

STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES
CONTRACT FOR PRODUCTS AND RELATED SERVICES
CELLCO PARTNERSHIP DBA VERIZON WIRELESS

1. Introduction

A. Parties

This Contract for products and related services is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter “DIR”) with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and Cellco Partnership dba Verizon Wireless (hereinafter “Vendor”), with its principal place of business at One Verizon Way, Basking Ridge, NJ 08920-1097.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Comptroller of Public Accounts’ Electronic State Business Daily, Request for Offer (RFO) DIR-TSO-TMP-234, on December 9, 2015, for Hardware, Software and Services for Wireless Voice, Data, Pagers and Mobile Satellite Voice. Upon execution of this Contract, a notice of award for RFO DIR-TSO-TMP-234 shall be posted by DIR on the Electronic State Business Daily.

C. Order of Precedence

For purchase transactions under this Contract, the order of precedence shall be as follows: this Contract; Appendix A, Standard Terms and Conditions For Products and Related Services Contracts; Appendix B, Vendor’s Historically Underutilized Businesses Subcontracting Plan; Appendix C, Pricing Index; Appendix D, Service Agreement; Appendix E, E-Rate Customer Service Agreement; Exhibit 1, Vendor’s Response to RFO DIR-TSO-TMP-234, including all addenda; and Exhibit 2, RFO DIR-TSO-TMP-234, including all addenda; are incorporated by reference and constitute the entire agreement between DIR and Vendor governing purchase transactions. In the event of a conflict between the documents listed in this paragraph related to purchases, the controlling document shall be this Contract, then Appendix A, then Appendix B, then Appendix C, then Appendix D, then Appendix E, then Exhibit 1, and finally Exhibit 2. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.

2. Term of Contract

The term of this Contract shall be two (2) years commencing on the last date of approval by DIR and Vendor. Prior to expiration of the original term, DIR and Vendor may extend the Contract, upon mutual agreement, for up to two (2) optional one-year terms.

Additionally, the parties by mutual agreement may extend the term for up to ninety (90) additional calendar days.

3. Product and Service Offerings

A. Products

Products available under this Contract are limited to Wireless Voice and Data Products required for services offered in B. below as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their product offering; however, any changes must be within the scope of products awarded based on the posting described in Section 1.B above. Vendor may not add a manufacturer's product line which was not included in the Vendor's response to the solicitation described in Section 1.B above.

B. Services

Services available under this Contract are limited to Wireless Voice and Data Services as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their service offering; however, any changes must be within the scope of services awarded based on the posting described in Section 1.B above.

4. Pricing

Pricing to the DIR Customer shall be as set forth in Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee.

5. DIR Administrative Fee

A) The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is two percent (2%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$2,000.

B) All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor without further requirement for a formal contract amendment. Any change in the administrative fee shall be incorporated in the price to the Customer.

6. Notification

All notices under this Contract shall be sent to a party at the respective address indicated below.

If sent to the State:

Shannon Kelley, CTPM, CTCM
Manager, Contract and Vendor Management
Department of Information Resources
300 W. 15th St., Suite 1300
Austin, Texas 78701
Phone: (512) 936-2233

Facsimile: (512) 475-4759
Email: shannon.kelley@dir.texas.gov

If sent to the Vendor:

Russ Brown
Verizon Wireless
70 NE Loop 410
San Antonio, TX 78216
Phone: (210) 347-1406
Facsimile: (210) 592-5080
Email: russ.brown@vzw.com

7. Software License and Service Agreement

A. Shrink/Click-wrap License Agreement

Regardless of any other provision or other license terms which may be issued by Vendor after the effective date of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of a Purchase Order for products licensed under this Contract, or the fact that such other agreement may be affixed to or accompany software upon delivery (shrink-wrap), the terms and conditions set forth in this Contract shall supersede and govern the license terms between Customers and Vendor. **It is the Customer's responsibility to read the Shrink/Click-wrap License Agreement and determine if the Customer accepts the license terms as amended by this Contract. If the Customer does not agree with the license terms, Customer shall be responsible for negotiating with the reseller to obtain additional changes in the Shrink/Click-wrap License Agreement language from the software publisher.**

B. Service Agreement

Services provided under this Contract shall be in accordance with the Service Agreements as set forth in Appendix D and Appendix E of this Contract. No changes to the Service Agreement terms and conditions may be made unless previously agreed to by Vendor and DIR.

8. Authorized Exceptions to Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.

A. Section 3. Definitions, I. Equipment, is hereby added:

Devices and ancillary accessories used by subscribers in conjunction with wireless service.

B. Section 3. Definitions, J. Wireless Service, is hereby added:

Each and every radio service that is defined by the Federal Communications Commission ("FCC") as commercial mobile radio service ("CMRS") and is subject to FCC rules and related to communication through radio transmissions.

C. Section 4. General Provisions, B. Modification of Contract Terms and/or Amendments, Subsection 3) is hereby replaced in its entirety with the following:

3) Customers and Vendor may, but are under no obligation to, negotiate and enter into written agreements regarding statements of work, service level agreements, remedies, acceptance criteria, information confidentiality and security requirements, and other terms specific to their Purchase Orders under the Contract with Vendors.

D. Section 5. Intellectual Property Matters, A. Definitions, 3) Statement of Work, is hereby replaced in its entirety with the following:

3) “Statement of Work” means a document signed by Customer and Vendor describing a specific set of activities and/or deliverables, which may include Work Product and Intellectual Property Rights, that Vendor is to provide Customer, issued pursuant to the Contract. If Statement of Work is not issued by Customer to the Vendor, the Customer shall not have any rights in Vendor IP (defined below).

E. Section 5. Intellectual Property Matters, A. Definitions, 5) Vendor IP, is hereby replaced in its entirety with the following:

5) “Vendor IP” shall mean all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Vendor (a) prior to providing any Services or Work Product to Customer and prior to receiving any documents, materials, information or funding from or on behalf of Customer relating to the Services or Work Product, or (b) after the Effective Date of the Contract if such tangible or intangible items or things were not prescribed in a Statement of Work issued by Customer and/or independently developed by Vendor outside Vendor’s provision of Services or Work Product for Customer hereunder and were not created, prepared, developed, invented or conceived by any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

F. Section 5. Intellectual Property Matters, J. Agreement with Subcontracts, is hereby replaced in its entirety with the following:

Vendor agrees that it shall have written agreement(s) that are consistent with the provisions hereof related to Work Product and Intellectual Property Rights with any, agents, consultants, contractors or subcontractors providing Services or Work Product pursuant to the Contract, prior to their providing such Services or Work Product, and that it shall maintain such written agreements at all times during performance of this Contract, which are sufficient to support all performance and grants of rights by Vendor. Copies of such agreements shall be provided to the Customer promptly upon request.

G. Section 10. Vendor Responsibilities, N. Required Insurance Coverage, 1) Commercial General Liability, is hereby replaced in its entirety:

- 1) Commercial General Liability must include a combined single limit of \$2,000,000 per occurrence. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:
 - a) Blanket contractual liability coverage for liability assumed under the Contract;
 - b) Independent Contractor coverage;
 - c) State of Texas, DIR and Customer listed as an additional insured;
 - d) Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

H. Section 10. Vendor Responsibilities, N. Required Insurance Coverage, 3) Business Automobile Liability Insurance, is hereby replaced in its entirety:

- 3) Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternative acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:
 - a) Waiver of Subrogation;
 - b) Additional Insured.

I. Section 10. Vendor Responsibilities, V. Accessibility of Public Information, Subsection 1), is hereby replaced in its entirety:

- 1) Pursuant to S.B. 1368 of the 83rd Texas Legislature, Regular Session, Vendor is required to make any information created or exchanged with the State pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State. The Vendor shall provide the information directly to the State for dissemination of the information to the public. The Vendor Shall not disseminate information directly to the public under any circumstances.

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This Contract is executed to be effective as of the date of last signature.

Cellco Partnership dba Verizon Wireless

Authorized By: Signature on file

Name: Todd Loccisano

Title: Executive Director, Enterprise & Government Contracts

Date: April 26, 2016

The State of Texas, acting by and through the Department of Information Resources

Authorized By: Signature on file

Name: Wayne Egeler

Title: Director CTS

Date: April 27, 2016

Office of General Counsel: Signature on File

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

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Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

The following terms and conditions shall govern the conduct of DIR and Vendor during the term of the Contract.

1. Contract Scope

The Vendor shall provide the products and related services specified in Section 3 of the Contract for purchase by Customers. In addition, DIR and Vendor may agree to provisions that allow Vendor and/or Order Fulfiller to lease the products offered under the Contract. Terms used in this document shall have the meanings set forth below in Section 3.

2. No Quantity Guarantees

The Contract is not exclusive to the Vendor. Customers may obtain products and related services from other sources during the term of the Contract. DIR makes no express or implied warranties whatsoever that any particular quantity or dollar amount of products and related services will be procured through the Contract.

3. Definitions

A. Customer - any Texas state agency, unit of local government, institution of higher education as defined in Section 2054.003, Texas Government Code, the Electric Reliability Council of Texas, the Lower Colorado River Authority, a private school, as defined by Section 5.001, Education Code, a private or independent institution of higher education, as defined by Section 61.003, Education Code, a volunteer fire department, as defined by Section 152.001, Tax Code, and those state agencies purchasing from a DIR contract through an Interagency Agreement, as authorized by Chapter 771, Texas Government Code, any local government as authorized through the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the state agencies and political subdivisions of other states as authorized by Section 2054.0565, Texas Government Code and, except for telecommunications services under Chapter 2170, Texas Government Code, assistance organizations as defined in Section 2175.001, Texas Government Code to mean:

- 1) E-A non-profit organization that provides educational, health or human services or assistance to homeless individuals;
- 2) A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;
- 3) Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance Office of the Agency for International Development;
- 4) A group, including a faith-based group, that enters into a financial or non-financial agreement with a health or human services agency to provide services to that agency's clients;
- 5) A local workforce development board created under Section 2308.253;
- 6) A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters;
- 7) The Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section 74.1011, Texas Agriculture Code;
- 8) A nonprofit computer bank that solicits, stores, refurbishes and

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redistributes used computer equipment to public school students and their families; and

9) A nonprofit organization that provides affordable housing.

- B. Compliance Check** – an audit of Vendor’s compliance with the Contract may be performed by, but not limited to, a third party auditor, DIR Internal Audit department, or DIR contract management staff or their designees.
- C. Contract** – the document executed between DIR and Vendor into which this Appendix A is incorporated.
- D. CPA** – refers to the Texas Comptroller of Public Accounts.
- E. Day** - shall mean business days, Monday through Friday, except for State and Federal holidays, unless otherwise specified as calendar days. If the Contract calls for performance on a day that is not a business day, then performance is intended to occur on the next business day.
- F. Order Fulfiller** – the party, either Vendor or a party that may be designated by Vendor, who is fulfilling a Purchase Order pursuant to the Contract.
- G. Purchase Order** - the Customer’s fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).
- H. State** – refers to the State of Texas.

4. General Provisions

A. Entire Agreement

The Contract, Appendices, and Exhibits constitute the entire agreement between DIR and the Vendor. No statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained in the Contract, Appendices, or its Exhibits shall be binding or valid.

B. Modification of Contract Terms and/or Amendments

- 1) The terms and conditions of the Contract shall govern all transactions by Customers under the Contract. The Contract may only be modified or amended upon mutual written agreement of DIR and Vendor.
- 2) Customers shall not have the authority to modify the terms of the Contract; however, additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Order Fulfiller may be added in a Purchase Order and given effect. No additional term or condition added in a Purchase Order issued by a Customer can conflict with or diminish a term or condition of the Contract. Pre-printed terms and conditions on any Purchase Order issued by Customer hereunder will have no force and effect. In the event of a conflict between a Customer’s Purchase Order and the Contract, the Contract term shall control.
- 3) Customers and Vendor will negotiate and enter into written agreements regarding statements of work, service level agreements, remedies, acceptance criteria, information confidentiality and security requirements, and other terms specific to their Purchase Orders under the Contract with Vendors.

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C. Invalid Term or Condition

1) To the extent any term or condition in the Contract conflicts with the applicable State and/or United States law or regulation, such Contract term or condition is void and unenforceable. By executing a contract which contains the conflicting term or condition, DIR makes no representations or warranties regarding the enforceability of such term or condition and DIR does not waive the applicable State and/or United States law or regulation which conflicts with the Contract term or condition.

2) If one or more terms or conditions in the Contract, or the application of any term or condition to any party or circumstance, is held invalid, unenforceable, or illegal in any respect by a final judgment or order of the State Office of Administrative Hearings or a court of competent jurisdiction, the remainder of the Contract and the application of the term or condition to other parties or circumstances shall remain valid and in full force and effect.

D. Assignment

DIR or Vendor may assign the Contract without prior written approval to: i) a successor in interest (for DIR, another state agency as designated by the Texas Legislature), or ii) a subsidiary, parent company or affiliate, or iii) as necessary to satisfy a regulatory requirement imposed upon a party by a governing body with the appropriate authority. Assignment of the Contract under the above terms shall require written notification by the assigning party and, for Vendor, a mutually agreed written Contract amendment. Any other assignment by a party shall require the written consent of the other party and a mutually agreed written Contract amendment.

E. Survival

All applicable software license agreements, warranties or service agreements that were entered into between Vendor and a Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Vendor or Order Fulfiller shall survive expiration or termination of the Contract. Rights and obligations under this Contract which by their nature should survive, including, but not limited to any and all payment obligations invoiced prior to the termination or expiration hereof; obligations of confidentiality; and, indemnification, will remain in effect after termination or expiration hereof.

F. Choice of Law

The laws of the State shall govern the construction and interpretation of the Contract. Exclusive venue for all actions will be in state court, Travis County, Texas. Nothing in the Contract or its Appendices shall be construed to waive the State's sovereign immunity.

G. Limitation of Authority

Vendor shall have no authority to act for or on behalf of the Texas Department of Information Resources or the State except as expressly provided for in this Contract; no other authority, power or use is granted or implied. Vendor may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State or DIR.

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H. Proof of Financial Stability

Either DIR or Customer may require Vendor to provide proof of financial stability prior to or at any time during the contract term.

5. Intellectual Property Matters

A. Definitions

1) “Work Product” means any and all deliverables produced by Vendor for Customer under a Statement of Work issued pursuant to this Contract, including any and all tangible or intangible items or things that have been or will be prepared, created, developed, invented or conceived at any time following the effective date of the Contract, including but not limited to any (i) works of authorship (such as manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer programs, computer software, scripts, object code, source code or other programming code, HTML code, flow charts, notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, formulae, processes, algorithms, data, information, multimedia files, text web pages or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or deliverables to be provided to Customer under the Contract or a Statement of Work, and (viii) all Intellectual Property Rights in any of the foregoing, and which are or were created, prepared, developed, invented or conceived for the use or benefit of Customer in connection with this Contract or a Statement of Work, or with funds appropriated by or for Customer or Customer’s benefit: (a) by any Vendor personnel or Customer personnel, or (b) any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

2) “Intellectual Property Rights” means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.

3) “Statement of Work” means a document signed by Customer and Vendor describing a specific set of activities and/or deliverables, which may include Work Product and

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Intellectual Property Rights, that Vendor is to provide Customer, issued pursuant to the Contract.

4) “Third Party IP” means the Intellectual Property Rights of any third party that is not a party to this Contract, and that is not directly or indirectly providing any goods or services to Customer under this Contract.

5) “Vendor IP” shall mean all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Vendor (a) prior to providing any Services or Work Product to Customer and prior to receiving any documents, materials, information or funding from or on behalf of Customer relating to the Services or Work Product, or (b) after the Effective Date of the Contract if such tangible or intangible items or things were independently developed by Vendor outside Vendor’s provision of Services or Work Product for Customer hereunder and were not created, prepared, developed, invented or conceived by any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

B. Ownership.

As between Vendor and Customer, the Work Product and Intellectual Property Rights therein are and shall be owned exclusively by Customer, and not Vendor. Vendor specifically agrees that the Work Product shall be considered “works made for hire” and that the Work Product shall, upon creation, be owned exclusively by Customer. To the extent that the Work Product, under applicable law, may not be considered works made for hire, Vendor hereby agrees that the Contract effectively transfers, grants, conveys, assigns, and relinquishes exclusively to Customer all right, title and interest in and to all ownership rights in the Work Product, and all Intellectual Property Rights in the Work Product, without the necessity of any further consideration, and Customer shall be entitled to obtain and hold in its own name all Intellectual Property Rights in and to the Work Product. Vendor acknowledges that Vendor and Customer do not intend Vendor to be a joint author of the Work Product within the meaning of the Copyright Act of 1976. Customer shall have access, during normal business hours (Monday through Friday, 8AM to 5PM) and upon reasonable prior notice to Vendor, to all Vendor materials, premises and computer files containing the Work Product. Vendor and Customer, as appropriate, will cooperate with one another and execute such other documents as may be reasonably appropriate to achieve the objectives herein. No license or other right is granted hereunder to any Third Party IP, except as may be incorporated in the Work Product by Vendor.

C. Further Actions.

Vendor, upon request and without further consideration, shall perform any acts that may be deemed reasonably necessary or desirable by Customer to evidence more fully the transfer of ownership and/or registration of all Intellectual Property Rights in all Work Product to Customer to the fullest extent possible, including but not limited to the execution, acknowledgement and delivery of such further documents in a form determined by Customer. In the event Customer shall be unable to obtain Vendor’s signature due to the

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dissolution of Vendor or Vendor's unreasonable failure to respond to Customer's repeated requests for such signature on any document reasonably necessary for any purpose set forth in the foregoing sentence, Vendor hereby irrevocably designates and appoints Customer and its duly authorized officers and agents as Vendor's agent and Vendor's attorney-in-fact to act for and in Vendor's behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further any such purpose with the same force and effect as if executed and delivered by Vendor, provided however that no such grant of right to Customer is applicable if Vendor fails to execute any document due to a good faith dispute by Vendor with respect to such document. It is understood that such power is coupled with an interest and is therefore irrevocable. Customer shall have the full and sole power to prosecute such applications and to take all other action concerning the Work Product, and Vendor shall cooperate, at Customer's sole expense, in the preparation and prosecution of all such applications and in any legal actions and proceedings concerning the Work Product.

D. Waiver of Moral Rights.

Vendor hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in or to the Work Product which Vendor may now have or which may accrue to Vendor's benefit under U.S. or foreign copyright or other laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. Vendor acknowledges the receipt of equitable compensation for its assignment and waiver of such Moral Rights. The term "Moral Rights" shall mean any and all rights of paternity or integrity of the Work Product and the right to object to any modification, translation or use of the Work Product, and any similar rights existing under the judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a moral right.

E. Confidentiality.

All documents, information and materials forwarded to Vendor by Customer for use in and preparation of the Work Product shall be deemed the confidential information of Customer, and subject to the license granted by Customer to Vendor under sub-paragraph H. hereunder. Vendor shall not use, disclose, or permit any person to use or obtain the Work Product, or any portion thereof, in any manner without the prior written approval of Customer.

F. Injunctive Relief.

The Contract is intended to protect Customer's proprietary rights pertaining to the Work Product, and the Intellectual Property Rights therein, and any misuse of such rights would cause substantial and irreparable harm to Customer's business. Therefore, Vendor acknowledges and stipulates that a court of competent jurisdiction may immediately enjoin any material breach of the intellectual property, use, and confidentiality provisions of this Contract, upon a request by Customer, without requiring proof of irreparable injury as same should be presumed.

G. Return of Materials Pertaining to Work Product.

Upon the request of Customer, but in any event upon termination or expiration of this Contract or a Statement of Work, Vendor shall surrender to Customer all documents and things pertaining to the Work Product, including but not limited to drafts, memoranda,

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notes, records, drawings, manuals, computer software, reports, data, and all other documents or materials (and copies of same) generated or developed by Vendor or furnished by Customer to Vendor, including all materials embodying the Work Product, any Customer confidential information, or Intellectual Property Rights in such Work Product, regardless of whether complete or incomplete. This section is intended to apply to all Work Product as well as to all documents and things furnished to Vendor by Customer or by anyone else that pertain to the Work Product.

H. Vendor License to Use.

Customer hereby grants to Vendor a non-transferable, non-exclusive, royalty-free, fully paid-up license to use any Work Product solely as necessary to provide the Services to Customer. Except as provided in this Section, neither Vendor nor any Subcontractor shall have the right to use the Work Product in connection with the provision of services to its other customers without the prior written consent of Customer, which consent may be withheld in Customer's sole discretion.

I. Third-Party Underlying and Derivative Works.

To the extent that any Vendor IP or Third Party IP are embodied or reflected in the Work Product, or are necessary to provide the Services, Vendor hereby grants to the Customer, or shall obtain from the applicable third party for Customer's benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for Customer's internal business purposes only, to (i) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Vendor IP or Third Party IP and any derivative works thereof embodied in or delivered to Customer in conjunction with the Work Product, and (ii) authorize others to do any or all of the foregoing. Vendor agrees to notify Customer on delivery of the Work Product or Services if such materials include any Third Party IP. On request, Vendor shall provide Customer with documentation indicating a third party's written approval for Vendor to use any Third Party IP that may be embodied or reflected in the Work Product.

J. Agreement with Subcontracts.

Vendor agrees that it shall have written agreement(s) that are consistent with the provisions hereof related to Work Product and Intellectual Property Rights with any employees, agents, consultants, contractors or subcontractors providing Services or Work Product pursuant to the Contract, prior to their providing such Services or Work Product, and that it shall maintain such written agreements at all times during performance of this Contract, which are sufficient to support all performance and grants of rights by Vendor. Copies of such agreements shall be provided to the Customer promptly upon request.

K. License to Customer.

Vendor grants to Customer, a perpetual, irrevocable, royalty free license, solely for the Customer's internal business purposes, to use, copy, modify, display, perform (by any means), transmit and prepare derivative works of any Vendor IP embodied in or delivered to Customer in conjunction with the Work Product. The foregoing license includes the right to sublicense third parties, solely for the purpose of engaging such third parties to assist or

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carryout Customer's internal business use of the Work Product. Except for the preceding license, all rights in Vendor IP remain in Vendor.

L. Vendor Development Rights.

To the extent not inconsistent with Customer's rights in the Work Product or as set forth herein, nothing in this Contract shall preclude Vendor from developing for itself, or for others, materials which are competitive with those produced as a result of the Services provided hereunder, provided that no Work Product is utilized, and no Intellectual Property Rights of Customer therein are infringed by such competitive materials. To the extent that Vendor wishes to use the Work Product, or acquire licensed rights in certain Intellectual Property Rights of Customer therein in order to offer competitive goods or services to third parties, Vendor and Customer agree to negotiate in good faith regarding an appropriate license and royalty agreement to allow for such.

6. Product Terms and Conditions

A. Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapters 206 and 213 (Applicable to State Agency and Institution of Higher Education Purchases Only)

1) Effective September 1, 2006 state agencies and institutions of higher education shall procure products which comply with the State Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapters 206 and 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

2) Upon request, but not later than thirty (30) calendar days after request, Vendor shall provide DIR with a completed Voluntary Product Accessibility Template (VPAT) of the specified product or a URL to the VPAT for reviewing compliance with the State Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act).

B. Purchase of Commodity Items (Applicable to State Agency Purchases Only)

1) Texas Government Code, §2157.068 requires State agencies to buy commodity items, as defined in 6.B.2, below, in accordance with contracts developed by DIR, unless the agency obtains an exemption from DIR or a written certification that a commodity is not on DIR contract (for the limited purpose of purchasing from a local government purchasing cooperative).

2) Commodity items are commercially available software, hardware and technology services that are generally available to businesses or the public and for which DIR determines that a reasonable demand exists in two or more state agencies. Hardware is the physical technology used to process, manage, store, transmit, receive or deliver information. Software is the commercially available programs that operate hardware and includes all supporting documentation, media on which the software may be contained or stored, related materials, modifications, versions, upgrades, enhancements, updates or replacements. Technology services are the services, functions and activities that facilitate the design, implementation, creation, or use of software or hardware.

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Technology services include seat management, staffing augmentation, training, maintenance and subscription services. Technology services do not include telecommunications services. Seat management is services through which a state agency transfers its responsibilities to a vendor to manage its personal computing needs, including all necessary hardware, software and technology services.

3) Vendor agrees to coordinate all State agency commodity item sales through existing DIR contracts. Institutions of higher education are exempt from this Subsection 6.B.

7. Contract Fulfillment and Promotion

A. Service, Sales and Support of the Contract

Vendor shall provide service, sales and support resources to serve all Customers throughout the State. It is the responsibility of the Vendor to sell, market, and promote products and services available under the Contract. Vendor shall use its best efforts to ensure that potential Customers are made aware of the existence of the Contract. All sales to Customers for products and services available under the Contract shall be processed through the Contract.

B. Use of Order Fulfillers

DIR agrees to permit Vendor to utilize designated Order Fulfillers to provide service, sales and support resources to Customers. Such participation is subject to the following conditions:

1) Designation of Order Fulfillers

a) Vendor may designate Order Fulfillers to act as the distributors for products and services available under the Contract. In designating Order Fulfillers, Vendor must be in compliance with the State's Policy on Utilization of Historically Underutilized Businesses. In addition to the required Subcontracting Plan, Vendor shall provide DIR with the following Order Fulfiler information: Order Fulfiler name, Order Fulfiler business address, Order Fulfiler CPA Identification Number, Order Fulfiler contact person email address and phone number.

b) DIR reserves the right to require the Vendor to rescind any such Order Fulfiler participation or request that Vendor name additional Order Fulfillers should DIR determine it is in the best interest of the State.

c) Vendor shall be fully liable for its Order Fulfillers' performance under and compliance with the terms and conditions of the Contract. Vendor shall enter into contracts with Order Fulfillers and use terms and conditions that are consistent with the terms and conditions of the Contract.

d) Vendor shall have the right to qualify Order Fulfillers and their participation under the Contract provided that: i) any criteria is uniformly applied to all potential Order Fulfillers based upon Vendor's established, neutrally applied criteria, ii) the criteria is not based on a particular procurement, and iii) all Customers are supported under the different criteria.

e) Vendor shall not prohibit Order Fulfiler from participating in other procurement opportunities offered through DIR.

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2) Changes in Order Fulfiller List

Vendor may add or delete Order Fulfillers throughout the term of the Contract upon written authorization by DIR. Prior to adding or deleting Order Fulfillers, Vendor must make a good faith effort in the revision of its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses. Vendor shall provide DIR with its updated Subcontracting Plan and the Order Fulfiller information listed in Section 7.B.1.a above.

3) Order Fulfiller Pricing to Customer

Order Fulfiller pricing to the Customer shall comply with the Customer price as stated within Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee. This pricing shall only be offered by Order Fulfillers to Customers for sales that pass through the Contract.

C. Product Warranty and Return Policies

Order Fulfiller will adhere to the Vendor's then-currently published policies concerning product warranties and returns. Product warranty and return policies for Customers will not be more restrictive or more costly than warranty and return policies for other similarly situated Customers for like products.

D. Customer Site Preparation

Customers shall prepare and maintain its site in accordance with written instructions furnished by Order Fulfiller prior to the scheduled delivery date of any product or service and shall bear the costs associated with the site preparation.

E. Internet Access to Contract and Pricing Information

1) Vendor Website

Within thirty (30) calendar days of the effective date of the Contract, Vendor will establish and maintain a website specific to the product and service offerings under the Contract which is clearly distinguishable from other, non-DIR Contract offerings at Vendor's website. The website must include the product and services offered, product and service specifications, specific contract pricing expressed in dollars as well as discount off MSRP or List Price, designated Order Fulfillers, contact information for Vendor and designated Order Fulfillers, instructions for obtaining quotes and placing Purchase Orders, and warranty and return policies. The Vendor's website shall list the DIR Contract number, reference the DIR Information and Communications Technology Cooperative Contracts program, display the DIR logo in accordance with the requirements in paragraph F of this Section, and contain a link to the DIR website for the Contract.

2) Accurate and Timely Contract Information

Vendor warrants and represents that the website information specified in the above paragraph will be accurately and completely posted, maintained and displayed in an objective and timely manner. Vendor, at its own expense, shall correct any non-conforming or inaccurate information posted at Vendor's website within ten (10) business days after written notification by DIR.

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3) Website Compliance Checks

Periodic compliance checks of the information posted for the Contract on Vendor's website will be conducted by DIR. Upon request by DIR, Vendor shall provide verifiable documentation that pricing listed upon this website is compliant with the pricing as stated in the Contract.

