

STATE OF UTAH - STATE COOPERATIVE CONTRACT

CONTRACT NUMBER AR218

- 1. CONTRACTING PARTIES: This State Cooperative Contract is between the Division of Purchasing and General Services, an agency of the State of Utah, and the following CONTRACTOR:

Meru Networks
Name
894 Ross Drive
Address
Sunnyvale CA 94089
City State Zip

LEGAL STATUS OF CONTRACTOR

- Sole Proprietor
Non-Profit Corporation
For-Profit Corporation
Partnership
Government Agency

Contact Person Ric Lukasiewicz Phone #303-229-9165 Fax # 408-215-5301 Email rlukasiewicz@merunetworks.com
Federal Tax ID# 260049840 Vendor #VC0000112456 Commodity Code #20464, 20623 & 20621

- 2. GENERAL PURPOSE OF CONTRACT: The general purpose of this contract is to provide:

WSCA Contract to provide Data Communications Equipment Associated OEM Maintenance and Training per RFP #DG7500.

- 3. CONTRACT PERIOD: Effective date: November 30, 2007 Termination date: May 31, 2010 unless terminated early or extended in accordance with the terms and conditions of this contract. Renewal options (if any): 2-(2) year.

- 4. PRICING AS PER THE ATTACHMENT Discounts
PAYMENT TERMS: Net 30
DAYS REQUIRED FOR DELIVERY: best possible or 30 Days ARO
MINIMUM ORDER: None
FREIGHT TERMS: F.O.B. Destination - Freight Prepaid

- 5. ATTACHMENT A: Addendum 1
ATTACHMENT B-1: WSCA Terms and Conditions
ATTACHMENT B-2: Not Applicable
ATTACHMENT C: Not Applicable

- 6. DOCUMENTS INCORPORATED INTO THIS CONTRACT BY REFERENCE BUT NOT ATTACHED:
a. All other governmental laws, regulations, or actions applicable to the goods and/or services authorized by this contract.
b. Utah State Procurement Code, Procurement Rules, and CONTRACTOR'S response to Bid #DG7500 dated 9/4/06.

IN WITNESS WHEREOF, the parties sign and cause this contract to be executed.
CONTRACTOR STATE OF UTAH

Richard Anthony
Contractor's Signature

Douglas G. Richins
Director, Div. of Purchasing & General Svs.

Ric Lukasiewicz Region Sales Mgr
Type or Print Name and Title

11-30-07
Date

DEC 16 2007

Date

ATTACHMENT A ADDENDUM 1

This Addendum has terms and conditions of the contract between the State of Utah, referred to as STATE, and Meru Networks, referred to as Contractor. The State of Utah is acting as the Lead State for the procurement process resulting in WSCA **Contracts for Data Communications Equipment, associated OEM Maintenance and Training.**

A. Manufacturer Product Line(s)

This contract authorizes the Contractor to provide the following manufacturer's Data Communications Equipment, Maintenance, and Training, as listed by category. No other equipment or maintenance will be covered under this contract, unless identified in an amendment to the contract. Products covered under this agreement are:

Indoor & Outdoor WiFi Products
Training and Maintenance for Above Products

B. State of Utah/WSCA Contract Manager

Debbie Gundersen
State of Utah
Division of Purchasing and General Services
State Office Building, Capitol Hill
Room 3150
Salt Lake City, UT 84114-1061

email: dgundersen@utah.gov
Voice: (801) 538-3150
Fax: (801) 538-3882

C. Remittance Address

Vicky Marsh
894 Ross Drive, Sunnyvale, CA 94089
Main: +1 (408) 215-5300
Fax: +1 (408) 215-5301

Or Authorized Resellers listed on WSCA Website

D. Special Terms and Conditions

The parties agree to amend the terms and conditions as follows:

1. Order of Precedence

The order of precedence for the contract terms will be as follows:

 1. Attachment B-1: WSCA Terms and Conditions
 2. State of Utah Contract Signature Page (Cover Page)
 3. Attachment A: Addendum 1
 4. Contractor's Terms and Conditions, if applicable and attached
 5. Contractor's Response to BAFO for RFP DG7500, incorporated by reference
 6. Contractor's Response to RFP DG7500, incorporated by reference
 7. RFP DG7500, incorporated by reference

2. Included Documents

The documents listed in Number 1 are included in the contract. It is agreed that any reference to the "Entire Agreement" includes these documents.

3. Public Information

The contract, including the price lists and the Response to the RFP, will be considered public documents and will be subject to government records policies in each state. The Contractor gives the STATE express permission to make copies of the information specified to provide to other STATE government entities that may use the contract, and to the public, in accordance with general STATE policies, including copies of said information that may be identified as confidential, proprietary, or copyrighted.

