

PROJECT # 43104
SOFTWARE LICENSE AGREEMENT
BETWEEN
CCH INCORPORATED
AND
MISSISSIPPI DEPARTMENT OF INFORMATION TECHNOLOGY SERVICES
AS CONTRACTING AGENT FOR THE
OFFICE OF THE STATE AUDITOR

This CCH ProSystem fx Master Software License Agreement (this "Agreement") is made by and between CCH Incorporated, a Walters Kluwer business ("CCH"), a Delaware corporation having its principal place of business at 2700 Lake Cook Road, Riverwoods, Illinois 60019, and Mississippi Department of Information Technology Services having its principal place of business at 3771 Eastwood Drive, Jackson, Mississippi 39211 ("ITS"), as contracting agent for the Office of the State Auditor located at 501 North West Street, Suite 801, Jackson, Mississippi 39201 ("Customer"). This Agreement governs Customer's use of the Software listed on the attached Exhibit A, effective as of the first day set forth in said Exhibit A. This Agreement will continue to govern all other Software that is listed on any future Order Forms referencing this Agreement, regardless of whether such future Order Forms contain a copy of this Agreement, unless and until a future Order Form contains an updated written license agreement approved by CCH, ITS, and Customer.

WHEREAS, the sole source laws in Mississippi changed during the 2015 Legislative Session; and

WHEREAS, ITS issued a Notice of Intent to Certify Sole Source No. 3940 in an attempt to certify the sole source status of this procurement; and

WHEREAS, there being no objections to the sole source status being filed by any person or entity and the parties thereby determining this is indeed a sole source project;

NOW THEREFORE, the Customer is desirous of entering into this Agreement with CCH so as to allow CCH to provide the software and support services identified in the attached Exhibit A.

1. DEFINITIONS. In addition to other terms defined elsewhere in this Agreement, the terms below will be defined as follows:

- 1.1. "Authorized User" means an individual for whom Customer has specifically purchased a User License or an individual using a purchased seat license. An Authorized User must be a full-time or part-time employee (but may be a contract/temporary employee), or a third party consultant who is working for Customer primarily at the Designated Office(s) for the purpose of assisting Customer in its day-to-day business activities and who has a need to use the Software for such activities (subject to the other terms and conditions of this Agreement, including, without limitation, subsection 7.1). An Authorized User does not acquire individual rights in the Software other than the right to use the Software on Customer's behalf and pursuant to the rights granted to Customer and subject to the terms and conditions herein.
- 1.2. "Client" means each third party client of Customer that has entered into a direct agreement with Customer for tax and/or accounting services.
- 1.3. "Customer" means the Office of the State Auditor, who is the registered end user of the Software, as specified herein.
- 1.4. "Deliverables" means all ancillary services and materials, and the related benefits, available from time to time from, and as determined in the discretion of, CCH or its authorized affiliates for use in connection with the Software (including, but not limited to: product support, Updates, electronic filing, and access to the Online Account(s) of Web-based Applications).
- 1.5. "Designated Office(s)" means the site(s), location(s), and/or address(es) for which Customer licenses the Software as identified on the Order Form.
- 1.6. "Desktop Application(s)" means Software that is available for installation and execution on Customer-hosted computer(s).
- 1.7. "Fees" means the fees payable by Customer to CCH under the Order Form(s) and this Agreement.
- 1.8. "License(s)" means the licenses granted to Customer to use the Software as provided under subsection 7.1 of this Agreement in connection with the execution of an Order Form.
- 1.9. "Off-Site License" means the right granted to a specific Authorized User from a specific Designated Office to use the ProSystem fx Tax Software on mobile computers for use outside of such Designated Office. An Off-Site License does not include the right to install the ProSystem fx Tax Software at additional physical locations nor does it create additional Designated Offices.
- 1.10. "Online Account" means the authorized access into a Web-based Application as established by CCH for use by any particular Authorized User, and includes the controls, permissions and data unique to such user.
- 1.11. "Online Account Access Information" means the private access information (for example, username and password) used by each Authorized User of a Web-based Application to access his/her individual Online Account.
- 1.12. "Order Form" means a mutually agreed upon purchase order written and approved by CCH for Customer's approved acquisition of a License to the Software.
- 1.13. "Services" means the services (other than Support or access to the Web-based Application(s)) provided by CCH under this Agreement, as requested by Customer, accepted by CCH and described herein or in one or more Order Forms.
- 1.14. "Software" means the particular ProSystem fx or CorpSystem software title(s) and version(s) (including all accompanying code, files, databases, documentation, materials, modifications, revisions, optional features, enhancements, and Updates, if any) that are identified herein or in Order Form(s) written and approved by CCH for Customer. Under no circumstances shall Customer receive, or be entitled to receive, any source code for the Software or any portion or component thereof.
- 1.15. "Updates" means all minor revisions, patches, fixes, and other improvements (version upgrades excluded) provided by CCH, in its sole discretion, to a particular version of the Software.
- 1.16. "User License" means the rights granted by CCH to a particular individual to use the Software, pursuant to the terms of this Agreement.

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- 1.17. "Web-based Application(s)" means software application(s) hosted by CCH and available for use by Customer via the Internet. Certain terms and conditions within this Agreement (including, but not limited to, Section 6) may only apply to the use of Web-based Application versions of the Software, if so stated herein.

