response: Noted.

4.024 IRAN LINKED BUSINESS

The Contractor certifies that it *is* _____, *is not* an Iran linked business as defined in MCL 129.312.

4.025 EXTENDED PURCHASING PROGRAM

Check one box below:

- Deliverable(s) will be supplied to the State and **MiDEAL Members** according to the terms and prices quoted, subject to the Contract Terms.
- Deliverable(s) will not be supplied to **MiDEAL Members**.
- Deliverable(s) will be supplied to **State of Michigan employees**.
- Deliverable(s) will not be supplied to **State of Michigan employees**.
- Deliverable(s) will be supplied to **other States** (including governmental subdivisions and authorized entities).
- Deliverable(s) will not be supplied to **other States** (including governmental subdivisions and authorized entities).

DocuSign Response: DocuSign is not registered with MiDEAL, but will do so.

4.026 BUSINESS OWNED BY QUALIFIED DISABLED VETERAN

“Qualified Disabled Veteran,” as defined by Public Act 431 of 1984, means a business entity that is at least 51% owned by one or more veterans with a service-connected disability. The Act defines “Service-Connected Disability” as a disability incurred or aggravated in the line of active military, naval, or air service as defined in 38 USC 101 (16).

The Contractor represents that it IS _____, IS NOT X a disabled Veteran-owned business.

The Contractor represents and warrants that the company meets the above criteria (when checked) and has provided the following supportive documentation:

- A. Proof of service and conditions of discharge: DD214 or equivalent,
- B. Proof of service-connected disability: DD214 if the disability was documented at discharge or Veterans Administration (VA) Rating Decision Letter or equivalent if the disability was documented after discharge, and
- C. Proof of Ownership: Appropriate legal documents setting forth the ownership of the business entity.

IMPORTANT NOTE TO CONTRACTORS: Self certification alone will not initiate the price preference cited in the Proposal Instructions, Evaluation Process. In order to be considered for the pricing preference, your self-certification must be accompanied by the qualifying documents listed above. The State reserves the right to request additional documents or clarifying information about the documentation submitted with the bid.

Loss of Preference: If during the term of the contract the contractor no longer qualifies for the preference, or if the contract is assigned to a business entity that does not qualify for the preference, they will be required to discount their contract price by the amount of the preference they received.

Fraudulently representing information about the use of businesses owned by persons with disabilities to procure this contract is a violation of the Business Opportunity Act for Persons with Disabilities of 1988 PA 112, MCL 450.791 – 450.795. A person who knowingly violates this act is guilty of a felony, punishable by imprisonment up to 2 years in prison, or a fine not less than \$5,000. A person found guilty of violating this act may be barred from obtaining future contracts with the State.

Schedule F – Requirements

Note: For all requirements with the word “removed” in the column, please see Vendor comments to each removed requirement at the end of this table.

Req #	Requirement	Requirement Type	Mandatory	Vendor Response			Description/Comments
				Yes	No	Configured or Customized	
Business Solution Requirements							
1	The solution must comply with the federal Electronic Signatures in Global and National Commerce Act dated June 30, 2000.	Business	Yes	Yes			
2	The solution must comply with the Michigan Uniform Electronic Transactions Act (Act 305 of 2000).	Business	Yes	Yes			http://www.legislature.mi.gov/(S(3q4iaofftttdyfgkaii0hyttw))/mile.g.,.aspx?page=GetObject&objectname=mcl-Act-305-of-2000
3	The solution must allow the user to digitally sign a document via a web browser.	Business	Yes	Yes			
4	The solution must be available under an enterprise license for use by MDOT personnel, who include, but are not limited to: - On-network MDOT employees - Off-network MDOT employees	Business	Yes	Yes			
5	The solution must be available under the same enterprise license for use by external MDOT partners, at no charge to the external partners. MDOT external partners include, but are not limited to: - Contractors - Consultants - Local agency personnel - FHWA personnel	Business	Yes	Yes			

6	The solution must require each user to have a unique user ID and password in order to affix their digital signature to a document.	Business	Yes	Yes			
7	The solution must allow a minimum of ten signatures per document.	Business	Yes	Yes			
8	The solution must indicate if changes have been made to the document since signatures were affixed.	Business	Yes	Yes			
9	The solution must ensure that the digital signature remains intact and associated with the document, regardless of where the file is moved, emailed, or archived.	Business	Yes	Yes			
10	The solution must allow users to digitally sign documents and validate the identity of other signatures on a document from any device that is connected to the public internet.	Business	Yes	Yes			
11	The solution must allow users to affix digital signatures multiple document types. The system should support the following document types, at a minimum. .PDF .DOCX .XLS	Business	Yes	Yes			