4) Website Changes

Vendor hereby consents to a link from the DIR website to Vendor's website in order to facilitate access to Contract information. The establishment of the link is provided solely for convenience in carrying out the business operations of the State. DIR reserves the right to suspend, terminate or remove a link at any time, in its sole discretion, without advance notice, or to deny a future request for a link. DIR will provide Vendor with subsequent notice of link suspension, termination or removal. Vendor shall provide DIR with timely written notice of any change in URL or other information needed to access the site and/or maintain the link.

5) Use of Access Data Prohibited

If Vendor stores, collects or maintains data electronically as a condition of accessing Contract information, such data shall only be used internally by Vendor for the purpose of implementing or marketing the Contract and shall not be disseminated to third parties or used for other marketing purposes. The Contract constitutes a public document under the laws of the State and Vendor shall not restrict access to Contract terms and conditions including pricing, i.e., through use of restrictive technology or passwords.

6) Responsibility for Content

Vendor is solely responsible for administration, content, intellectual property rights, and all materials at Vendor's website. DIR reserves the right to require a change of listed content if, in the opinion of DIR, it does not adequately represent the Contract.

F. DIR Logo

Order Fulfiller may use the DIR logo in the promotion of the Contract to Customers with the following stipulations: (i) the logo may not be modified in any way, (ii) when displayed, the size of the DIR logo must be equal to or smaller than the Order Fulfiller logo, (iii) the DIR logo is only used to communicate the availability of products and services under the Contract to Customers, and (iv) any other use of the DIR logo requires prior written permission from DIR.

G. Vendor and Order Fulfiller Logo

DIR may use the Vendor's and Order Fulfiller's name and logo in the promotion of the Contract to communicate the availability of products and services under the Contract to Customers. Use of the logos may be on the DIR website or on printed materials. Any use of Vendor's and Order Fulfiller's logo by DIR must comply with and be solely related to the purposes of the Contract and any usage guidelines communicated to DIR from time to time. Nothing contained in the Contract will give DIR any right, title, or interest in or to Vendor's or Order Fulfiller's trademarks or the goodwill associated therewith, except for the limited usage rights expressly provided by Vendor and Order Fulfiller.

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H. Trade Show Participation

At DIR's discretion, Vendor and Order Fulfillers may be required to participate in one or more DIR sponsored trade shows each calendar year. Vendor understands and agrees that participation, at the Vendor's and Order Fulfiller's expense, includes providing a manned booth display or similar presence. DIR will provide four months advance notice of any required participation. Vendor and Order Fulfillers must display the DIR logo at all trade shows that potential Customers will attend. DIR reserves the right to approve or disapprove of the location or the use of the DIR logo in or on the Vendor's or Order Fulfiller's booth.

I. Orientation Meeting

Within thirty (30) calendar days from execution of the Contract, Vendor and Order Fulfillers will be required to attend an orientation meeting to discuss the content and procedures of the Contract. DIR, at its discretion, may waive the orientation requirement for Vendors who have previously held DIR contracts. The meeting will be held in the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference, at DIR's discretion. DIR shall bear no cost for the time and travel of the Vendor or Order Fulfillers for attendance at the meeting.

J. Performance Review Meetings

DIR will require the Vendor to attend periodic meetings to review the Vendor's performance under the Contract. The meetings will be held within the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference, at DIR's discretion. DIR shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

K. DIR Cost Avoidance

As part of the performance measures reported to state leadership, DIR must provide the cost avoidance the State has achieved through the Contract. Upon request by DIR, Vendor shall provide DIR with a detailed report of a representative sample of products sold under the Contract. The report shall contain: product part number, product description, list price, price to Customer under the Contract, and pricing from three (3) alternative sources under which DIR customers can procure the products.

8. Pricing, Purchase Orders, Invoices, and Payments

A. Manufacturer's Suggested Retail Price (MSRP) or List Price

MSRP is defined as the product sales price list published in some form by the manufacturer or publisher of a product and available to and recognized by the trade. A price list especially prepared for a given solicitation is not acceptable.

B. Customer Discount

The minimum Customer discount for all products and services will be the percentage off MSRP as specified in Appendix C, Pricing Index.

C. Customer Price

1) The price to the Customer shall be calculated as follows:

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Customer Price = (MSRP or List Price – Customer Discount as set forth in Appendix C, Pricing Index) x (1 + DIR Administrative Fee, as set forth in the Contract).

2) Customers purchasing products and services under this Contract may negotiate more advantageous pricing or participate in special promotional offers. In such event, a copy of such better offerings shall be furnished to DIR upon request.

2) If pricing for products or services available under this Contract is provided by the Vendor at a lower price to: (i) an eligible Customer who is not purchasing those products or services under this Contract or (ii) to any other customer under the same terms and conditions provided for the State for the same commodities and services under this contract, then the available Customer Price in this Contract shall be adjusted to that lower price. This requirement applies to products or services quoted by Vendor or its resellers for a quantity of one (1) under like terms and conditions, and does not apply to volume or special pricing purchases. Vendor shall notify DIR within ten (10) days and this Contract shall be amended to reflect the lower price.

D. Telecommunication Fees and Surcharges and Taxes

Any FCC, PUC or other authorized telecommunications taxes, fees and surcharges applicable to any Service may only be imposed if the Vendor listed them in Bid Package 2 upon submission of Offer. Vendor acknowledges that certain Customers that are political subdivisions of the State, are exempt from the imposition and collection of certain State telecommunications fees, including the Texas Universal Service Fund Charge and the Texas Infrastructure Fund assessment. In addition, State agency Customers have additional exemptions from State telecommunications fees, including the 9-1-1 emergency service fee, 9-1-1 equalization surcharge, poison control surcharge, and late charges imposed under Section 55.010, Texas Utilities Code. Vendor agrees to not bill for any items which are not mandated by the FCC, PUC or other proper authority and which are otherwise not applicable to the Services and for which Vendor has requested and received valid exemption certificates from Customers. Vendor agrees to promptly correct any incorrect billings of telecommunications fees and surcharges that occur. Vendor acknowledges that DIR makes no representations about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

(b) During the Term, all changes in the law or fee structures, which creates or authorizes Vendor to impose an unlisted telecommunications fee and surcharge on the Services, which Vendor desires to impose and for which DIR Customers do not have an exemption, shall require an amendment in order to be effective against the State, DIR and Customers. In the event of a change in the law or telecommunications fees and surcharges structures, which results in an exemption from payment in favor of the State, DIR and/or Customers, Vendor shall give effect to the exemption without the necessity of an amendment hereto.

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(c) Vendor acknowledges that certain Government Entity Customers are exempt from state sales, use and excise taxes, Section 151.309, Texas Tax Code, and Federal Excise Tax, 26 USC Sections 4253 (i) and (j). Vendor further acknowledges that State agency Customers are exempt from the assessment and collection of sales taxes imposed by political subdivisions of the State. See Sections 321.208 (municipalities) and 323.207 (counties), Texas Tax Code. The Government Entity Customers shall issue a tax exemption certificate upon request to Vendor. Vendor acknowledges that DIR makes no representation about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

E. Other Fees

Vendor acknowledges all activation fees and termination fees, including early termination fees, are waived for all Customers.

F. Back-billing

Prices to Customers for Services inadvertently left off previous invoices by the Vendor may be back-billed no more than 120 calendar days for usage. Pursuant to PUC Rule 26.27, a six-month limit from the date of discovery of an error applies to back-billing of all billed Services. Back-billing shall be included in the Adjustments. For purposes of this paragraph, a billing Adjustment is as modification or correction of a billing amount or an element of a Service.

G. DIR Cost Recovery Fee

The DIR Cost Recovery Fee (CRF) is authorized by Chapter 2170, Texas Government Code, and DIR has the discretion to set the rate of the CRF to recover its costs in accordance with the statute. The initial rate for the CRF is set forth in Section 5 Contract. The DIR CRF specified in Section 5 of the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

H. Shipping and Handling Fees

The price to the Customer under this Contract shall include all shipping and handling fees. Shipments will be Free On Board Customer's Destination. No additional fees shall be charged to the Customer for standard shipping and handling. If the Customer requests expedited or special delivery, Customer will be responsible for any charges for expedited or special delivery.

I. Tax-Exempt

As per Section 151.309, Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j).

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J. Travel Expense Reimbursement

Pricing for services provided under this Contract are exclusive of any travel expenses that may be incurred in the performance of those services. Travel expense reimbursement may include personal vehicle mileage or commercial coach transportation, hotel accommodations, parking and meals; provided, however, the amount of reimbursement by Customers shall not exceed the amounts authorized for state employees as adopted by each Customer; and provided, further, that all reimbursement rates shall not exceed the maximum rates established for state employees under the current State Travel Management Program (<http://www.window.state.tx.us/procurement/prog/stmp/>). Travel time may not be included as part of the amounts payable by Customer for any services rendered under this Contract. The DIR administrative fee specified in the Contract is not applicable to travel expense reimbursement. Anticipated travel expenses must be pre-approved in writing by Customer.

K. Changes to Prices

Subject to the requirements of this section, Vendor may change the price of any product or service at any time, based upon changes to the MSRP, but discount levels shall remain consistent with the discount levels specified in this Contract.

- 1) Price increase or decrease change requests must be requested with a signed cover letter indicating the change in price. Price increase requests must be accompanied by a copy of the manufacturer or publisher's price list.
- 2) Price decreases shall take effect automatically during the term of this Contract and shall be passed onto the Customer immediately.
- 3) Requests for price increases will be accepted or rejected by DIR within thirty (30) calendar days after receipt of a properly submitted request. Increases that are not accepted within thirty (30) calendar days will be deemed rejected. If a properly submitted increase is rejected, Vendor may request that the product or service rejected be removed from the Contract. The product or service will be removed from the Contract upon execution of a written Contract amendment, which shall be transmitted to Vendor by DIR within thirty (30) calendar days after receipt of the written request to remove the product or service and executed by both parties without undue delay. Existing pricing must be honored up to the date of execution of the Contract amendment. Prices may not be increased for at least ninety (90) calendar days after the contract start date. Price reductions will be accepted at any time.

L. Purchase Orders

All Customer Purchase Orders will be placed directly with the Order Fulfiller. Accurate Purchase Orders shall be effective and binding upon Order Fulfiller when accepted by Order Fulfiller.

M. Invoices

- 1) Invoices shall be submitted by the Order Fulfiller directly to the Customer and shall be issued in compliance with Chapter 2251, Texas Government Code. All payments for products and/or services purchased under the Contract and any provision of acceptance of such products and/or services shall be made by the Customer to the Order Fulfiller.

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2) Invoices must be timely and accurate. Each invoice must match Customer's Purchase Order and include any written changes that may apply, as it relates to products, prices and quantities. Invoices must include the Customer's Purchase Order number or other pertinent information for verification of receipt of the product or services by the Customer.

3) The administrative fee as set forth in the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

N. Payments

Customers shall comply with Chapter 2251, Texas Government Code, in making payments to Order Fulfiller. The statute states that payments for goods and services are due thirty (30) calendar days after the goods are provided, the services completed, or a correct invoice is received, whichever is later. Payment under the Contract shall not foreclose the right to recover wrongful payments.

9. Contract Administration

A. Contract Managers

DIR and the Vendor will each provide a Contract Manager to support the Contract. Information regarding the Contract Manager will be posted on the Internet website designated for the Contract.

1) State Contract Manager

DIR shall provide a Contract Manager whose duties shall include but not be limited to: i) advising DIR and Vendor of Vendor's compliance with the terms and conditions of the Contract, ii) periodic verification of product pricing, and iii) verification of monthly reports submitted by Vendor.

2) Vendor Contract Manager

Vendor shall provide a dedicated Contract Manager whose duties shall include but not be limited to: i) supporting the marketing and management of the Contract, ii) facilitating dispute resolution between a Order Fulfiller and a Customer, and iii) advising DIR of Order Fulfillers performance under the terms and conditions of the Contract. DIR reserves the right to require a change in Vendor's then-current Contract Manager if the assigned Contract Manager is not, in the reasonable opinion of DIR, adequately serving the needs of the State.

B. Reporting and Administrative Fees

1) Reporting Responsibility

a) Vendor shall be responsible for reporting all products and services purchased through Order Fulfillers under the Contract. Vendor shall file the monthly reports, subcontract reports, and pay the administrative fees in accordance with the due dates specified in this section.

b) DIR shall have the right to verify required reports and to take any actions necessary to enforce its rights under this section, including but not limited to compliance checks of Vendor's applicable Contract books at DIR's expense.

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2) Detailed Monthly Report

Vendor shall electronically provide DIR with a detailed monthly report in the format required by DIR showing the dollar volume of any and all sales under the Contract for the previous calendar month period. Reports shall be submitted to the DIR ICT Cooperative Contracts E-Mail Box at ict.sales@dir.texas.gov. Reports are due on the fifteenth (15th) calendar day after the close of the previous month period. If the 15th calendar day falls on a weekend or state or federal holiday, the report shall be due on the next business day. The monthly report shall include, per transaction: the detailed sales for the period, Customer name, invoice date, invoice number, description, quantity, MSRP or List Price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the administrative fee due for the reporting period, and other information as required by DIR. Each report must contain all information listed above per transaction or the report will be rejected and returned to the Vendor for correction in accordance with this section.

3) Historically Underutilized Businesses Subcontract Reports

a) Vendor shall electronically provide each Customer with Vendor's relevant Historically Underutilized Business Subcontracting Report, pursuant to the Contract, as required by Chapter 2161, Texas Government Code. Reports shall also be submitted to DIR.

b) Reports shall be due in accordance with the CPA rules.

4) DIR Administrative Fee

a) An administrative fee shall be paid by Vendor to DIR to defray the DIR costs of negotiating, executing, and administering the Contract. The maximum administrative fee is set by the Texas Legislature in the biennial General Appropriations Act. Payment of the administrative fee shall be due on the fifteenth (15th) calendar day after the close of the previous month period. DIR may change the amount of the administrative fee upon thirty (30) calendar days written notice to Vendor without the need for a formal contract amendment.

b) Vendor shall reference the DIR Contract number, reporting period, and administrative fee amount on any remittance instruments.

5) Accurate and Timely Submission of Reports

a) The reports and administrative fees shall be accurate and timely and submitted in accordance with the due dates specified in this section. Vendor shall correct any inaccurate reports or administrative fee payments within three (3) business days upon written notification by DIR. Vendor shall deliver any late reports or late administrative fee payments within three (3) business days upon written notification by DIR. If Vendor is unable to correct inaccurate reports or administrative fee payments or deliver late reports and fee payments within three (3) business days, Vendor must contact DIR and provide a corrective plan of action, including the timeline for completion of correction. The corrective plan of action shall be subject to DIR approval.

b) Should Vendor fail to correct inaccurate reports or cure the delay in timely delivery of reports and payments within the corrective plan of action timeline, DIR reserves the right to require an independent third party audit of the Vendor's records

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as specified in C.3 of this Section, at DIR's expense.

c) Failure to timely submit three (3) reports or administrative fee payments within any rolling twelve (12) month period may, at DIR's discretion, result in the addition of late fees of \$100/day for each day the report or payment is due (up to \$1000/month) or suspension or termination of Vendor's Contract.

C. Records and Audit

1) Acceptance of funds under the Contract by Vendor and/or Order Fulfiller acts as acceptance of the authority of the State Auditor's Office, or any successor agency or designee, to conduct an audit or investigation in connection with those funds. Vendor further agrees to cooperate fully with the State Auditor's Office or its successor or designee in the conduct of the audit or investigation, including providing all records requested. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Vendor or directly by Order Fulfillers and the requirement to cooperate is included in any subcontract or Order Fulfiller contract it awards pertaining to the Contract. Under the direction of the Legislative Audit Committee, a Vendor that is the subject of an audit or investigation by the State Auditor's Office must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit.

2) Vendor and Order Fulfillers shall maintain adequate records to establish compliance with the Contract until the later of a period of seven (7) years after termination of the Contract or until full, final and unappealable resolution of all Compliance Check or litigation issues that arise under the Contract. Such records shall include per transaction: the Order Fulfiller's company name if applicable, Customer name, invoice date, invoice number, description, part number, manufacturer, quantity, MSRP or list price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the calculations supporting each administrative fee owed DIR under the Contract, Historically Underutilized Businesses Subcontracting reports, and such other documentation as DIR may request.

3) Vendor and/or Order Fulfillers shall grant access to all paper and electronic records, books, documents, accounting procedures, practices and any other items relevant to the performance of the Contract to the DIR Internal Audit department or DIR Contract Management staff, including the compliance checks designated by the DIR Internal Audit department, DIR Contract Management staff, the State Auditor's Office, and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, Compliance Checking and/or copying such books and records. Vendor and/or Order Fulfillers shall provide copies and printouts requested by DIR without charge. DIR shall provide Vendor and/or Order Fulfillers ten (10) business days' notice prior to inspecting, Compliance Checking, and/or copying Vendor's and/or Order Fulfiller's records. Vendor's and/or Order Fulfillers records, whether paper or electronic, shall be made available during regular office hours. Vendor and/or Order Fulfiller personnel familiar with the Vendor's and/or Order Fulfiller's books and records shall be available to the DIR Internal Audit department, or DIR Contract Management staff and designees as needed. Vendor and/or Order Fulfiller shall provide adequate office space to DIR staff during the performance of Compliance

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Check. If Vendor is found to be responsible for inaccurate reports, DIR may invoice for the reasonable costs of the audit, which Vendor must pay within thirty (30) calendar days of receipt.

4) For procuring State Agencies whose payments are processed by the Texas Comptroller of Public Accounts, the volume of payments made to Order Fulfillers through the Texas Comptroller of Public Accounts and the administrative fee based thereon shall be presumed correct unless Vendor can demonstrate to DIR's satisfaction that Vendor's calculation of DIR's administrative fee is correct.

D. Contract Administration Notification

1) Upon execution of the Contract, Vendor shall provide DIR with written notification of the following: i) Vendor Contract Administrator name and contact information, ii) Vendor sales representative name and contact information, and iii) name and contact information of Vendor personnel responsible for submitting reports and payment of administrative fees specified herein.

2) Upon execution of the Contract, DIR shall provide Vendor with written notification of the following: i) DIR Contract Administrator name and contact information, and ii) DIR Cooperative Contracts E-Mail Box information.

10. Vendor Responsibilities

A. Indemnification

1) INDEPENDENT CONTRACTOR

VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, IT IS FURNISHING PRODUCTS AND SERVICES IN THE CAPACITY OF AN INDEPENDENT CONTRACTOR AND THAT VENDOR IS NOT AN EMPLOYEE OF THE CUSTOMER OR THE STATE OF TEXAS.

2) Acts or Omissions

Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

3) Infringements

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a) Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense: (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE

1) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE CUSTOMER AND/OR THE STATE SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

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2) VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS CUSTOMERS, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

C. Vendor Certifications

Vendor certifies on behalf of Vendor and its designated Order Fulfillers that they:

- (i) have not given, offered to give, and do not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Contract;
- (ii) are not currently delinquent in the payment of any franchise tax owed the State and are not ineligible to receive payment under §231.006 of the Texas Family Code and acknowledge the Contract may be terminated and payment withheld if this certification is inaccurate;
- (iii) neither they, nor anyone acting for them, have violated the antitrust laws of the United States or the State, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage;
- (iv) have not received payment from DIR or any of its employees for participating in the preparation of the Contract;
- (v) under Section 2155.004, Texas Government Code, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate;
- (vi) to the best of their knowledge and belief, there are no suits or proceedings pending or threatened against or affecting them, which if determined adversely to them will have a material adverse effect on the ability to fulfill their obligations under the Contract;
- (vii) Vendor and its principals are not suspended or debarred from doing business with the federal government as listed in the *System for Award Management*

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(SAM) maintained by the General Services Administration;

- (viii) as of the effective date of the Contract, are not listed in the prohibited vendors list authorized by Executive Order #13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*", published by the United States Department of the Treasury, Office of Foreign Assets Control;
- (ix) to the extent applicable to this scope of this Contract, Vendor hereby certifies that it is in compliance with Subchapter Y, Chapter 361, Health and Safety Code related to the Computer Equipment Recycling Program and its rules, 30 TAC Chapter 328;
- (x) agree that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas;
- (xi) are in compliance Section 669.003, Texas Government Code, relating to contracting with executive head of a state agency;
- (xii) have identified all current or former, within the last five years, employees of the State assigned to work on the DIR Contract 20% or more of their time and have disclosed them to DIR and have disclosed or do not employ any relative of a current or former state employee within two degrees of consanguinity, and, if these facts change during the course of the Contract, certify they shall disclose the name and other pertinent information about the employment of current and former employees and their relatives within two degrees of consanguinity;
- (xiii) represent and warrant that the provision of goods and services or other performance under the Contract will not constitute an actual or potential conflict of interest and certify that they will not reasonably create the appearance of impropriety, and, if these facts change during the course of the Contract, certify they shall disclose the actual or potential conflict of interest and any circumstances that create the appearance of impropriety;
- (xiv) under Section 2155.006, Government Code, are not ineligible to receive the specified contract and acknowledge that this contract may be terminated and payment withheld if this certification is inaccurate;
- (xv) have complied with the Section 556.0055, Texas Government Code, restriction on lobbying expenditures. In addition, they acknowledge the applicability of §2155.444 and §2155.4441, Texas Government Code, in fulfilling the terms of the Contract; and
- (xvi) represent and warrant that the Customer's payment and their receipt of appropriated or other funds under this Agreement are not prohibited by Sections 556.005 or Section 556.008, Texas Government Code.

During the term of the Contract, Vendor shall, for itself and on behalf of its Order Fulfillers, promptly disclose to DIR all changes that occur to the foregoing certifications, representations and warranties. Vendor covenants to fully cooperate

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in the development and execution of resulting documentation necessary to maintain an accurate record of the certifications, representations and warranties.

In addition, Vendor understands and agrees that Vendor may be required to comply with additional terms and conditions or certifications that an individual customer may require due to state and federal law (e.g., privacy and security requirements).

D. Ability to Conduct Business in Texas

Vendor and its Order Fulfiller shall be authorized and validly existing under the laws of its state of organization, and shall be authorized to do business in the State of Texas.

E. Equal Opportunity Compliance

Vendor agrees to abide by all applicable laws, regulations, and executive orders pertaining to equal employment opportunity, including federal laws and the laws of the State in which its primary place of business is located. In accordance with such laws, regulations, and executive orders, the Vendor agrees that no person in the United States shall, on the grounds of race, color, religion, national origin, sex, age, veteran status or handicap, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed by Vendor under the Contract. If Vendor is found to be not in compliance with these requirements during the term of the Contract, Vendor agrees to take appropriate steps to correct these deficiencies. Upon request, Vendor will furnish information regarding its nondiscriminatory hiring and promotion policies, as well as specific information on the composition of its principals and staff, including the identification of minorities and women in management or other positions with discretionary or decision-making authority.

F. Use of Subcontractors

If Vendor uses any subcontractors in the performance of this Contract, Vendor must make a good faith effort in the submission of its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses. A revised Subcontracting Plan shall be required before Vendor can engage additional subcontractors in the performance of this Contract. Vendor shall remain solely responsible for the performance of its obligations under the Contract.

G. Responsibility for Actions

- 1) Vendor is solely responsible for its actions and those of its agents, employees, or subcontractors, and agrees that neither Vendor nor any of the foregoing has any authority to act or speak on behalf of DIR or the State.
- 2) Vendor, for itself and on behalf of its subcontractors, shall report to DIR promptly when the disclosures under Certification Statement of Appendix A to the RFO and/or Section 10.C. (xii) and (xiii), Vendor Certifications of this Appendix A to the Contract change. Vendor covenants to fully cooperate with DIR to update and amend the Contract to accurately disclose employment of current or former State employees and their relatives and/or the status of conflicts of interest.

H. Confidentiality

- 1) Vendor acknowledges that DIR and Customers that are state agencies are

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government agencies subject to the Texas Public Information Act. Vendor also acknowledges that DIR and Customers that are state agencies will comply with the Public Information Act, and with all opinions of the Texas Attorney General's office concerning this Act.

2) Under the terms of the Contract, DIR may provide Vendor with information related to Customers. Vendor shall not re-sell or otherwise distribute or release Customer information to any party in any manner.

I. Security of Premises, Equipment, Data and Personnel

Vendor and/or Order Fulfiller may, from time to time during the performance of the Contract, have access to the personnel, premises, equipment, and other property, including data, files and /or materials (collectively referred to as "Data") belonging to the Customer. Vendor and/or Order Fulfiller shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance with the instruction of the Customer. Vendor and/or Order Fulfiller shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors. If a Vendor and/or Order Fulfiller fails to comply with Customer's security requirements, then Customer may immediately terminate its Purchase Order and related Service Agreement.

J. Background and/or Criminal History Investigation

Prior to commencement of any services, background and/or criminal history investigation of the Vendor and/or Order Fulfiller's employees and subcontractors who will be providing services to the Customer under the Contract may be performed by certain Customers having legislative authority to require such investigations. Should any employee or subcontractor of the Vendor and/or Order Fulfiller who will be providing services to the Customer under the Contract not be acceptable to the Customer as a result of the background and/or criminal history check, then Customer may immediately terminate its Purchase Order and related Service Agreement or request replacement of the employee or subcontractor in question.

K. Limitation of Liability

For any claim or cause of action arising under or related to the Contract: i) to the extent permitted by the Constitution and the laws of the State, none of the parties shall be liable to the other for punitive, special, or consequential damages, even if it is advised of the possibility of such damages; and ii) Vendor's liability for damages of any kind to the Customer shall be limited to the total amount paid to Vendor under the Contract during the twelve months immediately preceding the accrual of the claim or cause of action. However, this limitation of Vendor's liability shall not apply to claims of bodily injury; violation of intellectual property rights including but not limited to patent, trademark, or copyright infringement; indemnification requirements under this Contract; and violation of State or Federal law including but not limited to disclosures of confidential information and any penalty of any kind lawfully assessed as a result of such violation.

L. Overcharges

Vendor hereby assigns to DIR any and all of its claims for overcharges associated with this

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contract which arise under the antitrust laws of the United States, 15 U.S.C.A. Section 1, et seq., and which arise under the antitrust laws of the State of Texas, Tex. Bus. and Comm. Code Section 15.01, et seq.

M. Prohibited Conduct

Vendor represents and warrants that, to the best of its knowledge as of the date of this certification, neither Vendor nor any Order Fulfiller, subcontractor, firm, corporation, partnership, or institution represented by Vendor, nor anyone acting for such Order Fulfiller, subcontractor, firm, corporation or institution has: (1) violated the antitrust laws of the State of Texas under Texas Business & Commerce Code, Chapter 15, or the federal antitrust laws; or (2) communicated its response to the Request for Offer directly or indirectly to any competitor or any other person engaged in such line of business during the procurement for the Contract.

N. Required Insurance Coverage

As a condition of this Contract with DIR, Vendor shall provide the listed insurance coverage within 5 business days of execution of the Contract if the Vendor is awarded services which require that Vendor's employees perform work at any Customer premises and/or use employer vehicles to conduct work on behalf of Customers. In addition, when engaged by a Customer to provide services on Customer premises, the Vendor shall, at its own expense, secure and maintain the insurance coverage specified herein, and shall provide proof of such insurance coverage to the related Customer within five (5) business days following the execution of the Purchase Order. Vendor may not begin performance under the Contract and/or a Purchase Order until such proof of insurance coverage is provided to, and approved by, DIR and the Customer. All required insurance must be issued by companies that are A rated by A.M. Best, licensed in the State of Texas, and authorized to provide the corresponding coverage. The Customer and DIR will be named as Additional Insureds on all required coverage. Required coverage must remain in effect through the term of the Contract and each Purchase Order issued to Vendor there under. The minimum acceptable insurance provisions are as follows:

1) Commercial General Liability

Commercial General Liability must include a combined single limit of \$1,000,000 per occurrence for coverage A, B, & C including products/completed operations, where appropriate, with a separate aggregate limit of \$2,000,000. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:

- a) Blanket contractual liability coverage for liability assumed under the Contract;
- b) Independent Contractor coverage;
- c) State of Texas, DIR and Customer listed as an additional insured;
- d) 30-day Notice of Termination in favor of DIR and/or Customer; and
- e) Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

2) Workers' Compensation Insurance

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WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY COVERAGE MUST INCLUDE LIMITS CONSISTENT WITH STATUTORY BENEFITS OUTLINED IN THE TEXAS WORKERS' COMPENSATION ACT (ART. 8308-1.01 ET SEQ. TEX. REV. CIV. STAT) AND MINIMUM POLICY LIMITS FOR EMPLOYERS' LIABILITY OF \$1,000,000 BODILY INJURY PER ACCIDENT, \$1,000,000 BODILY INJURY DISEASE POLICY LIMIT AND \$1,000,000 PER DISEASE PER EMPLOYEE.