2. LICENSE, RESTRICTIONS & OWNERSHIP

2.1. License.

- 2.1.1. **Grant of License.** Subject to the terms and conditions of this Agreement, CCH grants to Customer a limited, nontransferable, nonexclusive right and license to use, and to permit Authorized Users to use, the Software solely for its internal business use and for the purpose of performing tax and/or accounting services for Clients without any further right to use, sublicense, distribute, transfer or transmit the Software. End users of the Software must be Authorized Users for which Customer has purchased a User License, which has been established and documented in an Order Form.
- 2.1.2. **Desktop Applications.** The License for use of a Desktop Application version of the Software must be registered to a particular Designated Office and may only be used by Authorized Users who primarily work out of such Designated Office. Customer must pay the appropriate Fees to establish and license additional Designated Offices and the respective additional Authorized Users.
- 2.1.3. **ProSystem fx Tax and Off-Site License.** Authorized Users of ProSystem fx Tax are limited to use of the software at the Designated Office(s) only. If Authorized Users desire to use ProSystem fx Tax on mobile computers for business travel outside of the Designated Office(s), then Customer must purchase an Off-Site License. An Off-Site License is specific to Authorized Users working out of a particular Designated Office. This subsection 2.1.3 does not apply to the Web-based Application version of the Software.
- 2.1.4. **Web-based Applications.** This Agreement will govern the License to certain Web-based Applications only when the "CCH ProSystem fx Master Application Services Agreement" has not been provided instead. The License for use of a Web-based Application version of the Software must be registered to a particular Designated Office and may only be used by Authorized Users primarily working out of such Designated Office, but may be accessed from any location by an Authorized User through use of such Authorized User's Online Account Access Information. Certain Web-based Applications may include functionality that allows Customer's Clients to access Customer's Online Account to view data specific to such Client. CCH's provision of such functionality will be considered an implied license by CCH permitting Customer to provide such limited access to its Clients.
- 2.1.5. **Condition of License.** The License(s) granted to Customer under this Agreement are conditioned upon Customer's compliance with the terms of this Agreement and the Order Form(s), including, but not limited to, the timely payment of all applicable Fees.
- 2.2. **Back-up Copies.** Customer may make a reasonable number of copies of the Desktop Application version of the Software solely for back-up and disaster recovery purposes. All copies of the Software, including (without limitation) translations, compilations and partial copies are governed by this Agreement.
- 2.3. **Restrictions.** Without a separate written agreement with CCH, Customer must not do or attempt to do, or permit others to do or attempt to do, any of the following: (a) create derivative works of, copy or modify the Software in any way, except as permitted in subsection 2.2; (b) remove or modify CCH's copyright notices, trademark, logo, legend or other notice of ownership from any originals or copies of the Software; (c) access, view, read, modify, reverse compile, reverse assemble, disassemble or print the Software's source code or object code or other runtime objects, components or files distributed with the Software; (d) otherwise reverse engineer, modify or copy the look and feel, functionality or user interface of any portion of the Software, (e) defeat, disable or circumvent any protection mechanism related to the Software; (f) rent, lease, distribute (or redistribute), provide or otherwise make available the Software, in any form, to any third party (including in any service bureau or similar environment); (g) share use or access of the Software with other practitioners (including outsourcers performing work for Customer) who are not in Customer's practice, even if Customer shares office space or equipment; (h) share Online Account or Online Account Access Information with third parties; (i) link to, "frame" or "mirror" a Web-based Application or any portion thereof; (j) use the Software to process the data of Clients of a third party (whether on an outsourcing, service bureau, or other basis); (k) install a copy of the Desktop Application version of the Software at an office location not registered and/or licensed as a Designated Office with CCH; or (l) publish, distribute (or redistribute) or sell any document retrieved through the Software (even if in the public domain) to any individual or entity outside of Customer's own firm, except for documents prepared for Customer's Clients within the scope of the normal and intended use of the Software. In addition, Customer shall not violate or attempt to violate the security of CCH's networks or servers, including (x) access data not intended for Customer or log into a server or account which Customer is not authorized to access; (y) attempt to probe, scan or test the vulnerability of a system or network or to breach security or authentication measures without proper written request and authorization; or (z) attempt to interfere with service to any user, host or network, including by means of submitting a virus, overloading, flooding, spamming, mail bombing or crashing.
- 2.4. **Unauthorized Acquisition.** CCH prohibits anyone from using the Software or Deliverables or any other software from CCH that has been improperly obtained and/or accessed. For purposes of illustration, but not limitation, examples include software or Deliverables that are: (a) acquired from an unauthorized reseller or distributor; (b) pirated, cracked or hacked, including through the use of Online Account Access Information established for use by another individual; (c) acquired with the intent or for the purpose to use in a manner that is illegal, fraudulent, in violation of this Agreement or otherwise outside the normal, stated and/or reasonably understood purpose of the Software; or (d) acquired with the use of false or inaccurate statements and/or information (e.g., false name, contact information, EPIN, or payment information; false declaration of the total number of end users; or false claim of ownership of multiple business locations with the intention of obtaining a multi-office discount).
- 2.5. **Reservation of Rights & Ownership of Developed Materials.** CCH, and its applicable suppliers, retain all intellectual property and other rights in the Software (including, without limitation, all patent, copyright, trade secret, trade name, trademark, and other proprietary rights related to the Software and Deliverables, which are protected under United States intellectual property laws and International Treaty Provisions). Unauthorized use of any of the Software will result in cancellation of this Agreement. Customer is not permitted to use "CCH INCORPORATED," "CCH," "ProSystem fx" or any other trade or service marks of CCH or any of its affiliates in Customer's announcements, advertising or other materials unless

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expressly agreed to in writing by an authorized representative of CCH. Customer acknowledges and agrees that CCH's and its applicable suppliers' retention of contractual and intellectual property rights is an essential part of this Agreement. CCH and its suppliers (as applicable) will own all rights in (i) any copy, translation, modification, adaptation or derivation of the Software, including any improvement or development thereof, whether provided as part of Support, Services or otherwise, and whether or not developed by or for the Customer, and (ii) any suggestions, ideas, enhancement requests, feedback, or recommendations provided by Customer.

- 2.6. U.S. GOVERNMENT RESTRICTED RIGHTS. The Software is provided with RESTRICTED RIGHTS. Use, duplication or disclosure of the Software by the United States Government is subject to restrictions as set forth in FAR 12.212 or DFARS 227.7202-1(a), 227.7202-3(a) and 227.7202-4 (1995) and, to the extent required under U.S. federal law, the minimum restricted rights as set out in FAR 52.227-19 (DEC 2007) or FAR 52.227-14 (DEC 2007). To the extent any Technical Data is provided pursuant to the Agreement, such data is protected per FAR 12.211 and DFARS 227.7102-2 and to the extent explicitly required by the U.S. Government, is subject to limited rights as set out in DFARS 252.227-7015 (NOV 1995) and DFARS 252.227-7037 (SEPT 1999). In the event that any of the above referenced agency regulations are modified or superseded, the subsequent equivalent regulation will apply. The name of the manufacturer is CCH Incorporated, 2700 Lake Cook Rd, Riverwoods, IL 60015-3867. If Customer is an agency, department, or other entity of any State government, the United States Government or any other public entity or funded in whole or in part by the United States Government, then Customer hereby agrees to protect the Software from public disclosure and to consider the Software exempt from any statute, law, regulation, or code, including any Sunshine Act, Public Records Act, Freedom of Information Act, or equivalent, which permits public access and/or reproduction or use of the Software.

3. FEES AND PAYMENT

- 3.1. Fees. The cost of the Software and Services to be provided by CCH is specified in the attached Exhibit A, which is incorporated herein by reference. In no event will the total compensation to be paid hereunder exceed the specified sum of \$95,063.00, unless prior written authorization from ITS has been obtained. CCH shall invoice Customer annually in advance for maintenance and support and/or renewals of Software Licenses, and the Services will be invoiced as they are rendered. For newly licensed Software (i.e., Software licensed by Customer for the very first time), CCH shall invoice Customer upon acceptance of the Software by Customer as provided in Section 11.9 below. CCH shall submit invoices and supporting documentation to Customer electronically at any time during the term of this Agreement using the processes and procedures identified by the State. Customer shall make payment hereunder in accordance with Mississippi law on "Timely Payment for Purchases by Public Bodies," Section 31-7-301, et seq. of the 1972 Mississippi Code Annotated, as amended, which generally provides for payment of undisputed amounts by Customer within forty-five (45) days of receipt of the invoice. All payments should be made in United States currency. Payments by state agencies using Mississippi's Accountability System for Government Information and Collaboration (MAGIC) shall be made and remittance information provided electronically as directed by the State. These payments by MAGIC agencies shall be deposited into the bank account of CCH's choice.
- 3.2. Taxes. Customer represents and warrants that Customer is exempt from the payment of taxes pursuant to Section 27-65-105(a) of the 1972 Mississippi Code Annotated, as amended.