4. Arbitration

The STATE will not accept mandatory, binding arbitration. If there are any references to binding arbitration in the Contractor's Response to the RFP, they will be null and void. The parties may agree, on a case by case basis, to voluntary arbitration to resolve contract issues.

5. Contract Period

The contract period, including renewal options, is listed on the STATE OF UTAH - Statewide Contract cover page. Renewals will be agreed to upon written authorization from both parties. All references to automatic renewals will be null and void.

6. Governing Law

This procurement shall be governed and the resulting price agreement construed in accordance with the laws of the State of Utah. The construction and effect of any Participating Addendum or order against the price agreement shall be governed by and construed in accordance with the laws of the Purchasing Entity's State. Venue for any claim, dispute or action concerning the construction and effect of the price agreement shall be in the Lead State. Venue for any claim,

dispute or action concerning an order placed against the price agreement or the effect of a Participating Addendum or shall be in the Purchasing Entity's State.

E. Contractor Requirements

1. Contractor Responsibility
Contractor is solely responsible for fulfillment of the responsibilities under the terms and conditions of the contract. The procuring agencies will issue purchase orders and make payments to only the named contractors or their respective resellers.
2. Serving Subcontractors
If using servicing subcontractors for the performance of local marketing, maintenance and/or technical support services in accordance with the terms and conditions of the contract, servicing subcontractors may not directly accept purchase orders or payments for products or services from procuring agencies under the terms and conditions of the contract. The authorized procuring agency has the option of choosing whether to purchase the associated OEM maintenance and/or training to support the equipment purchased.
3. WSCA Administration Fee
The contractor must pay a WSCA administration fee of one half of one percent (.50%) in accordance with the terms and conditions of the contract. The WSCA administration fee is not negotiable.
4. Usage Reporting Requirement
Contractor must submit quarterly usage reports to the contract manager. Initiation and submission of the quarterly report is the responsibility of the contractor without prompting or notification by the contract manager. The due dates of each quarterly contract usage report are April 30, July 31, October 31 and January 31. Quarterly usage reports must contain total dollar usage figures for each WSCA member-state (and non-member state), per product category, per manufacturer, respectively. Usage figures must be provided per maintenance option.
5. Change in Contractor Representatives
The State of Utah/WSCA reserves the right to require a change(s) in contractor representatives if the assigned representative(s) is not, in the opinion of the State of Utah's contract manager, meeting its needs adequately.
6. Website Development and Maintenance
Contractor must maintain said website and keep the information current and correct on a timely basis.
7. Rollout and Marketing
Contractor may conduct a marketing effort as described in Contractor's proposal.

8. Right to Publish
Contractor must secure prior approval from the contract manager for permission to release any information that pertains to the potential work or activities relating to this contract. Failure to adhere to this requirement may result in termination of the contract for cause.
9. Contractor's Scope of Equipment and Services
Contractor may only fill contract orders from the scope of equipment and services under contract. Any sale made under this contract by the Contractor of equipment, products or services not explicitly covered by the scope of equipment, products and related services described in Section E may result in contract termination for cause.
10. E-Rate Requirement
Contractor must participate in the Federal Communication Commission's E-rate discount program established under authority of the Federal Telecommunications Commission Act of 1996. Participation in, and implementation of, this program must be provided without the addition of any service or administration fee by the contractor.
11. Freight Terms of Sale F.O.B. Destination, Freight Prepaid
Contractor will ship all products F.O.B. destination, freight included in the product price. Contractor may not include freight charges on invoicing. Failure to comply with this requirement may result in contract termination for cause.

Whenever a procuring agency does not accept any product and returns it to the contractor, all related documentation furnished by the contractor shall be returned also. The contractor shall bear all risk of loss or damage with respect to returned products except for loss or damage directly attributable to the negligence of the procuring agency. Contractor is responsible for the pick-up of returned equipment.

12. Price Guarantee Period
Percentage discount depth from list is not subject to a "price increase request" that would result in a less attractive discount; discounts may only be adjusted by the contractor to reflect a deeper discount(s). The discount is applied to manufacturers current published list price schedule(s).

Maintenance and any training related costs are also guaranteed for the entire contact..

13. Product Revision Requests
Contractor must submit updated price list(s) upon publication, or any other product model changes, addition of new products, product upgrades or services in a timely manner.

Contractor agrees to delete obsolete and discontinued products from the contract price list(s) on a timely basis. Major product model changes will be incorporated into the contract as soon as possible after product introduction, to be offered at the same rate of discount for the appropriate price list and its discount.