12	The solution must allow users to affix their signature by accessing a document using any method, including, but not limited to: <ul style="list-style-type: none"> - Checking the document out of MDOT's document repository - Receiving the document as an email attachment - Opening the document file from a server - Receiving and opening the document in the field or other off-state-network location, using any device 	Business	Yes	Yes			
13	The solution must allow users to affix their signature by accessing a document using any method, including, but not limited to: <ul style="list-style-type: none"> - Representation of the user's signature - Representation of the user's initials - Professional engineer stamp - Notary public stamp 	Business	Yes	Yes			
14	The solution must allow the signatory to select (at the time of signing) a signature appearance to be embedded in their signature.	Business	Yes	Yes			
15	The system must allow an MDOT system administrator to manage the user certification process for external MDOT partners.	Business	Yes	Yes			
16	The solution must allow signatories to place their signature in a location of	Business	Yes	Yes			

	their choice on the document.						
17	The system should either notify users that their validation certificate is due to expire, or automatically renew the user's validation certificate.	Business	No				
18	The system should have a user-initiated password recovery mechanism.	Business	No	Yes			
19	The solution should allow users to sign a section of a document, which is then locked, while allowing subsequent signers to modify another section, then sign and lock that portion.	Business	No	Yes			
20	The solution must store authenticated digital IDs in a central repository and use them for validation purposes.	Business	Yes	Yes			
21	The solution must maintain an audit trail allowing users to verify that signatures were valid at the time they were affixed to a document.	Business	Yes	Yes			
<p>Client/Workstation - These technical requirements apply to a user's computer device. The intent is to ensure that applications operate successfully on State-owned and managed personal computing devices including desktops, laptops, handheld, and mobile devices. DTMB's Office Automation Services may need to be consulted for the latest standard desktop/laptop components and versions.</p>							
22	System must work in the following desktop and mobile operating systems (OS) : <ul style="list-style-type: none"> - Microsoft Windows 7 64-bit or higher - Microsoft Surface (Windows 8) - Android - iOS 	Technical	Yes	Yes			CoSign Client available on Windows x64 platform. Native apps available for Android and iOS.

23	System must operate with standard web browsers, including, but not limited to: - Internet Explorer 11 or newer - Chrome v42.x or newer - Safari 5.0 or newer	Technical	Yes	Yes		Compatible with CoSign Web App and CoSign Connectors using CoSign Web Agent. Also compatible with CoSign Connector for SharePoint.
Documentation and Standards - These technical requirements apply to software that will be purchased and/or used by the State. Documentation is critical for long-term support and maintenance.						
24	Vendor must provide a logical network diagram that describes how the infrastructure components will meet the functional requirements.	Technical	Yes	Yes		See attached combined logical network and architectural diagram.
25	Vendor must provide a high-level architecture diagram, including logical and physical components.	Technical	yes	Yes		See attached combined logical network and architectural diagram.
Installation - These technical requirements apply to software and hardware installation procedures and methods on both user devices and servers. DTMB's Agency Services, Office Automation Services, Field Services, and Infrastructure Services may need to be consulted to ensure availability of resources and compliance with supported end-user processes.						
26	If hosted by the state, vendor should provide a list of lessons learned encountered by other users during a typical implementation of software.	Technical	No	Yes		<p>MI DOT should be aware of the following potential issues when installing and maintaining CoSign Central solution:</p> <ul style="list-style-type: none"> Remember to label the blue colored CoSign Backup Keys as "Active" after the initial installation. The installation process will initialize 2 of these CoSign Backup Keys (more can be requested at additional cost). These keys are necessary for performing restore operation and installing additional CoSign appliances in High Availability / Load Balancing (HA/LB) mode. Secure these CoSign Backup keys so that they will not be lost. Some customers have lost their CoSign Backup keys when their administrator leaves the organization and took the keys home, thinking they are USB flash drives.