3) Business Automobile Liability Insurance

Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternative acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:

- a) Waiver of Subrogation;
- b) 30-day Notice of Termination; and
- c) Additional Insured.

O. Use of State Property

Vendor is prohibited from using the Customer's equipment, the customer's location, or any other resources of the Customer or the State for any purpose other than performing services under this Agreement. For this purpose, equipment includes, but is not limited to, copy machines, computers and telephones using State long distance services. Any charges incurred by Vendor using the Customer's equipment for any purpose other than performing services under this Agreement must be fully reimbursed by Vendor to the Customer immediately upon demand by the Customer. Such use shall constitute breach of contract and may result in termination of the contract and other remedies available to DIR and Customer under the contract and applicable law.

P. Immigration

The Vendor shall comply with all requirements related to federal immigration laws and regulations, to include but not be limited to, the Immigration and Reform Act of 1986, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") and the Immigration Act of 1990 (8 U.S.C.1101, et seq.) regarding employment verification and retention of verification forms for any individual(s) who will perform any labor or services under this Contract.

The Vendor shall require its subcontractors to comply with the requirements of this Section and the Vendor is responsible for the compliance of its subcontractors. Nothing herein is intended to exclude compliance by Vendor and its subcontractors with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

Pursuant to Executive Order No. RP-80, issued by the Governor of Texas on December 3, 2014, the Contractor shall, as a condition of this Contract, also comply with the United

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States Department of Homeland Security's E-Verify system to determine the eligibility of:

- all persons employed during the term of this Contract to perform duties within Texas; and
- all persons (including subcontractors) assigned by the Contractor to perform work pursuant to this Contract.

The Contractor shall require its subcontractors to comply with the requirements of this Section and the Contractor is responsible for the compliance of its subcontractors. Nothing herein is intended to exclude compliance by Contractor and its subcontractors with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

Q. Public Disclosure

No public disclosures or news releases pertaining to this contract shall be made without prior written approval of DIR.

R. Product and/or Services Substitutions

Substitutions are not permitted without the written permission of DIR or Customer.

S. Secure Erasure of Hard Disk Products and/or Services

Vendor agrees that all products and/or services equipped with hard disk drives (i.e. computers, telephones, printers, fax machines, scanners, multifunction devices, etc.) shall have the capability to securely erase data written to the hard drive prior to final disposition of such products and/or services, either at the end of the Customer's Managed Services product's useful life or the end of the related Customer Managed Services Agreement for such products and/ services, in accordance with 1 TAC 202.

T. Deceptive Trade Practices; Unfair Business Practices

1) Vendor represents and warrants that neither Vendor nor any of its Subcontractors has been (i) found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations as defined under Chapter 17, Texas Business & Commerce Code, or (ii) has outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

2) Vendor certifies that it has no officers who have served as officers of other entities who (i) have been found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations or (ii) have outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

U. Drug Free Workplace Policy

Vendor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and Vendor shall comply with the

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relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

V. Accessibility of Public Information

- 1) Pursuant to S.B. 1368 of the 83rd Texas Legislature, Regular Session, Vendor is required to make any information created or exchanged with the State pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.
- 2) Each State government entity should supplement the provision set forth in Subsection 1, above, with the additional terms agreed upon by the parties regarding the specific format by which the Vendor is required to make the information accessible by the public.

W. Vendor Reporting Requirements

Vendor shall comply with Subtitle C, Title 5, Business & Commerce Code, Chapter 109 as added by HB 2539 of the 83rd Texas Legislature, Regular Session, requiring computer technicians to report images of child pornography.

11. Contract Enforcement

A. Enforcement of Contract and Dispute Resolution

- 1) Vendor and DIR agree to the following: (i) a party's failure to require strict performance of any provision of the Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision, (ii) for disputes not resolved in the normal course of business, the dispute resolution process provided for in Chapter 2260, Texas Government Code, shall be used, and (iii) actions or proceedings arising from the Contract shall be heard in a state court of competent jurisdiction in Travis County, Texas.
- 2) Disputes arising between a Customer and the Vendor shall be resolved in accordance with the dispute resolution process of the Customer that is not inconsistent with subparagraph A.1 above. DIR shall not be a party to any such dispute unless DIR, Customer, and Vendor agree in writing.
- 3) State agencies are required by rule (34 TAC §20.108(b)) to report vendor performance through the Vendor Performance Tracking System (VPTS) on every purchase over \$25,000.

B. Termination

1) Termination for Non-Appropriation

a) Termination for Non-Appropriation by Customer

Customer may terminate Purchase Orders if funds sufficient to pay its obligations under the Contract are not appropriated: i) by the governing body on behalf of local governments; ii) by the Texas legislature on behalf of state agencies; or iii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided ten (10) calendar

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days written notice of intent to terminate. Notwithstanding the foregoing, if a Customer issues a Purchase Order and has accepted delivery of the product or services, they are obligated to pay for the product or services or they may return the product and discontinue using services under any return provisions that Vendor offers. In the event of such termination, the Customer will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

b) Termination for Non-Appropriation by DIR

DIR may terminate Contract if funds sufficient to pay its obligations under the Contract are not appropriated: by the i) Texas legislature or ii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided thirty (30) calendar days written notice of intent to terminate. In the event of such termination, DIR will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

2) Absolute Right

DIR shall have the absolute right to terminate the Contract without recourse in the event that: i) Vendor becomes listed on the prohibited vendors list authorized by Executive Order #13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*", published by the United States Department of the Treasury, Office of Foreign Assets Control; ii) Vendor becomes suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration; or (iii) Vendor is found by DIR to be ineligible to hold this Contract under Subsection (b) of Section 2155.006, Texas Government Code. Vendor shall be provided written notice in accordance with Section 12.A, Notices, of intent to terminate.

3) Termination for Convenience

DIR may terminate the Contract, in whole or in part, by giving the other party thirty (30) calendar days written notice. A Customer may terminate a Purchase Order by giving the other party thirty (30) calendar days written notice.

4) Termination for Cause

a) Contract

Either DIR or Vendor may issue a written notice of default to the other upon the occurrence of a material breach of any covenant, warranty or provision of the Contract, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code in an attempt to resolve a

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dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Contract. Customers purchasing products or services under the Contract have no power to terminate the Contract for default.

b) Purchase Order

Customer or Order Fulfiller may terminate a Purchase Order upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order in accordance with Section 4.B.2 above, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code, in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Purchase Order.

5) Customer Rights Under Termination

In the event the Contract expires or is terminated for any reason, a Customer shall retain its rights under the Contract and the Purchase Order issued prior to the termination or expiration of the Contract. The Purchase Order survives the expiration or termination of the Contract for its then effective term.

6) Vendor or Order Fulfiller Rights Under Termination

In the event a Purchase Order expires or is terminated, a Customer shall pay: 1) all amounts due for products or services ordered prior to the effective termination date and ultimately accepted, and 2) any applicable early termination fees agreed to in such Purchase Order.

C. Force Majeure

DIR, Customer, or Order Fulfiller may be excused from performance under the Contract for any period when performance is prevented as the result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, a Customer may terminate a Purchase Order if it is determined by the Customer that Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

12. Notification

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A. Notices

All notices, demands, designations, certificates, requests, offers, consents, approvals and other instruments given pursuant to the Contract shall be in writing and shall be validly given on: (i) the date of delivery if delivered by email, facsimile transmission, mailed by registered or certified mail, or hand delivered, or (ii) three business days after being mailed via United States Postal Service. All notices under the Contract shall be sent to a party at the respective address indicated in Section 6 of the Contract or to such other address as such party shall have notified the other party in writing.

B. Handling of Written Complaints

In addition to other remedies contained in the Contract, a person contracting with DIR may direct their written complaints to the following office:

Public Information Office
Department of Information Resources
Attn: Public Information Officer
300 W. 15th Street, Suite 1300
Austin, Texas 78701
(512) 475-4759, facsimile

13. Captions

The captions contained in the Contract, Appendices, and its Exhibits are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.



HUB Subcontracting Plan (HSP) QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

➤ **If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - Yes, I will be subcontracting portions of the contract.
- Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors.
- Section 2 c. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract* in place for more than five (5) years meets or exceeds the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - Yes, I will be subcontracting portions of the contract.
- Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
- Section 2 c. - No
- Section 2 d. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract* in place for more than five (5) years does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - Yes, I will be subcontracting portions of the contract.
- Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
- Section 2 c. - No
- Section 2 d. - No
- Section 4 - Affirmation
- GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment, including transportation and delivery, complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources.
- Section 3 - Self Performing Justification
- Section 4 - Affirmation

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- **11.2 percent for heavy construction other than building contracts,**
- **21.1 percent for all building construction, including general contractors and operative builders' contracts,**
- **32.9 percent for all special trade construction contracts,**
- **23.7 percent for professional services contracts,**
- **26.0 percent for all other services contracts, and**
- **21.1 percent for commodities contracts.**

- - Agency Special Instructions/Additional Requirements - -

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent does not have a continuous contract in place for more than five (5) years shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

Failure to complete and comply with the current HSP form may disqualify the respondents proposal pursuant to Texas Gov't Code §2161.252(b). The HSP form cannot be altered.

I. DIR's HUB Goal for this bidding opportunity is 26 %

II. HSP Form:
RFO HSPs- must utilize the HSP provided

III. For assistance in completing the HSP, contact the HUB Coordinator, at dir.hub@dir.texas.gov or lisa.maldonado@dir.texas.gov 512-463-5662 or lynn.sanchez@dir.texas.gov 512-463-9813

SECTION-1 RESPONDENT AND REQUISITION INFORMATION

- a. Respondent (Company) Name: Cellco Partnership d/b/a Verizon Wireless State of Texas VID #: 1223723921000
 Point of Contact: Russ Brown, National Account Manager Phone #: 210-347-1406
 E-mail Address: Russ.Brown@VZW.com Fax #: 972-444-5837
- b. Is your company a State of Texas certified HUB? - Yes - No
- c. Requisition #: DIR-DIR-TSO-TMP-234 Bid Open Date: 1/22/2016
(mm/dd/yyyy)

Enter your company's name here: Cellco Partnership d/b/a Verizon Wireless Requisition #: DIR-DIR-TSO-TMP-234

SECTION-2: RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, **including contracted staffing, goods, services, transportation and delivery will be subcontracted**. Note: In accordance with 34 TAC §20.11., a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- Yes, I will be subcontracting portions of the contract. (If Yes, complete Item b of this SECTION and continue to Item c of this SECTION.)
- No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods, services, transportation and delivery. (If No, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- No (If No, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified HUBs** with which you **do not** have a **continuous contract*** in place with for **more than five (5) years**, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- Yes (If Yes, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- No (If No, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: Cellco Partnership d/b/a Verizon Wireless

Requisition #: DIR-DIR-TSO-TMP-234

SECTION 2 RESPONDENT'S SUBCONTRACTING INTENTIONS (CONTINUATION SHEET)

This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%
43		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: Cellco Partnership d/b/a Verizon Wireless Requisition #: DIR-DIR-TSO-TMP-234

SECTION-3 SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.)

If you responded "No" to SECTION 2, Item a, in the space provided below explain how your company will perform the entire contract with its own employees, supplies, materials and/or equipment, to include transportation and delivery.

Verizon Wireless has not identified subcontracting opportunities and will directly provide all goods and services at this time. Verizon Wireless will provide best efforts to ensure diverse suppliers have the maximum opportunity to compete for subcontracting work as those opportunities become available. Verizon Wireless is committed to integrating diverse suppliers into our supply chain, and we believe including MWDVBES in our procurement process enables us to provide the most innovative, highest quality products and services to the diverse communities we serve.

Verizon has the capability to provide reports that document our spending with diverse suppliers. Reports are released approximately 60 days after each calendar quarter.

SECTION-4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

signature on file

Todd Loccisano

**Executive
Director**

01/19/2016

Signature

Printed Name

Title

Date
(mm/dd/yyyy)

Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: Cellco Partnership d/b/a Verizon Wireless Requisition #: DIR-DIR-TSO-TMP-234

IMPORTANT: If you responded “No” to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: _____ Description: _____

SECTION B 2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, to continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B 3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company’s Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No
			<input type="checkbox"/> - Yes <input type="checkbox"/> - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program’s webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.

- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No
		<input type="checkbox"/> - Yes <input type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: Cellco Partnership d/b/a Verizon Wireless Requisition #: DIR-DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: _____ Description: _____

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/passcmlsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.



HUB Subcontracting Opportunity Notification Form

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in Section B has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.14 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, at least seven (7) working days prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.11(19)(C).

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in Section C, Item 2, reply no later than the date and time identified in Section C, Item 1. Submit your response to the point-of-contact referenced in Section A.

SECTION: A PRIME CONTRACTOR'S INFORMATION	
Company Name: <u>Cellco Partnership d/b/a Verizon Wireless</u>	State of Texas VID #: <u>1223723921000</u>
Point-of-Contact: _____	Phone #: <u>210-347-1406</u>
E-mail Address: <u>Russ.Brown@VZW.com</u>	Fax #: <u>972-444-5837</u>

SECTION: B CONTRACTING STATE AGENCY AND REQUISITION INFORMATION	
Agency Name: _____	Phone #: _____
Point-of-Contact: _____	Bid Open Date: <u>1/22/2016</u> <small>(mm/dd/yyyy)</small>
Requisition #: <u>DIR-DIR-TSO-TMP-234</u>	

SECTION: C SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION	
1. Potential Subcontractor's Bid Response Due Date:	
If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2,	
we must receive your bid response no later than _____ on _____	
Central Time	Date (mm/dd/yyyy)
<p><i>In accordance with 34 TAC §20.14, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, at least seven (7) working days prior to us submitting our bid response to the contracting agency, we must provide notice of each of our subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.11(19)(C).</i></p> <p><i>(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)</i></p>	

2. Subcontracting Opportunity Scope of Work:	
---	--

3. Required Qualifications:	<input type="checkbox"/> - Not Applicable
------------------------------------	---

4. Bonding/Insurance Requirements:	<input type="checkbox"/> - Not Applicable
---	---

5. Location to review plans/specifications:	<input type="checkbox"/> - Not Applicable
--	---

Pricing Index – Appendix C

DIR Contract Number DIR-TSO-3415

Definitions:

Attainment Tier: The range of total Government Subscriber voice and data lines, and M2M Line with a monthly access fee of \$34.99 or higher, that are activated under the resulting Agreement at any time, including the lines of participating parents and affiliates as per the “Purchases by Parents and Affiliates” section in the resulting Agreement. Customer’s initial Attainment Tier is indicated in the checked box below.

Government Subscriber: An employee of Customer utilizing Wireless Service whose account is set up in Customer’s name and for which Customer bears payment responsibility.

Equipment: Wireless telephones, data modems and similar devices and ancillary accessories used in conjunction with Wireless Service.

Wireless Service: Each and every radio service provided directly or indirectly by Verizon Wireless.

Eligible Plan(s): Any generally available Verizon Wireless voice, data or M2M plan with a monthly access fee of \$34.99 or higher that does not prohibit discounts.

Eligible Data Feature(s): Any generally available Verizon Wireless data feature with a monthly access fee of \$24.99 or higher, added to an Eligible Calling Plan, that does not prohibit discounts.

Machine to Machine Service (“M2M Service”): M2M refers to use of the Wireless Service for the transmission of data between wireless devices and computer servers or other machines, or between wireless devices, with limited or no manual intervention or supervision.

M2M Line(s): An individual line of M2M Service used under this Pricing and Equipment Proposal which is set up in Customer’s name and for which Customer bears responsibility.

Plans, Features, Rates and Charges: The voice, data or M2M plan and any options, features or applications that are selected by the Customer determine the applicable rates, charges, allowance of minutes or megabytes and Wireless Service coverage area for each line. Some plans may have restrictions on the type of Equipment that can be activated on them. Information about retail plans, options, features, and applications (*i.e.*, those that Verizon Wireless makes generally available to consumers or business customers) and their terms and conditions may be obtained at Verizon Wireless stores, on verizonwireless.com or from Verizon Wireless business sales representatives. The voice, data or M2M plan monthly access fees and non-promotional allowance of minutes and/or megabytes for each line will not change during the Line Term as long as Customer does not change plans on that line. As detailed in the contract, rates, charges and fees, listed in Appendix C, Pricing (excluding FUSF) , may be changed following the formal Amendment process Verizon Wireless may discontinue any retail plans, options, features and applications for new activations without notice. If Customer changes or upgrades Equipment, Verizon Wireless may require it to change to a then-current plan that is compatible with the changed or upgraded Equipment. Customer may not activate Equipment purchase at a discount from Verizon Wireless on M2M Lines. Government discounts and pricing may not be available to purchases made through agents or at retail store locations.

Federal Universal Service Fee (FUSF): Verizon is authorized to charge FUSF fees to DIR Customers.

Term of Lines (“Line Term”): The term for each line (the “Line Term”) begins on the date Wireless Service is activated for that line and continues for the period required by the calling plan or Equipment selected for that line (usually 1 year). Line Term extensions are required when Customer: (a) takes advantage of promotions or services that require a Line Term extension; or (b) purchases or upgrades Equipment except for ancillary accessories used in conjunction with Wireless Service. When the Line Term expires, Wireless Service continues on a month-to-month basis. Activation fees are waived for Government Subscribers on voice and data plans and for M2M Lines.

Early Termination Fees (“ETF”): ETFs are waived for Government Subscribers.

M2M Management Center: The Machine-to-Machine Management Center (“M2M Management Center”) provides Customer with the ability to remotely monitor and manage its M2M devices. If Customer desires to access and use the M2M Management Center, it must so request in writing, and Verizon Wireless shall provision the M2M Management Center on Customer’s account. Applicable rates and charges, if any, shall be set forth in this Addendum. The M2M Management Center set-up time is estimated to take four to six weeks. The rights granted to Customer herein for access to and use of the M2M Management Center are specific to Customer and may not be transferred to another party without Verizon Wireless’ prior written consent. Verizon Wireless retains full and exclusive ownership of all intellectual property rights associated with the M2M Management Center including any alterations, modifications, improvements and derivative works thereof.

WIRELESS VOICE CALLING PLANS

LOCAL CALLING PLANS

Custom State of Texas Voice Rate Plan: Government Subscribers Only	
The calling plan below reflects the monthly access charge discount. No additional discounts apply.	
Custom State of Texas Voice Rate Plan	
Monthly Access Charge	\$4.99
Domestic Anytime Voice Minutes Per Month	0 Minutes
Voice Per Minute Rate	\$0.06
Domestic Night & Weekend Minutes	Unlimited
Unlimited Domestic Night & Weekend Minutes	Included
Domestic Mobile to Mobile Minutes	Unlimited
Unlimited Domestic Push-to-Talk	\$10.00 additional per user, per month (device dependant)
Domestic Long Distance	Included for Domestic Long Distance Calls Made from Home Calling Area
Domestic Roaming Rate per minute	\$0.69
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Voice service is required. This plan may NOT be used as Push-to-Talk service only plan. *This plan includes a home airtime area that encompasses the State of Texas only. Please see State of Texas map for more information. The State of Texas will notify Verizon Wireless of emergency lines activated on this plan. See attached Verizon Wireless Voice and Data Calling Plan Terms and Conditions for important information about calling plans, features and options. Mobile Iron is not available on this plan or on a standalone basis. No more than 50% of the lines on a single account can be placed on this plan.	

Push to Talk (PTT) Only Rate Plan: Government Subscribers Only	
The calling plan below reflects the monthly access charge discount. No additional discounts apply.	
Push to Talk Only Rate Plan	
Monthly Access Charge	\$15.99
Domestic Anytime Voice Minutes Per Month	0
One to One Push to Talk	Unlimited
Data Sent or Received	\$1.99 or per data package
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Mobile Iron is not available on this plan or on a standalone basis.	

Nationwide for Texas Voice Calling Plans			
The calling plans below reflect the monthly access charge discount. No additional discounts apply.			
Nationwide for Texas Voice Calling Plans:	400 Voice Minutes	600 Voice Minutes	1000 Voice Minutes
Domestic Anytime Voice Minutes Per Month	400	600	1000
Monthly Access Charge (pooled minutes)	\$24.99	\$32.99	\$39.99
Friends & Family for Government	NA	Up to 10 numbers for entire account, not per user	
Overage Rate per minute	\$0.25		
Domestic Night & Weekend Minutes	Unlimited		
Domestic Mobile to Mobile Minutes	Unlimited		
Included Domestic Text, Picture & Video Messages	200 per month (overage rate after allowance)		
Domestic Text, Picture & Video Message Overage Rates (per message per address)	\$0.10 outbound/\$0.02 inbound per Text \$0.25 per Picture or Video Message		
Domestic Long Distance	Included		
Add-a-Line*	\$14.99		
Add-a-Line with Push-to-Talk*	\$17.99		
Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Mobile Iron is not available on these plans or on a standalone basis. *The Add-a-Line plans include 100 Domestic Text, Picture & Video Messages per month. No more than 50% of lines on a single account can be placed on the \$14.99 Add-a-line & \$17.99 Add-a-line with Push to Talk plans.			

WIRELESS VOICE & DATA BUNDLED PLANS

Custom Domestic Nationwide for Texas Voice & Flat Rate Data Plans

The calling plans below reflect the monthly access charge discount. No additional discounts apply.

Nationwide for Texas Voice & Data Plans:	400 Minute Voice/Data Bundle	600 Minute Voice/Data Bundle	1000 Minute Voice/Data Bundle
Domestic Anytime Voice Minutes Per Month	400	600	1000
Monthly Access Charge (non-pooled minutes)	\$45.99	\$58.98	\$68.99
Monthly Access Charge (pooled minutes)	\$47.99	\$59.99	\$69.99
Overage Rate per minute	\$0.25		
Domestic Data Allowance for Email	Flat Rate**		
Domestic Night & Weekend Minutes	Unlimited		
Domestic Mobile to Mobile Minutes	Unlimited		
Included Domestic Text, Picture & Video Messages	Unlimited*		
Friends & Family for Government	Up to 10 numbers For Entire Account, Not Per User		
Mobile Hotspot	Included		
National Access Roaming	\$0.002 per Kilobyte		
Domestic Long Distance	Included		
Add-A-Line	\$34.99		

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Mobile Iron is included on these voice and data bundle plans. Mobile Iron is not available on a standalone basis. **Should a subscriber exceed 5 GB of data usage within a given bill cycle on any line, Verizon Wireless will limit data throughput speeds for all additional usage on that line for the remainder of that bill cycle. No more than 50% of lines on a single account can be placed on the \$34.99 Add-a-line plan.

Global Nationwide for Texas Voice & Global Data Plans

The calling plans below reflect the monthly access charge discount. No additional discounts apply.

Nationwide for Texas Voice & Global Data Plans:	400 Minute Voice/Global Data Bundle	600 Minute Voice/Global Data Bundle	1000 Minute Voice/Global Data Bundle
Domestic Anytime Voice Minutes Per Month	400	600	1000
Monthly Access Charge (non-pooled minutes)	\$63.99	\$76.99	\$88.99
Monthly Access Charge (pooled minutes)	\$65.98	\$78.99	\$90.98
Voice Overage Rate	\$0.25 per minute		
Domestic & Global Data Allowance for Email	Unlimited		
International/Global Phone Roaming		Zone 1 Countries	Zone 2 Countries
	Government Subscribers	\$0.99	\$1.99
Domestic Night & Weekend Minutes	Unlimited		
Domestic Mobile to Mobile Minutes	Unlimited		
Included Domestic Text, Picture & Video Messages	Unlimited*		
Friends & Family for Government	Up to 10 numbers For Entire Account, Not Per User		
National Access Roaming	\$0.002 per Kilobyte		
Domestic Long Distance	Included		

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Mobile Iron is NOT included on these voice and global data bundle plans and is not available on a standalone basis.

Nationwide Voice and Data Bundle Plan

The calling plan below reflects the monthly access charge discount. No additional discounts apply.

Voice Calling Plans:	300 Voice Minutes
Domestic Anytime Voice Minutes Per Month	300
Monthly Access Charge (pooled minutes)	\$39.99
Overage Rate per minute	\$0.25
Domestic Data Allowance	2 GB
Domestic Overage Rate Per Gigabyte	\$10.00 (\$0.0000095 per Kilobyte)
Domestic Night & Weekend Minutes	Unlimited
Domestic Mobile to Mobile Minutes	Unlimited
Included Domestic Text, Picture & Video Messages	Unlimited*
Mobile Hotspot	Included
Domestic Long Distance	Included

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Mobile Iron is included on this voice and data bundle plan. Mobile Iron is not available on a standalone basis.

Custom Voice, Data and Text Smartphone Flat Rate Plan

The calling plan below reflects the monthly access charge discount. No additional discounts apply.

Custom Voice, Data and Text Smartphone Plan:	Flat Rate Voice Minutes
Domestic Anytime Voice Minutes Per Month	Unlimited
Monthly Access Charge (pooled minutes)	\$69.99
Overage Rate per minute	N/A
Domestic Data Allowance	Flat Rate
Domestic Night & Weekend Minutes	Unlimited
Domestic Mobile to Mobile Minutes	Unlimited
Included Domestic Text, Picture & Video Messages	Unlimited*
Mobile Hotspot	Included
Domestic Long Distance	Included

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Defaults to Text only, must select Text, Picture & Video option. Should a subscriber exceed 5 GB of data usage within a given month, Verizon Wireless reserves the right to limit data throughput speeds for the remainder of that month. Mobile Iron is included on this voice and data bundle plan. Mobile Iron is not available on a standalone basis.

WIRELESS DATA PLANS

Mobile Broadband Access for Texas Flat Rate Data Plan

The data plan below reflects the monthly access charge discount. No additional discounts apply.

Mobile Broadband Access Only

Monthly Access Fee	\$37.99
Domestic Data Allowance for Email and Internet/Intranet Browsing	Flat Rate
Overage Rate Per GB	NA
National-Access Roaming	\$0.002 per Kilobyte
Domestic Long Distance ¹	Included

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Streaming video is NOT permitted on this plan. Should a subscriber exceed 5 GB of data usage within a given month, Verizon Wireless reserves the right to limit data throughput speeds for the remainder of that month. Mobile Iron is not available on these plans or on a standalone basis.

Public Sector Mobile Broadband Share Plans: Government Subscribers Only

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Public Sector Mobile Broadband	5 Gigabytes (90237)	10 Gigabytes (90240)	20 Gigabytes (90241)
Monthly Access Charge	\$34.99	\$59.99	\$99.99
Shared Domestic Data Allowance	5GB	10GB	20GB
Overage Per Gigabyte	\$8.00 Per Gigabyte		
National Access Roaming	\$0.002 per Kilobyte		

Notes: This plan is available for domestic data only devices, on the Verizon Wireless network only. **Data Sharing:** At the end of each bill cycle, any unused data allowances for lines sharing on the same account will be applied to the overages of the other lines on the same account beginning with the line with the lowest overage need. Plan changes may not take effect until the billing cycle following the change request. Current National Access and Mobile Broadband coverage details can be found at www.verizonwireless.com. New activations on these service plans require 4G LTE devices. Existing customers transitioning to one of these service plans are able to utilize existing 3G devices. The 5GB, 10GB, and 20GB Public Sector Mobile Broadband Plans are able to share with each other. Mobile Iron is not available on these plans or on a standalone basis.

Mobile Broadband Share Plans: Government Subscribers Only

The data plans below reflect the monthly access fee discount. No additional discounts apply.

Mobile Broadband Share Plans:	1 Gigabyte	2 Gigabyte	5 Gigabytes
Monthly Access Fee	\$17.00	\$23.00	\$35.00
Domestic Data Allowance Per Month	1 GB	2 GB	5 GB
Domestic Overage Rate Per Gigabyte	\$10.00 (\$0.0000095 per Kilobyte)		
International Roaming	\$0.002 per Kilobyte		

Notes: See attached Calling Plan and Feature Details for important information about calling plans, features and options. Streaming video is NOT permitted on this plan. Sharing is available only among Mobile Broadband users in the same profile. Mobile Iron is not available on these plans or on a standalone basis.

WIRELESS FEATURES

Domestic Data Package Features for Feature Phones/Smartphones

A discount has been applied; features are not eligible for any further discounts.

Monthly Access Charge (when added to an eligible voice plan)	Domestic Data Allowance	Overage Rate	Optional Business Email Feature (Server based email solutions)
Not applicable	0	\$1.99 per MB	N/A
\$10.00	75 MB	\$10.00 per 75 MB	N/A
\$34.65	2 GB	\$10.00 per GB (\$0.00000953674/kb)	Included
\$38.50	5 GB		
\$61.60	10 GB		

Note: See attached Calling Plan and Feature Details for important information about calling plans, features and options.