14. Maintenance of Current Price List with Discount(s) Applied
Manufacturer's price list(s) must be tailored for WSCA with the WSCA contract discount(s) applied; this must be created and maintained by the contractor on an Internet website hosted by the contractor, at no additional charge(s) to the State of Utah or WSCA. This website will be listed as a link from the WSCA website.

F. Contract Scope of Equipment and Related Services

Any sale by the Contractor of equipment, products or services not explicitly covered by the scope of equipment, products and related services described below may result in contract termination for cause.

1. Discounts of Manufacturers Price List
 - a. Pricing Discounts
 - a1) Category A- Product: 25% for Access Points, Controllers, certain software...
 - Category B- Accessories: 15% for software, accessories, Ascom Phones & Gateway, training...
 - Category C- Support: no discount
 - b. Discount Structures Based on Volume (per order or progressive cumulative volume)
 - b1) Meru will increase Category A discounts upon review of achieving cumulative purchases over \$10M.
 - c. WSCA Member-State coverage
 - c1) Meru provides coverage in each state involved via Meru direct or our partners
2. Resolution of Customer Problems
WSCA representatives will be able to raise problems to the Meru contract administrator and/or Ric Lukasiewicz.
3. Escalation Procedures
Meru offers worldwide multi-lingual technical support 24 hours, 7 days a week, and 365 days a year. Meru enables our customers to proactively manage their service contracts and download tools and information via the internet. Meru

Customers have a dedicated Easy Check-In portal which includes all the necessary software updates as well as other important information.

Meru provides for escalating levels of post-sales support when customers purchase service agreements on products purchased. For example, Meru logs all customer issues in a Services Tracking System and assigns a trouble ticket number & Level-1 Service representative. Such customers receive an average guaranteed response and resolution time depending on the level of service chosen. If a trouble issue is open greater than two (2) business days, the issue is passed to Level-2 Customer Service & Sustaining Engineering. After four (4) business days, the issue is passed to Product Engineering and entered into the Meru Product Issue database. Next the VP of Engineering oversees all such escalated open issues at this point. The Meru Regional Sales Manager, Sales Engineer, and/or Field Sales representatives are involved through the process as they receive daily notifications on any issues that pass to Level-2 Customer Service.

4. Technical Services (Equipment Warranty, Installation, Training, Maintenance Options, Replacement)
 - Equipment Warranty: Warranty issues are handled by Meru Customer Service. Once a product is deemed inoperable by Meru Customer Service an RMA number is issued for the device. The purchaser is responsible for shipping and handling cost in sending the device to Meru. If the purchaser has added maintenance services a replacement unit will be shipped out same-day. Otherwise Meru delivers a replacement once the inoperable device is received at Meru.
 - Installation: will be performed by a Meru Engineer or VAR engineer as required. Fees vary depending on the total equipment purchased, size of installation, and scope of services wanted.
 - Training: is provided by Meru and our partners as required.
 - Training may be provided as a short initial onsite review by Meru field resources or the Meru Certificated Courses.
 - For onsite courses, the cost is \$10,000 per day with a minimum of five (5) and maximum of twelve (12) attendees. Meru also offers a two-day course at Meru's training facilities and locations around the USA once each month at \$1,800 per attendee. Meru's VARs may also offer training on Meru products. Training is available to all WSCA states.
 - The Meru Operation, Installation, and Troubleshooting course is designed to provide the skills a relative newcomer to the wireless world needs to work with Meru Networks. The course is primarily hands-on so that the required skills are practiced in a simulated deployment as the required conceptual knowledge is being acquired.

- **Maintenance Options:**
Meru offers worldwide multi-lingual technical support 24 hours, 7 days a week, and 365 days a year. Clients may purchase such support in one, two, or three year increments.

Meru enables our customers to proactively manage their service contracts and download tools and information via the internet. Meru Customers have a dedicated Easy Check-In portal which includes all the necessary software updates as well as other important information.

- **Equipment Replacement:**
 - Meru equipment replacement is provided for DOA systems and/or when deemed necessary by Meru support contract procedures. Customers call 888-MERU-WLA.

5. **Servicing Sub-Contractors (Resellers)**

A list of the Servicing sub-contractors will be posted on the WSCA Website at www.aboutwsca.org and on the Contractor's network website. This list will be updated as changes are made.

Meru Networks, Inc.

**Proposal Response to:
DG7500 Data Communications
Equipment**

Utah Division of Purchasing and General Services

State of Utah Western State

Contracting Alliance WSCA

October 12, 2006

Table of Contents

Executive Summary

Usage Reports Contact

Section III.D. Proposal Content

2) Letter of Transmittal

Section III.D. Proposal Content 4)

Point-by point response

Attachments:

Meru Financials-Balance Sheet Meru Financials-
Income Statement Meru Product Price List Meru
Value Added Resellers (subcontractors) 2pgs

Meru Networks, Inc. – Executive Summary

Meru Networks, Inc. a Sunnyvale California company proposes 802.11 wireless fidelity (WiFi) products for inclusion in the WSCA contract for Data Communications Equipment.