4. TERM & TERMINATION

- 4.1. Expiration of Deliverables. Subject to the terms of

subsection 4.2 - 4.3, the License granted under this Agreement to use Desktop Application versions of the Software will be perpetual. The License to use Web-based Application versions of the Software will terminate on the same date that the Deliverables provided with such Software expire. Access to the Deliverables will expire one (1) year from the date of CCH's acceptance of the Order Form for the particular Software that included such Deliverables Notwithstanding the term set forth above, access to the Deliverables associated with certain Software titles (including, but not limited to, ProSystem fx Tax [Desktop Application or Web-based Application versions], ProSystem fx Outsource, and ProSystem fx Planning) will expire on November 30th of the tax processing year for which such particular Software was purchased (for example, the 2011 tax year software, which is used in the 2012 tax filing season, will expire on November 30, 2012). The term actually set forth on Customer's Order Form for any such software title will govern.

- 4.2. Expiration of Agreement. This Agreement will stay in effect until the expiration of the right to use the last Deliverable governed by this Agreement. The following sections will survive the expiration of this Agreement under this subsection 4.2 subsections 9.3, 6.3, 8.3, 8.4 and 8.5, and Sections 1, 2, 4, 7, 9, 10 and 11

- 4.3. Termination of Agreement.

4.3.1. Notwithstanding any other provision of this Agreement to the contrary, this Agreement may be terminated in whole or in part as follows: (a) upon the mutual, written agreement of the parties; (b) by Customer upon thirty (30) days written notice to CCH without the assessment of any penalties if CCH becomes the subject of bankruptcy, reorganization, liquidation, or receivership proceedings, whether voluntary or involuntary; or (c) by either party in the event of a breach of a material term or provision of this Agreement where such breach continues for thirty (30) days after the breaching party receives written notice from the other party. Upon termination of this Agreement by Customer pursuant to subsection (b) or (c) hereof, Customer will be entitled to a refund of applicable unexpended prorated annual Software maintenance fees/charges, if any. In the event of termination, CCH shall be paid for all Services rendered by CCH in connection with this Agreement as of the date of receipt of notification of termination. In no case shall said compensation exceed the total contract price. The provisions of this article do not limit either party's right to pursue any other remedy available at law or in equity.

4.3.2. Upon termination of this Agreement for any reason, the License(s) granted hereunder will terminate and Customer must cease all further use of the Software and Deliverables and at CCH's direction, either return to CCH, or confirm to CCH as destroyed, all copies of the Software. Upon request of CCH, Customer must certify in writing to CCH that it has destroyed or returned all copies of the Software and that Customer and its Authorized Users are no longer using any applicable Software previously licensed hereunder.

4.3.3. Termination of this Agreement other than by Customer pursuant to Section 4.3.1(c) above will not require payment of a refund to Customer and will not affect: (a) Customer's obligation to pay any Fees due, or (b) any remedies available to CCH by law or equity.

4.3.4. The following sections will survive termination of this Agreement under this subsection 4.3; subsections 2.3, 2.5, 2.6, 4.3, 8.3, 8.4, and 8.5, and Sections 1, 9, 10 and 11. The survival provision in subsection 4.2 shall not apply to termination of this Agreement under this subsection 4.3.

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- 4.4. **Suspension of Access.** In addition to any other suspension or termination rights of CCH pursuant to this Agreement, certain extraordinary circumstances may require CCH to suspend Customer's use of the Software or the Deliverables without notice in order to: (a) prevent damages to, or degradation of the integrity of, CCH's Internet network; (b) comply with any law, regulation, court order, or other governmental request or order which requires immediate action; or (c) otherwise protect CCH from potential legal liability or harm to its business. CCH will use commercially reasonable efforts to notify Customer of the reason(s) for such suspension as soon as reasonably practicable. In the event of a suspension, CCH will promptly restore use of the Software to Customer as soon as the event giving rise to the suspension has been resolved as determined in CCH's discretion. Nothing contained in this Agreement will be construed to limit CCH's actions or remedies or act as a waiver of CCH's rights in any way with respect to any of the foregoing activities.
- 4.5. **Renewals.** Customer may be able to renew previously purchased Software by paying the applicable renewal fee. After renewing, Customer will obtain an upgraded version of the Software that was renewed (when such version becomes available) and an additional annual term of Deliverables. CCH, in its discretion and for any reason, may decide not to renew Customer's access to Deliverables and/or upgraded Software; in which case, CCH will make a reasonable effort to notify Customer of this decision prior to the expiration of Customer's then-current term.

5. UPDATES, PRODUCT SUPPORT & ADDITIONAL SERVICES

- 5.1. **Updates.** CCH may, from time to time, provide Customer with Updates of the Software. However, supplying Updates will be at CCH's discretion and CCH will have no obligation, express or implied, to provide Updates. Customer agrees to timely install all available Updates to the Software and acknowledges that Customer's failure to do so is at Customer's sole risk. CCH reserves the right to charge additional license Fees for any optional and ancillary features and/or functionality it may market in connection with the Software.
- 5.2. **Support.** CCH may also offer product support for the Software remotely from CCH's offices. To the extent CCH requires remote access to Customer's computers or systems to provide Support, CCH agrees to comply with all reasonable security policies of Customer applicable to such remote access during such access, provided CCH is timely notified thereof. In the event CCH is not timely notified of any such policies and/or is unable to comply with any such policies, the parties shall work in good faith to determine a commercially reasonable alternative means for CCH to provide the necessary Support without accessing Customer's computers or systems. Support shall not include, and CCH will not provide, any tax, legal or other professional or expert advice of any kind, including, but not limited to: the appropriate handling of tax and accounting issues, or otherwise. Support for prior year versions of the Software may be more limited and is only available in CCH's discretion. CCH, at its sole discretion, may choose to only support the current and prior year version of any particular Software title. CCH may also choose not to support software that is not installed on hardware that meets CCH's standard published system requirements (available at <http://support.cch.com/>). Customer agrees that Customer and/or Customer's agents or employees will not knowingly place more than one call at any given time to CCH's telephone support number(s) regarding the same situation, support question, issue or matter. CCH reserves the right to terminate Customer's access to product support if it determines that Customer is committing acts that are disruptive to the service (e.g., placing multiple calls at one time; being verbally abusive to support representatives; providing Clients with access information to CCH customer support lines, etc.).

5.3. **Data Retention.** Intentionally omitted.