Global Data Optional Features

The data plans below reflect the monthly access fee discount. No additional discounts apply.

Monthly Access Fee	Allowance	Rate After Allowance (Global Data Plan Countries)	Rate per KB (non-Global Data Plan Countries)
\$19.25 (CDMA or GSM)	100MB	\$25.00 per each additional 100 MB used	\$0.02 per KB (\$20.48/MB)

Pay Per Use (for subscribers not using the Global Data Feature)

Monthly Access Fee	Allowance	Rate per MB (Canada)	Rate per MB (Mexico)	Rate per MB (Rest of the World)
N/A	N/A	\$2.05/MB	\$5.12/MB	\$20.48/MB

Notes: Current coverage details and list of Global Data Countries can be found at www.verizonwireless.com/global. See Calling Plan Optional Features section for important information about calling plans, features and options. Applies to all global-capable phones and internet devices. Customer must subscribe to a domestic Mobile Hotspot plan to use the service globally. The majority of your monthly usage must be in the United States. All data usage, including tethering and hotspot, deducts from the same data allowance.

Global Voice*

No additional discounts apply.

Canada	\$0.69/min
Mexico	\$0.99/min
Caribbean and Europe	As low as \$1.29/min
Standard Rates for Other Countries	As low as \$1.29/min
Global Value Plan Rates	As low as \$0.99/min

Notes: Current coverage details and list of Other Available Countries can be found at www.verizonwireless.com/global. See attached Calling Plan and Feature Details for important information about calling plans, features and options. *Applies to all global-capable devices. Must be added to a domestic 3G Mobile Broadband calling plan with domestic 3G Mobile Broadband Connect/Mobile Hotspot.

MACHINE-TO-MACHINE (M2M) /TELEMETRY PLANS

Mobile Broadband Machine-to-Machine (M2M) Share Plans Low Usage Group

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 Megabyte	5 Megabytes	25 Megabytes	50 Megabytes	150 Megabytes
Domestic Shared Data Allowance Per Month	1 MB	5 MB	25 MB	50 MB	150 MB
Monthly Access Charge	\$5.00	\$7.00	\$10.00	\$15.00	\$18.00
Overage Rate Per Megabyte	\$1.00				
National Access Roaming	\$0.002 per Kilobyte(Canada)/\$0.005 per Kilobyte (Mexico)				

Mobile Broadband Machine-to-Machine Plans (M2M) Share Plans High Usage Group

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 Gigabyte	5 Gigabytes	10 Gigabytes
Domestic Data Allowance Per Month	1 GB	5 GB	10 GB
Monthly Access Charge	\$25.00	\$37.50	\$60.00
Overage Rate Per Megabyte	\$0.015		
National Access Roaming	\$0.002 per Kilobyte(Canada)/\$0.005 per Kilobyte (Mexico)		

Notes: Machine to Machine coverage includes the Verizon Wireless 4G, 3G and 3G Extended networks. See Calling Plan and Feature Details for important information about calling plans, features and options. Government Subscribers may supply their own authenticated Equipment (CPE) approved by Verizon Wireless to be activated on these plans. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. 4G service requires 4G Telemetry equipment and 4G coverage. All terms and conditions of the Agreement apply to M2M service and M2M Lines as a Wireless Service. Mobile Iron is not available on these plans or on a standalone basis.

Mobile Broadband Machine-to-Machine Plans (M2M) Share Plans: Government Subscribers Only

The data plans below reflect the monthly access fee discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 Gigabyte	2 Gigabyte	5 Gigabytes
Monthly Access Fee	\$17.00	\$23.00	\$35.00
Domestic Data Allowance Per Month	1 GB	2 GB	5 GB
Domestic Overage Rate Per Gigabyte	\$10.00 (\$0.0000095 per Kilobyte)		
International Roaming	\$0.002 per Kilobyte		

Notes: Machine to Machine coverage included the Verizon Wireless 4G, 3G and 3G Extended networks. See attached Calling Plan and Feature Details for important information about calling plans, features and options. Government Subscribers may supply their own authenticated Equipment (CPE) approved by Verizon Wireless to be activated on these plans. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. 4G service requires 4G Telemetry equipment and 4G coverage. All terms and conditions of the Agreement apply to M2M service and M2M Lines as a Wireless Service. Sharing is available only among Mobile Broadband users in the same user group. Mobile Iron is not available on these plans or on a standalone basis.

Mobile Broadband Machine-to-Machine Plans (M2M) Share Plan: Government Subscribers Only

The data plans below reflect the monthly access fee discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plan:	250 MB
Monthly Access Fee	\$13.00
Domestic Data Allowance Per Month	250 MB
Domestic Overage Rate Per Gigabyte	\$0.015 per MB
International Roaming	\$0.002 per Kilobyte

Notes: Machine to Machine coverage included the Verizon Wireless 4G, 3G and 3G Extended networks. See attached Calling Plan and Feature Details for important information about calling plans, features and options. Government Subscribers may supply their own authenticated Equipment (CPE) approved by Verizon Wireless to be activated on these plans. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. 4G service requires 4G Telemetry equipment and 4G coverage. All terms and conditions of the Agreement apply to M2M service and M2M Lines as a Wireless Service. Sharing is available only among Mobile Broadband users in the same user group. Mobile Iron is not available on these plans or on a standalone basis.

Public Sector Mobile Broadband Machine-to-Machine Plans (M2M) Share Plans: Government Subscribers Only

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Public Sector Mobile Broadband	5 Gigabytes (90231)	10 Gigabytes (90234)	20 Gigabytes (90235)
Monthly Access Charge	\$34.99	\$59.99	\$99.99
Shared Domestic Data Allowance	5GB	10GB	20GB
Overage Per Gigabyte	\$8.00 Per Gigabyte		
NationalAccess Roaming	\$0.002 per Kilobyte		

Notes: This plan is available for domestic data only devices, on the Verizon Wireless network only. **Data Sharing:** At the end of each bill cycle, any unused data allowances for lines sharing on the same account will be applied to the overages of the other lines on the same account beginning with the line with the lowest overage need. Plan changes may not take effect until the billing cycle following the change request. Current NationalAccess and Mobile Broadband coverage details can be found at www.verizonwireless.com. Netbook, Smartphone, and Tablet devices are not eligible for Mobile Broadband M2M pricing. New activations on these service plans require 4G LTE devices. Existing customers transitioning to one of these service plans are able to utilize existing 3G devices. The 5GB, 10GB, and 20GB Public Sector Mobile Broadband Machine to Machine Plans are able to share with each other. Mobile Iron is not available on these plans or on a standalone basis.

3G/4G Mobile Broadband Machine-to-Machine (M2M) Wireless Backup Router Plan: Government Subscribers Only

The data plan below reflect the monthly access fee discount. No additional discounts apply.

3G/4G M2M Wireless Backup Router Plan

Monthly Access Fee (non-pooled)	\$10.00
Domestic Data Allowance Per Month	25 MB
Share Option	N/A
Domestic Overage Rate Per GB	\$10.00 per GB
International Roaming	N/A. Verizon Wireless network only.

Notes: Current coverage details can be found at www.verizonwireless.com. See the attached M2M Data Plan and Feature Details as well as Calling Plan and Feature Details in your Agreement for important information about calling plans, features and options. During an outage of the primary connection, all usage within the billing cycle in excess of the 250 MB allowance will be charged at the overage rate of \$10.00 per GB. The Wireless Router Plan is approved for use as a backup solution for business continuity only and is not to be used for primary connectivity. Verizon Wireless reserves the right to move Customer to the standard commercial 5 GB M2M price plan should usage on the lines provisioned on the M2M Wireless Backup Router Plan exceed 1 GB for three (3) consecutive months. M2M Wireless Backup Router Plan may be used with Private Network, the Cisco 4G LTE Referral Program, and CradlePoint Router Bundle (certain restrictions apply). M2M router devices must be approved for use on Verizon Wireless' network; no other device types may be activated on this plan. Not eligible for Verizon Wireless Government Equipment Matrix pricing. Mobile Iron is not available on this plan or on a standalone basis.

Custom Mobile Broadband Machine-to-Machine (M2M) Tiered Plans

The data plans below reflect the monthly access charge discount. No additional discounts apply.

Mobile Broadband Machine-to-Machine Plans:	1 KB – 249.99 MB	250 – 999.99 MB	1,000 – 2,499.99 MB	2,500 MB+
Monthly Access Charge	\$0.50	\$0.50	\$0.50	\$0.50
Usage Rate Per Megabyte	\$1.15	\$1.00	\$0.75	\$0.50
National Access Roaming	Not Available			

Note This Custom Machine to Machine (M2M) Tiered Data Plan is restricted to Verizon Wireless network use only; domestic roaming not available. Current data coverage details can be found at www.verizonwireless.com. See attached Verizon Wireless Plan and Feature Details for important information about calling plans, features and options. All lines on this Plan must be on a separate account profile from Customer's other Voice, Data and Machine to Machine lines. Detailed billing information will only be available online and the account will require its own unique log in credentials. All charges will be billed in arrears and data usage will be rated and billed in KBs. Data usage from all lines active, at any time during the bill cycle, on the this plan will be aggregated to determine the applicable data usage tier for that month and each line will then be billed for its usage at that rate. This Plan is for fixed/stationary devices only; mobile devices are restricted from use on this plan. Customer must maintain a minimum of two hundred (200) M2M Lines.

ADDITIONAL WIRELESS FEATURES AND SERVICES

Calling Features			
Calling features are not eligible for any further discounts.			
Feature	Monthly Access Charge	Allowance	Overage Rate
411 Connect ^{SM†}	N/A	\$1.99 per call	N/A
Domestic Text Messaging per message	N/A	0	\$0.10 outbound/\$0.02 inbound
Domestic Text, Picture & Video Messaging	\$5.00	250 messages	\$0.10 outbound/\$0.02 inbound per Text \$0.25 per Picture or Video Message
Domestic Text, Picture & Video Messaging	\$10.00	Unlimited M2M & 500 additional messages	\$0.10 outbound/\$0.02 inbound per Text \$0.25 per Picture or Video Message
Domestic Text, Picture & Video Messaging	\$20.00	Unlimited M2M & 5000 additional messages	\$0.10 outbound/\$0.02 inbound per Text \$0.25 per Picture or Video Message
Visual Voice Mail	\$2.99	N/A	N/A
Premium Voice Mail	\$1.99	N/A	N/A
Push to Talk (PTT)	\$5.00 available on calling plans with a monthly access fee of \$29.99 or higher		
Verizon Wireless International Long Distance Value Plan	\$5.00 plus applicable airtime and long distance charges		
GSM International Roaming Global Phone	Zone 1 Countries		\$0.99/ minute
	Zone 2 Countries		\$1.99/ minute
Notes: Calling plans with Mobile to Mobile (M2M) minutes included, do not qualify for additional Mobile to Mobile (M2M) minutes in this table. Text, Picture and Video Messaging feature details apply. Global Phone plan details apply and require the Global Phone handset. Push to Talk requires PTT capable handset. Please contact your Verizon Wireless representative for the most current offer.			

Enterprise Messaging

Enterprise Messaging is Not eligible for monthly access fee discounts

Messaging Allowance	Enterprise Messaging Monthly Access (standard text messaging rates apply for Recipient)	Per Message After Allowance
100,000	\$200.00	\$0.02
Unlimited	\$500.00	N/A
Public Safety Unlimited	\$0.00 (For Public Safety/First Responders Only as defined below*)	N/A

*The \$0.00 Monthly Access Unlimited plan is only available to Public Safety/First Responders classified with the following NAICS (formerly SIC) Codes:

- 621910 Ambulance Services
- 922160 Fire Protection
- 922110 Courts
- 922190 Other Justice, Public Order, and Safety Activities
- 922120 Police Protection
- 928110 National Security
- 922130 Legal Counsel and Prosecution
- 922150 Parole Offices and Probation Offices
- 922140 Correctional Institutions

1. **ENTERPRISE MESSAGING:** In order to protect our network and safeguard subscriber privacy from unsolicited (spam) or objectionable text messaging, Verizon Wireless employs protective measures, including aggregate message volume limits, content filtering and speed of service limitations on publicly accessible Internet messaging gateways. Verizon Wireless Enterprise Messaging service allows enterprise accounts to send aggregate text messages to other Verizon Wireless subscribers while reducing potential delays related to these protective measures.

2. **REQUIREMENTS AND RESTRICTIONS:** Enterprise Messaging is only available to Customers that have a valid Blanket Purchase Agreement with at least five (5) active Non-Government Subscribers. Enterprise Messaging is available for a monthly access fee for which Verizon Wireless will provision a Pilot Mobile Phone (described below) and provide access to the Enterprise Messaging Access Gateway (EMAG) online portal to set-up and manage the service. Enterprise Messaging can be used to send messages to Verizon Wireless subscribers and to subscribers on most domestic wireless carriers (inter-carrier messaging requires additional provisioning and is subject to message size and reporting limitations. experience by carrier and region may cause the experience to vary). Customer agrees that it will send messages only to subscribers that have opted in to receive its messages by: a) establishing an opt-in process that effectively captures each subscriber's consent to receive Customer's messages, informs subscribers of the nature and scope of Customer's messaging campaigns and any financial obligations ("Standard Messaging Charges Apply") associated with the messaging; b) maintaining opt-in records for a minimum of 6 months from the date of a subscriber's opt-in consent; and c) immediately complying with subscriber opt-out requests such as STOP, END, CANCEL, UNSUBSCRIBE or QUIT in compliance with Mobile Marketing Association (MMA) guidelines (www.mmaglobal.com). Customer can use compatible, properly configured SNPP, WCPT, XML, TAP, SMPP and SMTP messaging protocols, for which it is solely responsible for maintaining facilities to monitor its messaging operations, or the EMAG portal, to send up to fifteen text messages per second to subscribers. Provision of the EMAG service does not obligate Verizon Wireless to support variations of these protocols, whether those variations are optional within the published protocols or authorized or unauthorized variations to the published protocols.

Customer agrees that: a) its messaging will comply with applicable industry guidelines (e.g. MMA's Best Practices and CTIA's Wireless Content Guidelines) and Verizon Wireless content (www.verizon.com/contentpolicy) standards as they may updated from time to time; b) it will not send messages containing executable files or links to other content or premium or similar messages that require a subscription or surcharge; c) it will not install, deploy, or use any hardware, firmware, software or other technology or technique to circumvent Verizon Wireless' messaging network operations protections except as granted under this agreement; and d) it will not send any objectionable material via Enterprise Messaging or advertise, promote, distributed or use objectionable material in connection with Enterprise Messaging (for purposes of this agreement, objectionable material includes, but is not limited to material that: (i) is prohibited by any applicable law, rule or regulation, (ii) contains anything that is obscene or indecent or anything with strong sexual, explicit or erotic themes or that links to such content, (iii) contains hate speech; (iv) contains excessive violence; (v) contains extreme profanity; (vi) contains misleading or fraudulent claims, or (vii) promotes or glamorizes alcohol abuse, illegal drug use or use of tobacco products). Consistent with prevailing standards in other content distribution mediums, content in this category that does not satisfy the above may be distributed if included in the context of artistic, educational, medical, news, scientific or sports material. Customer agrees that its use of Enterprise Messaging will comply with any applicable local, state, national and international laws and regulations.

3. **LIMITATIONS:** Wireless phones use radio transmissions which by their nature do not permit the delivery of text messages when the wireless phone is not in range of one of our transmission sites or a transmission site of another company that has agreed to carry our customer's calls, or if there is insufficient network capacity available to handle the message at that moment. Even within a coverage area, there are many factors that might interfere with the delivery of text messages, including the subscriber's equipment, terrain, proximity to buildings, foliage, and weather. Verizon Wireless also does not own or control all of the various facilities and communications lines between Customer's site and Verizon Wireless Enterprise Messaging access point. Due to these natural and technological limitations and the limitation in the number of messages that can be sent (up to fifteen per second), ENTERPRISE MESSAGING SHOULD NOT BE USED AS THE SOLE MEANS TO SEND MESSAGES THAT CONTAIN INFORMATION THAT IS ESSENTIAL TO THE PROTECTION OF LIFE OR PROPERTY, OR IS MISSION ESSENTIAL OR CRITICAL IN OTHER WAYS.

4. **CUSTOMER'S ENTERPRISE MESSAGING CONTACT:** Customer agrees to provide contact information including a phone number and email address to Verizon Wireless of an Enterprise Messaging contact or contacts, who shall be available during business hours and any other time period that Customer utilizes Enterprise Messaging for the purpose of assisting to resolve service matters and trouble shooting. Customer must provide written notice of changes to contact information fourteen days prior.

5. **PILOT MOBILE PHONE:** Verizon Wireless shall provide Customer with one pilot mobile phone at no charge to manage password setup and resets. Customer should safeguard the pilot mobile phone in case password resets are needed as Verizon Wireless must rely on regular mail delivery of password resets if the phone is not available (password resets cannot be given over the phone or sent via email). This pilot mobile phone will not be capable of making any voice calls. Customer shall promptly notify Verizon Wireless if the phone is lost, damaged or stolen and Verizon Wireless reserves the right to charge Customer for replacement phones.

6. **TERMINATION OF SERVICE:** VERIZON WIRELESS CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR CANCEL CUSTOMER'S ACCESS TO OR USE OF THE ENTERPRISE MESSAGING SERVICE OR EMAG IF CUSTOMER VIOLATES THE RESTRICTIONS OF THIS AGREEMENT OR FOR GOOD CAUSE which shall include, but is not be limited to: (a) breaching this Agreement or the Customer's Non-Government Agreement; (b) spamming or other abusive messaging; (c) using Enterprise Messaging in a way that adversely affects our network, our customers, or other customers; (d) allowing anyone to tamper with messaging applications in a manner contrary to this Agreement; (e) any governmental body of competent jurisdiction suspends or terminates your service or institutes a requirement, ruling or regulation that conflicts with this Agreement; or (f) operational or other governmental reasons.

7. DISCLAIMER AND LIMITATION OF LIABILITY: CUSTOMER AGREES THAT ENTERPRISE MESSAGING AND EMAG IS PROVIDED ON AN "AS IS" BASIS AND CUSTOMER'S USE OF ENTERPRISE MESSAGING AND EMAG IS ITS SOLE RESPONSIBILITY. VERIZON WIRELESS DOES NOT WARRANT THAT ENTERPRISE MESSAGING OR EMAG WILL BE WITHOUT FAILURE, DELAY, INTERRUPTION, ERROR, OR LOSS OF CONTENT, DATA, OR INFORMATION. VERIZON WIRELESS SHALL NOT BE LIABLE FOR ANY FAILURE TO PROVIDE ENTERPRISE MESSAGING AND MAKES NO GUARANTEES THAT ANY TEXT MESSAGE WILL BE DELIVERED.

8. NO RESELLING: Customer cannot resell Enterprise Messaging services or allow third parties to use Enterprise Messaging or access EMAG without prior written permission from Verizon Wireless.

9. SUBJECT TO CUSTOMER'S GOVERNMENT AGREEMENT: These terms supplement Appendix D, Customer Service Agreement to DIR Contract Number DIR-TSO-3415 as it relates to Enterprise Messaging and EMAG and the terms of such Agreement, are applicable to Customer's use of Enterprise Messaging and EMAG. If there are any inconsistencies between these terms and Customer's Non-Government Agreement these terms shall control with respect to Enterprise Messaging.

Wireless Priority Service (WPS)

The calling plan below reflects the monthly access charge discount. No additional discounts apply.

Wireless Priority Service

Discounted Monthly Access Fee	\$4.50
Discounted Feature Initiation Charge	\$10.00
Per Minute of Use Charge	\$0.75

NOTE: Wireless Priority Service Access (WPS Access) is subject to the plan details of your customer agreement and calling plan. A WPS Access function on a limited portion of the Verizon Wireless owned and operated 800/1900 MHz CDMA network, and is available only to individuals authorized by the Office of the Manager National Communications System (NCS). WPS Access provides end users with the ability to be placed into a queue for the next available wireless voice channel ahead of end users not subscribing to WPS Access. Verizon Wireless makes no assurances regarding waiting times associated with WPS, nor can Verizon Wireless ensure that WPS Access calls will be connected. The WPS Access charges, including the \$0.75/minute charge, are all in addition to the charges associated with your Verizon Wireless calling plan. Contact your Verizon Wireless representative for complete details on WPS Access.

Verizon Wireless Field Force Manager

The Field Force Manager Plan with a monthly access fee of \$29.99 and the Field Force Manager Feature with monthly access fee of \$24.99 are eligible for Monthly Access Fee Discounts.

	Field Force Manager Feature Feature Phone/Smartphone (Data plan required)	Field Force Manager Plan Feature Phone (Data plan NOT required)
Monthly Access Charge – Limited	\$15.00 per user	\$24.99 per user
Monthly Access Charge – Basic	\$20.00 per user	\$29.99 per user
Monthly Access Charge – Pro	\$25.00 per user	N/A
Monthly Access Charge – PTT only & FFM	\$20.00 per user (PTT Devices Only)	\$45.00 per user (PTT Devices Only)

NOTE: *Optional Features may be added onto an eligible calling plan with a monthly access fee of \$34.99 or higher. **Field Force Manager:** By purchasing the Field Force Manager feature Customer consents to the tracking of Field Force Manager Equipment and must obtain authorized consent to tracking from all users and affected persons. No guarantee of accuracy of information transmitted, disclosed, displayed or otherwise conveyed or used. Service could be interrupted or disrupted due to atmospheric conditions, inaccurate ephemeris data and other factors associated with use of satellites and satellite data. Airtime for Field Force Manager service is included in the Monthly Fee and its use is subject to the Unlimited VZAccess feature details. Requires 2 MB of data for application download.

Static IP – Isolated Pool w/Fixed End System (FES) [Internet Restricted]

Static IP – Isolated Pool w/Fixed End System (FES) [Internet Restricted] is NOT eligible for monthly access fee discounts.

Per eligible Calling Plan

Per Account Level Set-Up (One time fee)	\$500.00
Per Account New Connect Set-Up (One time fee)	\$1500.00

Public Safety Subscribers Account Set-Up: Verizon Wireless will waive all account set-up fees including both the \$1500.00 connection fee and the \$500.00 Static IP address fee for new Public Safety NationalAccess activations only.

Note: Subscribers that are placed into this pool will be limited to utilizing the Verizon Wireless Network for transport to and from their FES connections to the Verizon Wireless Network. Static IP addresses will be available on remote access, MB and Unlimited NationalAccess plans or features only. Fees may not apply in certain VPN environments. Fees are per account level (regardless of the number of IPs ordered) selecting Static IP and may apply in addition to \$1500.00 Connect Fee in certain configurations.

Static IP: Static IP addresses will be available on remote access, MB and Unlimited NationalAccess plans or features only. Static IP addresses may be reserved and should be assigned to the mobile numbers within 90 days. De-activated Static IP addresses will go into an “ageing pool” for 24 hours. After 24 hours, these Static IP addresses will be returned to reserved status for the account. Reserved Static IP addresses will be shown at the account level and can be viewed from the billing system. Feature activations will be stored in the “data warehouse” database along with the Static IP Address for reporting. A Static IP address is associated with the device’s MDN (Mobile Dialing Number). Each time the subscriber initiates a data session the Static IP address that is associated with their MDN is assigned to their device for each session. Subscribers completing an ESN (Electronic Serial Number) change will retain their Static IP address.

Optional BlackBerry Enterprise Server/Software List

BES (BlackBerry Enterprise Software) and CAL (Client Access License) sales are not eligible for discounts

Description	Number of Users	Verizon Wireless SKU/Part#	MSRP
BES Trade-Up Key Note: This item must be ordered	N/A	PRD-10452-016	\$2,899.00
BlackBerry Enterprise Server Version 5.0	Microsoft Exchange - 20 users	PRD-24256-001*	\$4,099.00
	IBM Lotus Domino - 20 users	PRD-24256-002*	
BlackBerry Enterprise Server Version 4.1	Microsoft Exchange - 20 users	PRD-10452-001	\$599.00
	IBM Lotus Domino - 20 users	PRD-10452-003	
	Novell Groupwise - 20 users	PRD-10452-005	
BlackBerry Professional Software Version 4.1	Microsoft Exchange - 5 users	PRD-10452-024	\$949.00
	IBM Lotus Domino - 5 users	PRD-10452-025	
	Microsoft Exchange - 10 users	PRD-10452-027	\$99.00
	IBM Lotus Domino - 10 users	PRD-10452-028	
BlackBerry Enterprise Server & BPS CALs	1 user	PRD-07599-017*	\$99.00
	5 users	PRD-07599-018*	\$429.00
	10 users	PRD-07599-019*	\$699.00
	50 users	PRD-07599-020*	\$3,299.00
	100 users	PRD-07599-021*	\$5,999.00
	500 users	PRD-07599-022*	\$27,499.00
Small Business Edition (CALs)	1 user	PRD-07599-043*	\$99.00
	5 users	PRD-07599-044*	\$429.00

*Select Blackberry Client Access Licenses available for purchase through My Business Account and the Verizon Enterprise Center

Verizon Wireless Calling Plan and Feature Details

Verizon Wireless Calling Plan Optional Services. Additional fees may be required as per the individual calling plans.

Calling Plans and Associated Charges: Some calling plans or monthly access price points may not be available in all markets. Subscriber's first partial and full month's access will not be refunded after activation of the Wireless Service. Activation fees are waived for all Government Subscribers. Charges for calls will be based on the cell sites used, which may be outside the calling plan coverage area even when the Subscriber is physically within the coverage area. Time of the call is based on the telephone switching office that carries the call, which may be different from the time of day shown on Subscriber's phone. Rates do not apply to credit card or operator-assisted calls, which may be required in certain areas. Usage rounded up to the next full minute. Unused minutes and/or Megabytes are lost. On outgoing calls, charges start when Subscriber first presses SEND or the call connects to a network, and on incoming calls, when the call connects to a network (which may be before it rings). A call may end several seconds after Subscriber presses END or the call otherwise disconnects. Calls made on the Verizon Wireless network, are only billed if they connect (which includes calls answered by machines). Billing for airtime and related charges may sometimes be delayed. Calls to "911" and certain other emergency services are toll-free and airtime-free, however, airtime may be charged when dialing toll-free numbers. All features may not be available in all Verizon Wireless markets.

Home Airtime and Roaming: Home airtime minutes apply when making or receiving calls from a calling plan's home rate and coverage area. Coverage information is available at www.verizonwireless.com. Airtime is rounded up to the next full minute. Allowance minutes/Megabytes are not transferable except as may be available on calling plans with sharing. Subscribers must periodically dial *228 to update roaming information. Automatic roaming may not be available in all areas and rates may vary. Roaming charges may be delayed to a later bill.

Long Distance: Unlimited domestic long distance is included when calling from the calling plan's home rate and coverage area, unless otherwise specified in the calling plan.

Customer's Cell Phone Number and Caller ID. Verizon Wireless will assign one Mobile Telephone Number ("MTN") to each Subscriber line. Other than as required to port an MTN, Customer does not have any property right in the MTN and Verizon Wireless may change, reassign, or eliminate an MTN upon reasonable notice to Customer under certain circumstances, including fraud prevention, area code changes and regulatory or statutory law enforcement requirements.

Verizon Wireless Calling Plan Included Features

Call Waiting ^{1,6}	Three Way Calling ^{1,6}
Call Forwarding ⁶	No Answer/ Busy Transfer ⁶
Caller ID ^{2,6}	Basic Voice Mail ^{3,6}
411 Connect sm ^{4,6} (Directory Assistance)	Basic TTXT Messaging ⁵

¹Airtime charges apply to all calls simultaneously.

²When making a call, Subscriber's MTN may be displayed to the receiving party with Caller ID capable Equipment. Caller ID service may not be available outside home airtime rate and coverage areas, and may not be compatible with certain enhanced features. Caller ID can be blocked for most calls by dialing *67 before each call, or by ordering per-line call blocking where available. Calls to some numbers, such as toll-free numbers, cannot be blocked.

³Airtime charges apply to message retrieval.

⁴411 Connect, directory assistance with automatic call completion is subject to a per call fee plus airtime charges. Directory assistance rates are subject to change.

⁵TXT Messaging offered at the prevailing rate, currently \$0.02 per inbound and \$0.10 per outbound message per address. TXT message charges are subject to change.

⁶Feature not included on NationalAccess and BroadbandAccess Unlimited or Megabyte (MB) calling plans at no charge, but are available at the prevailing Verizon Wireless rates.