Meru's solution set is listed and priced in the Bid Sheets under Solutions #4, #5, and #7 where requests for wireless data communications products are listed. Meru currently provides WSCA agencies products under GSA schedule and delivered via a network of approved Value Added Resellers (VARs) in the WSCA states. Some of these VARs currently hold the WSCA contract. Meru Networks GSA Schedule pricing is protected information.

Meru as the contract holder is responsible for all equipment maintenance and warranty support.

Meru's unique WiFi solution enables WSCA agencies, the end user, to eliminate most of the cost involved in planning and designing wireless networks. Meru's Virtual Cell architecture eliminates the over the air interference normally associated with WiFi systems making Meru an easy to use option for WSCA contract purchasers. Meru is the only product suite that is voice over wireless ready so the WSCA agencies deploying Meru technology are future proof.

Usage Reports will be provided by:

Vicki Marsh, Operations Administrator

894 Ross Drive
Sunnyvale, CA 94089

Main: +1 (408) 215-5300

Fax: +1 (408) 215-5301

vmarsh@merunetworks.com

Proposal Content, Requirements, Format and Organization

Proposal Format & Organization

2) Letter of Transmittal

- a) Meru Networks, Inc. 894 Ross Drive, Sunnyvale, CA 94089
- b) Ihab Abu-Hakima, CEO
- c) Tushar Kothari, VP of Worldwide Sales
- d) Ric Lukasiewicz, Mountain States Sales Manager, 303-229-9165
- e) Acceptance of the Conditions Governing the Procurement stated in Section II P.C
- f) Yes
- g) Acknowledgement of all addenda to this RFP

4) Point-By-Point Responses

a) Product and Service Delivery: Meru Networks manufactures 802.11 “WiFi” wireless networking equipment. Meru sells and services its products in all 50 states through extensive networks of Value Added Resellers (VARs) and systems integrators. These VARs have provided extensive services to the WSCA entities in the past and/or have been on the most recent WSCA contract. A list of Meru authorized VARs is included per WSCA state.

Customer Problems and Complaints – Meru logs all customer issues in a Services Tracking System and assigns a trouble ticket number and Level-1 Service representative. Customers who’ve paid Meru equipments maintenance fees receive an average guaranteed response and resolution time depending on the level of service chosen. If a trouble issue is open greater than 2 business days the issue is passed to Level 2 Customer Service and Sustaining Engineering. After 4 business days the issue is passed to Product Engineer and entered into the Meru Product Issue database. The VP of Engineering oversees all open issues at this point. The Meru Regional Sales Manager and Field Sales representatives are involved through the process as they receive daily notification on any issues that pass to Level 2 Customer Service.

Customer Satisfaction Statistics – Average response time: 22 minutes from first call Average resolution time per open trouble ticket: 34 hours. Average number of open tickets, per day (US only): 22. Average resolution time after Level 2 notification: 6 business days. Average number of issue passed to Engineering: 2 per week

Value Added Technical Services: Training -- Training on Meru products is provided by Meru and our partners as required. Training may be provided as a short initial onsite review by Meru field resources or the Meru Certificated Courses. For onsite courses, the cost is \$10,000 per day with a minimum of five (5) and maximum of twelve (12) attendees. Meru also offers a two-day course at Meru's training facilities and locations around the USA once each month at \$1,800 per attendee. Meru's VARs may also offer training on Meru products. Training is available to all WSCA states.

Installation – performed by a Meru Field Engineer or VAR engineer as required. Fees vary depending upon the total equipment purchased and the size of the installation. Minimum charges apply at \$125/hr with a per day minimum of four hours plus travel and expense.

b) Electronic Commerce Meru will provide WSCA members a link to the pricing area of Meru's site should Meru be selected. Meru does not currently receive order via Meru.com however this capability is being developed.

c) Primary Account Representative:

Ric Lukaszewicz, Regional Sales Manager, Sunnyvale,

d) References

George Li Network Architect gli@phila.k12.pa.us School District of Philadelphia
440 N. Broad Street Philadelphia, PA 215-400-5016 The School District of Philadelphia, the 7th largest school district in the country, servicing over 210,000 students across 278 schools, is using the Meru Wireless LAN System to deliver mobile Internet access, educational applications, and instructional management tools to students, administrators and faculty in its School of the Future.