							<ul style="list-style-type: none"> MDOT must make sure to configure automatic backup process and inspect the process regularly to ensure the backup process is being executed. We recommend backing up the CoSign appliance at least once a week.
27	Removed						
28	System must not require installation of database system objects/privileges, or require access to sys or system passwords. Database account passwords must be encrypted and must follow State standards. (If hosted in SOM network)	Technical	Yes	Yes			CoSign does not require the installation of a database system. It comes with its own hardware and is self-contained.
Product Development - These technical requirements apply to software development and the tools needed to support it. Development includes purchase of ready-to-install commercial products to those designed, coded and tested by vendors and/or DTMB Agency Services staff.							
29	System application development should use one of the following development frameworks: - NET Framework 4.0 (standard) or higher - J2EE 7.x (standard)	Technical	No	Yes			CoSign APIs are available in REST, SOAP and COM Object models. Both .NET and J2EE 7.x software development environment are supported.
30	System programming should be done using one of the following language(s): - ASP.Net (standard) - C# (standard) - Java (standard) - JavaScript (standard) - JDK 7.0(standard) - VB .NET (standard)	Technical	No	Yes			All languages are supported except for Javascript.
31	Inclusion of any third-party code library or tool must be approved by the SOM technical lead.	Technical	Yes	Yes			No 3rd party library or tools are included in CoSign.

32	Removed						
33	System application testing must occur at a state of Michigan physical location.	Technical	Yes	Yes			CoSign Central is hosted by MI DOT and testing will be conducted at a MI physical location.
34	Vendor must follow a testing process comparable to the SUITE testing process. Documentation of testing and testing types/levels must be provided in the SEM-602. Detailed information about SUITE testing processes can be found at the link provided in the Comments column.	Technical	Yes	Yes			http://michigan.gov/suite
Application Security – These technical requirements apply to security measures which are intended to protect both the application itself and the data handled by the application. Since application security is continually being improved, the agency Michigan Cyber Security (MCS) Liaison and the DTMB-0170 should be consulted for any changes/additions.							
35	System access must be logged and have a viewable audit trail(s).	Technical	Yes	Yes			Admin tasks on CoSign appliance is logged in the CoSign appliance event log.
36	Access to audit trail logs must be able to be restricted to approved administrators.	Technical	Yes	Yes			Only CoSign appliance administrators (not user administrators) may download logs from CoSign appliances.
37	Communication between users and system components over the network should be able to be logged and the log file accessible to the system administrator.	Technical	No	Yes		Configured	CoSign appliance will log activities of users (e.g., signing documents). Additional logs can also be enabled and configured on the CoSign client or CoSign Connector software.
38	Removed						
39	System must restrict the user from having direct access to the program libraries (i.e., Base codes)	Technical	Yes	Yes			CoSign appliances are sealed hardware, users will not have access to its program libraries.

40	System passwords and user IDs must: <ul style="list-style-type: none"> • Protect sensitive data • Restrict access to only those intended • Meet state/agency security standards • Be encrypted 	Technical	Yes	Yes			CoSign appliances will encrypt all sensitive data and only users with admin privileges can access some of those (e.g., system parameters). CoSign meets the NIST FIPS 140-2 level 3 and Common Criteria EAL 4+ standards.
41	Removed						
Identity Management Security - These technical requirements apply to security measures which are intended to restrict access to the application, system and the data. Since application security is continually being improved, the MCS Liaison and the DTMB-0170 should be consulted for any changes/additions.							
42	User authentication methods, based on risk and severity level, may include: <ul style="list-style-type: none"> • User ID and passwords • Biometrics • Directories • Smart cards • Single sign-on solutions • Tokens • PKI and Certificates • Voice recognition • Shared secrets • Access control lists and files • Unique business process 	Technical	Yes	Yes		Configured	CoSign supports the following authentication methods: User ID and passwords, Biometrics (Digital Persona only), Active Directory, LDAP, Smartcards (with Active Directory), Single Sign-on (Active Directory with Kerberos) and Tokens (RADIUS).
43	System end-user software applications, or components thereof, must not require privileged, super-user or administrator mode in order to function properly.	Technical	Yes	Yes			Administrator privileges are only required during initial installation/configuration.
44	System authentication and authorization must be by individual user.	Technical	Yes	Yes			All users must be authenticated before signing privileges are granted.
45	User account information must be stored securely.	Technical	Yes	Yes			User account information is encrypted in the CoSign appliance.