5.4. **Miscellaneous.** Updates and support are Deliverables and are available to Customer for the term specified in subsection 4.1. CCH reserves the right to modify its Update and support policies, procedures and Fees from time to time.

6. WEB-BASED APPLICATIONS

- 6.1. **Protection of Account Access Information.** For Web-based Application versions of the Software, CCH will supply Customer with the means to create private Online Account Access Information for its Authorized Users so that such Authorized Users may log into Customer's Online Account within the Software. Customer's Online Account is designed for private use and should only be accessed through Authorized User's Online Account Access Information. Customer agrees to promptly notify CCH of any unauthorized use of Online Account Access Information or any other breach of security, assist in preventing any recurrence thereof and otherwise cooperate fully in any proceedings undertaken to protect the rights of CCH. Customer is fully responsible for the protection and confidentiality of its Authorized Users' Online Account Access Information. Customer acknowledges and agrees that Customer is responsible for all use of the Software as made through Customer's Online Account and for insuring that all use of Customer's Online Account is for authorized purposes only and complies fully with the provisions of this Agreement.
- 6.2. **Additional Online Terms.** CCH may post duplicative and/or additional relevant terms, conditions and/or policies ("Online Terms") at the online location where Authorized Users may access a particular Web-based Application version of the Software. Authorized Users will be subject to such Online Terms, provided, however, that to the extent there is a conflict between this Agreement and any Online Terms, the terms of this Agreement will govern.
- 6.3. **Internet Disclaimer.** Customer acknowledges that the delivery systems used for Web-based Applications, namely the Internet and the World Wide Web, are known to be unpredictable in their performance and may, from time to time, impede access to the Web-based Application(s) or other Deliverables or performance hereunder. Customer agrees that CCH is not in any way responsible for any such interference with Customer's use of or access to such versions of the Software or the related Deliverables and Customer waives any and all claims against CCH in connection therewith.

7. CUSTOMER'S PROFESSIONAL RESPONSIBILITY AND WARRANTIES

- 7.1. **Professional Responsibility.** Customer understands, agrees and acknowledges that
- 7.1.1. Use of the Software does not relieve Customer of responsibility for the preparation, content, accuracy, and review of tax returns prepared by Customer while using the Software or any other work product generated by Customer while using the Software;
- 7.1.2. Customer will review any computations made by the Software and satisfy itself that those computations are correct;
- 7.1.3. Customer will neither inquire nor rely upon CCH for tax, legal or other professional or expert advice of any kind;
- 7.1.4. Customer will retrieve in a timely manner any electronic communications made available to Customer by CCH (for example, electronic filing transaction data such as acknowledgements and e-mail messages in Customer's mailbox); and
- 7.1.5. Customer is fully and solely responsible for: (a) selection of adequate and appropriate versions of the Software to satisfy Customer's business needs and achieve Customer's intended results; (b) use of the Software; (c) all results obtained from the Software; and (d) selecting, obtaining and maintaining all hardware, software, Internet

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service, and other equipment and utilities needed for access to and use of the Software, and for all costs associated therewith; and (e) selection, use of, and results obtained from any other programs, computer equipment or services used with the Software.

- 7.2. Customer's Representations. Customer represents, warrants and covenants that:
- 7.2.1. Customer has full power and authority to enter into this Agreement and to perform its obligations hereunder, and that this Agreement has been duly authorized, executed and delivered by Customer and constitutes a valid and binding obligation of Customer;
- 7.2.2. Customer is licensing the Software solely for Customer's own use and/or to provide tax and accounting services to Customer's direct Clients;
- 7.2.3. Customer will not use the Software to create a product, service or database that competes with CCH, the Software or Deliverables;
- 7.2.4. Customer is responsible for complying with all rules, regulations and procedures of local, state, federal and foreign authorities applicable to Customer and its business, including, without limitation, all rules, regulations and procedures of the Internal Revenue Service;
- 7.2.5. Customer has all rights necessary to legally transmit any data or information to CCH's networks or servers, and the possession, storage and use by CCH of such data or information will not infringe, misappropriate or otherwise violate the intellectual property rights, or other rights, of any third party;
- 7.2.6. Customer will be solely responsible for compliance with this Agreement by the Authorized Users and, to the extent applicable, all Clients;
- 7.2.7. Customer is not prohibited by a third-party agreement from entering into the terms and conditions of this Agreement and
- 7.2.8. Customer will not otherwise violate the rights of any third party while using the Software.
- 7.3. Electronic Filing Representations. The following electronic filing terms and conditions will apply to electronic filing services and are in addition to all other terms and conditions contained within this Agreement:
- 7.3.1. Customer agrees that Customer will comply with all State and/or Federal electronic filing and direct deposit rules and regulations as shall be in effect from time to time.
- 7.3.2. Customer acknowledges and agrees that all EFINS used by Customer and provided to CCH are registered to Customer or else are registered to an Authorized User who is using the Software on behalf of Customer.
- 7.3.3. Customer acknowledges and agrees that CCH's sole criterion for recognizing and accepting Customer's "Authorization" (which will be defined as such instructions as CCH, in its sole discretion, may issue to Customer from time to time to authorize CCH to electronically transmit a specified return to the IRS for filing) will be Customer's provision to CCH of Customer's Declaration Control Number ("DCN") and that if CCH receives a proper Authorization which includes Customer's provision to CCH of a Customer DCN, CCH will electronically transmit to and file with the IRS those of Customer's tax returns specified in the Authorization. Customer agrees to take full responsibility for any and all liability arising from the use or misuse of its DCN and the filing of tax returns with the IRS resulting therefrom.
- 7.3.4. Authorization may be by Customer's computer-initiated Authorization or may be given by Customer's written, facsimile or telephonic confirmation of Customer's Authorization, for

which Customer will assume the risk. Telephone Authorization will be deemed given if Customer provides CCH with the following information via the telephone: Customer's DCN, Customer's EFIN, Customer's CCH account number, taxpayer name and name and title of caller.

- 7.3.5. Customer acknowledges and agrees that Customer will be solely responsible for any direct deposit option which Customer elects in accordance with Form 8453 (as well as any successor(s) thereto) and that Customer will be solely responsible for providing all complete, correct and necessary information directly to the IRS with respect to the same.
- 7.3.6. Customer acknowledges and agrees that taxing authorities may not accept all returns due to certain circumstances that are beyond CCH's reasonable control. Customer agrees to review the electronic filing and remittance status after submission to confirm the file was accepted. For jurisdictions that do not accept electronic remittance, Customer must submit returns using standard paper methods.
- 7.4. Indemnification. Customer represents and warrants that pursuant to Section 100 of the Mississippi Constitution, Customer (as a state agency) cannot agree to indemnify CCH.