Behzad Barzideh Network Manager SUNY – Stonybrook ECC - Javits Stonybrook,
NY 11794-2620
(631) 632-8031

(631) 632-3207 At SUNY, 18 Meru APs and a Meru Controller were deployed at the Charles B. Wang Center, a 120,000-square feet events facility, to support the wireless

networking requirements of the 500-plus event participants. Despite the high user density, the Meru WLAN System performed flawlessly, supporting hundreds of users as they checked e-mail, downloaded presentations and connected to their institutions' Intranet using a VPN connection.

Debbie Gardner Wireless Network Designer University of Illinois, DCL 1304 W. Springfield Ave Urbana, IL 61801 Meru supplied over 50 access points to provide campus wireless connectivity. University of Illinois plans expanding up to 300 more access points to cover the campus.

e) Marketing Plan: Meru will require a listing of all participating WSCA agencies. Initially Meru will send a notification email to agency representatives notifying of the Meru contract award. This notice includes an overview of Meru's products and services, contacts, and local VAR contacts and a link to the Meru.com site where the agencies will find the WSCA pricing and terms.

Any agency that responds to the initial notification will receive login information to access the "WSCA Members" section on Meru.com where product literature, spec sheets, white papers and ordering information is provided. Each calendar quarter WSCA will receive a product update announcement via email. The announcement may include special product offers.

Marketing is accomplished through a suite of vertically-targeted programs that encompass the following areas: direct mail; technical and industry-specific Webinars; technical and industry-specific seminars hosted by Meru, industry analysts, its channel partners, and/or its customers and focused on vertical markets or technologies; trade shows and industry association meetings; symposia and conferences sponsored by analysts, industry associations, government institutions, and/or end user communities; and co-channel marketing programs hosted by Voice-Over-IP (VoIP) Unplugged strategic partners.

f) Energy Efficiency: Meru markets a narrow product line in the scope of the WSCA RFP. Our controller products are for data center deployment with the necessary operating temperature requirements for those deployments. The fan power need to maintain operating requirements prevents Energy Star compliance.

The Meru access points draw 12 watts.

g) Take Back/Recycling

Meru currently has an arrangement with Retire-IT Corp. and American Communications Corp for the take back and recycling its equipment. Meru's initial products are less than 3 years old so they have not reached their end-of-life. So equipment volumes and types do not apply.

h) Section 508 Compliant Meru's product comply with the Workforce Investment Act of 1998, Section 508

i) Price Proposal and Level Discounts: Meru has two categories of products, Category A are the core wireless hardware devices and management software designed and produced by Meru. Category B is added products like software and accessories. Category C is the maintenance and training services offered by Meru plus certain 3rd party equipment that Meru carries on its catalogue.

WSCA shall receive a 25% discount from list on Category A products, 15% on Category B, and Category C is no-discount.

i)2. Cumulative Volume Discount: If after 12 months WSCA purchases total over \$10M, Meru will review increasing discounts. There is no volume discount for maintenance and training.

i) 5. Price List Attached as PDF
"Meru Price List"

i)6. Contract Usage Reports Meru normally prepares the following monthly reports: Items shipped – sorted by customer, locations, P.O.#, qty, dates, etc. Returns, RMAs, failures Open orders, backorders Meru's data management system will create customized reports for WSCA. The system will support remote administration on a limited basis for WSCA direct access however for a limited set of administrators.

i)7. Other Supporting Materials
None

i)8. Financial Information See Attached "Meru Financials- Balance Sheet" and Meru Financials-Income Statement."

i)9. Manufacturer Requirement: Meru, founded in 2002, has been delivering WiFi products since February 2003. We've marketed and sold over 80,000 wireless access point world-wide to date.

Model numbers are the AP1xx, AP2xx, and AP3xx, and AP4000 Access Point families. Meru controller products sold are the MC500, MC1000, MC3000, and MC5000. These support five to 1000 Access Points.

Meru has grown over 150% year over year since its inception in 2002.

i)10. Warranties

Meru endeavors to meet the criteria outlined in items 1-5. Item 6 states “unusual problems” which is a very subjective statement. Meru takes exception to this statement and warrants our products from material defects.

Warranty Issues -- Warranty issues are handled by Meru Customer Service. Once a product is deemed inoperable by Meru Customer Service an RMA number is issued for the device. The purchaser is responsible for shipping and handling cost in sending the device to Meru. If the purchaser has added maintenance services a replacement unit will be shipped out same-day. Otherwise Meru delivers a replacement once the inoperable device is received at Meru.

i)11. Technical Support: Meru Networks' Red Carpet Service Program is a comprehensive suite of support solutions designed to address our customers' needs- from planning and design, to deployment, optimization, and ongoing operation.