46	Users must belong to roles.	Technical	Yes	Yes			Roles in CoSign are classified into Appliance Admin, User Admin and User.
47	System must enforce the following rules on individual passwords for allowable characters, length and expiration period: <ul style="list-style-type: none"> • Standard Windows characters allowed • Minimum of 8 characters in length • Expires every 90 days • Cannot reuse password for 1 year <p>See also <u>Policy 1340 - Information Technology Information Security</u>, which can be accessed via the link in the Comments column.</p>	Technical	Yes	Yes		Configured	http://www.michigan.gov/documents/dmb/1340_193162_7.pdf . CoSign is fully compliant when used in Active Directory mode (i.e., with AD integration). In Directory Independent mode (i.e., for external users), all requirements can be met except for the item "Cannot reuse password for 1 year". In place of that feature, CoSign lets the admin specify password complexity rules such as how many characters can be repeated and how many characters are allowed in ascending/descending sequence.
48	System must lock out users after six attempts to login using an invalid password.	Technical	Yes	Yes			
49	System must provide the system administrators with the ability to assign users to roles/privileges.	Technical	Yes	Yes			
50	System must restrict access based on the individual user authorization (Role Based Access Control - RBAC). Users should belong to groups and roles.	Technical	Yes	Yes			In Active Directory mode, Security Groups can be mapped to Roles in CoSign. In Directory Independent mode, users can be classified into admin-defined Groups and assigned Roles.
Database Server- These technical requirements apply to database technologies and the tools needed to support databases. These requirements are applicable only if the system is SOM hosted, unless otherwise noted.							
51	Removed						
52	Removed						
53	Removed						

54	Removed						
55	Removed						
56	Removed						
57	Removed						
58	Removed						
59	Removed						
60	Removed						
61	Removed						
62	Removed						
63	Removed						
64	Removed						
65	Removed						
66	Removed						
67	Vendor must provide a logical data model that will be reviewed for business accuracy and logical consistency by MDOT.	Technical	Yes	Yes			This information can be provided in the functional design document, SEM-501. See attached combined logical network and architectural diagram.
68	System solution architecture must be expandable and portable, with specific reference to the system capacity requirements presented in this requirement document.	Technical	Yes	Yes			CoSign Central is a scalable solution with HA/LB features.
69	System solution architecture must be sized suitably for the system specified.	Technical	Yes	Yes			
70	System solution architecture must not be dependent on the use of specific models of hardware/equipment.	Technical	Yes	Yes			CoSign Central comes with its own hardware. See Appendix E.
71	System solution architecture should follow the service oriented architecture (SOA) design.	Technical	No		No		SOA design is supported but not necessary to use CoSign.

72	Vendor must provide a detailed network/server diagram illustrating the relative architecture of the proposed system. It should include: <ul style="list-style-type: none"> • Network security zones and firewalls • Server types and network components (e.g., switches) • Ports and protocols used to cross security zones • How users will access the system • Clustering of servers 	Technical	Yes	Yes			Note: This requirement will be completed as part of the Enterprise Architecture Solution Assessment (EASA). The vendor must work with DTMB to complete the EASA after the contract is awarded but before the contract is signed.
73	Vendor must provide/enforce a service level agreement (SLA) for the solution/system specifying, at a minimum, the following: <ul style="list-style-type: none"> • Criticality level (critical, high, medium) • Recovery point objective (time in hours) • Recovery time objective (time in hours) 	Technical	Yes	Yes			
74	System must support installation and operation in one or more disparate hosting centers. Fail-over from one hosting center to another must be possible without exceeding parameters specified in the SLA.	Technical	Yes	Yes			Note: This requirement will be completed as part of the Enterprise Architecture Solution Assessment (EASA). The vendor must work with DTMB to complete the EASA after the contract is awarded but before the contract is signed.
75	Removed						
Solution Integration - These technical requirements describe how the system communicates with other computer systems.							
76	Removed						
System Administration and Licensing - These technical requirements specify that the system is supportable by SOM and is compliant with vendor licensing requirements.							

