

[SAMPLE STATEMENT OF WORK]

***Project Name
Statement of Work***

for

Client Name

Statement of Work No.

Developed By

Insight Networking

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This Statement of Work (“SOW”) is made effective _____ (“Effective Date”) by and between Calence, LLC dba Insight Networking (“Insight Networking”) and Client Name (“Customer”) and is delivered pursuant and subject to the terms and conditions of the Contract for Products and Related Services, DIR Contract No. DIR-SDD-1369 dated _____ (the “Agreement”) between Insight Networking and State of Texas Department of Information Resources (“DIR”). This SOW will be incorporated by reference into the Agreement and become a part of the Agreement upon execution by both parties. Unless otherwise indicated, capitalized terms used herein that are defined in the Agreement will have the same meanings as in the Agreement. In the event of any conflict between this SOW and the Agreement, the Agreement will control.

Objectives

Insight Networking will meet the following Services objectives:

- [objective]

Scope and Approach

Insight Networking will perform the following Services:

Project Management

- Be the primary point of contact to Customer on all project issues, needs and concerns
- Conduct an initial planning meeting prior to the start of the project
- Complete change-request documentation as required
- Manage Customer expectations and satisfaction throughout the project
- Schedule and coordinate the necessary resources to support the project
- Identify, escalate and document project issues as necessary
- Provide team leadership and guidance
- Create and maintain a project plan in conjunction with Customer and measure weekly progress against mutually agreed-upon milestones
- Schedule and conduct team update/status meetings
- Schedule and conduct project status meetings with Customer’s designated project representative
- Prepare written status reports for Customer at mutually agreed-upon intervals

Project Name

- [scope statement]

Work Products

Work Products will be handled in accordance with Section 9 A.2 of Appendix A to DIR Contract No. DIR-SDD-1369.

Insight Networking will provide the following Work Products:

- [deliverable]

Subject to Customer's performance of its obligations under this SOW, including its payment obligations, Insight Networking hereby grants to Customer a nonexclusive, nontransferable, limited license (without the right to grant sublicenses), to use, execute, copy and create derivative works of the Copyright Materials, and to use Trade Secret Materials: (i) solely for Customer's internal business purposes; (ii) not for the benefit of, or access by, any third party other than Customer's contractors who are subject to written agreements consistent with this SOW and who act solely for the benefit of Customer; and (iii) subject to all other provisions of the Agreement and this SOW.

For the purposes of this SOW:

- "Insight Networking Resources" means all software, documentation, information and materials used by Insight Networking, or by Insight Networking's contractors on behalf of Insight Networking, in Insight Networking's performance under this SOW.
- "Copyright Materials" means all works of authorship recorded or copied in the Work Products, and which may include designs, plans, blueprints, manuals, diagrams, activity reports, security assessments, and other written materials.
- "Trade Secret Materials" means all non-public information that is provided to Customer under this SOW, and which may include patent applications, trade secrets, technical and non-technical data, business methods and models, drawings, processes, formulas, ideas, concepts, know-how, techniques, sketches, models, inventions, processes, algorithms, formulas, and including information regarding experiments, developments, designs and specifications.

Insight Networking Responsibilities

Insight Networking is responsible for the following:

- Insight Networking will provide the applicable and necessary labor, consultation, materials, project management and/or tools to perform the Services and provide the Work Products described herein.

Customer Responsibilities

Customer is responsible for the following:

- To the extent authorized by the Texas Public Information Act, Customer agrees to hold information designated in writing as confidential or proprietary by Insight Networking in strictest confidence and not to copy, reproduce, sell, assign, license, market, transfer or otherwise disclose such information to third parties or to use such information for any purpose whatsoever, except to perform the Customer's obligations hereunder and except as otherwise permitted by this SOW or applicable Texas law. Nothing herein transfers to Customer any title to or ownership rights in any such information; and, upon written request of Insight Networking, Customer shall promptly return or delete any such information which it has in its possession.
- Customer will acquire and/or install all software, hardware, network wiring, permits, licenses and rights of way necessary for the completion of this project in a timeframe that allows Insight Networking to complete or meet the project-specific milestones.
- Customer and its employees, contractors, and agents will: (a) cooperate with any reasonable request of Insight Networking, (b) provide input throughout the project and will review progress at review meetings requested by Insight Networking; and (c) provide Insight Networking with access to all of Customer's information, documentation and technology, necessary for Insight Networking to perform the Services in accordance with this SOW, including a list of all Customer and third-party contacts necessary for Insight Networking to do so. Such cooperation, input, and access are critical to this project, and Customer's representation at all review meetings is essential.
- Customer will ensure that the Insight Networking project staff is given access to all necessary facilities and workspace, and is provided all furniture, supplies and equipment (telephones, faxes,

LAN connectivity, printer access, dial-out modem lines, passwords, keys, etc.) required to successfully perform, troubleshoot, and complete the Services for the duration of the Services. In addition, Customer will ensure that the work environment is free of hazardous materials and free from asbestos, and that all Insight Networking personnel are provided with all necessary safety equipment and training while on Customer's or its customer's site.