As a part of our service contract options, worldwide multilingual technical support is offered 24 hours, 7 days a week, and 365 days a year to ensure that the customers' needs are met at once. Meru allows our customers to proactively manage their service contracts and download valuable tools and information by using the power of the Internet. Meru's customers have a dedicated Easy Check-In portal that includes all the necessary software updates as well as other important information.

Meru offers a comprehensive suite of support packages that help WSCA agencies fully maximize their network investment. Our experienced Red Carpet support team offers world-class levels of service.

Meru uses its quality reporting systems to drive ongoing process improvements in the company. These include the software QA process, the hardware QA tracking system, and the customer incident tracking systems. By using data from these systems to feed back into the organization/processes we are constantly enhancing our business processes. Meru measures a number of key customer-facing parameters, including on-time delivery, to customer delivery commitments, support response times, and hardware quality

Meru currently employs ~30 field systems engineers, in addition to dedicated customer support resources in India and Sunnyvale, CA. Inside customer support staff and engineering resources may be deployed as field resources on an escalation basis as needed

Meru Customer Support Number: (888) MERU-WLA

i)12. Maintenance Information and Support – Maintenance requests are initiated with Meru Customer Service in the form of a “trouble case” where each issue is assigned a ticket number. Requirements for on-site maintenance are determined by the Customer Service team and the end-user. Meru deploys representatives from our staff, its network of VARs and systems integrators to service products on-site. Refer to attached “Meru Subcontractors” for a detailed listing. Due to the nature of Meru’s access point products there is no “field service” option. Meru service reps and agents simply swap the systems with working units. In the case of a failed Meru controller, Meru may dispatch a Meru engineer as a Level 3 service option if our agents cannot resolve the issue on-site.

The Purchasing Entity must purchase Meru First Class or Business Class Maintenance Services in order to have access to Meru’s maintenance services. Pricing is outlined in the included “Bid Sheets”. There is no separate “Maintenance Contact” to secure Business Class or First Class Maintenance. Warranty Service covers the replacement cost of the equipment. The Meru Warranty does not include response and resolution parameters or guaranteed access to Meru Customer Services.

i)13. Training and Value Added Services – The Meru Operation, Installation, and Troubleshooting course is designed to provide the skills a relative newcomer to the wireless world needs to work with Meru Networks. The course is primarily hands-on so that the required skills are practiced in a simulated deployment as the required conceptual knowledge is being acquired.

The course is modular, so that it can be quickly and easily customized to provide just the right amount of training for the needs of WSCA agencies. Training -- training on Meru products is provided by Meru on-site as required at a cost of \$10,000 per day with a minimum 5 attendees from WSCA member organizations. Meru also offer a two-day course at Meru’s training facilities once each month at \$1,800 per attendee. Meru’s VARs also offer training on Meru products. Training is available to all WSCA states.

Installation – performed by a Meru Field Engineer or VAR engineer as required. Fees vary depending upon the total equipment purchased and the size of the installation. Minimum charges apply at \$125/hour with a four hour minimum plus travel and expenses.

i)14. Serving Subcontractors

Meru's network of VARs and Systems integrators have been reselling, installing and servicing Meru equipment throughout the WSCA states since 2003. WSCA will receive a monthly email notification on all updates to the subcontractor listing.

Attachment B-1: WSCA Terms and Conditions

Standard Contract Terms and Conditions

Western States Contracting Alliance

Request for Proposal

1. PARTICIPANTS: The Western States Contracting Alliance (herein WSCA) is a cooperative group contracting consortium for state government departments, institutions, agencies and political subdivisions (i.e., colleges, school districts, counties, cities, etc.) for the states of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming. Obligations under this contract are limited to those Participating States who have signed (and not revoked) an Intent to Contract at the time of award, or who have executed a Participating Addendum where contemplated by the solicitation. Financial obligations of Participating States are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating States incur no financial obligations on behalf of political subdivisions. Unless otherwise specified in the solicitation, the resulting award(s) will be permissive.

2. QUANTITY ESTIMATES: WSCA does not guarantee to purchase any amount under the contract to be awarded. Estimated quantities are for the purposes of submitting proposals only and are not to be construed as a guarantee to purchase any amount.

3. SPECIFICATIONS: Any deviation from specifications must be clearly indicated by offeror, otherwise, it will be considered that the proposal is in strict compliance. When BRAND NAMES or manufacturers' numbers are stated in the specifications they are intended to establish a standard only and are not restrictive unless the RFP states "No substitute". Proposals will be considered on other makes, models or brands having comparable quality, style, workmanship and performance characteristics. Alternate proposals offering lower quality or inferior performance will not be considered.

4. ACCEPTANCE OR REJECTION OF PROPOSALS: WSCA reserves the right to accept or reject any or all proposals or parts of proposals, and to waive informalities therein.