8. CCH WARRANTIES

- 8.1. CCH's General Warranties. CCH represents and warrants that: (i) it has title to the Software and the right to grant Customer the rights granted hereunder; (ii) the Software and Deliverables do not violate any third party's United States intellectual property rights; and (iii) CCH has not knowingly inserted any virus, worm, trap door, back door, timer, clock, counter or other limiting routine, instruction or design that would erase data or programming or otherwise cause any system to become inoperable or incapable of being used in the full manner for which it was designed and created. Customer's sole and exclusive recourse and remedy and CCH's sole and exclusive liability for a breach of items (i) and (ii) by CCH shall be the exercise of its indemnity rights under subsection 8.2 below. For a breach of item (iii) Customer's sole recourse shall be receipt of a refund of the Fees paid for the Software.
- 8.2. Indemnification by CCH.
- 8.2.1. Subject to the other terms and conditions set forth herein, CCH agrees to defend Customer, its employees, officers, directors and affiliates at CCH's sole cost and indemnify Customer (by paying for damages finally awarded against Customer or any amounts payable in any settlement entered into by Customer in compliance with this Agreement) from and against any claims, demands, actions or proceedings by any unaffiliated third parties alleging that the Software as provided hereunder infringes or violates any third party's United States intellectual property rights; provided that: (i) Customer notifies CCH promptly in writing of any such claim of which it has knowledge; (ii) CCH controls, to the extent permitted by Mississippi law, the defense, settlement and approval of the claim; and (iii) Customer, at CCH's expense, cooperates reasonably, assists and gives all necessary authority to CCH and reasonably required information in connection with the defense or settlement of the claim.
- 8.2.2. CCH has no indemnity obligations under subsection 8.2.1 regarding any claim of infringement caused by: (i) the use of the Software in any form or substance other than as provided by CCH hereunder and as required to be used by Customer hereunder; (ii) use of a superseded version of some or all of the Software if the infringement or violation would have been avoided or mitigated by

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the use of a subsequent version (and/or Update) of the Software that is provided to Customer; (iii) the modification of the Software by Customer or any third party not authorized in writing by CCH to do so; (iv) the use of the Software in combination with any intellectual property, services, reports, documentation, hardware, software, data or technology not supplied by CCH or (v) any data or information, or other intellectual property, supplied by Customer or an Authorized User or third party (other than CCH).

- 8.2.3. If any Software title becomes, or in CCH's opinion, is likely to become, the subject of a third party claim covered by CCH's indemnification obligations under subsection 8.2.1, then CCH may, in its sole discretion and at its sole cost and expense: (i) procure for Customer the right to continue using such Software; (ii) modify the infringing portion of the Software so as to render it non-infringing but still appropriate for its intended use under this Agreement; or (iii) replace the infringing portion of the Software with non-infringing items with substantially similar functionality. If CCH reasonably determines that none of the foregoing is commercially practicable, then CCH may elect to terminate this Agreement and grant Customer a refund of all prepaid but unused portions of the Fees previously paid to CCH related to the Software in question. This Section 8.2.3 states CCH's sole and exclusive liability and the sole and exclusive remedy of Customer and any Authorized User for any claim of infringement or other violation of any intellectual property rights.
- 8.3. Limited Warranty. EXCEPT AS STATED IN THIS AGREEMENT, THE SOFTWARE AND THE DELIVERABLES ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND. CCH DOES NOT WARRANT THAT THE SOFTWARE OR DELIVERABLES WILL BE UNINTERRUPTED, THAT THEIR USE OR OPERATION WILL BE ERROR OR DEFECT FREE, THAT ALL APPLICATION DEFECTS WILL BE CORRECTED, OR THAT THE SOFTWARE WILL PROPERLY OPERATE ON ANY SPECIFIC OPERATING SYSTEM OR COMPUTER HARDWARE OR CONFIGURATIONS OR BEFORE OR AFTER ANY SPECIFIC DATE OR TIME PERIOD. CUSTOMER WILL BE SOLELY RESPONSIBLE FOR THE SELECTION, USE AND SUITABILITY OF THE SOFTWARE AND CCH WILL HAVE NO LIABILITY THEREFORE. NO EMPLOYEE OR AGENT OF CCH OR ANY OF ITS SUBSIDIARIES OR AFFILIATES IS AUTHORIZED TO MAKE ANY STATEMENT THAT ADDS TO OR AMENDS ANY OF THE WARRANTIES OR LIMITATIONS CONTAINED IN THIS AGREEMENT.
- 8.4. Services Warranty. CCH represents and warrants that all Services performed hereunder, including but not limited to consulting, training, and Software maintenance, shall be performed by competent personnel and shall be of professional quality consistent with generally accepted industry standards for the performance of such Services and shall comply in all respects with the requirements of this Agreement. For any breach of this warranty, CCH shall, as its sole and exclusive liability and Customer's sole and exclusive remedy within a period of ninety (90) days from the performance of Service, perform the Services again at no cost to the Customer, or if CCH is unable to perform the Services as warranted, CCH shall reimburse the Customer the fees paid to CCH for the unsatisfactory Services.
- 8.5. Limitation of Liability and Damages. Unless jointly agreed otherwise in writing, and except for any liability resulting from CCH's indemnification obligations pursuant to Section 8.2 above, CCH's liability shall not exceed the total amount paid by Customer to CCH under this Agreement during the three (3) year term hereof set forth in Exhibit A, including any such amounts paid pursuant to amendments and change orders. In no event will CCH be liable to Customer for special, indirect, consequential or incidental damages including lost profits, lost savings or lost revenues of any kind. Excluded from this or any liability limitation are claims related to fraud, bad faith, bodily injury, death, physical damage to tangible personal property and real property caused by CCH, and the intentional and willful misconduct or gross negligent acts of CCH. The language contained herein tending to limit the liability of CCH will apply to Customer to the extent it is permitted and not prohibited by the laws or constitution of Mississippi. Further, the parties understand and agree that CCH is precluded from relying on any contractual damages limitation language within this Agreement where CCH acts fraudulently or in bad faith.
- 8.6. Third Party Products. Some Deliverables and/or other products used in connection with the Software may be provided by third-parties, as will be indicated when and if applicable. Such Deliverables and/or products are provided "as is" without warranty of any kind by CCH. All rights and obligations with respect to said Deliverables and/or products will be governed exclusively by the terms and conditions of agreements (if any) provided by suppliers of said third-party Deliverables and/or products, and Customer hereby releases CCH from all liability and responsibility with respect thereto. Any such third-party product shall be identified in the applicable Order Form.
9. DISPUTE RESOLUTION
- 9.1. Force Majeure. Neither party hereto shall be held liable for the failure to perform any obligation, or for the delay in performing any obligation, arising out of or connected with this Agreement if such failure or delay results from or is contributed to by any cause beyond the reasonable control of such party including, but not limited to, failures or delays caused by the act or omission of any governmental authority, fire, flood, failures of third party suppliers, acts or omissions of carriers, transmitters, providers of telecommunications or Internet services, vandals, hackers or other event beyond such party's reasonable control. A delay under this subsection 9.1 must be corrected within thirty (30) days of the cessation of the event causing such delay.
- 9.2. Licensing Audit. Upon CCH's written request, Customer must furnish CCH with a signed certificate verifying that Customer's version of the Software is being used (a) pursuant to the terms of this Agreement, (b) only at the Designated Office(s) and (c) only by Authorized Users. At its expense, CCH may, upon prior written notice to Customer, audit Customer's compliance with the requirements of this Agreement. Any such audit will be conducted not more than once per calendar year and during regular business hours at Customer's facilities and will not unreasonably interfere with Customer's business activities. During any such audit CCH may interview any of Customer's current and former employees and contractors. If CCH determines that Customer has not paid appropriate license or other Fees for use of the Software or Deliverables at any location, Customer will be invoiced for such license and other Fees. This right shall not limit or preclude any additional remedies available to CCH provided by law or equity.
- 9.3. Time Limit on Claims. To the extent permitted by the laws of the State of Mississippi, any claim or cause of action arising under or otherwise relating to this Agreement, or the subject matter hereof, whether based on contract, tort (including negligence) or otherwise, must be commenced within one year from the date such claim or cause of action first arose.
- 9.4. Jurisdiction. The parties hereto, and each of them, acknowledge that they have had the opportunity to be represented by independent counsel of their choice prior to entering this Agreement. Customer agrees that this Agreement shall be interpreted and enforced according to the laws of the State of Mississippi, without any regard to conflicts of law rules, and shall be treated as if executed and performed in Hinds County, State of Mississippi. All

