

Blanket Purchase Agreement
ESI/SmartBUY Enterprise Software Agreement (ESA)
Carahsoft Technology Corp. – Contract #: FA8771-07-A-0303

PROGRAM TERMS AND CONDITIONS

1. Pursuant to General Services Administration (GSA) Federal Supply Services (FSS) Contract Number [GS-35F-0131R](#), [Carahsoft Technology Corp.](#) agrees to the following terms of a Blanket Purchase Agreement (BPA) with the Air Force's 754th Electronic System Group. All orders placed against this BPA are subject to the terms and conditions of the FSS Contract. The items on this BPA are set forth in Attachment 1. License terms and conditions applicable to products acquired under this BPA are defined in the [Information Security Corporation](#) License Agreement included as Attachment 2. The Order of Precedence for resolving any inconsistency shall be first, the terms of this BPA, and second, the GSA Schedule contract including the order of precedence provision of the clause at FAR 52.212-4. The Order of Precedence for resolving any inconsistency between the Commercial License and the GSA contract terms shall be as specified in the GSA contract's Commercial Item clause, FAR 52.212-4, and the provisions of FAR 52.212-4 specified in FAR 12.302, as required by Federal law, shall prevail over any terms of the commercial license.

2. **Extent of Obligation.** The Government estimates, but does not guarantee, that the volume of purchases through agreement(s) under this solicitation could reach \$24 million. The Government is obligated only to the extent of authorized purchases actually made under this BPA.

3. **Funds Obligation.** The BPA does not obligate any funds. Funds will be obligated on each delivery order.

4. **BPA Term.** The BPA expires five years after award, if extended by option exercise (see BPA Option). This expiration is contingent upon the Contractor maintaining or renewing a GSA FSS Schedule. The BPA will be reviewed annually to ensure that it still represents a "best value".

BPA Option. The Government may extend the term of this BPA to five years from the date of this BPA's execution by written notice to the Contractor prior to the end of the current GSA FSS Schedule period, provided that the Contractor's GSA FSS Schedule has been extended. If the Government exercises this option, the extended BPA shall be considered to include this option provision.

5. **Pricing Terms.** Attachment 1 provides unit prices for information technology (IT) Special Item Numbers (SINs) applicable for [Information Security Corporation](#) products including training and services. BPA Prices shall only escalate in accordance with the GSA Economic Price Adjustment Clause. The same discount relationship (Discount Percentage off GSA Schedule Price) shall be maintained during the term of this BPA. The prices will be reviewed annually, or as required to determine whether a reduction is appropriate in accordance with the price reduction provisions of the agreement. A 2.0% Acquisition, Contracting, and Technical (ACT) Fee shall be included in the prices. The contractor shall be responsible for the payment of all fees that are included in the product pricing (i.e., ACT Fee and GSA's Industrial Funding Fee (IFF)), as calculated on the customer orders. The ACT Fee does not include GSA's IFF.

Spot discounting is encouraged in negotiating orders. Factors for consideration for Enterprise licensing discounts include, among others, program scope, support needs, user count, license term, and /or finance requirements.

6. **Discount Terms and Conditions.** See Attachment 1.

7. **Out-Year Prices.** Any additional discounts will be calculated on a transactional basis and are not governed by a discount schedule. Discounts are not cumulative across orders against the BPA. The unit price for the discount level on Attachment A is not subject to upward adjustment during the term of the BPA.