5. SAMPLES: Generally, when required, samples will be specifically requested in the Request for Proposals. Samples, when required, are to be furnished free of charge *based on agreement from both parties*. Except for those samples destroyed or mutilated in testing, samples will be returned at a offeror's request, transportation collect.

6. CASH DISCOUNT TERMS: Offeror may quote a cash discount based upon early payment; however, discounts offered for less than 30 days will not be considered in making the award. The date from which discount time is calculated

shall be the date a correct invoice is received or receipt of shipment, whichever is later; except that if testing is performed, the date shall be the date of acceptance of the merchandise.

7. TAXES: Proposal prices shall be exclusive of state sales and federal excise taxes. Where the state government entities are not exempt from sales taxes on sales within their state, the contractor shall add the sales taxes on the billing invoice as a separate entry.

8. MODIFICATION OR WITHDRAWAL OF PROPOSALS: Proposals may be modified or withdrawn prior to the time set for the opening of proposals. After the time set for the opening of proposals no proposal may be modified or withdrawn, unless done in response to a request for a "Best and Final Offer" from WSCA.

9. PATENTS, COPYRIGHTS, ETC.: The Contractor shall release, indemnify and hold the Buyer, its officers, agents and employees harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of this contract.

10. AWARD: WSCA may award multiple contracts as the result of this solicitation. Awards shall be made to the responsible offeror(s) whose proposal is determined to be the most advantageous to WSCA, taking into consideration price and the other evaluation factors set forth in the RFP.

11. NON-COLLUSION: By signing the proposal the offeror certifies that the proposal submitted, has been arrived at independently and has been submitted without collusion with, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the Request for Proposal, designed to limit independent bidding or competition.

12. CANCELLATION: Unless otherwise stated in the special terms and conditions, any contract entered into as a result of this bid may be canceled by either party upon 60 days notice, in writing, prior to the effective date of the cancellation. Further, any Participating State may cancel its participation upon 30 days written notice, unless otherwise limited or stated in the special terms and conditions of this solicitation. Cancellation may be in whole or in part. Any cancellation under this provision shall not affect the rights and obligations attending orders outstanding at the time of cancellation, including any right of and Purchasing Entity to indemnification by the Contractor, rights of payment for goods/services delivered and accepted, and rights attending any warranty or default in performance in association with any order. Cancellation of the contract due to Contractor default may be immediate.

13. DEFAULT AND REMEDIES: Any of the following events shall constitute cause for WSCA to declare Contractor in default of the contract: 1. Nonperformance of contractual requirements; 2. A material breach of any term or condition of this contract WSCA shall issue a written notice of default providing a period in which Contractor shall have an opportunity to cure. Time allowed for cure shall not diminish or eliminate Contractor's liability for liquidated or other damages. If the default remains, after Contractor has been provided the opportunity to cure, WSCA may do one or more of the following: 1. Exercise any remedy provided by law; 2. Terminate this contract and any related contracts or portions thereof; 3. Impose liquidated damages; 4. Suspend contractor from receiving future proposal solicitations.

14. LAWS AND REGULATIONS: Any and all supplies, services and equipment offered and furnished shall comply fully with all applicable Federal and State laws and regulations.

15. CONFLICT OF TERMS: In the event of any conflict between these standard terms and conditions and any special terms and conditions which follow; the special terms and conditions shall govern.

16. REPORTS: The contractor shall submit quarterly reports to the WSCA Contract Administrator showing the quantities and dollar volume of purchases by each agency.

17. HOLD HARMLESS: The contractor shall release, protect, indemnify and hold WSCA and the respective states and their officers, agencies, employees, harmless from and against any damage, cost or liability, including reasonable attorney's fees for any or all injuries to persons, property or claims for money damages arising from acts or omissions of the contractor, his employees or subcontractors or volunteers.

18. ORDER NUMBERS: Contract order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.

19. GOVERNING LAW: This procurement and the resulting agreement shall be governed by and construed in accordance with the laws of the state sponsoring and administering the procurement. The construction and effect of any Participating Addendum or order against the contract(s) shall be governed by and construed in accordance with the laws of the Participating Entity's State. Venue for any claim, dispute or action concerning an order placed against the contract(s) or the effect of an Participating Addendum shall be in the Purchasing Entity's State.

20. DELIVERY: The prices offered shall be the delivered price to any WSCA state agency or political subdivision. All deliveries shall be F.O.B. destination

with all transportation and handling charges paid by the contractor. Responsibility and liability for loss or damage shall remain with the Contractor until final inspection and acceptance (*within 21 days after delivery for external damage and 30 days for any concealed damage*) when responsibility shall pass to the Buyer except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an order to be shipped without transportation charges that is back ordered shall be shipped without charge.