disputes arising out of or relating to this Agreement and/or Deliverables shall be instituted and prosecuted exclusively in Hinds County, State of Mississippi, with CCH specifically consenting to extraterritorial service of process for that purpose. The parties agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply in any respect to this Agreement or to the parties in general.

- 9.5. **No Waiver of Jury Trial.** CUSTOMER DOES NOT WAIVE ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS IT CONTEMPLATES.
- 9.6. **Enforcement.** Unless so ordered by a court of law, Customer will not pay any of CCH's attorneys' fees and costs and expenses incurred in the enforcement of any of the provisions of this Agreement.
- 9.7. **Remedies.** Customer acknowledges that the Software and other proprietary information of CCH are unique and that, in the event of any breach of this Agreement by Customer, CCH may not have an adequate remedy at law, and will be entitled to seek injunctive or other equitable relief without the necessity of proving actual damages. Unless specifically stated otherwise elsewhere in this Agreement, the various rights, options, elections, powers and remedies of a party or parties to this Agreement shall be construed as cumulative and no one of them exclusive of any others or of any other legal or equitable remedy, which said party or parties might otherwise have in the event of breach or default in the terms hereof.
- 9.8. **Notices.** Any notice required or permitted to be given under this Agreement shall be in writing and personally delivered or sent by electronic means, provided that the original of such notice is sent by certified United States mail, postage prepaid, return receipt requested, or overnight courier with signed receipt, to the party to whom the notice should be given at their business address listed herein. ITS' address for notice is: Craig P. Orgeron, Ph.D., Executive Director, Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Customer's address for notice is: Mr. Jim Moore, Information Technology Director, Office of the State Auditor, 501 North West Street, Suite 801, Jackson, Mississippi 39201. CCH's address for notice is: Mr. Kevin Robert, Chief Executive Officer, CCH, Inc., 2700 Lake Cook Road, Riverwoods, Illinois 60015. Notice shall be deemed given when actually received or when refused. The parties agree to promptly notify each other in writing of any change of address.
- 9.9. **Enforceability.** In the event that any of the provisions, or portions thereof, of this Agreement is held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions and portions thereof of this Agreement shall not be affected thereby, provided that each party's purpose for entering into this Agreement can be fully achieved by the remaining portions of the Agreement that have not been severed.
- 9.10. **Waiver.** A party's failure or delay to require compliance with the conditions of this Agreement, or to exercise any right provided herein, shall not be deemed a waiver by the party of such condition or right. No failure or delay in exercising any right or remedy or requiring the satisfaction of any condition under this Agreement, and no course of dealing between the parties, shall operate as a waiver or legally bar a party from enforcing any right, remedy or condition. A waiver made in writing on one occasion is effective only in that instance and only for the purpose that it is given and is not to be construed as a waiver on any future occasion.

10. CONFIDENTIALITY

- 10.1. **Nonuse and Nondisclosure.** Customer and CCH agree that all non-public information furnished or disclosed to the other pursuant to this Agreement, including, without limitation, proprietary information within the Software, and Customer's data (the "Confidential Information"), shall be held in strict confidence by the other party, and will not be used, made available or disclosed to any third party other than as provided herein without the other party's prior written consent. Each party also agrees to restrict dissemination of such Confidential Information to only those persons in their respective organizations or third-party consultants or service providers who have a need to know such Confidential Information to perform the obligations under this Agreement. Each party will be deemed to have fulfilled its confidentiality obligations under this Section 10 if it affords the other party's Confidential Information at least the same degree of care it takes in protecting its own confidential information from unauthorized disclosure (but in no event using less than a reasonable degree of care). This Section shall survive the termination or expiration of this Agreement.
- 10.2. **Personally identifiable information.** Notwithstanding anything in subsection 10.1 to the contrary, Customer authorizes CCH to transmit the personally identifiable information ("PII") of the Clients of Customer as submitted to CCH by Customer to certain taxing authorities, as well as to certain third-party service providers that CCH may use in conjunction with the services it renders hereunder, subject to applicable laws and regulations, including Internal Revenue Code Section 7216.
- 10.3. **Exceptions.** Notwithstanding the above restrictions, neither party will have any obligation for any nonuse or nondisclosure of Confidential Information which (i) is now or subsequently enters the public domain through means other than disclosure of a party hereto in breach of the terms of this Agreement; (ii) is lawfully obtained from a third party without any obligation of confidentiality; (iii) is independently developed by such party or is already lawfully in the possession of the receiving party free of any obligation of confidentiality to the other party; or (iv) is required to be disclosed by law, by court order or by order of any government or administrative tribunal having jurisdiction over the recipient, provided that, to the extent legally permissible, the recipient must notify the disclosing party of any such requirement prior to disclosure (except where the disclosing party is being investigated for criminal activity by a state or federal agency and such agency specifically requests that prior disclosure not be made by the recipient) in order to afford such other party an opportunity to seek a protective order to prevent or limit disclosure, and the recipient will reasonably cooperate with the disclosing party's efforts to obtain such protective order.
- 10.4. **Expiration.** Upon termination or expiration of this Agreement, both parties agree to destroy all copies of written Confidential Information, including, without limitation, all electronically stored copies. However, each party will be entitled to retain copies of the other party's Confidential Information preserved or recorded or saved automatically to standard back-up or archival systems. Moreover, CCH and Customer each may retain a copy of such Confidential Information for the sole purpose of and to the extent necessary for CCH and Customer to comply with applicable and legal, regulatory, and/or reasonable internal archival policies and requirements (with such Confidential Information otherwise remaining subject to the terms and conditions of this Section 10). The disclosing party will retain all proprietary rights to the information it discloses hereunder, regardless of the expiration of the obligations under this Section 10.