Push to Talk: Push to Talk capable Equipment required. Push to Talk capable Equipment can only be used with a Push to Talk calling plan. **Subscribers switching from a Push to Talk Calling Plan to another calling plan will not be able to use Push to Talk capable Equipment with the new plan.** Push to Talk calls may only be made with other Verizon Wireless Push to Talk subscribers. Push to Talk Subscribers may initiate or participate on a call, simultaneously, with as many as 20 total participants (19 members per group plus the originator). Push to Talk groups must be established via the Push to Talk website prior to initiating a group call. Subscribers may establish as many as 50 group lists of up to 20 participants (19 members per group plus the originator). Existing Push to Talk Subscriber Equipment may require a software upgrade. Push to Talk is only available within the National Enhanced Services Rate and Coverage Area. There will be a delay from the time a Push to Talk call is initiated until the Push to Talk call is first received by the called party. A Push to Talk call will automatically time out after twenty (20) seconds of inactivity. While on a Push to Talk call, incoming voice calls will go directly to voice mail. When on a voice call, a Push to Talk call cannot be received. Network registration information will be sent to the Equipment each time it is powered on in the National Enhanced Services Rate and Coverage Area, each time the Subscriber travels into the National Enhanced Services Rate and Coverage Area, and every 12 hours if the Subscriber stays within the National Enhanced Services Rate and Coverage Area. While the updated network registration information is being sent to the Equipment, incoming voice calls will go directly to voice mail. Contact list cannot be modified from certain Equipment. Subscriber cannot prevent others who have the Subscriber's MTN from entering the MTN into their Push to Talk contact list. Only one person can speak at a time during a Push to Talk call. Push to Talk services cannot be used for (i) access to the Internet, intranets or other data networks, except as the device's native applications & capabilities permit, (ii) any applications that tether

Equipment to laptops, personal computers or other devices for any purpose. Please visit our website www.verizonwireless.com for additional Push to Talk information.

Mobile to Mobile: Mobile to Mobile minutes apply when making calls directly to or receiving calls directly from another Verizon Wireless Subscriber while in the America's Choice Home Rate and Coverage area. Mobile to Mobile does not apply to fixed wireless devices with usage substantially from a single cell site, for Push to Talk calls, if Call Forwarding or No Answer/Busy Transfer features are activated, or to data usage. Mobile to Mobile is not available to Subscribers whose current wireless exchanges restrict the delivery of Caller ID. Mobile to Mobile minutes will be applied before home airtime minutes.*

Night and Weekends: Applies to calls made in a calling plan's home rate and coverage area only during the following hours: 9:01pm Friday through 5:59am Monday and 9:01pm to 5:59am Monday through Friday.*

***NOTE:** If both Night and Weekend and Mobile to Mobile minute allowances apply to a given call, Mobile to Mobile minutes will apply before Night and Weekend minutes. However, if either allowance is unlimited, the unlimited allowance will always apply first.

TXT Messaging: TXT Messaging includes Short Message Service (SMS up to 160 characters) and Enhanced Messaging Service (EMS up to 1120 characters). Enhanced TXT Messages sent to most SMS handsets will be delivered as multiple TXT messages of up to 160 characters each. Subscribers have the option to have text messages disabled entirely without affecting voicemail or other related services. TXT Messaging plans do not include Operator Assisted Messaging or International Messaging, which is available for 25¢ per message sent and 10¢ per message received; see www.vtext.com for details and countries. Verizon Wireless is not responsible for information sent using TXT Messaging or Enhanced TXT Messaging. Verizon Wireless cannot guarantee that messages will be received and is not responsible for messages that are lost or misdirected. Messages not delivered after 5 days are automatically deleted. Airtime charges do not apply to the sending or receiving of text messages. When sending messages from Equipment, the sender's MTN will always be sent to the destination, even if Caller ID is used to block voice calls.

Mobile to Mobile Messaging: Cannot be combined with any other package that includes a TXT or PIX&FLIX allowance. Mobile to Mobile Messaging applies only to TXT/ PIX/ FLIX messages sent to and received from other Verizon Wireless Subscribers' phones, while both wireless Subscribers are within the National Enhanced Services Rate and Coverage Area. Additional messages apply to PIX Place, VTEXT/ TXT Alerts/ getAlerts, Instant Messaging (IM), Email, Premium Text Services, TXT/PIX/FLIX sent to non-Verizon Wireless customers, these messages will be decremented from the Subscriber's Additional Message allowance, or billed as overage. Additional Messages may not be applied toward International TXT Messaging, which cost 25¢ per message sent and 10¢ per message received; see www.vtext.com for details and countries.

Multi-Media Messaging (MMS): Multi-Media Messaging (MMS) includes Picture (PIX) and Video (FLIX) messaging and is only available within the National Enhanced Services Rate and Coverage Area. In addition to MMS charges, MMS uses calling plan home airtime minutes or kilobytes. Canceling an MMS after pressing SEND may result in sent messages that contain only partial content. Subscriber will be charged for outgoing MMS, even if not received by the intended recipient, or even if only partial content is delivered. Subscriber will not be charged for incoming MMS unless received. MMS that cannot be delivered within 5 days will be deleted. MMS is not available for use with a Mobile Office Kit. Camera phones are prohibited in some places. Subscribers are solely responsible for complying with all applicable laws, rules, regulations and policies regarding camera phone use.

International Long Distance: International Long Distance is available but may be subject to a 90-day payment history with Verizon Wireless. International long distance rates will vary and do not apply to calls to Canada, Puerto Rico, the U.S. Virgin Islands and some U.S. Protectorates, or to credit card or operator assisted calls.

Verizon Wireless International Long Distance Value Plan: Requires subscription to a qualifying calling plan and international dialing capability (I-DIAL). The ability to make international calls is not guaranteed and may be restricted without notice. Rates apply only on calls to Value Plan countries made from calling plan home airtime rate and coverage areas. If a calling plan includes calls to any Value Plan country, those calls will be billed per the requirements of the calling plan except when roaming on another carrier's network, in which case that carrier's rates will apply. Current international calling rates may be found at www.verizonwireless.com.

International Roaming (Global Phone): Availability of calling features and TXT messaging varies by country and network. Existing Subscribers who purchase a Global Phone may have to set up a new voice mailbox and, if so, will lose access to previously stored messages upon activation of Global Phone. Voice mail messages will be time-stamped Eastern Time. Calls to voice mail will appear on the bill as calls to the Subscriber's MTN. Actual availability of service in foreign countries may vary and is subject to change. Taxes and other regulatory surcharges may apply and may vary by country. While roaming on another carrier's wireless network, dialing rates and country availability may vary due to the roaming carrier's international dialing policies. Billing for airtime used when roaming may be delayed up to two billing cycles. By using Equipment outside the United States, Subscriber is solely responsible for complying with all applicable foreign laws, rules and regulations ("Foreign Laws"), including Foreign Laws regarding use of wireless phones while driving and use of wireless camera phones. Verizon Wireless is not liable for any damages that result from Subscriber's failure to comply with Foreign Laws.

Roaming in CDMA countries outside of the US: Roaming in CDMA countries is \$0.69 per minute and only in "CDMA" mode where service is available. An update to Equipment software is required to roam in S. Korea.

Roaming in GSM countries: CDMA/GSM Global Phone, activated in the United States with compatible Subscriber Identity Module (SIM) card required. Rates and plan details apply only when roaming on participating GSM networks in published Global Phone countries. Service may be available in additional countries, but airtime rates, availability of calling features, and ability to receive incoming calls (including return calls from emergency services personnel) may be restricted. Where TXT messaging is available, Customer will be charged \$0.50 for each message sent and \$0.05 for each message received. TXT messaging rates are subject to change. TXT messages cannot exceed 140 characters and may be sent only to MTNs of (i) Verizon Wireless customers, and (ii) customers of foreign wireless carriers that participate in international text messaging. Check www.vtext.com for the most current list of participating foreign carriers. TXT messages cannot be sent to e-mail addresses.

VZAccess and VZEmail (Mobile Broadband & Data Services)

VZAccess and VZEmail Calling Plans and Features: VZAccess includes NationalAccess (IXRTT) and BroadbandAccess (EVDO/4G) calling plans. VZEmail includes PDA/Smartphone and BlackBerry calling plans. VZAccess and VZEmail usage is subject to VZAccess Acceptable Use Policy, available on www.verizonwireless.com. VZEmail optional features may only be purchased in conjunction with eligible voice calling plan with a monthly access fee of \$34.99 or higher. Monthly Megabyte allowances apply only to NationalAccess and BroadbandAccess data transmissions. Other data (Quick 2 NetSM or dial-up) transmissions as well as voice calls will be billed at the per minute overage rate according to the VZAccess calling plan. For optional data features, "other data" will be billed as anytime minutes or at the per minute overage rate according to the underlying calling plan. When traveling outside the National Enhanced Services Rate and Coverage Area, Subscribers may be charged at the "other data" rate for data usage. NationalAccess data sessions require a NationalAccess capable PC Card, PDA, BlackBerry or handset with its compatible Mobile Office Kit, and must be placed within NationalAccess service area. BroadbandAccess data sessions require BroadbandAccess capable Equipment and must be placed within BroadbandAccess service area. PDA/Smartphone and BlackBerry users that move from a VZEmail plan or feature, or a Voice and Data Choice Bundle to another calling plan will not be able to use their PDA/Smartphone or BlackBerry on the new calling plan and will need to purchase or provide compatible voice Equipment to switch to the new calling plan. For current NationalAccess and BroadbandAccess service areas, please visit www.verizonwireless.com. All data sessions automatically terminate after 24 hours of activity and on unlimited calling plans after 2 hours if inactivity. Data session is inactive when no data is being transferred. Data session may seem inactive while data is actively being transferred to Equipment, or may seem active when it is actually cached and not transferring data. Subscriber MUST press or click END or DISCONNECT button to ensure that session disconnects and charges cease. Third-party applications may automatically reinitiate data sessions without the Subscriber pressing or clicking SEND or CONNECT button. Voice calls cannot be received when an e-mail or other data transmission is occurring. Voice calls are possible when NationalAccess data session is inactive; however, charges apply simultaneously to the data session and the voice call in accordance with the applicable calling plan. Voice calls are not available with BroadbandAccess. Customer must maintain virus protection when accessing the service. Customer is responsible for all charges, including all data sent and received and "overhead" whether or not Subscriber or recipients actually receive the data. "Overhead" is all data that is in addition to user-transmitted data, such as control, operational and routing instructions, error-checking characters and retransmissions of user-data messages that are received in error. VZEmail calling plans and optional features not available with PC cards or wireless modems, including wireless Equipment tethered to a PC. In order to use some VZEmail features and applications, Subscriber's PC (or server where applicable) must be powered on, able to receive e-mail, and have Equipment manufacturer software (BlackBerry Desktop, Wireless Sync or GoodLink) installed. If Equipment is turned off or if the Subscriber travels outside the NationalAccess service area, e-mail messages will be automatically stored for up to 7 days and forwarded when the Subscriber returns to the NationalAccess service area. Receiving e-mail attachments and graphics may be limited based on the Equipment model or software. With some Equipment, e-mails received may display only the first 2 kilobytes of information with additional 2 kilobyte increments delivered at the Subscriber's request.

Data Plans and Features Prohibited Uses: You may not use our Data Plans and Feature for illegal purposes or purposes that infringe upon others' intellectual property rights, or in a manner that interferes with other users' service, that violates trade and economic sanctions and prohibitions as promulgated by the Departments of Commerce, Treasury or any other U.S. government agency, that interferes with network's ability to fairly allocate capacity among users, or that otherwise degrades service quality for other users. Examples of prohibited usage include: (i) server devices or host computer applications that are broadcast to multiple servers or recipients such that they could enable "bots" or similar routines (as set forth in more detail (ii) below) or otherwise denigrate network capacity or functionality; (ii) "auto-responders," "cancel-bots," or similar automated or manual routines that generate amounts of net traffic that could disrupt net user groups or e-mail use by others; (iii) generating "spam" or unsolicited commercial or bulk e-mail (or activities that facilitate the dissemination of such e-mail); (iv) any activity that adversely affects the ability of other people or systems to use either Verizon Wireless' services or the Internet-based resources of others, including the generation of dissemination of viruses, malware, or "denial of service" attacks; (v) accessing or attempting to access without authority, the information, accounts or devices of others, or to penetrate, or attempt to penetrate Verizon Wireless' or another entity's network or systems; or (vi) running software or other devices that maintain continuous active Internet connections when a computer's connection would otherwise be idle or "any keep alive" functions, unless they adhere to Verizon Wireless' requirements for such usage, which may be changed from time to time.

Unlimited Data Plans and Features (such as NationalAccess, BroadbandAccess, Push to Talk, and certain VZEmail services) may ONLY be used with wireless devices for the following purposes: (i) Internet browsing; (ii) email; and (iii) intranet access (including access to corporate intranets, email, and individual productivity applications like customer relationship management, sales force, and field service automation). The Unlimited Data Plans and Features MAY NOT be used for any other purpose. Examples of prohibited uses include, without limitation, the following: (i) continuous uploading, downloading or streaming of audio or video programming or games; (ii) server devices or host computer applications, including, but not limited to, Web camera posts or broadcasts, automatic data feeds, automated machine-to-machine connections or peer-to-peer (P2P) file sharing; or (iii) as a substitute or backup for private lines or dedicated data connections. This means, by way of example only, that checking email, surfing the Internet, downloading legally acquired songs, and/or visiting corporate intranets is permitted, but downloading movies using P2P file sharing services and/or redirecting television signals for viewing on laptops is prohibited. For the Unlimited Broadband Access plans, should a customer exceed 5 GB of data usage within a given month, Verizon Wireless will limit data throughput speeds for the remainder of that month.

For individual use only and not for resale. We will protect our network from harm, which may impact legitimate data flows. We will limit throughput or amount of data transferred, and reserve the right to deny or terminate service, without notice, to anyone we believe is using an Unlimited Data Plan or Feature in any manner prohibited above or whose usage adversely impacts our network or service levels. Anyone using more than 5 GB per line in a given month is presumed to be using the service in a manner prohibited above, and we reserve the right to immediately terminate the service of any such person without notice. We also reserve the right to terminate service upon notification to the customer.

Unlimited VZAccess and VZEmail: NationalAccess, BroadbandAccess, and GlobalAccess data sessions may be used for the following purposes: (i) Internet browsing, (ii) e-mail, and (iii) intranet access (including access to corporate intranets, e-mail and individual productivity applications like customer relationship management, sales force and field service automation). Unlimited VZAccess, VZEmail and Push to Talk services cannot be

used (i) for uploading, downloading or streaming of movies, music or games, (ii) with server devices or with host computer applications, other than applications required for BlackBerry or Wireless Sync service, including, but not limited to, Web camera posts or broadcasts, automatic data feeds, Voice over IP (VoIP), automated machine-to-machine connections, or peer-to-peer (P2P) file sharing, or (iii) as a substitute or backup for private lines or dedicated data connections. Additionally, Unlimited VZEmail services cannot be used for, (i) access to the Internet, intranets or other data networks, except as the Equipment's native applications and capabilities permit, or (ii) for any applications that tether Equipment to laptops or personal computers other than for use of the Wireless Sync or BlackBerry Solutions. Unlimited BroadbandAccess and NationalAccess data sessions automatically terminate after 2 hours of inactivity, unless Subscriber has Mobile IP (MIP) capable Equipment.

VZEmail Megabyte (MB) Data Plans: Megabyte allowance and charges for kilobytes over the monthly allowance apply to NationalAccess and BroadbandAccess data sessions and are rounded to next full kilobyte at end of each billing cycle. Only total of kilobytes transmitted above allowance each billing cycle may appear on bill.

VZEmail Server Software (Wireless Sync Enterprise Server, GoodLink Server & BlackBerry Enterprise Server (BES)): Verizon Wireless is not the licensor of the Wireless Sync Enterprise Server, GoodLink Server or BES Server and makes no representations or warranties whatsoever, either express or implied, with respect to such servers and associated software. The Wireless Sync Enterprise Server software is manufactured by Intellisync. The GoodLink Server is manufactured by, and sold separately by Good Technology. The BES software is manufactured by Research in Motion ("RIM"). Any license for such software must be obtained directly from the software manufacturer either upon purchase or installation of the software. Customer support for the Wireless Sync Enterprise Server, GoodLink, or BES software must be obtained from the software manufacturer. If Verizon Wireless in its sole discretion determines that a PDA or BlackBerry related inquiry from a Subscriber is related to the Wireless Sync Enterprise Server, GoodLink or BES software and not one concerning Equipment or desktop software, it may transfer the service request to appropriate representatives of the software manufacturer. When you use Microsoft's Exchange ActiveSync, Notify's NotifyLink, or Intellisync's Intellisync Mobile Suite, every time you receive an email or other update you may be charged for an incoming TXT Message. To avoid TXT Messaging charges, you can set up timed synchronization or manually initiate synchronization.

NationalAccess Roaming Feature: Not for use with Mobile Office Kits. Dynamic IP addresses will be assigned when roaming. Usage rounded up to next full kilobyte. For information on where NationalAccess Roaming is available, see www.verizonwireless.com.

GlobalAccess: Global PC Card required for international use. Global PC Cards will not work in the United States or Canada and GlobalAccess Subscribers will need a NationalAccess or BroadbandAccess PC card for domestic use. The domestic and Global PC Cards cannot be used at the same time. GlobalAccess Subscribers must activate and update their Preferred Roaming lists while in the National Enhanced Services Rate and Coverage Area every three months. Verizon Wireless reserves the right to terminate the service of any Subscriber whose total usage is less than half on the Verizon Wireless National Enhanced Services Rate and Coverage Area over three consecutive billing cycles. Verizon Wireless SIM Cards are for use only with the Global PC Card and only for the purpose of this service. Subscriber is responsible for any unauthorized use of its SIM Cards and must safeguard security codes. Upon termination of service, Subscriber must destroy SIM Card. By using your Global PC Card outside the United States, Subscriber is solely responsible for complying with all applicable Foreign Laws. Verizon Wireless will not be liable for any damages that result from Subscriber's failure to comply with Foreign Laws.

GlobalEmail: GlobalEmail capable equipment required. Verizon Wireless reserves the right to terminate the GlobalEmail service of Subscribers that have less than half of their usage on the Verizon Wireless National Enhanced Services Rate and Coverage Area over three consecutive billing cycles. SIM Cards are for use with GlobalEmail Equipment, and only for the purpose of GlobalEmail service. Customer is responsible for any unauthorized use of SIM Cards, and must safeguard security codes. Upon termination of service, please destroy any applicable SIM Cards. Subscribers using GlobalEmail outside the United States, agree that they are solely responsible for complying with all applicable foreign laws, rules and regulations ("foreign laws"). Customer agrees that Verizon Wireless is not liable for any damages that result from Subscriber's failure to comply with foreign laws. GlobalEmail Subscribers must activate and update their Preferred Roaming lists while in the National Enhanced Services Rate and Coverage Area every three months. TXT messaging billed at standard domestic and international TXT Messaging rates. Existing Verizon Wireless Subscribers migrating to GlobalEmail plans may be required to extend their Line Term.

Share Option

Share Option: Sharing is available only among Government Subscribers on applicable calling plans choosing the Share Option.

America's Choice for Business & Voice and Data Choice Bundles for Business Subscribers: (NOTE: Subscribers to America's Choice for Business and Voice and Data Choice Bundles for Business can share voice minutes across these plans and price points subject to some billing system limitations.). Sharing on these calling plans is for voice home airtime minutes only. Customer must maintain a minimum of five (5) Government Subscriber lines, all choosing a qualifying plan with Share Option. Sharing may only be available among Subscribers activating Wireless Service in the same Verizon Wireless market or group of markets (geographic regions may contain multiple Verizon Wireless markets). Sharing may require all Subscribers to be on the same billing account. Each sharing Subscriber's unused anytime minutes will pass to other sharing Subscribers that have exceeded their anytime minutes during the same monthly billing period (Mobile to Mobile minutes and Night and Weekend minutes do not share). Each sharing Subscriber's Monthly Home Airtime Allowance Minutes apply first to that line. Unused Monthly Home Airtime Minutes are then shared with other sharing Subscribers that have exceeded their Monthly Home Airtime Allowance in order of highest usage. At the termination of the Agreement, Government Subscriber lines on America's Choice for Business with Share Option may be migrated onto applicable retail consumer pricing or Government pricing. Calling plan changes may not take effect until the billing cycle following the change request. Based on the geographic location of Customer's Government Subscribers, some Customers may have to have sharing Subscribers activated in more than one Verizon Wireless billing system. Sharing among Subscribers in multiple Verizon Wireless billing systems requires online invoicing or reporting, and a minimum of one hundred (100) Government Subscribers all choosing the Share Option. Unused minutes for cross billing system sharing will be distributed proportionally as a ratio of the minutes needed by each sharing Subscriber to the total minutes needed by all sharing Subscribers. Accounts that share across Verizon Wireless billing systems require set up that may take thirty (30) to sixty (60) days.

M2M Data Plans and Feature Details

A data session is inactive when no data is being transferred, and may seem inactive while data is actively being transferred to a device, or seem active when actually cached and not transferring data. Customer must maintain virus protection when accessing the service and is responsible for all data sent and received including "overhead" (data that is in addition to user-transmitted data, including control, operational and routing instructions, error-checking characters as well as retransmissions of user-data messages that are received in error) whether or not such data is actually received. Verizon Wireless will not be liable for problems receiving Service that result from Customer's device.

Megabyte (MB) Data Plans: M2M data usage is rounded to next full kilobyte at end of each billing cycle. Any unused portion of the megabyte allowance is lost. Equipment will not indicate kilobyte usage.

NationalAccess Roaming Feature: Not for use with Mobile Office Kits. Dynamic IP addresses will be assigned when roaming. Usage rounded up to next full kilobyte. For information on where NationalAccess Roaming is available, see www.verizonwireless.com.

Roaming in CDMA countries outside of the US: Roaming in CDMA countries is \$0.69 per minute plus the servicing carrier's long distance charges, toll charges, surcharges and taxes, which are billed on a pass-through basis. Roaming rates in Canada and Mexico may vary. Roaming in CDMA countries is only available in "CDMA" mode where service is available. An update to Equipment software is required to roam in S. Korea.

Data Roaming: In the Canadian Broadband and Canadian Enhanced Services Rate and Coverage Areas, usage will be charged at a rate of \$0.002/KB or \$2.05/MB. In the Mexican Enhanced Services Rate and Coverage Area, usage will be charged at a rate of \$0.005/KB or \$5.12/MB. For more information on roaming in Canada and Mexico, visit verizonwireless.com/naroaming. In the Bermuda, China, Dominican Republic, Guam, India, Israel, Saipan and South Korea Enhanced Services Rate and Coverage Areas, usage will be billed at a rate of \$0.02/KB or \$20.48/MB. I-Dial is needed to roam in many destinations. Only the Canadian Broadband Rate and Coverage Area supports EV-DO.

M2M Share

Share Options: Sharing is available only among Government Subscribers on applicable M2M Low Usage and High Usage calling plans. Customer may activate one (1) share group per profile (Low Usage and High Usage plans cannot share with each other); however, customer may have multiple bill accounts on the same profile. Sharing is available only among M2M Lines on the Mobile Broadband M2M Multi-Account Share Plans on the same profile, in the same usage group. Each sharing M2M Lines unused KBs will pass to other sharing M2M Lines that have exceeded their data allowance during the same monthly bill cycle. Unused KBs will be distributed proportionally as a ratio of the KBs needed by each applicable M2M Line to the total KBs needed by all sharing M2M Lines on the same profile. Customers subscribing to Mobile Broadband M2M Profile Share Plans will be billed on separate billing accounts and invoices from Subscribers to the Mobile Broadband M2M Account Share Plans.

Note: ¹A profile is defined as a Customer's overarching account of record under which Customer may have multiple billing accounts



**Appendix D
DIR Contract No. DIR-TSO-3415
Verizon Wireless Customer Agreement**

This agreement is dated _____ between Celco Partnership d/b/a Verizon Wireless and its Related Entities (“Verizon Wireless”) and (“Customer”), a customer as defined in Appendix A in the Contract for Products and Related Services between the State of Texas Department of Information Resources (the “DIR) and Verizon Wireless, DIR Contract No. DIR-TSO-3415 (the “DIR Agreement”) with an effective date of [include date once contract is executed].

This Customer Agreement shall be governed by the terms and conditions of the DIR Contract Number DIR-TSO-3415. A copy of the DIR Agreement is incorporated herein by reference and is available online at www.dir.texas.gov or upon request from your Account Manager.

Authorized Customer is eligible and desires to purchase wireless services and products from Verizon Wireless pursuant to the terms and conditions of the DIR Agreement, any and all amendments, addenda and schedules as the DIR may specify from time to time, as well as the terms and conditions of all calling plans activated under this Customer Agreement, which are incorporated herein by reference.

DIR will only be responsible for services provided to DIR and will not be responsible for payments for services provided to any individual Customer.

The Authorized Customer hereby agrees that it is separately and solely liable for all obligations and payments for equipment and services provided hereunder.

The Authorized Customer agrees to the terms and conditions of the DIR Agreement including the disclosure of limited account information as part of the contractual reporting requirements to DIR.

The undersigned represents and warrants that he/she has the power and authority to execute this Customer Agreement, bind the respective Authorized Customer, and that the execution and performance of this Customer Agreement has been duly authorized by all necessary Authorized Customer action.

The undersigned is duly authorized by the Authorized Customer to designate the following individual(s) (the “Authorized Contacts”) who are authorized to take action with respect to the account with Verizon Wireless to purchase equipment, add lines of service, cancel lines of service and make changes to the account that financially bind the Authorized Customer to the terms and conditions of this Customer Agreement, and the DIR Agreement.

FEIN Number: _____ Existing Vendor Customer Account Number(s): _____

Means of Contact Acceptable To/From Authorized User (e.g. fax, e-mail, etc.): _____

Verizon Wireless Sales Representative Name: _____ and Wireless Phone Number: _____ and GID: _____

Verizon Wireless Profile ID(s): _____

Authorized User has caused this User Agreement to be executed by its duly authorized representative to be effective as of this _____ day of _____, 20____

Customer Name:	Verizon Wireless:
Authorized Signature:	Authorized Signature:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:



Appendix E
DIR Contract No. DIR-TSO-3415
Verizon Wireless E-Rate Customer Agreement

This agreement is dated 20 between Cellco Partnership d/b/a Verizon Wireless and its Related Entities ("Verizon Wireless") and ("Customer"), a customer as defined in Appendix A in the Contract for Products and Related Services between the State of Texas Department of Information Resources (the "DIR") and Verizon Wireless, DIR Contract No. DIR-TSO-3415 (the "DIR Agreement").

This Customer Agreement shall be governed by the terms and conditions of the DIR Agreement. A copy of the DIR Agreement is incorporated herein by reference and is available online at <http://www.dir.texas.gov/> or upon request from your Account Manager.

Authorized Customer is eligible and desires to purchase wireless services and products from Verizon Wireless pursuant to the terms and conditions of the DIR Agreement, any and all amendments, addenda and schedules as the DIR may specify from time to time, as well as the terms and conditions of all calling plans activated under this Customer Agreement, which are incorporated herein by reference. The term of this Customer Agreement will be from through .

DIR will only be responsible for services provided to DIR and will not be responsible for payments for services provided to any individual Customer.

The Authorized Customer hereby agrees that it is separately and solely liable for all obligations and payments for equipment and services provided hereunder.

The Authorized Customer agrees to the terms and conditions of the DIR Agreement including the disclosure of limited account information as part of the contractual reporting requirements to DIR.

E-Rate Program Participation and Invoicing Procedures:

The terms and conditions of this Customer Agreement apply with respect to any wireless services for which Customer seeks or receives funding from the Universal Service Fund ("USF") as administered by the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") ("E-rate Program"). To the extent that Customer is seeking E-rate funding, Customer is solely responsible for applying for and securing any E-rate funding, and for ensuring the accuracy and integrity of all data and information submitted in connection with such application. Verizon Wireless has no liability arising from any assistance it provides Customer in connection with such application and Customer shall hold Verizon Wireless harmless with respect to any such assistance or information provided to Customer.

Verizon Wireless agrees to fulfill E-rate requirements that apply to service providers and will work with Customer as needed to support its participation in the E-rate Program. Verizon Wireless will support both the SPI (Form 474) the BEAR (Form 472) methods of reimbursement as selected by the Customer during Verizon Wireless' E-rate account registration process. Verizon Wireless' SPIN is 143000677. Verizon Wireless' FCC Registration Number is 0003-2906-73.