77	System documentation should provide access to FAQ and/or support information for frequent issues system administrative staff may encounter.	Technical	No	Yes			FAQs and support information are readily available on our web site www.DocuSign.com .
78	System documentation should describe the level of effort and anticipated downtime for product upgrade installation.	Technical	No			Customized	The level of effort and time required for product upgrade is dependent on each customer's environment. As such, CoSign documentation does not provide any estimate. DocuSign/CoSign Technical Support reps can assist with this planning, but please note that a complete installation only takes a couple of hours, so an upgrade will be commensurate.
79	Removed						
80	Removed						
81	System documentation must clearly describe any special requirements (such as middleware, Operating System (OS), hardware, etc.) that could affect the capabilities or performance of the system.	Technical	Yes	Yes			Any special requirement will be documented in our Administrator and User guide.
82	System documentation should clearly describe all critical factors in sizing or configuring the application (e.g., number of concurrent users, specific transaction volumes, number of products, number of layers in the product hierarchy, etc.).	Technical	No			Customized	As CoSign comes with its own hardware (CoSign Appliance), sizing information will be provided to customer based on our discovery of usage pattern and user population.
83	System software license must be for perpetual use for a fixed fee without additional royalties or service fees, except for ongoing software maintenance.	Technical	Yes	Yes			See Appendix C

84	Vendor must provide projected capacity requirements for all aspects of the information technology network and infrastructure.	Technical	Yes	Yes			Capacity requirement will be provided for CoSign appliances based on the information we obtain.
85	System software must be able to handle approximately 200 concurrent users.	Technical	Yes	Yes			Each Cosign appliance can handle 2 million user accounts and can support up to 2000 concurrent network connections.
86	The software must support up to 6,000 named users (includes both internal and external users).	Technical	Yes	Yes			Each CoSign appliance can handle 2 million user accounts.
System Performance - These technical requirements are intended to ensure that applications and systems perform in a manner which guarantees a good user experience, carries the workload and performs as designed.							
87	System should maintain optimum performance over both Wide Area Network (WAN) and Local Area Network (LAN).	Technical	No	Yes			CoSign is extremely efficient in network usage, as only the hash value of the document or data to be signed is transmitted to the CoSign appliance.
88	System documentation should clearly describe what performance support will be provided to the state for performance optimization activities.	Technical	No			Configured	CoSign appliances have integrated performance logs. These are typically for analysis by DocuSign Technical Support personnel and not for general usage.
89	System documentation should clearly describe all activities that effect optimum performance such as service recycling, rebooting, or batch jobs and their frequency.	Technical	No			Customized	The standard CoSign documentation does not describe issues relating to optimum performance as each customer's environment is different. We can provide guidance and a customized documentation on this once we know more about the installation environment.
Application Configuration Management – (PCI-DSS) - These technical requirements apply to software and hardware installation procedures and methods.							

90	Vendor must ensure that all known security vulnerabilities are addressed in accordance with industry-accepted system hardening standards. Industry-accepted standards include: <ul style="list-style-type: none"> • SysAdmin Audit Network Security (SANS) • National Institute of Standards Technology (NIST) • Center for Internet Security (CIS) 	Technical	Yes	Yes			CoSign complies with standards established by NIST. The optional FIPS model also receives FIPS 140-2 level 3 and Common Criteria EAL 4+ certifications.
91	Vendor must disable any services and/or protocols that are not applicable to the state of Michigan installation of the software.	Technical	Yes	Yes			Protocols unnecessary to CoSign are not enabled on the CoSign appliance. The CoSign appliance itself is also protected by 2 independent firewalls, preventing unwanted network communications from affecting the appliance.
92	System security parameters must be configured to prevent misuse.	Technical	Yes	Yes			Only authenticated administrators will be able to view/modify CoSign appliance parameters.
93	Vendor must remove or disable any functionality in the system that will not be applicable to the state of Michigan installation of the software. This includes, but is not limited to: <ul style="list-style-type: none"> • Scripts • Drivers • Features • Subsystems • File systems • Unnecessary web servers 	Technical	Yes	Yes			CoSign comes with its own hardware (CoSign Appliance) and does not use any of external functionalities listed.
<p>Application Development Management – (PCI-DSS) - These technical requirements apply to software design, coding and installation procedures and methods on servers.</p>							