11. MISCELLANEOUS

- 11.1. **Entire Agreement.** This Agreement constitutes the entire and exclusive agreement, understanding and

- representation, express or implied, between Customer and CCH with respect to the Software, Services and/or Deliverables to be furnished hereunder; it is the final expression of that agreement and understanding, and it supersedes all prior agreements and communications between the parties (including all oral and written proposals) with respect to said subject matter. Oral statements made about the Software, Services and/or Deliverables will not constitute warranties, will not be relied on by Customer, and will not be binding or enforceable. No supplement, modification or amendment of this Agreement will be binding unless executed in writing by CCH and Customer after reasonable opportunity to accept or reject such supplement, modification or amendment.
- 11.2. **Evaluation Copies of Software.** If Customer is installing or using an evaluation version of any of the Software, then this Agreement will govern Customer's use except as modified by this subsection 11.2. Software licensed to Customer for evaluation purposes shall only be used at one authorized location for a limited period of time. Certain functionality of such software may be disabled or restricted. Commercial use of such software is not authorized, is outside the scope of this Agreement, and is a violation of U.S. and International copyright laws. Any evaluation or demonstration copies of the Software must be removed from any and all Customer equipment upon the conclusion of the evaluation or demonstration and such copies must be destroyed or promptly returned to CCH. If Customer wishes to use the Software for commercial purposes then Customer must purchase a license from CCH. The following sections of this Agreement shall not apply to Customer's use of an evaluation version of the Software: subsections 7.1, 7.2, 8.1 and 8.2, and Sections 3, 4 and 5.
- 11.3. **Contact Information.** Customer and CCH agree to always provide each other with their most current contact information, including their address, phone number, fax number and e-mail address. Customer also agrees to provide CCH with Customer's most current EFIN, as well as proof of the EFIN holder's name and address, as requested by CCH, if Customer will be using the Software to electronically file tax returns.
- 11.4. **Export Restrictions.** Customer is advised that the Software is subject to the U.S. Export Administration Regulations and diversion contrary to U.S. law and regulation is prohibited. Customer agrees to not directly or indirectly export, import or transmit the Software to any country, end user or for any end use that is prohibited by any applicable U.S. regulation or statute (including but not limited to those countries embargoed from time to time by the U.S. government or the United Nations). Additionally, Customer agrees to not directly or indirectly export, import, transmit or use the Software contrary to the laws or regulations of any other governmental entity that has jurisdiction over such export, import, transmission or use. Customer represents and agrees that neither the United States Bureau of Industry and Export Administration nor any other governmental agency has issued sanctions against Customer or otherwise suspended, revoked or denied Customer's export privileges.
- 11.5. **Modification/Replacement of Software.** CCH reserves the right, in its sole discretion and without first consulting with Customer, to discontinue or modify the Software or Deliverables for any reason. However, if the Software is discontinued during the term of the license granted hereunder, then CCH will, in its discretion, either: i) continue to provide support for the discontinued product for the remainder of the then current License term; ii) provide a pro-rata refund of the license Fees paid for the discontinued product; or iii) replace the discontinued product for the duration of the License term with a successor product having equal or greater functionality (with CCH reserving the right to charge extra Fees for any such new product). If Customer purchases software that is discontinued prior to its shipment to Customer, CCH will provide Customer with a refund of the Fees paid toward such software.
- 11.6. **Data Transmission Notification.** The Software may transmit to CCH's internal servers general information about an Authorized User's computer setup (for example, system configuration, type of internet connectivity, RAM, CPU, operating system, browser version). CCH may use this information for internal quality assurance and software error checking, as well as to assist users with multiple offices. This data, like all other data transmitted to CCH is treated as Confidential Information. CCH does not attempt to access any files on an Authorized User's computer that are not related to the Software or general system information.
- 11.7. **Assignment.** Neither this Agreement, the License(s) granted hereunder nor the Software may be sublicensed, assigned, sold, hypothecated, or transferred by Customer without the prior written consent of CCH, (which shall not be unreasonably withheld in the case of agency restructuring involving Customer). Any attempt to sublicense, assign or transfer any of the rights, duties or obligations under this Agreement without the prior written consent of CCH shall automatically terminate the rights granted hereunder and shall be void and of no effect. Customer agrees that CCH's retention of these contractual and other legal rights is an essential part of this Agreement.
- 11.8. **Delivery.** CCH shall deliver the Software to the location specified by Customer and pursuant to the delivery schedule mutually agreed to by the parties. Deliveries are f.o.b. point of shipment. Customer acknowledges that the Software and all Updates thereof are pre-written software of general application. All Deliverables will be delivered to Customer remotely via interstate means from CCH's offices.
- 11.9. **Acceptance.** For newly licensed Software (i.e. Software licensed by Customer for the very first time), Customer shall have thirty (30) calendar days after installation of the Software to evaluate and test the Software to confirm that it performs without any material defects and in accordance with CCH's user documentation. Customer shall immediately thereafter notify CCH in writing of any defects in the Software, which must be corrected prior to payment being made. Thereafter, CCH shall have ten (10) working days in which to either repair or replace the defective Software, all at CCH's expense. In the event CCH is unable to repair or replace the Software, Customer may terminate this Agreement pursuant to the Termination Article herein. Customer shall be deemed to have accepted the Software at the end of the aforementioned thirty (30) day acceptance period, unless Customer notifies CCH within such thirty (30) day period that the Software fails to perform as stated herein.
- 11.10. **Modification.** This Agreement may be modified only by written agreement signed by the parties hereto, and any attempt at oral modification shall be void and of no effect. The parties agree to renegotiate the Agreement if federal and/or state revisions of any applicable laws or regulations make changes in this Agreement necessary.
- 11.11. **Availability of Funds.** It is expressly understood and agreed that the obligation of the Customer to make payments under this Agreement is conditioned upon the appropriation of funds by the Mississippi State Legislature and the receipt of state and/or federal funds. If the funds anticipated for the continuing fulfillment of this Agreement are, at any time, not forthcoming or insufficient through the failure of the federal government to provide funds, the State of Mississippi to appropriate funds, the discontinuance or material alteration of the program under which funds were provided, or if funds are not otherwise available to the Customer, the Customer shall have the right to immediately terminate this Agreement without damage.

penalty, cost, or expense to the Customer of any kind whatsoever. The effective date of termination shall be as specified in the notice of termination.