Customer agrees to fulfill E-rate requirements that apply to E-rate Program applicants/participants and work with Verizon Wireless as needed to support its participation in the E-rate Program. Customer will register all accounts for which it applied for E-rate funding during Verizon Wireless' E-rate registration. Account registration will be completed through a URL that will be sent to the point of contact identified on Customer's Form 471. During account registration, Customer will select its reimbursement method (BEAR or SPI). Any accounts not registered by the registration deadline are deemed to have elected BEAR reimbursement method. Verizon Wireless reserves the right to refuse to change invoicing method after the beginning of the funding year. Customer also agrees to submit a copy of its Item 21 information from its Form 471 to ERATE_slcforms@VerizonWireless.com before the registration deadline. Customer bears all responsibility for maintaining lines for which Customer did not submit an E-rate application on a separate sub-account.

If Customer selects the SPI (Form 474) process, Verizon Wireless will bill Customer the total amount due until Verizon Wireless receives certification approval from USAC to release the approved percentage of credits to the account, and Form 486 is filed. After confirmation is received, Verizon Wireless will apply a credit to Customer's monthly invoices for the amounts approved by USAC and is responsible for submitting SPI Forms to USAC for E-rate reimbursement. Upon request, Customer will provide any appropriate documentation or information to Verizon or USAC in support of Verizon's request(s) for payment.

If Customer selects the BEAR (Form 472) process, the Customer must provide account information to Verizon Wireless and pay invoices in full before Verizon Wireless will certify the BEAR form. In order for Verizon Wireless to certify BEAR forms in a timely manner, Customer must provide its account number and other related information to Verizon Wireless in addition to the completed BEAR form. Failure to provide necessary information will likely extend processing time. Verizon Wireless will provide the Customer with the signed and dated page 4 of the BEAR Form after Customer submits the completed form to Verizon Wireless with sufficient time and information to validate Customer's account(s). To expedite processing, Customer should use USAC's online BEAR form, available at: <http://www.usac.org/sl/tools/forms/default.aspx>. (Please remember to include your Verizon Wireless account number in the comments section.) Verizon Wireless will also accept completed BEAR forms by e-mail. After receipt and processing of BEAR forms submitted by e-mail, Verizon Wireless will provide the Customer with the signed and dated page 4 of the BEAR Form. Customer is responsible for submission of BEAR forms to USAC.

Customer agrees to pay Customer's portion of approved invoiced charges regardless of whether Customer chooses to participate in USAC's Service Provider Invoice ("SPI") process or Billed Entity Applicant Reimbursement ("BEAR") process. If for any reason Customer fails to qualify for or secure E-Rate funding or otherwise becomes ineligible for such funding in whole or in part, or if such funding is withdrawn or canceled in whole or in part, or if payment of any Verizon Wireless charges is denied by USAC in whole or in part, Customer is nevertheless obligated to pay one-hundred percent (100%) of the charges associated with the wireless services provided under this Agreement that are not paid to Verizon Wireless from E-rate funding, including, if applicable, reimbursing to Verizon Wireless any funds which Verizon Wireless is obliged to return to USAC on account of Customer in connection with the Agreement.

If within twelve (12) months after this Agreement is signed by either party, Customer has neither notified Verizon Wireless that it has received USAC approval of E-rate funding for E-rate Services nor ordered Verizon Wireless products and/or services, then Verizon Wireless reserves the right to terminate this Agreement with respect to such E-rate Services upon written notice to Customer.

In accordance with the State Contract, Verizon Wireless' commercial invoices shall include separate line items for equipment and monthly wireless service.

The Customer is responsible for reviewing the Eligible Services List and/or contacting USAC with questions about the eligibility of specific products/services being purchased under this Agreement. Verizon Wireless makes no representation or warranty whatsoever with respect to the eligibility of any particular Services for E-Rate funding, as such determination rests solely with the Schools and Libraries Division of USAC. Any reference to E-Rate eligibility or ineligibility is not determinative, but is for ease of reference only.



Appendix E
DIR Contract No. DIR-TSO-3415
Verizon Wireless E-Rate Customer Agreement

The undersigned represents and warrants that he/she has the power and authority to execute this Customer Agreement, bind the respective Authorized Customer, and that the execution and performance of this Customer Agreement has been duly authorized by all necessary Authorized Customer action.

The undersigned is duly authorized by the Authorized Customer to designate the following individual(s) (the "Authorized Contacts") who are authorized to take action with respect to the account with Verizon Wireless to purchase equipment, add lines of service, cancel lines of service and make changes to the account that financially bind the Authorized Customer to the terms and conditions of this Customer Agreement, and the DIR Agreement.

Period of Performance: _____ through _____

FEIN Number: _____ Existing Vendor Customer Account Number(s): _____

USAC/E-Rate Billed Entity Number (BEN): _____

Means of Contact Acceptable To/From Authorized User (e.g. fax, e-mail, etc.): _____

Verizon Wireless Sales Representative Name: _____ and Wireless Phone Number: _____ and GID: _____

Verizon Wireless Profile ID(s): _____

Authorized User has caused this User Agreement to be executed by its duly authorized representative to be effective as of this _____ day of _____, 20____

Customer Name:	Verizon Wireless:
Authorized Signature:	Authorized Signature:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:

STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES
CONTRACT FOR PRODUCTS AND RELATED SERVICES
AT&T CORP

1. Introduction

A. Parties

This Contract for products and related services is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter “DIR”) with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and AT&T Corp (hereinafter “Vendor”), with its principal place of business at 208 S. Akard St. Dallas, TX 75203.

B. Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Comptroller of Public Accounts’ Electronic State Business Daily, Request for Offer (RFO) DIR-TSO-TMP-234, on December 9, 2015, for Hardware, Software and Services for Wireless Voice, Data, Pagers and Mobile Satellite Voice. Upon execution of this Contract, a notice of award for RFO DIR-TSO-TMP-234 shall be posted by DIR on the Electronic State Business Daily.

C. Order of Precedence

For purchase transactions under this Contract, the order of precedence shall be as follows: this Contract; Appendix A, Standard Terms and Conditions For Products and Related Services Contracts; Appendix B, Vendor’s Historically Underutilized Businesses Subcontracting Plan; Appendix C, Pricing Index; Exhibit 1, Vendor’s Response to RFO DIR-TSO-TMP-234, including all addenda; and Exhibit 2, RFO DIR-TSO-TMP-234, including all addenda; are incorporated by reference and constitute the entire agreement between DIR and Vendor governing purchase transactions. In the event of a conflict between the documents listed in this paragraph related to purchases, the controlling document shall be this Contract, then Appendix A, then Appendix B, then Appendix C, then Exhibit 1, and finally Exhibit 2. In the event and to the extent any provisions contained in multiple documents address the same or substantially the same subject matter but do not actually conflict, the more recent provisions shall be deemed to have superseded earlier provisions.

2. Term of Contract

The term of this Contract shall be two (2) years commencing on the last date of approval by DIR and Vendor. Prior to expiration of the original term, DIR and Vendor may extend the Contract, upon mutual agreement, for up to two (2) optional one-year terms. Additionally, the parties by mutual agreement may extend the term for up to ninety (90)

additional calendar days.

3. Product and Service Offerings

A. Products

Products available under this Contract are limited to Wireless Voice and Data Products required for services offered in 3.B. below as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their product offering; however, any changes must be within the scope of products awarded based on the posting described in Section 1.B above. Vendor may not add a manufacturer's product line which was not included in the Vendor's response to the solicitation described in Section 1.B above.

B. Services

Services available under this Contract are limited to Wireless Voice and Data Services as specified in Appendix C, Pricing Index. Vendor may incorporate changes to their service offering; however, any changes must be within the scope of services awarded based on the posting described in Section 1.B above.

4. Pricing

Pricing to the DIR Customer shall be as set forth in Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee. Telecommunications Fees, Taxes, and Surcharges may not be included on Customer invoices unless they were submitted with response and verified as required by statute.

5. DIR Administrative Fee

A) The administrative fee to be paid by the Vendor to DIR based on the dollar value of all sales to Customers pursuant to this Contract is two percent (2%). Payment will be calculated for all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$2,000.

B) All prices quoted to Customers shall include the administrative fee. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor without further requirement for a formal contract amendment. Such Administrative Fees may change over time and DIR will provide Vendor with ninety (90) days advance written notice of such change.

6. Notification

All notices under this Contract shall be sent to a party at the respective address indicated below.

If sent to the State:

Shannon Kelley, CTPM, CTCM
Manager, Enterprise Contracts
Department of Information Resources
300 W. 15th St., Suite 1300

Austin, Texas 78701
Phone: (512) 463-7666
Facsimile: (512) 475-4759
Email: shannon.kelley@dir.texas.gov

If sent to the Vendor:
Marcus Montemayor
AT&T Corp
712 E. Huntland Dr. Rm 313
Austin, Texas 78752
Phone: (512) 421-5160
Facsimile: (512) 870-4388
Email: marcus.montemayor@att.com

7. **Authorized Exceptions to Contracts for Products and Related Services and Appendix A, Standard Terms and Conditions for Product and Related Services Contracts.**

- A. **Appendix A, Section 3. Definitions, B. Compliance Check**, is hereby replace in it entirety with the following:
Compliance Check - an audit of Vendor’s compliance with the Contract may be performed by, but not limited to, a third party auditor DIR Internal Audit department, or DIR contract management staff or their designees. No third party or DIR designee shall be a direct commercial Vendor Competitor.
- B. **Appendix A, Section 3. Definitions, I. Affiliate**, is hereby added:
“**Affiliate**” of a party means any entity that controls, is controlled by, or is under common control with, such party.
- C. **Appendix A, Section 3. Definitions, J. Damages**, is hereby added:
“**Damages**” means collectively all injury, damage, liability, loss, penalty, interest and expense incurred.
- D. **Appendix A, Section 3. Definitions, K. Effective Date**, is hereby added:
“**Effective Date**” means, for any Service Agreement, the date on which the last party signs the Service Agreement unless a later date is required by regulation or law.
- E. **Appendix A, Section 3. Definitions, L. Service Agreement**, is hereby added:
“**Service Agreement**” means the agreement executed by Customer for Services provided under this Contract, including any Statements of Work and/or Schedules.
- F. **Appendix A, Section 3. Definitions, M. Service**, is hereby added:
“**Service**” means a service (including Equipment) provided under this Contract.

G. Appendix A, Section 3. Definitions, N. Site, is hereby added:

“**Site**” means Customer’s physical location, including Customer’s collocation space on Vendor’s, its Affiliate’s, or subcontractor’s property, where Vendor installs or provides a Service.

H. Appendix A, Section 4. General Provisions, B. Modification of Contract Terms and/or Amendments, 2) is hereby replaced in its entirety with the following:

The terms and conditions of the Contract shall govern all transactions by Customers under the Contract. The Contract may only be modified or amended upon mutual written agreement of DIR and Vendor. Customers shall not have the authority to modify the terms of the Contract; however, (a) additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Order Fulfiller may be added in a Purchase Order and (b) custom terms and conditions that do not conflict with the Contract (as mutually agreed by Vendor and Customer in writing) may be added in a Service Agreement and given effect. No additional term or condition added in a Purchase Order issued by a Customer can conflict with or diminish a term or condition of the Contract. Pre-printed terms and conditions on any Purchase Order issued by Customer hereunder will have no force and effect. In the event of a conflict between a Customer’s Purchase Order and the Contract, the Contract term shall control.

I. Appendix A, Section 4. General Provisions, F. Choice of Law, is hereby replaced in its entirety with the following:

The laws of the State shall govern the construction and interpretation of the Contract. Nothing in the Contract or its Appendices shall be construed to waive the State’s sovereign immunity; or to waive any rights or defenses of Vendor.

J. Appendix A, Section 5. Intellectual Property Matters, is hereby replaced in its entirety with the following:

This Contract does not contemplate, authorize or support the development or acquisition of custom software products or services. If Vendor seeks to offer such products or services to DIR Customers, DIR and Vendor must amend this Contract to include such services.

K. Appendix A, Section 7. Contract Fulfillment and Promotion, E. Internet Access to Contract and Pricing Information, 5) Use of Access Data Prohibited is hereby replaced in its entirety with the following:

If Vendor stores, collects or maintains data electronically as a condition of accessing Contract Information, which shall be defined as all information contained in this Agreement, such data shall only be used internally by Vendor for the purpose of implementing or marketing the Contract and shall not be disseminated to third parties or used for other marketing purposes. The Contract constitutes a public document under

the laws of the State and Vendor shall not restrict access to Contract terms and conditions including pricing, i.e., through use of restrictive technology or passwords.

L. Appendix A, Section 8. Pricing, Purchase Orders, Invoices, and Payments, C. Customer Price, 3) is hereby replaced in its entirety with the following:

If pricing for products or services available under this Contract are provided at a lower price to: (i) an eligible Texas Customer who is not purchasing those products or services under this Contract or (ii) to any other Texas customer under the same terms and conditions provided for the State for the same commodities and services under this contract, then the available Customer Price in this Contract shall be adjusted to that lower price. This requirement applies to products or services quoted to Texas Customers by Vendor or its resellers for a quantity of one (1) under like terms and conditions, and does not apply to volume or special pricing purchases or to any purchases outside the State of Texas. This Contract shall be amended within ten (10) business days to reflect the lower price.

M. Appendix A, Section 8. Pricing, Purchase Orders, Invoices, and Payments, F. Back-Billing is hereby replaced in its entirety with the following:

Customer will not be required to pay charges for Services initially invoiced more than 6 months after close of the billing period in which the charges were incurred, except for calls assisted by an automated or live operator. If Customer disputes a charge, Customer will provide notice to Vendor specifically identifying the charge and the reason it is disputed within 6 months after the date of the invoice in which the disputed charge initially appears, or Customer waives the right to dispute the charge. The portion of charges in dispute may be withheld and will not be considered overdue until Vendor completes its investigation of the dispute, but Customer may incur late payment fees in accordance with Appendix A, Section 8N (Payments). Following Vendor's notice of the results of its investigation to Customer, payments shall be in accordance with Appendix A, Section 8N. Vendor will reverse any late payment fees that were invoiced in error within 30 business days.

N. Appendix A, Section 8. Pricing, Purchase Orders, Invoices, and Payments, I. Tax-Exempt is hereby replaced in its entirety with the following:

As per Section 151.309, Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j).

Assistance organizations may be exempt from the assessment of State sales, use and excise taxes under Section 151.310, Texas Tax Code. Vendor is responsible for determining applicable taxes on assistance organizations. DIR makes no representation, qualified to participate in this Contract pursuant to Section 2170.004(5), Texas Government Code. Vendor must request and receive any

exemption certificates that may apply from each assistance organization directly.

O. Appendix A, Section 8. Pricing, Purchase Orders, Invoices, and Payments, K. Changes to Prices, 2) is hereby replaced in its entirety with the following:

Price decreases shall take effect automatically during the term of this Contract and shall be passed onto the Customer immediately. This section shall not require Vendor to revise prices for products where Vendor has already placed an order.

P. Appendix A, Section 9. Contract Administration, B. Reporting and Administrative Fees, 4) DIR Administrative Fee, a) is hereby replaced in its entirety with the following:

An administrative fee shall be paid by Vendor to DIR to defray the DIR costs of negotiating, executing, and administering the Contract. The maximum administrative fee is set by the Texas Legislature in the biennial General Appropriations Act. Payment of the administrative fee shall be due on the fifteenth (15th) calendar day after the close of the previous month period. DIR may change the amount of the administrative fee upon ninety (90) calendar days written notice to Vendor without the need for a formal contract amendment.

Q. Appendix A, Section 9. Contract Administration, C. Records and Audit, 3) is hereby replaced in its entirety with the following:

Vendor and/or Order Fulfillers shall grant access to all paper and electronic records, books, documents, accounting procedures, practices and any other items relevant to the performance of the Contract to the DIR Internal Audit department or DIR Contract Management staff, including the compliance checks designated by the DIR Internal Audit department, DIR Contract Management staff, the State Auditor's Office, and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, Compliance Checking and/or copying such books and records. Vendor and/or Order Fulfillers shall provide copies and printouts requested by DIR without charge. DIR shall provide Vendor and/or Order Fulfillers ten (10) business days' notice prior to inspecting, Compliance Checking, and/or copying Vendor's and/or Order Fulfiller's records. Vendor's and/or Order Fulfillers records, whether paper or electronic, shall be made available during regular office hours. Vendor and/or Order Fulfiller personnel familiar with the Vendor's and/or Order Fulfiller's books and records shall be available to the DIR Internal Audit department, or DIR Contract Management staff and designees as needed. Vendor and/or Order Fulfiller shall provide adequate office space to DIR staff during the performance of Compliance Check. If Vendor is found to be responsible for inaccurate reports, DIR may invoice for the reasonable costs of the audit, which Vendor must pay within thirty (30) calendar days of receipt.

R. Appendix A, Section 10. Vendor Responsibilities, A. Indemnification, 2) Acts or Omissions is hereby replaced in its entirety with the following:

Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL THIRD PARTY LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any negligent, reckless, willful, intentional, or otherwise wrongful acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

S. Appendix A, Section 10. Vendor Responsibilities, A. Indemnification, is hereby replaced in its entirety with the following:

a) Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR PERMITTED ASSIGNEES, from any and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR (“SERVICES”) PURSUANT TO THIS CONTRACT, but not in circumstances where the claimed infringement arises out of or results from: (a) Customer’s, its Affiliate’s or a User’s content; (b) modifications to the Service by Customer, its Affiliates or third parties, or combinations of the Service with any services or products not provided by Vendor; (c) Vendor’s adherence to Customer’s or its Affiliate’s written requirements; or (d) use of the Service in violation of this Contract (including the Service Agreement). VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL REASONABLE COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for

which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense: (i) procure for the Customer the right to continue to use the affected portion of the service, or (ii) modify or replace the affected portion of the service with functionally equivalent or superior service so that Customer's use is non-infringing. If neither option (i) nor (ii) are reasonably available, Vendor may terminate the affected service without liability other than as stated in section a), above.

T. Appendix A, Section 10. Vendor Responsibilities, B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE, is hereby replaced in its entirety with the following:

1) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE CUSTOMER AND/OR THE STATE SHALL NOT BE LIABLE TO THE VENDOR ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY EMPLOYMENT BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

2) VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS CUSTOMERS, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES AND/OR DESIGNEES, FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, REASONABLE ATTORNEY FEES, AND EXPENSES, RELATING TO TAX LIABILITY OF VENDOR, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL REASONABLE COSTS OF DEFENSE INCLUDING REASONABLE ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE

AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

U. Appendix A, Section 10. Vendor Responsibilities, H. Confidentiality, is hereby updated by adding the following:

3) Confidential Information. Confidential Information means: (a) information the parties share with each other in connection with this Agreement or in anticipation of providing Services under this Agreement, but only to the extent identified as Confidential Information in writing; and (b) except as may be required by applicable law or regulation, the terms of this Agreement and any pricing or other proposals.

a) Obligations. Each party's Confidential Information will, permanently following its disclosure to the other party (i) be held in confidence; and (ii) not be disclosed, except to the receiving party's employees, agents and contractors having a need-to-know (but only if such agents and contractors are not direct competitors of the other party and agree in writing to use and disclosure restrictions as restrictive as this Section 9), or to the extent compelled to be revealed by law (including the Texas Public Information Act), governmental authority or legal process (but only if such disclosure is limited to that which is compelled by such legal process and prompt notice is provided to the disclosing party to the extent practicable and not prohibited by law or legal process). These obligations will survive the expiration or termination of the Contract or any Purchase Order under it.

b) Exceptions. The restrictions in this Section will not apply to any information that: (a) is independently developed by the receiving party; (b) is lawfully received by the receiving party free of any obligation to keep it confidential; or (c) becomes generally available to the public other than by breach of this Agreement.

c) Privacy Laws. Each party is responsible for complying with the privacy laws applicable to its business. If Customer does not want Vendor personnel to comprehend Customer data to which they may have access in performing Services, Customer should encrypt such data so that it will be unintelligible. Until directed otherwise by Customer in writing, if Vendor designates a dedicated account representative as Customer's primary contact with Vendor, Customer authorizes that representative to discuss and disclose Customer's customer proprietary network information (CPNI) to any employee or agent of Customer without a need for further authentication or authorization.

V. Appendix A, Section 10. Vendor Responsibilities, I. Security of Premises, Equipment, Data and Personnel, is hereby replaced in its entirety with the following:

Vendor and/or Order Fulfiller may, from time to time during the performance of the Contract, have access to the personnel, premises, equipment, and other property, including data, files and /or materials (collectively referred to as "Data") belonging to

the Customer. Vendor and/or Order Fulfiller shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance with the instruction of the Customer. Vendor and/or Order Fulfiller shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors. If a Vendor and/or Order Fulfiller fails to comply with Customer's security requirements, then Customer may immediately terminate its Purchase Order and related Service Agreement. The Customer will give Vendor adequate notice any applicable security requirements.

W. Appendix A, Section 10. Vendor Responsibilities, K. Limitation of Liability, is hereby replaced in its entirety with the following:

For any claim or cause of action arising under or related to the Contract: i) to the extent permitted by the Constitution and the laws of the State, none of the parties shall be liable to the other for punitive, special, or consequential damages, even if it is advised of the possibility of such damages; and ii) Vendor's liability for damages of any kind to the Customer shall be limited to the total amount paid to Vendor under the Contract during the twelve months immediately preceding the accrual of the claim or cause of action. However, this monetary limitation of Vendor's liability (as set forth in item (ii) above) shall not apply to claims of patent, trademark, or copyright infringement; indemnification requirements under this Contract; and violation of State or Federal law including but not limited to disclosures of confidential information and any penalty of any kind lawfully assessed as a result of such violation.

X. Appendix A, Section 10. Vendor Responsibilities, L. Overcharges, is hereby replaced in its entirety with the following:

Vendor hereby assigns to DIR any and all claims against its suppliers for overcharges associated with products and services provided to DIR and Customers under this contract if such claims arise under the antitrust laws of the United States, 15 U.S.C.A. Section 1, et seq. (1973), as amended and the antitrust laws of the State, Section 15.01, et seq, Texas Business & Commerce Code.

Y. Appendix A, Section 10. Vendor Responsibilities, N. Required Insurance Coverage, is hereby replaced in its entirety with the following:

As a condition of this Contract with DIR, Vendor shall provide evidence satisfactory to DIR and/or the Customer of the listed insurance coverage within 5 business days of execution of the Contract if the Vendor is awarded services which require that Vendor's employees perform work at any Customer premises and/or use employer vehicles to conduct work on behalf of Customers. In addition, when engaged by a Customer to provide services on Customer premises, the Vendor shall, at its own expense, secure and maintain the insurance coverage specified herein, and shall provide proof of such insurance coverage to the related Customer within five (5) business days following the execution of the Purchase Order. Vendor may not begin performance under the Contract and/or a Purchase Order until such proof of insurance

coverage is provided to, and approved by, DIR and the Customer. All required insurance must be issued by companies that are at least rated A minus by A.M. Best eligible to do business in the State of Texas, and authorized to provide the corresponding coverage. The Customer and DIR will be required as Additional Insureds on all required liability coverage. Required coverage must remain in effect through the term of the Contract and each Purchase Order issued to Vendor there under. The acceptable insurance provisions are as follows:

1) Commercial General Liability

Commercial General Liability must include a combined single limit of \$1,000,000 per occurrence for coverage A, B, & C including products/completed operations, where appropriate, with a separate aggregate limit of \$2,000,000. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:

- a) Blanket contractual liability coverage;
- b) Independent Contractor coverage;
- c) State of Texas, DIR and Customer included as an additional insured; and
- d) Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

2) Workers' Compensation Insurance

Workers' Compensation Insurance and Employers' Liability coverage must include limits consistent with statutory benefits outlined in the Texas Workers' Compensation Act (Art. 8308-1.01 et seq. Tex. Rev. Civ. Stat) and minimum policy limits for Employers' Liability of \$1,000,000 bodily injury per accident, \$1,000,000 bodily injury disease policy limit and \$1,000,000 per disease per employee.

3) Business Automobile Liability Insurance

Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternative acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:

- a) Waiver of Subrogation; and
- b) Additional Insured.

Vendor shall provide DIR at least thirty days' advanced written notice of cancellation of any required coverage that is not replaced.

Z. Appendix A, Section 10. Vendor Responsibilities, T. Deceptive Trade Practices; Unfair Business Practices, is hereby replaced in its entirety with the following:

Vendor represents and warrants that (i) neither Vendor nor any of its Subcontractors within the last three years have been found liable in any administrative hearing, litigation or other proceedings of Deceptive Trade Practices violations as defined under Chapter 17, Texas Business & Commerce Code, and (ii) it has no officers who have been found liable in any administrative hearing, litigation or other proceedings of Deceptive Trade Practices violations under Chapter 17, Texas Business and Commerce Code.

AA. Appendix A, Section 10. Vendor Responsibilities, X. Disclaimer of Warranties, is hereby added as follows:

Disclaimer of Warranties. EXCEPT AS SET FORTH IN SECTION 10. A. 3) INFRINGEMENTS, VENDOR MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, OR ANY WARRANTY ARISING BY USAGE OF TRADE OR COURSE OF DEALING. FURTHER, VENDOR MAKES NO REPRESENTATION OR WARRANTY THAT TELEPHONE CALLS OR OTHER TRANSMISSIONS WILL BE ROUTED OR COMPLETED WITHOUT ERROR OR INTERRUPTION (INCLUDING CALLS TO 911 OR ANY SIMILAR EMERGENCY RESPONSE NUMBER), OR GUARANTEE REGARDING NETWORK SECURITY, THE ENCRYPTION EMPLOYED BY ANY SERVICE, THE INTEGRITY OF ANY DATA THAT IS SENT, BACKED UP, STORED OR SUBJECT TO LOAD BALANCING, OR THAT VENDOR'S SECURITY PROCEDURES WILL PREVENT THE LOSS OR ALTERATION OF, OR IMPROPER ACCESS TO, CUSTOMER'S DATA AND CONFIDENTIAL INFORMATION.

BB. Appendix A, Section 10. Vendor Responsibilities, Y. Disclaimer of Liabilities, is hereby added as follows:

Disclaimer of Liability. VENDOR WILL NOT BE LIABLE FOR ANY DAMAGES, EXCEPT TO THE EXTENT CAUSED BY VENDORS'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, ARISING OUT OF OR RELATING TO: INTEROPERABILITY, ACCESS OR INTERCONNECTION OF THE SERVICES WITH APPLICATIONS, EQUIPMENT, SERVICES, CONTENT, OR NETWORKS PROVIDED BY CUSTOMER OR THIRD PARTIES; SERVICE DEFECTS, SERVICE LEVELS, DELAYS, OR INTERRUPTIONS (EXCEPT FOR LIABILITY FOR SUCH EXPLICITLY SET FORTH IN THIS AGREEMENT OR A SERVICE AGREEMENT); ANY INTERRUPTION OR ERROR IN ROUTING OR COMPLETING CALLS OR OTHER TRANSMISSIONS (INCLUDING 911 CALLS OR ANY SIMILAR EMERGENCY RESPONSE NUMBER); LOST OR ALTERED MESSAGES OR TRANSMISSIONS; OR UNAUTHORIZED ACCESS

TO OR THEFT, ALTERATION, LOSS, OR DESTRUCTION OF CUSTOMER'S, ITS AFFILIATE'S, USERS', OR THIRD PARTIES' APPLICATIONS, CONTENT, DATA, PROGRAMS, CONFIDENTIAL INFORMATION, NETWORK, OR SYSTEMS.

CC. Appendix A, Section 11. Contract Enforcement, B. Termination, 1) Termination for Non-Appropriation is hereby replaced in its entirety with the following:

In the event Customer is unable to obtain the necessary appropriations or funding for the Services, Customer may terminate the Agreement without liability for early termination charges upon the following conditions: (i) Customer has taken all actions necessary to obtain adequate appropriations or funding; and (ii) despite Customer's best efforts funds have not been appropriated and are otherwise unavailable to pay for the Services. Customer must provide Vendor thirty (30) days' written notice of its intent to terminate under this section. Termination for failure to obtain necessary appropriations or funding shall be effective as of the last day for which funds were appropriated or otherwise made available. If Customer terminates the Agreement under this Section, Customer agrees as follows: (i) it will pay all amounts due for Services incurred through date of termination; and (ii) it will not contract with any other provider for the same or substantially similar services or equipment for a period equal to the original Term.

DD. Appendix A, Section 11. Contract Enforcement, B. Termination, 4) Termination for Cause, b) Purchase Order is hereby replaced in its entirety with the following:

b) Purchase Order or Service Agreement

Customer or Order Fulfiller may terminate a Purchase Order or Service Agreement upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order or Service Agreement in accordance with Section 4.B.2 above, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code, in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code or if Chapter 2260 is not applicable, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Purchase Order or Service Agreement.