- Customer will be responsible for providing adequate and secure onsite storage for all deliveries.
- Customer will be responsible for: (a) Back-up and/or data migration of existing data unless otherwise agreed to by Insight Networking; (b) Computer system and network designs; and (c) Component selection as it relates to the performance of the computer system and/or the network.
- Customer will communicate any issues or concerns with respect to the Services or Work Products in a timely manner.

Project-Specific Assumptions

The following project-specific assumptions apply for this Services engagement:

- Insight Networking is not responsible for delays or repeated tasks caused by factors outside Insight Networking's control. These factors include availability of Customer personnel, equipment and telecommunication provider services. Customer will compensate Insight Networking for any out-of-scope work requested by Customer on an hourly basis at Insight Networking's standard hourly rates (unless otherwise agreed to in writing by the parties).
- All Services will be performed over a consecutive timeframe unless otherwise provided herein or agreed to by Insight Networking in writing. Insight Networking will schedule resources upon receipt and acceptance of a fully executed SOW and a Purchase Order (to the extent required) from Customer. Insight Networking will use commercially reasonable efforts to take into account Customer's schedule, but in all events the performance of the Services is subject to the availability of Insight Networking personnel and resources, as determined by Insight Networking. Any cancellations or changes in a project schedule that are requested by Customer and that do not proximately result from an act or omission by Insight Networking will be subject to a charge of 4 hours billed at the rate of \$_____ per hour.
- Any onsite skills transfer that takes place during this project will not replace the manufacturer's formal system implementation and administration classes.
- Insight Networking has no obligation to, and will not, install, mount, affix, screw, or otherwise fasten any cable, hardware, or other product to any building or structure (inside or outside), and Insight Networking has no obligation to, and will not, run cable above, under, behind, or through any ceiling, floor, or wall of any building or structure. To the extent that any such services are required, such services will be performed by another person or entity engaged directly by Customer.
- The following are considered out-of-scope and are not part of the Services:
 - Formal user training
 - Work performed around undocumented data flows
- This offer of Services will be good for 30 days.
- Any changes to the scope and/or assumptions will require joint written approval. This may extend the duration of the engagement and/or require additional resources, resulting in additional cost to Customer.

Timeframes

Insight Networking estimates that the Services described herein will require [#] work-hours of effort and will be completed within [#] weeks after the start of the project.

Fees

Technical Services Fees

Services will be provided on a time and materials basis at the rate(s) listed below, and as authorized in Appendix C of DIR Contract No. DIR-SDD-1369.

Resource	Estimated Hours	Hourly Rate	Estimated Consulting Fees
Director	[#]	[\$#]	[\$#]
Senior Manager	[#]	[\$#]	[\$#]
Manager	[#]	[\$#]	[\$#]
Senior Consultant	[#]	[\$#]	[\$#]
Consultant	[#]	[\$#]	[\$#]
Total Estimated Consulting Fees	0		\$ 0

Pricing Assumptions

- Technical Services Fees pricing does not include hardware/software costs or additional expenses, if any are required.
- Estimated hours are contingent upon a dedicated full-time Customer resource. This resource will work with Insight Networking on a full-time basis for the duration of this project to assist with the completion of the Services defined within this SOW.
- Pricing is indicated as a time and materials rate with a 4-hour minimum.
- Expedited shipping, if applicable, is not included.
- All prices are in U.S. dollars.
- The work to be performed will be completed during normally scheduled working hours (8:00 A.M. to 5:00 P.M. local time Monday through Friday), excluding Insight Networking observed holidays.

Additional Expenses

Customer will reimburse Insight Networking for reasonable expenses incurred in connection with our performance of the Services, if any, including travel expenses, lodging, meals, parking fees, copying charges, delivery charges, postage, telephone/cell phone charges and other related expenses. Travel expenses shall be pre-approved by Customer prior to work and reimbursed in accordance, with the State of Texas Travel Regulations.

Invoicing and Payment

Customer will be invoiced monthly and will pay each invoice within 30 days from the date that Customer receives the invoice, per Texas Government Code, chapter 2251.

Customer will be invoiced for any “product” (i.e., hardware, software, documentation, accessories, materials, supplies and parts) associated with this SOW upon delivery to a common carrier. Payment for any invoice for product (as listed above) is due within 30 days from the date that Customer receives the invoice, per Texas Government Code, chapter 2251.

Location

The Services will be performed at the following Customer location(s):

- [address]

Customer Contact Information

Customer's contact for this engagement is [name] (phone: [#]; fax: [#]; email: [email address]), who will be responsible for making the arrangements necessary to accommodate Insight Networking staff members and provide them with the Customer resources required to complete the project.