- 11.12. **Record Retention.** CCH shall establish and maintain financial records, supporting documents, statistical records and such other records as it customarily maintains ("Records") to reflect amounts invoiced to Customer under this Agreement. During the term of this Agreement, the Customer, ITS, any state or federal agency authorized to audit Customer, and/or any of their duly authorized representatives, shall, to the extent required by applicable law and subject to the confidentiality obligations of this Agreement, have timely access to this Agreement and to copies of any such Records for audit purposes without unreasonably interfering with CCH's normal business operations. All Records shall be retained by CCH for three (3) years from the date of receipt of final payment under this Agreement.
- 11.13. **Sovereign Immunity.** By entering into this Agreement with CCH, the Customer in no way waives its sovereign immunities or defenses as provided by law.
- 11.14. **Debarment & Suspension Certification.** CCH certifies that neither it nor its officers: (a) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency; (b) have within a three (3) year period preceding this Agreement, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, including violation of federal or state anti-trust statutes, commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, and receiving stolen property; (c) are presently indicted or otherwise criminally or civilly charged by a governmental entity with the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction, including violation of federal or state anti-trust statutes, commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property; and (d) have, within a three (3) year period preceding this Agreement, had one or more public (federal, state, or local) transactions terminated for cause or default.

- 11.15. **Transparency.** In accordance with the Mississippi Accountability and Transparency Act of 2008, §27-104-151, et seq., of the Mississippi Code of 1972, as Amended, the American Accountability and Transparency Act of 2009 (P.L. 111-5), where applicable, and §31-7-13 of the Mississippi Code of 1972, as amended, where applicable, a fully executed copy of this agreement shall be posted to the State of Mississippi's accountability website at: <https://www.transparencymississippi.gov>.

- 11.16. **Statutory Authority.** By virtue of Section 25-53-21 of the Mississippi Code Annotated, as amended, the Executive Director of ITS is the purchasing and contracting agent for the State of Mississippi in the negotiation and execution of all contracts for the acquisition of information technology equipment, software, and services. Customer understands and agrees that ITS as contracting agent is not responsible or liable for the performance or non-performance of any of Customer's contractual obligations, financial or otherwise, contained within this Agreement and that Customer is directly responsible for such obligations.

- 11.17. **Sole and Exclusive Remedies and Liability.** Language in this Agreement specifying that Customer's remedies and CCH's liability are sole and exclusive will only apply to the parties to the extent permitted by Mississippi law.

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For the faithful performance of the terms of this Agreement, the parties have caused this Agreement to be executed by their undersigned representatives.

State of Mississippi, Department of Information Technology Services, on behalf of the Office of the State Auditor

By: [Signature]
Authorized Signature

Printed Name: Craig P. Orgeron, Ph.D.

Title: Executive Director

Date: 1/24/17

CCH Incorporated

By: [Signature]
Authorized Signature

Printed Name: Margaret Goetz

Title: Director, SOFTWARE Sales

Date: 1-24-2017

EXHIBIT A

Description	Term	Annual Cost
ProSystem (x Engagement Software Support & Maintenance	02/1/2017 - 01/31/2018	\$29,719.00
ProSystem (x Engagement Software Support & Maintenance	02/1/2018 - 01/31/2019	\$31,649.00
ProSystem (x Engagement Software Support & Maintenance	02/1/2019 - 01/31/2020	\$33,699.00
3-Year Total:		\$95,067.00

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Effective Date 11/01/2016
 Expiration Date 10/31/2019
 Date Printed 02/14/2017
 Procurement Type SOLE SOURCE

CP-1 Acquisition Approval Form
Dept. of Information Technology Services
3771 Eastwood Dr.
Jackson, MS 39211
(601) 432-8000

CP-1 **20170282**
 Contract **IT20120073**
 Acquisition Method: PURCHASE

This document is your authorization from ITS to purchase the following products and/or services from the vendor listed, at or below the prices itemized. If no vendor is listed, proceed according to ITS exemption instructions or instructions included on the Planned Purchase Approval Letter accompanying this CP-1. This procurement is contingent upon availability of funds and will not become final until the vendor has received your purchase order. Keep this form with your financial records as an audit trail of ITS procurement approval.

For additional information regarding the ITS Procurement Process and CP-1 Approval Documents, refer to the ITS Procurement Handbook, located at <http://www.its.state.ms.us/its/procman.nsf>. The following sections of the Procurement Handbook include information specifically related to CP-1 approvals: 009-025, 013-040, and 013-080.

If you need additional assistance regarding this CP-1, please contact the ITS Procurement Help Desk at 601-432-8166 or e-mail isshelp@its.ms.gov.

155 Auditor, Office of the State ATTN: Stephen Houston 801 Woolfolk Building 501 N. West St. Jackson, MS 39201	PLACE ORDER TO: 3100001316 CCH INC C/O WOLTERS KLUWER 2700 LAKE COOK RD RIVERWOODS, IL 60015 MAKE PAYMENT TO: 3100001316 CCH INC C/O WOLTERS KLUWER 2700 LAKE COOK RD RIVERWOODS, IL 60015
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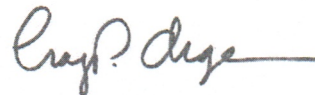
MAX ANNUAL % INCREASE	0.00	CP1 LIFECYCLE LIMIT	95,063.00	NUMBER OF PAYMENTS	1
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This software is used to provide an electronic audit management system. CCH Incorporated has certified that they are the sole source manufacturer and provider of CCH Prosystem fx Engagement Software Support and Maintenance. ITS issued Sole Source Certification Number 3940 and received no objections/responses.
 A Software License Agreement has been executed.

NOTE: The executed Agreement states that the software support will end January 31, 2020. ITS will have to issue a 2nd Notice of Intent to Certify Sole Source for the period of November 1, 2019 through January 31, 2020.

The MAGIC Contract Number is 8800000511.

APPROVED ITS DATE: 02/14/2017



PRODUCTS AND SERVICES PURCHASE DETAILS

QTY	PRODUCTS	EACH NET	EXTENDED NET
1	Engagement Software Support & Maintenance for 3 years	95,063.00	95,063.00

TOTAL MAXIMUM 95,063.00

COMMODITY CODES -- 6192100000

DISTRIBUTION TO
 ISS MAGIC - EMAIL issmagic@its.ms.gov

PRNO JJB00-43104-1	ATHY DIRECTOR APRV	REPLACEMENT SUBSEQUENT	RFP No(s)
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Effective Date 11/01/2016
Expiration Date 10/31/2019
Date Printed 02/14/2017
Procurement Type SOLE SOURCE

CP-1 Acquisition Approval Form
Dept. of Information Technology Services
3771 Eastwood Dr.
Jackson, MS 39211
(601) 432-8000

CP-1 **20170282**
Contract **IT20120073**
Acquisition Method: PURCHASE

CP-1 LIFECYCLE REPORT

Product/Services
ProSystem fx Engagement Software Support and Maintenance for 3 years

Payment frequency MAXIMUM
Max Annual % Increase 0.00

	YEAR	PERIOD	PAYMENT AMOUNT	# PMTS	TOTAL FOR YEAR
	1	11/01/2016	95,063.00	1	95,063.00
Total				1	95,063.00