EE. Appendix A, Section 11. Contract Enforcement, B. Termination, 5) Customer Rights Under Termination, is hereby replaced in its entirety with the following:

In the event the Contract expires or is terminated for any reason, a Customer shall retain its rights under the Contract and as related to any Purchase Order issued prior

to the termination or expiration of the Contract. The Purchase Order survives the expiration or termination of the Contract. However, such Purchase Order shall expire no later than the end of its then effective term, and shall not be subject to renewal and/or extension unless the Vendor and Customer mutually agree in writing.

FF. Appendix A, Section 11. Contract Enforcement, B. Termination, 7) Suspension and Termination of Services, is hereby added as follows:

7) Suspension and Termination of Services

The following additional suspension and termination of Services provisions apply:

- a) **Fraud or Abuse.** Vendor may terminate or suspend an affected Service for cause immediately by providing Customer with as much advance notice as is reasonably practicable under the circumstances if Customer (i) commits a fraud upon Vendor, (ii) utilizes the Service to commit a fraud upon another party, (iii) unlawfully uses the Service, (iv) abuses or misuses Vendor’s network or Service, or (v) interferes with another customer’s use of Vendor’s network or services.
- b) **Withdrawal of Services.** Notwithstanding that a Pricing Schedule or Service Agreement may commit Vendor to provide a Service to Customer for a Term, and unless applicable law or regulation mandates otherwise, Vendor may discontinue providing a Service upon 12 months’ notice, or a Service Component upon 120 days’ notice, but only where Vendor generally discontinues providing the Service or Service Component to similarly-situated customers.
- c) **Materially Adverse Change.** If Vendor revises a Service Publication and the revision has a materially adverse impact on Customer, and Vendor does not effect revisions that remedy such materially adverse impact within 30 days after notice from Customer, then Customer may, as Customer’s sole remedy, elect to terminate the affected Service Components on 30 days’ notice to Vendor, given not later than 90 days after Customer first learns of the revision to the Service Publication. “Materially adverse impacts” do not include changes to non-stabilized pricing, changes required by governmental authority, or assessment of or changes to additional charges such as surcharges or taxes.
- d) **Internet Services.** If Customer fails to rectify a violation of the AUP within 5 days after notice from Vendor, Vendor may suspend (and later terminate for cause) or terminate the Service for cause. If Services are provided over or access the Internet, Vendor may act immediately and without notice to suspend or terminate Service in response to a court order or government notice that certain conduct must be stopped or when Vendor reasonably determines (i) that it may be exposed to sanctions or prosecution; (ii) that such violation may cause harm to or interfere with the integrity or normal operations or security of Vendor’s network or networks with which Vendor is interconnected or interfere with another customer’s use of Vendor

services or the Internet; or (iii) that continuation of the Services otherwise presents imminent risk of harm to Vendor or Vendor's customers or their respective employees.

GG. Appendix A, Section 11. Contract Enforcement, B. Termination, 8) Effect of Termination, is hereby added as follows:

8) Effect of Termination

a) Termination or suspension by either party of a Service Component or Service does not waive any other rights or remedies a party may have under the Service Agreement. Termination or suspension of a Service Component or Service will not affect the rights and obligations of the parties regarding any other Service.

b) If a Service or Service Component is terminated, Customer will pay all amounts incurred prior to the effective date of termination.

c) Termination Charges

(1) If Customer terminates a Purchase Order or Service Agreement for cause above in accordance with this Contract or if Vendor terminates a Purchase Order or Service Agreement other than for cause, Customer will not be liable for the termination charges.

(2) If Customer or Vendor terminates a Purchase Order or Service Agreement other than as set forth in Section 8.4(a) prior to the date Customer's obligation to pay for Services begins, Customer will reimburse Vendor for time and materials incurred prior to the effective date of termination, plus any third party charges resulting from the termination.

d) If, on or after Customer's obligation to pay for Services begins, Customer or Vendor terminates a Purchase Order or Service Agreement other than as set forth in Section 8.4(a), Customer will pay termination charges as follows:

(1) If such Service Agreement termination occurs before the end of the term of the Service Agreement, 50% (unless a higher percentage is specified in the Service Agreement) of the monthly recurring charges specified in the Service Agreement for the terminated Service or Service Component multiplied by the months remaining in the Service Agreement term, plus any waived or unpaid non-recurring charges identified in the Service Agreement, plus any charges incurred by Vendor from a third party (e.g., not an Vendor Affiliate) identified in the Service Agreement, due to the termination.

HH. Appendix A, Section 11. Contract Enforcement, C. Force Majeure, is hereby replaced in its entirety with the following:

Except in the case of payment of amounts due, DIR, Customer, or Order Fulfiller may be excused from performance under the Contract for any period when performance is prevented due to any cause beyond such non-performing party's reasonable control including an act of God, strike, war, civil disturbance, epidemic, loss or damage due to fire, explosion, cable cuts, power blackout, earthquake, flood embargo, labor disputes, acts of civil or military authority, acts of a public enemy, acts or omissions of carriers or suppliers, acts of regulatory or governmental agencies, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, a Customer may terminate a Purchase Order within thirty (30) days of the issuance of the Purchase Order if it is reasonably determined by the Customer that as a result of a Force Majeure event, Vendor or Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

II. Appendix A, Section 14. Import/Export Control, is hereby added as follows:

14. Import/Export Control

The parties acknowledge that equipment, services, software, and technical information (including technical assistance and training) provided under this Contract may be subject to import and export laws, conventions or regulations, and any use or transfer of the equipment, products, software, and technical information must be in compliance with all such laws, conventions and regulations. The parties will not use, distribute, transfer, or transmit the equipment, services, software, or technical information (even if incorporated into other products) except in compliance with such laws, conventions and regulations. Customer, not Vendor, is responsible for complying with such laws, conventions and regulations for all information, equipment and software Customer transmits between countries using the Services.

JJ. Appendix A, Section 15. No Third-Party Beneficiaries, is hereby added as follows:

15. No Third Party Beneficiaries

This Agreement is for the benefit of permitted Customers and Vendor, and does not provide any third party (including Users) the right to enforce or bring an action for

any remedy, claim, liability, reimbursement, cause of action or other right or privilege.

KK. Appendix A, Section 16. Vendor Deliverables, is hereby added as follows:

16. Vendor Deliverables

A. Services

Vendor agrees to either provide or arrange to have a Vendor Affiliate provide Services to Customer in accordance with this Contract, subject to availability and operational limitations of systems, facilities and equipment. Where required, a Vendor Affiliate authorized by the appropriate regulatory authority will be the service provider.

B. Vendor Equipment

Services may include use of certain equipment owned by Vendor that is located at the Site (“Vendor Equipment”), but title to the Vendor Equipment will remain with Vendor. Customer must provide electric power for the Vendor Equipment and keep the Vendor Equipment physically secure and free from liens and encumbrances. Customer will bear the risk of loss or damage to Vendor Equipment (other than ordinary wear and tear) except to the extent caused by Vendor or its agents.

C. Software

Any software used with the Services will be governed by the written terms and conditions applicable to such software. Title to software remains with Vendor or its supplier. Customer must comply with all such terms and conditions and they take precedence over this Contract as to such software.

LL. Appendix A, Section 17. Customer’s Cooperation, is hereby added as follows:

17. Customer’s Cooperation

A. Access Right

Customer will in a timely manner allow Vendor to access property and equipment that Customer controls as reasonably required to provide the Services, and Customer will obtain, at Customer’s expense, timely access for Vendor to property that Customer does not control (other than public property) as reasonably required to provide the Services. Access rights include the right to construct, install, repair, maintain, replace and remove access lines and network facilities, as well as to use ancillary equipment space within a building, as necessary for Customer’s connection to Vendor’s network. Customer must provide Vendor timely information and access to Customer’s facilities and equipment as Vendor reasonably requires to provide the Services, subject to Customer’s reasonable security

policies. Customer will furnish any conduit, holes, wireways, wiring, plans, equipment, space, power/utilities, and other items reasonably required to perform installation of the Services, and obtain any necessary licenses, permits and consents (including easements and rights-of-way). Customer will have the Site ready for Vendor to perform its work according to a mutually agreed schedule.

B. Safe Working Environment

Customer will ensure that the location at which Vendor installs, maintains or provides Services is a suitable and safe working environment, free of Hazardous Materials. "Hazardous Materials" means any substance or material capable of posing an unreasonable risk to health, safety or property or whose use, transport, storage, handling, disposal, or release is regulated by any law related to pollution, protection of air, water, or soil, or health and safety. Vendor does not handle, remove or dispose of Hazardous Materials, and Vendor has no obligation to perform work at a location that is not a suitable and safe working environment. Vendor will not be liable for any Hazardous Materials. If Vendor encounters any Hazardous Materials at the Site where Vendor is to install, maintain or provide Services, Vendor may terminate the affected Service or Service Component, or suspend performance until Customer removes and remediates Hazardous Materials at Customer's expense in accordance with applicable law.

C. Users

"User" means anyone who uses or accesses any Service provided to Customer. Customer will cause Users to comply with this Agreement, and Customer agrees that Customer is responsible for Users' use of any Services, unless expressly provided to the contrary in applicable Service Publications.

D. Resale of Services

Customer may not resell the Services to third parties without Vendor's written consent. Where permitted under applicable law, Customer may resell the Services to Customer's Affiliates without Vendor's consent.

E. Internet Services

If a Service is provided over or accesses the Internet, Customer, Customer's Affiliates, and Users must comply with the AUP.

MM. Appendix A, Section 18. Overview of Documents, is hereby added as follows:

18. Overview of Documents

The terms and conditions governing the Services that Vendor provides to Customer are set forth in the Contract, Service Agreement and the following additional documents, and any other documents executed by the parties and referencing this Contract (which documents together with this Contract are called “this Contract”):

(a) Pricing Schedules

A Pricing Schedule (including related attachments), attached to and a part of a Service Agreement, which identifies the Services Vendor may provide to Customer, the price (including discounts, if applicable) for each Service, and the term during which such prices are in effect (“Pricing Schedule Term”).

(b) Tariffs and Guidebooks

“Tariffs” are documents containing the standard descriptions, pricing, and other terms and conditions for a Service that Vendor files with regulatory commissions. “Guidebooks” are documents containing the standard descriptions, pricing, and other terms and conditions for a Service that were, but no longer are, filed with regulatory commissions. Tariffs and Guidebooks may be found at att.com/service publications or other locations Vendor may designate.

(c) Acceptable Use Policy

Vendor’s Acceptable Use Policy (“AUP”) applies to Services provided over or accessing the Internet. The AUP may be found at att.com/aup, or other locations Vendor may designate.

(d) Service Guides

The description, pricing, and other terms and conditions for the Service may be contained in a Service Guide, which may be found at att.com/service publications or other locations Vendor may designate.

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This Contract is executed to be effective as of the date of last signature.

AT&T Corp

Authorized By: Signature on file

Name: John D. Irwin Jr.

Title: Senior Vice President

Date: 6/8/2016

The State of Texas, acting by and through the Department of Information Resources

Authorized By: Signature on File

Name: Wayne Egeler

Title: CTS Director

Date: 6/10/2016

Office of General Counsel: Signature on file 6/9/2016

Appendix A
Standard Terms and Conditions For Product and Related Services Contracts

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The following terms and conditions shall govern the conduct of DIR and Vendor during the term of the Contract.

1. Contract Scope

The Vendor shall provide the products and related services specified in Section 3 of the Contract for purchase by Customers. In addition, DIR and Vendor may agree to provisions that allow Vendor and/or Order Fulfiller to lease the products offered under the Contract. Terms used in this document shall have the meanings set forth below in Section 3.

2. No Quantity Guarantees

The Contract is not exclusive to the Vendor. Customers may obtain products and related services from other sources during the term of the Contract. DIR makes no express or implied warranties whatsoever that any particular quantity or dollar amount of products and related services will be procured through the Contract.

3. Definitions

A. Customer - any Texas state agency, unit of local government, institution of higher education as defined in Section 2054.003, Texas Government Code, the Electric Reliability Council of Texas, the Lower Colorado River Authority, a private school, as defined by Section 5.001, Education Code, a private or independent institution of higher education, as defined by Section 61.003, Education Code, a volunteer fire department, as defined by Section 152.001, Tax Code, and those state agencies purchasing from a DIR contract through an Interagency Agreement, as authorized by Chapter 771, Texas Government Code, any local government as authorized through the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and, except for telecommunications services under Chapter 2170, Texas Government Code, assistance organizations as defined in Section 2175.001, Texas Government Code to mean:

- 1) A non-profit organization that provides educational, health or human services or assistance to homeless individuals;
- 2) A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals;
- 3) Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance Office of the Agency for International Development;
- 4) A group, including a faith-based group, that enters into a financial or non-financial agreement with a health or human services agency to provide services to that agency's clients;
- 5) A local workforce development board created under Section 2308.253;
- 6) A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters;
- 7) The Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section 74.1011, Texas Agriculture Code;
- 8) A nonprofit computer bank that solicits, stores, refurbishes and redistributes used computer equipment to public school students and their families; and

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- 9) A nonprofit organization that provides affordable housing.
- B. Compliance Check** – an audit of Vendor’s compliance with the Contract may be performed by, but not limited to, a third party auditor, DIR Internal Audit department, or DIR contract management staff or their designees.
- C. Contract** – the document executed between DIR and Vendor into which this Appendix A is incorporated.
- D. CPA** – refers to the Texas Comptroller of Public Accounts.
- E. Day** - shall mean business days, Monday through Friday, except for State and Federal holidays, unless otherwise specified as calendar days. If the Contract calls for performance on a day that is not a business day, then performance is intended to occur on the next business day.
- F. Order Fulfiller** – the party, either Vendor or a party that may be designated by Vendor, who is fulfilling a Purchase Order pursuant to the Contract.
- G. Purchase Order** - the Customer’s fiscal form or format, which is used when making a purchase (e.g., formal written Purchase Order, Procurement Card, Electronic Purchase Order, or other authorized instrument).
- H. State** – refers to the State of Texas.

4. General Provisions

A. Entire Agreement

The Contract, Appendices, and Exhibits constitute the entire agreement between DIR and the Vendor. No statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained in the Contract, Appendices, or its Exhibits shall be binding or valid.

B. Modification of Contract Terms and/or Amendments

1) The terms and conditions of the Contract shall govern all transactions by Customers under the Contract. The Contract may only be modified or amended upon mutual written agreement of DIR and Vendor.

2) Customers shall not have the authority to modify the terms of the Contract; however, additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Order Fulfiller may be added in a Purchase Order and given effect. No additional term or condition added in a Purchase Order issued by a Customer can conflict with or diminish a term or condition of the Contract. Pre-printed terms and conditions on any Purchase Order issued by Customer hereunder will have no force and effect. In the event of a conflict between a Customer’s Purchase Order and the Contract, the Contract term shall control.

3) Customers and Vendor will negotiate and enter into written agreements regarding statements of work, service level agreements, remedies, acceptance criteria, information confidentiality and security requirements, and other terms specific to their Purchase Orders under the Contract with Vendors.

C. Invalid Term or Condition

1) To the extent any term or condition in the Contract conflicts with the applicable State and/or United States law or regulation, such Contract term or condition is void and

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unenforceable. By executing a contract which contains the conflicting term or condition, DIR makes no representations or warranties regarding the enforceability of such term or condition and DIR does not waive the applicable State and/or United States law or regulation which conflicts with the Contract term or condition.

2) If one or more terms or conditions in the Contract, or the application of any term or condition to any party or circumstance, is held invalid, unenforceable, or illegal in any respect by a final judgment or order of the State Office of Administrative Hearings or a court of competent jurisdiction, the remainder of the Contract and the application of the term or condition to other parties or circumstances shall remain valid and in full force and effect.

D. Assignment

DIR or Vendor may assign the Contract without prior written approval to: i) a successor in interest (for DIR, another state agency as designated by the Texas Legislature), or ii) a subsidiary, parent company or affiliate, or iii) as necessary to satisfy a regulatory requirement imposed upon a party by a governing body with the appropriate authority. Assignment of the Contract under the above terms shall require written notification by the assigning party and, for Vendor, a mutually agreed written Contract amendment. Any other assignment by a party shall require the written consent of the other party and a mutually agreed written Contract amendment.

E. Survival

All applicable software license agreements, warranties or service agreements that were entered into between Vendor and a Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Vendor or Order Fulfiller shall survive expiration or termination of the Contract. Rights and obligations under this Contract which by their nature should survive, including, but not limited to any and all payment obligations invoiced prior to the termination or expiration hereof; obligations of confidentiality; and, indemnification, will remain in effect after termination or expiration hereof.

F. Choice of Law

The laws of the State shall govern the construction and interpretation of the Contract. Exclusive venue for all actions will be in state court, Travis County, Texas. Nothing in the Contract or its Appendices shall be construed to waive the State's sovereign immunity.

G. Limitation of Authority

Vendor shall have no authority to act for or on behalf of the Texas Department of Information Resources or the State except as expressly provided for in this Contract; no other authority, power or use is granted or implied. Vendor may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State or DIR.

H. Proof of Financial Stability

Either DIR or Customer may require Vendor to provide proof of financial stability prior to or at any time during the contract term.

5. Intellectual Property Matters

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A. Definitions

1) “Work Product” means any and all deliverables produced by Vendor for Customer under a Statement of Work issued pursuant to this Contract, including any and all tangible or intangible items or things that have been or will be prepared, created, developed, invented or conceived at any time following the effective date of the Contract, including but not limited to any (i) works of authorship (such as manuals, instructions, printed material, graphics, artwork, images, illustrations, photographs, computer programs, computer software, scripts, object code, source code or other programming code, HTML code, flow charts, notes, outlines, lists, compilations, manuscripts, writings, pictorial materials, schematics, formulae, processes, algorithms, data, information, multimedia files, text web pages or web sites, other written or machine readable expression of such works fixed in any tangible media, and all other copyrightable works), (ii) trademarks, service marks, trade dress, trade names, logos, or other indicia of source or origin, (iii) ideas, designs, concepts, personality rights, methods, processes, techniques, apparatuses, inventions, formulas, discoveries, or improvements, including any patents, trade secrets and know-how, (iv) domain names, (v) any copies, and similar or derivative works to any of the foregoing, (vi) all documentation and materials related to any of the foregoing, (vii) all other goods, services or deliverables to be provided to Customer under the Contract or a Statement of Work, and (viii) all Intellectual Property Rights in any of the foregoing, and which are or were created, prepared, developed, invented or conceived for the use or benefit of Customer in connection with this Contract or a Statement of Work, or with funds appropriated by or for Customer or Customer’s benefit: (a) by any Vendor personnel or Customer personnel, or (b) any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

2) “Intellectual Property Rights” means the worldwide legal rights or interests evidenced by or embodied in: (i) any idea, design, concept, personality right, method, process, technique, apparatus, invention, discovery, or improvement, including any patents, trade secrets, and know-how; (ii) any work of authorship, including any copyrights, moral rights or neighboring rights; (iii) any trademark, service mark, trade dress, trade name, or other indicia of source or origin; (iv) domain name registrations; and (v) any other proprietary or similar rights. The Intellectual Property Rights of a party include all worldwide legal rights or interests that the party may have acquired by assignment or license with the right to grant sublicenses.

3) “Statement of Work” means a document signed by Customer and Vendor describing a specific set of activities and/or deliverables, which may include Work Product and Intellectual Property Rights, that Vendor is to provide Customer, issued pursuant to the Contract.

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4) “Third Party IP” means the Intellectual Property Rights of any third party that is not a party to this Contract, and that is not directly or indirectly providing any goods or services to Customer under this Contract.

5) “Vendor IP” shall mean all tangible or intangible items or things, including the Intellectual Property Rights therein, created or developed by Vendor (a) prior to providing any Services or Work Product to Customer and prior to receiving any documents, materials, information or funding from or on behalf of Customer relating to the Services or Work Product, or (b) after the Effective Date of the Contract if such tangible or intangible items or things were independently developed by Vendor outside Vendor’s provision of Services or Work Product for Customer hereunder and were not created, prepared, developed, invented or conceived by any Customer personnel who then became personnel to Vendor or any of its affiliates or subcontractors, where, although creation or reduction-to-practice is completed while the person is affiliated with Vendor or its personnel, any portion of same was created, invented or conceived by such person while affiliated with Customer.

B. Ownership.

As between Vendor and Customer, the Work Product and Intellectual Property Rights therein are and shall be owned exclusively by Customer, and not Vendor. Vendor specifically agrees that the Work Product shall be considered “works made for hire” and that the Work Product shall, upon creation, be owned exclusively by Customer. To the extent that the Work Product, under applicable law, may not be considered works made for hire, Vendor hereby agrees that the Contract effectively transfers, grants, conveys, assigns, and relinquishes exclusively to Customer all right, title and interest in and to all ownership rights in the Work Product, and all Intellectual Property Rights in the Work Product, without the necessity of any further consideration, and Customer shall be entitled to obtain and hold in its own name all Intellectual Property Rights in and to the Work Product. Vendor acknowledges that Vendor and Customer do not intend Vendor to be a joint author of the Work Product within the meaning of the Copyright Act of 1976. Customer shall have access, during normal business hours (Monday through Friday, 8AM to 5PM) and upon reasonable prior notice to Vendor, to all Vendor materials, premises and computer files containing the Work Product. Vendor and Customer, as appropriate, will cooperate with one another and execute such other documents as may be reasonably appropriate to achieve the objectives herein. No license or other right is granted hereunder to any Third Party IP, except as may be incorporated in the Work Product by Vendor.

C. Further Actions.

Vendor, upon request and without further consideration, shall perform any acts that may be deemed reasonably necessary or desirable by Customer to evidence more fully the transfer of ownership and/or registration of all Intellectual Property Rights in all Work Product to Customer to the fullest extent possible, including but not limited to the execution, acknowledgement and delivery of such further documents in a form determined by Customer. In the event Customer shall be unable to obtain Vendor’s signature due to the dissolution of Vendor or Vendor’s unreasonable failure to respond to Customer’s repeated requests for such signature on any document reasonably necessary for any purpose set forth in the foregoing sentence, Vendor hereby irrevocably designates and appoints Customer and

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its duly authorized officers and agents as Vendor's agent and Vendor's attorney-in-fact to act for and in Vendor's behalf and stead to execute and file any such document and to do all other lawfully permitted acts to further any such purpose with the same force and effect as if executed and delivered by Vendor, provided however that no such grant of right to Customer is applicable if Vendor fails to execute any document due to a good faith dispute by Vendor with respect to such document. It is understood that such power is coupled with an interest and is therefore irrevocable. Customer shall have the full and sole power to prosecute such applications and to take all other action concerning the Work Product, and Vendor shall cooperate, at Customer's sole expense, in the preparation and prosecution of all such applications and in any legal actions and proceedings concerning the Work Product.

D. Waiver of Moral Rights.

Vendor hereby irrevocably and forever waives, and agrees never to assert, any Moral Rights in or to the Work Product which Vendor may now have or which may accrue to Vendor's benefit under U.S. or foreign copyright or other laws and any and all other residual rights and benefits which arise under any other applicable law now in force or hereafter enacted. Vendor acknowledges the receipt of equitable compensation for its assignment and waiver of such Moral Rights. The term "Moral Rights" shall mean any and all rights of paternity or integrity of the Work Product and the right to object to any modification, translation or use of the Work Product, and any similar rights existing under the judicial or statutory law of any country in the world or under any treaty, regardless of whether or not such right is denominated or referred to as a moral right.

E. Confidentiality.

All documents, information and materials forwarded to Vendor by Customer for use in and preparation of the Work Product shall be deemed the confidential information of Customer, and subject to the license granted by Customer to Vendor under sub-paragraph H. hereunder. Vendor shall not use, disclose, or permit any person to use or obtain the Work Product, or any portion thereof, in any manner without the prior written approval of Customer.

F. Injunctive Relief.

The Contract is intended to protect Customer's proprietary rights pertaining to the Work Product, and the Intellectual Property Rights therein, and any misuse of such rights would cause substantial and irreparable harm to Customer's business. Therefore, Vendor acknowledges and stipulates that a court of competent jurisdiction may immediately enjoin any material breach of the intellectual property, use, and confidentiality provisions of this Contract, upon a request by Customer, without requiring proof of irreparable injury as same should be presumed.

G. Return of Materials Pertaining to Work Product.

Upon the request of Customer, but in any event upon termination or expiration of this Contract or a Statement of Work, Vendor shall surrender to Customer all documents and things pertaining to the Work Product, including but not limited to drafts, memoranda, notes, records, drawings, manuals, computer software, reports, data, and all other documents or materials (and copies of same) generated or developed by Vendor or furnished by Customer to Vendor, including all materials embodying the Work Product, any Customer

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confidential information, or Intellectual Property Rights in such Work Product, regardless of whether complete or incomplete. This section is intended to apply to all Work Product as well as to all documents and things furnished to Vendor by Customer or by anyone else that pertain to the Work Product.

H. Vendor License to Use.

Customer hereby grants to Vendor a non-transferable, non-exclusive, royalty-free, fully paid-up license to use any Work Product solely as necessary to provide the Services to Customer. Except as provided in this Section, neither Vendor nor any Subcontractor shall have the right to use the Work Product in connection with the provision of services to its other customers without the prior written consent of Customer, which consent may be withheld in Customer's sole discretion.

I. Third-Party Underlying and Derivative Works.

To the extent that any Vendor IP or Third Party IP are embodied or reflected in the Work Product, or are necessary to provide the Services, Vendor hereby grants to the Customer, or shall obtain from the applicable third party for Customer's benefit, the irrevocable, perpetual, non-exclusive, worldwide, royalty-free right and license, for Customer's internal business purposes only, to (i) use, execute, reproduce, display, perform, distribute copies of, and prepare derivative works based upon such Vendor IP or Third Party IP and any derivative works thereof embodied in or delivered to Customer in conjunction with the Work Product, and (ii) authorize others to do any or all of the foregoing. Vendor agrees to notify Customer on delivery of the Work Product or Services if such materials include any Third Party IP. On request, Vendor shall provide Customer with documentation indicating a third party's written approval for Vendor to use any Third Party IP that may be embodied or reflected in the Work Product.

J. Agreement with Subcontracts.

Vendor agrees that it shall have written agreement(s) that are consistent with the provisions hereof related to Work Product and Intellectual Property Rights with any employees, agents, consultants, contractors or subcontractors providing Services or Work Product pursuant to the Contract, prior to their providing such Services or Work Product, and that it shall maintain such written agreements at all times during performance of this Contract, which are sufficient to support all performance and grants of rights by Vendor. Copies of such agreements shall be provided to the Customer promptly upon request.

K. License to Customer.

Vendor grants to Customer, a perpetual, irrevocable, royalty free license, solely for the Customer's internal business purposes, to use, copy, modify, display, perform (by any means), transmit and prepare derivative works of any Vendor IP embodied in or delivered to Customer in conjunction with the Work Product. The foregoing license includes the right to sublicense third parties, solely for the purpose of engaging such third parties to assist or carryout Customer's internal business use of the Work Product. Except for the preceding license, all rights in Vendor IP remain in Vendor.

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L. Vendor Development Rights.

To the extent not inconsistent with Customer's rights in the Work Product or as set forth herein, nothing in this Contract shall preclude Vendor from developing for itself, or for others, materials which are competitive with those produced as a result of the Services provided hereunder, provided that no Work Product is utilized, and no Intellectual Property Rights of Customer therein are infringed by such competitive materials. To the extent that Vendor wishes to use the Work Product, or acquire licensed rights in certain Intellectual Property Rights of Customer therein in order to offer competitive goods or services to third parties, Vendor and Customer agree to negotiate in good faith regarding an appropriate license and royalty agreement to allow for such.

6. Product Terms and Conditions

A. Electronic and Information Resources Accessibility Standards, As Required by 1 TAC Chapters 206 and 213 (Applicable to State Agency and Institution of Higher Education Purchases Only)

1) Effective September 1, 2006 state agencies and institutions of higher education shall procure products which comply with the State Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapters 206 and 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

2) Upon request, but not later than thirty (30) calendar days after request, Vendor shall provide DIR with a completed Voluntary Product Accessibility Template (VPAT) of the specified product or a URL to the VPAT for reviewing compliance with the State Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act).

B. Purchase of Commodity Items (Applicable to State Agency Purchases Only)

1) Texas Government Code, §2157.068 requires State agencies to buy commodity items, as defined in 6.B.2, below, in accordance with contracts developed by DIR, unless the agency obtains an exemption from DIR or a written certification that a commodity is not on DIR contract (for the limited purpose of purchasing from a local government purchasing cooperative).