94	System must be developed in accordance with PCI DSS (for example, secure authentication and logging) and based on industry best practices.	Technical	Yes	Yes			CoSign does not have PCI DSS certification but is developed with more stringent standards such as FIPS 140-2 and Common Criteria.
95	If hosted by the state, vendor must ensure that there are separate development, test and production environments.	Technical	Yes	Yes			The State can purchase and deploy CoSign appliances for development, Test/QA and Production environments.
96	If hosted by the state, vendor must ensure that there is separation of duties between development, test and production environments.	Technical	Yes	Yes			Separation of duties must be designated by the State, DocuSign does not dictate duties.
97	Vendor must perform data validation prior to testing.	Technical	Yes	Yes			We will validate data of the CoSign appliance to ensure proper implementation of digital signatures.
98	Vendor must demonstrate that the system works in the test environment before turning over to MDOT for testing.	Technical	Yes	Yes			We will assist the State in installation and configuration of CoSign in all purchased environments (Development, Test/QA and Production) and ensure they are functional. Please see Appendix E.
99	Vendor must ensure that personally identifiable information (PI/PII) production data is not used for testing or development purposes.	Technical	Yes	Yes			No PI/PII production will be used or is necessary.
100	Vendor must ensure that all test data/accounts are removed before production systems become active.	Technical	Yes	Yes			We will show the State how this can be done, and will verify that this is done correctly.
101	Vendor must ensure that all custom and developer accounts, user IDs, and passwords are removed	Technical	Yes	Yes			We will show the State how this can be done, and will verify that this is done correctly.

	before applications become active or are released to agencies.						
102	Vendor must perform code review to identify any potential coding vulnerabilities prior to the system being released to MDOT for testing or into production.	Technical	Yes	Yes			There is no customized coding expected in this project. Should any occur (e.g., integrations involving CoSign SAPI APIs), we will review and identify potential coding issues before the code is released to the State.
103	Vendor must endeavor to prevent common coding vulnerabilities during software development, including but not limited to: <ul style="list-style-type: none"> • Cross-site scripting (XSS). • Injection flaws, particularly SQL injection. Also consider LDAP and Xpath injection flaws. • Malicious file execution. • Unsecure direct object references. • Cross-site request forgery (CSRF). • Information leakage and improper error handling. • Broken authentication and session management • Unsecure cryptographic storage. • Unsecure communications. • Failure to restrict URL access. 	Technical	Yes	Yes			There is no customized coding expected in this project. Should any occur (e.g., integrations involving CoSign SAPI APIs), we will review and identify potential coding issues before the code is released to the State.
<p>Information Technology Network and Enterprise Architecture - These technical requirements apply to all aspects of wired and wireless components associated with the state's data, voice and video communication network.</p>							

104	Vendor must supply values for projected capacity and any special requirements covering all aspects of data transport and security across the information technology network and infrastructure.	Technical	Yes	Yes		<p>CoSign Central allows for very efficient use of network bandwidth. In most cases, only the hash of the document/data to be signed is transmitted to the CoSign appliances, in which the digital signature fields are created and transmitted back to the application performing the signing.</p> <p>In a single digital signature, a SHA-256 hash of 32 bytes in size is calculated by the CoSign Agent/Client software locally and transmitted to the CoSign appliance for signing. The CoSign appliance will use this hash value and create a digital signature field, properly formatted for the appropriate file format, and transmit it back to the client. This digital signature field size is approximately 120kb in size.</p> <p>The relatively small amount of data required to create a digital signature with CoSign means that most modern network with at least 10Mbps will not be saturated. As a comparison, CoSign's 30 trial appliances on the internet support a user population of approximately 340,000 and uses a connection of 1.5Mbps.</p> <p>End user experience will be affected more by network latency between their workstation/ device and the CoSign appliance. We recommend a network latency of no more than 110ms for good user experience. Additional CoSign appliances should be deployed in locations with closer network topology to support remote users experiencing long network latency.</p> <p>All communications between CoSign appliance and CoSign Agent/Software are encrypted using SSL/TLS protocol.</p>
Auditing						
105	Removed					