Consent

Customer represents and acknowledges that it has requested Insight Networking to perform the Services described herein. These Services may include certain network security assessment, penetration or intrusion testing services with respect to Customer's computer and information system, including the network, routers and computers, and other client technology. The purpose of the Services is to assess the security of the client technology, including the ability of unauthorized individuals to access the client technology. Accordingly and notwithstanding anything to the contrary in the Agreement, Customer acknowledges, accepts and assumes the risk and liability that during the normal course of business, whether at the time the Services are performed or at some unknown future time, a risk exists that unauthorized persons or entities may, among other things, gain access to, attach and/or impair the integrity of the client technology temporarily or permanently causing damage to all or part of the client technology notwithstanding that Insight Networking has used reasonable efforts to provide any Services in a good, professional, workmanlike manner in accordance with this SOW.

Limitation of Liability

The Services described herein are intended to attest to Customer's current security posture based on a point-in-time evaluation, and based solely on information supplied by Customer for Insight Networking's analysis against a defined standard of information security, as specified by the authorizing entities responsible for the information security standards at the time the Services are performed. In that regard, Customer acknowledges and agrees that Insight Networking is entitled to and will rely on the information provided, and will be entitled to assume that such information is true and correct as of the date the Services are rendered. The parties agree that Insight Networking will not be required or able to verify the accuracy or truth of such information, except to the extent required by the applicable information security standards in place as of the date the Services are rendered. In addition, to the extent authorized by Texas law and Constitution, Customer shall indemnify, defend and hold harmless Insight Networking, its directors, officers, principals, employees, agents, affiliates, shareholders and consultants, and their successors and assigns, from and against any and all claims, damages, losses, liability, deficiencies, actions, suits, proceedings, costs or legal expenses (collectively the "Losses") arising out of or resulting from: (i) any breach of a representation, warranty or covenant by Customer contained herein; (ii) any information supplied by Customer to Insight Networking in connection with the Services; (iii) any activities or services performed hereunder by Insight Networking, unless such Losses were the result of the intentional misconduct or gross negligence of Insight Networking; and (iv) any and all costs and expenses (including reasonable attorneys' fees) related to the foregoing.

Insight Networking agrees to provide the Services in accordance with the applicable information security standards in place at the time the Services are performed. Notwithstanding anything to the contrary herein or in any other agreement between Insight Networking and Customer, Insight Networking will be liable only to the extent that Insight Networking deviates from the applicable information security requirements and standards in place at the time the Services are performed. Insight Networking will not be liable for any indirect, special, incidental, exemplary, punitive, or consequential damages of any kind or nature, including, without limitation, loss of profit, revenue, data, customers, or goodwill, even if advised of the possibility of such damages. The foregoing limitation of liability applies to all causes of action or claims of

relief under any legal or equitable theory, including but not limited to tort, negligence, indemnification, breach of contract, breach of warranty, strict liability and professional liability.

The terms and provisions listed herein shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, and is made solely and specifically for their benefit. No other person shall have any rights, interest or claims hereunder or be entitled to any benefits on account of the Services provided hereunder as a third-party beneficiary or otherwise.

Change Management

Insight Networking reserves the right to increase the fees and other amounts due to it hereunder in the event any of the assumptions or requirements set forth in this SOW are unperformed or incorrect, or if Customer requests Insight Networking to provide additional services outside the scope of Services. In any such event, Insight Networking will have no obligation to perform the affected Services or any additional services unless both parties have agreed, in writing, to the increased fees and/or the additional scope, as applicable, in the form of an addendum to this SOW.

Escalation Procedure

Communications from Customer to Insight Networking concerning the Services provided under this SOW will be escalated in accordance with the following table. Names are listed in the order in which escalation occurs.

Title	Name	Contact Information
Account Manager	[name]	Phone: [#] Fax: [#] Email: [name]@insight.com
Project Manager	[name]	Phone: [#] Fax: [#] Email: [name]@insight.com
Consulting Director	[name]	Phone: [#] Fax: [#] Email: [name]@insight.com

Invoicing Procedures

Insight Networking will send invoices to:

[client name long]

Address: _____

Attention: Accounts Payable

Accounts Payable Contact: _____

Phone: _____

Select one of the following below:

Customer issues system-generated Purchase Orders for service engagements. Please fill in the PO Number below and attach a hard copy of the Purchase Order to this signed SOW. Note: Services cannot be performed until a hard copy of the Purchase Order is received.

P.O. Number _____

Customer does NOT issue system-generated Purchase Orders for service engagements. Accordingly, performance of and payment for any services under this SOW do not require, and are not contingent upon, the issuance of any Purchase Order or other similar document. If Customer requires Insight Networking to include an internal reference number on invoices, please fill in the reference information below.

Internal Billing Reference Number/Name: _____

IN WITNESS WHEREOF, Customer and Insight Networking have executed this SOW effective as of the Effective Date. Customer, by signing below, expressly acknowledges and affirms that Customer has carefully read and agrees to this entire SOW, and that this SOW is a binding agreement between Insight Networking and Customer. Customer and the individual signing this SOW on behalf of Customer represent that he/she is expressly invested with the requisite authority to execute this SOW on behalf of Customer and bind Customer in this matter.

Insight Networking

[client name long]

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____