21. WARRANTY: As used herein "Buyer" refers to any WSCA state agency or political subdivision. The contractor acknowledges that the Uniform Commercial Code applies to this contract. In general, the contractor warrants that: (a) the product will do what the salesperson said it would do, (b) the product will live up to all specific claims that the manufacturer makes in their advertisements, (c) the product will be suitable for the ordinary purposes for which such product is used, (d) the product will be suitable for any *special purposes* that the Buyer has relied on the contractor's skill or judgment to consider.

22. AMENDMENTS: The terms of this contract shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the WSCA Contract Administrator.

23. ASSIGNMENT/SUBCONTRACT: Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the WSCA Contract Administrator.

24. NONDISCRIMINATION: The offeror agrees to abide by the provisions of Title VI and Title VII of the Civil Rights Act of 1964 (42 USC 2000e), which prohibit discrimination against any employee or applicant for employment, or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age, and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. The offeror further agrees to furnish information and reports to requesting State(s), upon request, for the purpose of determining compliance with these statutes. Offeror agrees to comply with each individual state's certification requirements, if any, as stated in the special terms and conditions. This contract may be canceled if the offeror fails to comply with the provisions of these laws and regulations. The offeror must include this provision in very subcontract relating to purchases by the States to insure that subcontractors and vendors are bound by this provision.

25. SEVERABILITY: If any provision of this contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

26. INSPECTIONS: Goods furnished under this contract shall be subject to inspection and test by the Buyer at times and places determined by the Buyer. If the Buyer finds goods furnished to be incomplete or in compliance with proposal specifications, the Buyer may reject the goods and require Contractor to either correct them without charge or deliver them at a reduced price, which is equitable under the circumstances. If Contractor is unable or refuses to correct such goods within a time deemed reasonable by the Buyer, the Buyer may cancel the order in whole or in part. Nothing in this paragraph shall adversely affect the Buyer's rights including the rights and remedies associated with revocation of acceptance under the Uniform Commercial Code.

27. PAYMENT: Payment for completion of an contract is normally made within 30 days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After 45 days the Contractor may assess overdue account charges up to a maximum rate of one percent per month on the outstanding balance. Payments will be remitted by mail. Payments may be made via a State or political subdivision "Purchasing Card".

28. FORCE MAJEURE: Neither party to this contract shall be held responsible for delay or default caused by fire, riot, acts of God and/or war which is beyond that party's reasonable control. WSCA may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.

29. HAZARDOUS CHEMICAL INFORMATION: The contractor will provide one set of the appropriate material safety data sheet(s) and container label(s) upon delivery of a hazardous material to the user agency. All safety data sheets and labels will be in accordance with each participating state's requirements.

30. FIRM PRICE: Unless otherwise stated in the special terms and conditions, for the purpose of award, offers made in accordance with this solicitation must be good and firm for a period of ninety (90) days from the date of proposal opening. Prices must remain firm for the full term of the contract.

31. EXTENSION OF PRICES: In the case of error in the extension of prices in the proposal, the unit prices will govern.

32. PROPOSAL PREPARATION COSTS: WSCA is not liable for any costs incurred by the offeror in proposal preparation.

33. CONFLICT OF INTEREST: The contractor certifies that it has not offered or given any gift or compensation prohibited by the state laws of any WSCA participants to any officer or employee of WSCA or participating states to secure favorable treatment with respect to being awarded this contract.

34. INDEPENDENT CONTRACTOR: The contractor shall be an independent contractor, and as such shall have no authorization, express or implied to bind WSCA or the respective states to any agreements, settlements, liability or understanding whatsoever, and agrees not to perform any acts as agent for WSCA or the states, except as expressly set forth herein.

35. POLITICAL SUBDIVISION PARTICIPATION: Participation under this contract by political subdivisions (i.e., colleges, school districts, counties, cities, etc.,) of the WSCA participating states shall be voluntarily determined by the political subdivision. The contractor agrees to supply the political subdivisions based upon the same terms, conditions and prices.

36. DEBARMENT: The contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency. If the contractor cannot certify this statement, attach a written explanation for review by WSCA.

37. RECORDS ADMINISTRATION: The contractor will maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the contractor for costs authorized by this contract. These records will be retained by the contractor for at least four years after the contract terminates, or until all audits initiated within the four years have been completed, whichever is later.

38. AUDIT OF RECORDS: The contractor agrees to allow WSCA, State and Federal auditors, and state agency staff access to all the records to this contract, for audit and inspection, and monitoring of services. *The scope of audits would be within the context of the contract.* Such access will be during normal business hours, or by appointment.

Revision date: September 14, 2006