106	System must ensure that all system events for software, hardware, interfaces, operating system, network, etc. are written to a system event log in a manner that facilitates debugging of all system problems.	Technical	Yes	Yes			CoSign has internal logging features (Event log and Debug log) that will keep track of events and detailed operational functions, allowing for debugging of issues should they occur.
107	System must have the ability to query, view, filter, and sort the system audit trail.	Technical	Yes	Yes			CoSign event logs are in Microsoft Event Log (.evt) format for easy viewing, filtering and sorting.
108	System should be able to store queries.	Technical	No	Yes			Certain queries, such as log download attempts, are kept track of.
109	Removed						
110	Removed						
111	Removed						
112	System audit logs must be able to be exported.	Technical	Yes	Yes			CoSign logs can be download by the CoSign appliance administrator.
Software Package Specifications							
113	System software may be hosted in SOM environment.	Technical	No	Yes			CoSign Central is an on-premises solution, so all software will be hosted in SOM environment.
Additional Requirements							
114	Removed						
115	Removed						
116	The system maintenance window should fall between the hours of midnight and 6:00 AM.	Technical	Yes	Yes			The State is free to choose their own maintenance windows as CoSign Central is self-hosted.

117	The solution should be able to make SOAP/REST web service calls to store documents in MDOT's document management system (ProjectWise).	Technical	No			Configured	CoSign allows integration using SOAP/REST APIs.
118	The solution should be able to integrate with active directory for internal users and provide a built-in directory for external users.	Technical	No	Yes			CoSign can be integrated with Active Directory and also supports built-in directory for external users. However, note that each appliance (or each cluster of appliances in HA/LB mode) supports only 1 mode, if support for AD and external users are required, at least 2 appliances will be required.
119	The solution should provide an API for integration with other MDOT web applications.	Technical	No	Yes			CoSign supports a wide variety of APIs for integration. Please see developer.DocuSign.com for more information.
Data Management and Reporting							
120	System reporting product technology should not require any proprietary installed component on the user desktop.	Technical	No	Yes			
121	System reporting product technology should not require any installed component other than the following: - MS-Excel - Adobe Acrobat Reader	Technical	No	Yes			
122	Removed						
123	Removed						

124	System standard (e.g., regularly scheduled, recurring) reporting environment should allow: - Standard reports to be executed, printed (centrally or remotely) and dispersed - The State to control the information that appears on standard reports so that data security is maintained.	Technical	No	Yes			
125	Removed						
Error Handling							
126	System must ensure that all errors are written to an error log.	Technical	Yes	Yes			Errors are captured in the CoSign appliance event and debug logs.
127	System must allow an administrator to view, filter, sort, and search the error log.	Technical	Yes	Yes			CoSign event logs are in Microsoft Event Log (.evt) format for easy viewing, filtering and sorting.
128	System must allow administrator to archive error log entries based upon user-defined criteria.	Technical	No			Configured	Log files can be downloaded and archived using our command line utilities. These can be executed with user-defined criteria.
129	System error messages must include user friendly language for referral purposes.	Technical	Yes	Yes			Users will be notified of the nature of the error.
Application Password/Security Management							
130	Removed						

131	<p>System must require that all security patches and system and software configuration changes be tested before deployment, including but not limited to:</p> <ul style="list-style-type: none"> • All input must be validated to prevent such things as cross-site scripting, injection flaws and malicious file execution. • Proper error handling must be incorporated into the software. • Data at rest must use secure cryptographic storage (SOM) • Data in motion must use secure communications. • Role-based access control (RBAC) must be used to control and audit user actions. 	Technical	Yes	Yes		<p>Updates and upgrades to CoSign firmware are tested before being released to customers. Upon application of a new firmware, our technical support personnel will also assist customers in determining if the updated CoSign appliance is functioning properly.</p>
132	<p>System must allow for execution of vulnerability scanning tools and vendor must remediate any found vulnerabilities.</p>	Technical	Yes	Yes		<p>Scanning tools can be executive outside of the CoSign appliance, the security design of CoSign appliance will not allow the scanning tool to be installed and executed. Please refer to SLA for determination of vulnerabilities and fixes.</p>
133	Removed					

134	System must verify the user's identity before performing a password reset.	Technical	Yes	Yes		CoSign is an on-premises solution hosted by the State, it will use whatever password policy set by the State. If the State always verify the identity of users before allowing a password reset (e.g., resetting password in Active Directory), CoSign will comply with this policy.
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Vendor responses to requirements that were removed:

27	Removed	Technical		N/A		Not Applicable. CoSign Central is hosted by MIDOT.
32	Removed	Technical	No	N/A		Not applicable to CoSign.
38	Removed	Technical	Yes		No	CoSign does not track changes to its system parameters. However, these parameters are stored in backup files and can be restored as necessary.
41	Removed	Technical	Yes		N/A	CoSign does not communicate with any external database and hence does not need/use those TCP ports.
51	Removed		No	N/A		Not applicable, as CoSign does not use an external database.
52	Removed		Yes	N/A		Not applicable, as CoSign does not use an external database.
53	Removed		Yes	N/A		Not applicable, as CoSign does not use an external database.

54	Removed	Technical	No	N/A			Not applicable, as CoSign does not use an external database.
55	Removed	Technical	No	N/A			Not applicable, as CoSign does not use an external database.
56	Removed	Technical	No	N/A			Not applicable, as CoSign does not use an external database.
57	Removed	Technical	No	N/A			Not applicable, as CoSign does not use an external database.
58	Removed	Technical	No	N/A			Not applicable, as CoSign does not use an external database.
59	Removed	Technical	Yes	N/A			Not applicable, as CoSign does not use an external database.
60	Removed	Technical	No	N/A			Not applicable, as CoSign does not use an external database.
61	Removed	Technical	Yes	N/A			Not applicable, as CoSign does not use an external database.
62	Removed	Technical	Yes	N/A			Not applicable, as CoSign does not use an external database.
63	Removed	Technical	Yes	N/A			Not applicable, as CoSign does not use an external database.
64	Removed	Technical	Yes	N/A			Not applicable, as CoSign does not use an external database.
65	Removed	Technical	Yes	N/A			Not applicable, as CoSign does not use an external database.

66	Removed	Technical	Yes	N/A			Not applicable, as CoSign does not use an external database.
75	Removed	Technical	Yes	N/A			Not applicable to CoSign, as CoSign does not use an external database.
76	Removed	Technical	No	N/A			Not applicable as Solution will be State hosted.
79	Removed	Technical	No		No		The frequency and requirements of patches, minor and major release varies. Historically speaking, we release 2 major firmware upgrades and 4 major software upgrades each year. Some upgrades requires upgrading of CoSign appliance hardware.
80	Removed	Technical	No	N/A			Not applicable to CoSign as it comes with its own hardware. Customers will not be applying OS patches and service packs etc. Firmware upgrades will be provided to customers entitled to upgrades.
105	System must have the ability to maintain a historical record of all changes made to any item within the system (e.g., data element, business rule, process control, software program), the ID of the person or process that made the change, the before images of the affected data records, and the date and time the change was made.	Technical	Yes	No			CoSign does not keep historical records of user configuration, system parameters are included in the backup files however. For end user workstation configurations, other 3rd party tools can be used to keep track of historical records as CoSign keeps configuration information in the Windows registry.

109	System must provide the ability to view edit and audit overrides and to identify the login ID, date, and time of the override user.	Technical	Yes	No			But in Active Directory mode, CoSign administrators cannot override the identity of the user as the appliance will only accept identity data from the Active Directory domain controllers.
110	Removed	Technical	Yes	N/A			CoSign does not handle data entry, though it is compatible with practically all data entry systems (e.g., PDF form fields, InfoPath etc.). If those system supports an audit trail, CoSign will support it too.
111	Removed	Technical	Yes	N/A			CoSign does not handle data entry, though it is compatible with practically all data entry systems (e.g., PDF form fields, InfoPath etc.). If those system supports this requirement, CoSign will support it too.
114	Removed	Technical	Yes	N/A			CoSign does not handle data entry, though it is compatible with practically all data entry systems (e.g., PDF form fields, InfoPath etc.). If those system supports this requirement, CoSign will support it too.
115	Removed	Technical	Yes	N/A			CoSign does not handle data entry, though it is compatible with practically all data entry systems (e.g., PDF form fields, InfoPath etc.). If those system supports this requirement, CoSign will support it too.
122	Removed	Technical	No	No			CoSign reports are in Microsoft Event Log format.
123	Removed	Technical	No	No		Configured	CoSign reports are in Microsoft Event Log format
125	Removed	Technical	Yes	N/A			CoSign does not use an external database.
130	Removed	Technical	Yes	N/A			Not applicable to CoSign. CoSign does not use an external database for accounts/passwords.
133	Removed	Technical	Yes	N/A			Not applicable, CoSign does not make use of PCI data.

Schedule G – Project Management Plan



Attachment- Project
Management Plan_F