2) Commodity items are commercially available software, hardware and technology services that are generally available to businesses or the public and for which DIR determines that a reasonable demand exists in two or more state agencies. Hardware is the physical technology used to process, manage, store, transmit, receive or deliver information. Software is the commercially available programs that operate hardware and includes all supporting documentation, media on which the software may be contained or stored, related materials, modifications, versions, upgrades, enhancements, updates or replacements. Technology services are the services, functions and activities that facilitate the design, implementation, creation, or use of software or hardware. Technology services include seat management, staffing augmentation, training, maintenance and subscription services. Technology services do not include telecommunications services. Seat management is services through which a state agency transfers its responsibilities to a vendor to manage its personal computing needs,

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including all necessary hardware, software and technology services.

3) Vendor agrees to coordinate all State agency commodity item sales through existing DIR contracts. Institutions of higher education are exempt from this Subsection 6.B.

7. Contract Fulfillment and Promotion

A. Service, Sales and Support of the Contract

Vendor shall provide service, sales and support resources to serve all Customers throughout the State. It is the responsibility of the Vendor to sell, market, and promote products and services available under the Contract. Vendor shall use its best efforts to ensure that potential Customers are made aware of the existence of the Contract. All sales to Customers for products and services available under the Contract shall be processed through the Contract.

B. Use of Order Fulfillers

DIR agrees to permit Vendor to utilize designated Order Fulfillers to provide service, sales and support resources to Customers. Such participation is subject to the following conditions:

1) Designation of Order Fulfillers

a) Vendor may designate Order Fulfillers to act as the distributors for products and services available under the Contract. In designating Order Fulfillers, Vendor must be in compliance with the State's Policy on Utilization of Historically Underutilized Businesses. In addition to the required Subcontracting Plan, Vendor shall provide DIR with the following Order Fulfiler information: Order Fulfiler name, Order Fulfiler business address, Order Fulfiler CPA Identification Number, Order Fulfiler contact person email address and phone number.

b) DIR reserves the right to require the Vendor to rescind any such Order Fulfiler participation or request that Vendor name additional Order Fulfillers should DIR determine it is in the best interest of the State.

c) Vendor shall be fully liable for its Order Fulfillers' performance under and compliance with the terms and conditions of the Contract. Vendor shall enter into contracts with Order Fulfillers and use terms and conditions that are consistent with the terms and conditions of the Contract.

d) Vendor shall have the right to qualify Order Fulfillers and their participation under the Contract provided that: i) any criteria is uniformly applied to all potential Order Fulfillers based upon Vendor's established, neutrally applied criteria, ii) the criteria is not based on a particular procurement, and iii) all Customers are supported under the different criteria.

e) Vendor shall not prohibit Order Fulfiler from participating in other procurement opportunities offered through DIR.

2) Changes in Order Fulfiler List

Vendor may add or delete Order Fulfillers throughout the term of the Contract upon written authorization by DIR. Prior to adding or deleting Order Fulfillers, Vendor must make a good faith effort in the revision of its Subcontracting Plan in accordance with

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the State's Policy on Utilization of Historically Underutilized Businesses. Vendor shall provide DIR with its updated Subcontracting Plan and the Order Fulfiller information listed in Section 7.B.1.a above.

3) Order Fulfiller Pricing to Customer

Order Fulfiller pricing to the Customer shall comply with the Customer price as stated within Appendix A, Section 8, Pricing, Purchase Orders, Invoices and Payment, and as set forth in Appendix C, Pricing Index, and shall include the DIR Administrative Fee. This pricing shall only be offered by Order Fulfillers to Customers for sales that pass through the Contract.

C. Product Warranty and Return Policies

Order Fulfiller will adhere to the Vendor's then-currently published policies concerning product warranties and returns. Product warranty and return policies for Customers will not be more restrictive or more costly than warranty and return policies for other similarly situated Customers for like products.

D. Customer Site Preparation

Customers shall prepare and maintain its site in accordance with written instructions furnished by Order Fulfiller prior to the scheduled delivery date of any product or service and shall bear the costs associated with the site preparation.

E. Internet Access to Contract and Pricing Information

1) Vendor Website

Within thirty (30) calendar days of the effective date of the Contract, Vendor will establish and maintain a website specific to the product and service offerings under the Contract which is clearly distinguishable from other, non-DIR Contract offerings at Vendor's website. The website must include the product and services offered, product and service specifications, specific contract pricing expressed in dollars as well as discount off MSRP or List Price, designated Order Fulfillers, contact information for Vendor and designated Order Fulfillers, instructions for obtaining quotes and placing Purchase Orders, and warranty and return policies. The Vendor's website shall list the DIR Contract number, reference the DIR Information and Communications Technology Cooperative Contracts program, display the DIR logo in accordance with the requirements in paragraph F of this Section, and contain a link to the DIR website for the Contract.

2) Accurate and Timely Contract Information

Vendor warrants and represents that the website information specified in the above paragraph will be accurately and completely posted, maintained and displayed in an objective and timely manner. Vendor, at its own expense, shall correct any non-conforming or inaccurate information posted at Vendor's website within ten (10) business days after written notification by DIR.

3) Website Compliance Checks

Periodic compliance checks of the information posted for the Contract on Vendor's website will be conducted by DIR. Upon request by DIR, Vendor shall provide verifiable documentation that pricing listed upon this website is compliant with the

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pricing as stated in the Contract.

4) Website Changes

Vendor hereby consents to a link from the DIR website to Vendor's website in order to facilitate access to Contract information. The establishment of the link is provided solely for convenience in carrying out the business operations of the State. DIR reserves the right to suspend, terminate or remove a link at any time, in its sole discretion, without advance notice, or to deny a future request for a link. DIR will provide Vendor with subsequent notice of link suspension, termination or removal. Vendor shall provide DIR with timely written notice of any change in URL or other information needed to access the site and/or maintain the link.

5) Use of Access Data Prohibited

If Vendor stores, collects or maintains data electronically as a condition of accessing Contract information, such data shall only be used internally by Vendor for the purpose of implementing or marketing the Contract and shall not be disseminated to third parties or used for other marketing purposes. The Contract constitutes a public document under the laws of the State and Vendor shall not restrict access to Contract terms and conditions including pricing, i.e., through use of restrictive technology or passwords.

6) Responsibility for Content

Vendor is solely responsible for administration, content, intellectual property rights, and all materials at Vendor's website. DIR reserves the right to require a change of listed content if, in the opinion of DIR, it does not adequately represent the Contract.

F. DIR Logo

Order Fulfiller may use the DIR logo in the promotion of the Contract to Customers with the following stipulations: (i) the logo may not be modified in any way, (ii) when displayed, the size of the DIR logo must be equal to or smaller than the Order Fulfiller logo, (iii) the DIR logo is only used to communicate the availability of products and services under the Contract to Customers, and (iv) any other use of the DIR logo requires prior written permission from DIR.

G. Vendor and Order Fulfiller Logo

DIR may use the Vendor's and Order Fulfiller's name and logo in the promotion of the Contract to communicate the availability of products and services under the Contract to Customers. Use of the logos may be on the DIR website or on printed materials. Any use of Vendor's and Order Fulfiller's logo by DIR must comply with and be solely related to the purposes of the Contract and any usage guidelines communicated to DIR from time to time. Nothing contained in the Contract will give DIR any right, title, or interest in or to Vendor's or Order Fulfiller's trademarks or the goodwill associated therewith, except for the limited usage rights expressly provided by Vendor and Order Fulfiller.

H. Trade Show Participation

At DIR's discretion, Vendor and Order Fulfillers may be required to participate in one or more DIR sponsored trade shows each calendar year. Vendor understands and agrees that participation, at the Vendor's and Order Fulfiller's expense, includes providing a manned booth display or similar presence. DIR will provide four months advance notice of any

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required participation. Vendor and Order Fulfillers must display the DIR logo at all trade shows that potential Customers will attend. DIR reserves the right to approve or disapprove of the location or the use of the DIR logo in or on the Vendor's or Order Fulfiller's booth.

I. Orientation Meeting

Within thirty (30) calendar days from execution of the Contract, Vendor and Order Fulfillers will be required to attend an orientation meeting to discuss the content and procedures of the Contract. DIR, at its discretion, may waive the orientation requirement for Vendors who have previously held DIR contracts. The meeting will be held in the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference, at DIR's discretion. DIR shall bear no cost for the time and travel of the Vendor or Order Fulfillers for attendance at the meeting.

J. Performance Review Meetings

DIR will require the Vendor to attend periodic meetings to review the Vendor's performance under the Contract. The meetings will be held within the Austin, Texas area at a date and time mutually acceptable to DIR and the Vendor or by teleconference, at DIR's discretion. DIR shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

K. DIR Cost Avoidance

As part of the performance measures reported to state leadership, DIR must provide the cost avoidance the State has achieved through the Contract. Upon request by DIR, Vendor shall provide DIR with a detailed report of a representative sample of products sold under the Contract. The report shall contain: product part number, product description, list price, price to Customer under the Contract, and pricing from three (3) alternative sources under which DIR customers can procure the products.

8. Pricing, Purchase Orders, Invoices, and Payments

A. Manufacturer's Suggested Retail Price (MSRP) or List Price

MSRP is defined as the product sales price list published in some form by the manufacturer or publisher of a product and available to and recognized by the trade. A price list especially prepared for a given solicitation is not acceptable.

B. Customer Discount

The minimum Customer discount for all products and services will be the percentage off MSRP as specified in Appendix C, Pricing Index.

C. Customer Price

1) The price to the Customer shall be calculated as follows:

Customer Price = (MSRP or List Price – Customer Discount as set forth in Appendix C, Pricing Index) x (1 + DIR Administrative Fee, as set forth in the Contract).

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2) Customers purchasing products and services under this Contract may negotiate more advantageous pricing or participate in special promotional offers. In such event, a copy of such better offerings shall be furnished to DIR upon request.

3) If pricing for products or services available under this Contract is provided by the Vendor at a lower price to: (i) an eligible Customer who is not purchasing those products or services under this Contract or (ii) to any other customer under the same terms and conditions provided for the State for the same commodities and services under this contract, then the available Customer Price in this Contract shall be adjusted to that lower price. This requirement applies to products or services quoted by Vendor or its resellers for a quantity of one (1) under like terms and conditions, and does not apply to volume or special pricing purchases. Vendor shall notify DIR within ten (10) days and this Contract shall be amended to reflect the lower price.

D. Telecommunication Fees and Surcharges and Taxes

Any FCC, PUC or other authorized telecommunications taxes, fees and surcharges applicable to any Service may only be imposed if the Vendor listed them in Bid Package 2 upon submission of Offer. Vendor acknowledges that certain Customers that are political subdivisions of the State, are exempt from the imposition and collection of certain State telecommunications fees, including the Texas Universal Service Fund Charge and the Texas Infrastructure Fund assessment. In addition, State agency Customers have additional exemptions from State telecommunications fees, including the 9-1-1 emergency service fee, 9-1-1 equalization surcharge, poison control surcharge, and late charges imposed under Section 55.010, Texas Utilities Code. Vendor agrees to not bill for any items which are not mandated by the FCC, PUC or other proper authority and which are otherwise not applicable to the Services and for which Vendor has requested and received valid exemption certificates from Customers. Vendor agrees to promptly correct any incorrect billings of telecommunications fees and surcharges that occur. Vendor acknowledges that DIR makes no representations about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

(b) During the Term, all changes in the law or fee structures, which creates or authorizes Vendor to impose an unlisted telecommunications fee and surcharge on the Services, which Vendor desires to impose and for which DIR Customers do not have an exemption, shall require an amendment in order to be effective against the State, DIR and Customers. In the event of a change in the law or telecommunications fees and surcharges structures, which results in an exemption from payment in favor of the State, DIR and/or Customers, Vendor shall give effect to the exemption without the necessity of an amendment hereto.

(c) Vendor acknowledges that certain Government Entity Customers are exempt from state sales, use and excise taxes, Section 151.309, Texas Tax Code, and Federal Excise Tax, 26 USC Sections 4253 (i) and (j). Vendor further acknowledges that State agency

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Customers are exempt from the assessment and collection of sales taxes imposed by political subdivisions of the State. See Sections 321.208 (municipalities) and 323.207 (counties), Texas Tax Code. The Government Entity Customers shall issue a tax exemption certificate upon request to Vendor. Vendor acknowledges that DIR makes no representation about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

E. Other Fees

Vendor acknowledges all activation fees and termination fees, including early termination fees, are waived for all Customers.

F. Back-billing

Prices to Customers for Services inadvertently left off previous invoices by the Vendor may be back-billed no more than 120 calendar days for usage. Pursuant to PUC Rule 26.27, a six-month limit from the date of discovery of an error applies to back-billing of all billed Services. Back-billing shall be included in the Adjustments. For purposes of this paragraph, a billing Adjustment is as modification or correction of a billing amount or an element of a Service.

G. DIR Cost Recovery Fee

The DIR Cost Recovery Fee (CRF) is authorized by Chapter 2170, Texas Government Code, and DIR has the discretion to set the rate of the CRF to recover its costs in accordance with the statute. The initial rate for the CRF is set forth in Section 5 Contract. The DIR CRF specified in Section 5 of the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

H. Shipping and Handling Fees

The price to the Customer under this Contract shall include all shipping and handling fees. Shipments will be Free On Board Customer's Destination. No additional fees shall be charged to the Customer for standard shipping and handling. If the Customer requests expedited or special delivery, Customer will be responsible for any charges for expedited or special delivery.

I. Tax-Exempt

As per Section 151.309, Texas Tax Code, Customers under this Contract are exempt from the assessment of State sales, use and excise taxes. Further, Customers under this Contract are exempt from Federal Excise Taxes, 26 United States Code Sections 4253(i) and (j).

J. Travel Expense Reimbursement

Pricing for services provided under this Contract are exclusive of any travel expenses that may be incurred in the performance of those services. Travel expense reimbursement may include personal vehicle mileage or commercial coach transportation, hotel accommodations, parking and meals; provided, however, the

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amount of reimbursement by Customers shall not exceed the amounts authorized for state employees as adopted by each Customer; and provided, further, that all reimbursement rates shall not exceed the maximum rates established for state employees under the current State Travel Management Program (<http://www.window.state.tx.us/procurement/prog/stmp/>). Travel time may not be included as part of the amounts payable by Customer for any services rendered under this Contract. The DIR administrative fee specified in the Contract is not applicable to travel expense reimbursement. Anticipated travel expenses must be pre-approved in writing by Customer.

K. Changes to Prices

Subject to the requirements of this section, Vendor may change the price of any product or service at any time, based upon changes to the MSRP, but discount levels shall remain consistent with the discount levels specified in this Contract.

- 1) Price increase or decrease change requests must be requested with a signed cover letter indicating the change in price. Price increase requests must be accompanied by a copy of the manufacturer or publisher's price list.
- 2) Price decreases shall take effect automatically during the term of this Contract and shall be passed onto the Customer immediately.
- 3) Requests for price increases will be accepted or rejected by DIR within thirty (30) calendar days after receipt of a properly submitted request. Increases that are not accepted within thirty (30) calendar days will be deemed rejected. If a properly submitted increase is rejected, Vendor may request that the product or service rejected be removed from the Contract. The product or service will be removed from the Contract upon execution of a written Contract amendment, which shall be transmitted to Vendor by DIR within thirty (30) calendar days after receipt of the written request to remove the product or service and executed by both parties without undue delay. Existing pricing must be honored up to the date of execution of the Contract amendment. Prices may not be increased for at least ninety (90) calendar days after the contract start date. Price reductions will be accepted at any time.

L. Purchase Orders

All Customer Purchase Orders will be placed directly with the Order Fulfiller. Accurate Purchase Orders shall be effective and binding upon Order Fulfiller when accepted by Order Fulfiller.

M. Invoices

- 1) Invoices shall be submitted by the Order Fulfiller directly to the Customer and shall be issued in compliance with Chapter 2251, Texas Government Code. All payments for products and/or services purchased under the Contract and any provision of acceptance of such products and/or services shall be made by the Customer to the Order Fulfiller.
- 2) Invoices must be timely and accurate. Each invoice must match Customer's Purchase Order and include any written changes that may apply, as it relates to products, prices and quantities. Invoices must include the Customer's Purchase Order number or other pertinent information for verification of receipt of the product or services by the

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Customer.

3) The administrative fee as set forth in the Contract shall not be broken out as a separate line item when pricing or invoice is provided to Customer.

N. Payments

Customers shall comply with Chapter 2251, Texas Government Code, in making payments to Order Fulfiller. The statute states that payments for goods and services are due thirty (30) calendar days after the goods are provided, the services completed, or a correct invoice is received, whichever is later. Payment under the Contract shall not foreclose the right to recover wrongful payments.

9. Contract Administration

A. Contract Managers

DIR and the Vendor will each provide a Contract Manager to support the Contract. Information regarding the Contract Manager will be posted on the Internet website designated for the Contract.

1) State Contract Manager

DIR shall provide a Contract Manager whose duties shall include but not be limited to: i) advising DIR and Vendor of Vendor's compliance with the terms and conditions of the Contract, ii) periodic verification of product pricing, and iii) verification of monthly reports submitted by Vendor.

2) Vendor Contract Manager

Vendor shall provide a dedicated Contract Manager whose duties shall include but not be limited to: i) supporting the marketing and management of the Contract, ii) facilitating dispute resolution between a Order Fulfiller and a Customer, and iii) advising DIR of Order Fulfillers performance under the terms and conditions of the Contract. DIR reserves the right to require a change in Vendor's then-current Contract Manager if the assigned Contract Manager is not, in the reasonable opinion of DIR, adequately serving the needs of the State.

B. Reporting and Administrative Fees

1) Reporting Responsibility

a) Vendor shall be responsible for reporting all products and services purchased through Order Fulfillers under the Contract. Vendor shall file the monthly reports, subcontract reports, and pay the administrative fees in accordance with the due dates specified in this section.

b) DIR shall have the right to verify required reports and to take any actions necessary to enforce its rights under this section, including but not limited to compliance checks of Vendor's applicable Contract books at DIR's expense.

2) Detailed Monthly Report

Vendor shall electronically provide DIR with a detailed monthly report in the format required by DIR showing the dollar volume of any and all sales under the Contract for the previous calendar month period. Reports shall be submitted to the DIR ICT

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Cooperative Contracts E-Mail Box at ict.sales@dir.texas.gov. Reports are due on the fifteenth (15th) calendar day after the close of the previous month period. If the 15th calendar day falls on a weekend or state or federal holiday, the report shall be due on the next business day. The monthly report shall include, per transaction: the detailed sales for the period, Customer name, invoice date, invoice number, description, quantity, MSRP or List Price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the administrative fee due for the reporting period, and other information as required by DIR. Each report must contain all information listed above per transaction or the report will be rejected and returned to the Vendor for correction in accordance with this section.

3) Historically Underutilized Businesses Subcontract Reports

a) Vendor shall electronically provide each Customer with Vendor's relevant Historically Underutilized Business Subcontracting Report, pursuant to the Contract, as required by Chapter 2161, Texas Government Code. Reports shall also be submitted to DIR.

b) Reports shall be due in accordance with the CPA rules.

4) DIR Administrative Fee

a) An administrative fee shall be paid by Vendor to DIR to defray the DIR costs of negotiating, executing, and administering the Contract. The maximum administrative fee is set by the Texas Legislature in the biennial General Appropriations Act. Payment of the administrative fee shall be due on the fifteenth (15th) calendar day after the close of the previous month period. DIR may change the amount of the administrative fee upon thirty (30) calendar days written notice to Vendor without the need for a formal contract amendment.

b) Vendor shall reference the DIR Contract number, reporting period, and administrative fee amount on any remittance instruments.

5) Accurate and Timely Submission of Reports

a) The reports and administrative fees shall be accurate and timely and submitted in accordance with the due dates specified in this section. Vendor shall correct any inaccurate reports or administrative fee payments within three (3) business days upon written notification by DIR. Vendor shall deliver any late reports or late administrative fee payments within three (3) business days upon written notification by DIR. If Vendor is unable to correct inaccurate reports or administrative fee payments or deliver late reports and fee payments within three (3) business days, Vendor must contact DIR and provide a corrective plan of action, including the timeline for completion of correction. The corrective plan of action shall be subject to DIR approval.

b) Should Vendor fail to correct inaccurate reports or cure the delay in timely delivery of reports and payments within the corrective plan of action timeline, DIR reserves the right to require an independent third party audit of the Vendor's records as specified in C.3 of this Section, at DIR's expense.

c) Failure to timely submit three (3) reports or administrative fee payments within any rolling twelve (12) month period may, at DIR's discretion, result in the addition

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of late fees of \$100/day for each day the report or payment is due (up to \$1000/month) or suspension or termination of Vendor's Contract.

C. Records and Audit

- 1) Acceptance of funds under the Contract by Vendor and/or Order Fulfiller acts as acceptance of the authority of the State Auditor's Office, or any successor agency or designee, to conduct an audit or investigation in connection with those funds. Vendor further agrees to cooperate fully with the State Auditor's Office or its successor or designee in the conduct of the audit or investigation, including providing all records requested. Vendor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Vendor or directly by Order Fulfillers and the requirement to cooperate is included in any subcontract or Order Fulfiller contract it awards pertaining to the Contract. Under the direction of the Legislative Audit Committee, a Vendor that is the subject of an audit or investigation by the State Auditor's Office must provide the State Auditor's Office with access to any information the State Auditor's Office considers relevant to the investigation or audit.
- 2) Vendor and Order Fulfillers shall maintain adequate records to establish compliance with the Contract until the later of a period of seven (7) years after termination of the Contract or until full, final and unappealable resolution of all Compliance Check or litigation issues that arise under the Contract. Such records shall include per transaction: the Order Fulfiller's company name if applicable, Customer name, invoice date, invoice number, description, part number, manufacturer, quantity, MSRP or list price, unit price, extended price, Customer Purchase Order number, contact name, Customer's complete billing address, the calculations supporting each administrative fee owed DIR under the Contract, Historically Underutilized Businesses Subcontracting reports, and such other documentation as DIR may request.
- 3) Vendor and/or Order Fulfillers shall grant access to all paper and electronic records, books, documents, accounting procedures, practices and any other items relevant to the performance of the Contract to the DIR Internal Audit department or DIR Contract Management staff, including the compliance checks designated by the DIR Internal Audit department, DIR Contract Management staff, the State Auditor's Office, and of the United States, and such other persons or entities designated by DIR for the purposes of inspecting, Compliance Checking and/or copying such books and records. Vendor and/or Order Fulfillers shall provide copies and printouts requested by DIR without charge. DIR shall provide Vendor and/or Order Fulfillers ten (10) business days' notice prior to inspecting, Compliance Checking, and/or copying Vendor's and/or Order Fulfiller's records. Vendor's and/or Order Fulfillers records, whether paper or electronic, shall be made available during regular office hours. Vendor and/or Order Fulfiller personnel familiar with the Vendor's and/or Order Fulfiller's books and records shall be available to the DIR Internal Audit department, or DIR Contract Management staff and designees as needed. Vendor and/or Order Fulfiller shall provide adequate office space to DIR staff during the performance of Compliance Check. If Vendor is found to be responsible for inaccurate reports, DIR may invoice for the reasonable costs of the audit, which Vendor must pay within thirty (30) calendar days of receipt.

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4) For procuring State Agencies whose payments are processed by the Texas Comptroller of Public Accounts, the volume of payments made to Order Fulfillers through the Texas Comptroller of Public Accounts and the administrative fee based thereon shall be presumed correct unless Vendor can demonstrate to DIR's satisfaction that Vendor's calculation of DIR's administrative fee is correct.

D. Contract Administration Notification

1) Upon execution of the Contract, Vendor shall provide DIR with written notification of the following: i) Vendor Contract Administrator name and contact information, ii) Vendor sales representative name and contact information, and iii) name and contact information of Vendor personnel responsible for submitting reports and payment of administrative fees specified herein.

2) Upon execution of the Contract, DIR shall provide Vendor with written notification of the following: i) DIR Contract Administrator name and contact information, and ii) DIR Cooperative Contracts E-Mail Box information.

10. Vendor Responsibilities

A. Indemnification

1) INDEPENDENT CONTRACTOR

VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, IT IS FURNISHING PRODUCTS AND SERVICES IN THE CAPACITY OF AN INDEPENDENT CONTRACTOR AND THAT VENDOR IS NOT AN EMPLOYEE OF THE CUSTOMER OR THE STATE OF TEXAS.

2) Acts or Omissions

Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, or resulting from any acts or omissions of the Vendor or its agents, employees, subcontractors, Order Fulfillers, or suppliers of subcontractors in the execution or performance of the Contract and any Purchase Orders issued under the Contract. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

3) Infringements

a) Vendor shall indemnify and hold harmless the State of Texas and Customers, AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES from any and all third party claims involving infringement of United States patents, copyrights, trade and

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service marks, and any other intellectual or intangible property rights in connection with the PERFORMANCES OR ACTIONS OF VENDOR PURSUANT TO THIS CONTRACT. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL.

b) Vendor shall have no liability under this section if the alleged infringement is caused in whole or in part by: (i) use of the product or service for a purpose or in a manner for which the product or service was not designed, (ii) any modification made to the product without Vendor's written approval, (iii) any modifications made to the product by the Vendor pursuant to Customer's specific instructions, (iv) any intellectual property right owned by or licensed to Customer, or (v) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.

c) If Vendor becomes aware of an actual or potential claim, or Customer provides Vendor with notice of an actual or potential claim, Vendor may (or in the case of an injunction against Customer, shall), at Vendor's sole option and expense: (i) procure for the Customer the right to continue to use the affected portion of the product or service, or (ii) modify or replace the affected portion of the product or service with functionally equivalent or superior product or service so that Customer's use is non-infringing.

B. Taxes/Worker's Compensation/UNEMPLOYMENT INSURANCE

1) VENDOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS CONTRACT, VENDOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF VENDOR'S AND VENDOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS CONTRACT. VENDOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE CUSTOMER AND/OR THE STATE SHALL NOT BE LIABLE TO THE VENDOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.

2) VENDOR AGREES TO INDEMNIFY AND HOLD HARMLESS CUSTOMERS, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY

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AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THIS CONTRACT. VENDOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY VENDOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND VENDOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. VENDOR AND THE CUSTOMER AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

C. Vendor Certifications

Vendor certifies on behalf of Vendor and its designated Order Fulfillers that they:

- (i) have not given, offered to give, and do not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the Contract;
- (ii) are not currently delinquent in the payment of any franchise tax owed the State and are not ineligible to receive payment under §231.006 of the Texas Family Code and acknowledge the Contract may be terminated and payment withheld if this certification is inaccurate;
- (iii) neither they, nor anyone acting for them, have violated the antitrust laws of the United States or the State, nor communicated directly or indirectly to any competitor or any other person engaged in such line of business for the purpose of obtaining an unfair price advantage;
- (iv) have not received payment from DIR or any of its employees for participating in the preparation of the Contract;
- (v) under Section 2155.004, Texas Government Code, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate;
- (vi) to the best of their knowledge and belief, there are no suits or proceedings pending or threatened against or affecting them, which if determined adversely to them will have a material adverse effect on the ability to fulfill their obligations under the Contract;
- (vii) Vendor and its principals are not suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration;
- (viii) as of the effective date of the Contract, are not listed in the prohibited vendors list authorized by Executive Order #13224, "*Blocking Property and*

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Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism", published by the United States Department of the Treasury, Office of Foreign Assets Control;

- (ix) to the extent applicable to this scope of this Contract, Vendor hereby certifies that it is in compliance with Subchapter Y, Chapter 361, Health and Safety Code related to the Computer Equipment Recycling Program and its rules, 30 TAC Chapter 328;
- (x) agree that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas;
- (xi) are in compliance Section 669.003, Texas Government Code, relating to contracting with executive head of a state agency;
- (xii) have identified all current or former, within the last five years, employees of the State assigned to work on the DIR Contract 20% or more of their time and have disclosed them to DIR and have disclosed or do not employ any relative of a current or former state employee within two degrees of consanguinity, and, if these facts change during the course of the Contract, certify they shall disclose the name and other pertinent information about the employment of current and former employees and their relatives within two degrees of consanguinity;
- (xiii) represent and warrant that the provision of goods and services or other performance under the Contract will not constitute an actual or potential conflict of interest and certify that they will not reasonably create the appearance of impropriety, and, if these facts change during the course of the Contract, certify they shall disclose the actual or potential conflict of interest and any circumstances that create the appearance of impropriety;
- (xiv) under Section 2155.006, Government Code, are not ineligible to receive the specified contract and acknowledge that this contract may be terminated and payment withheld if this certification is inaccurate;
- (xv) have complied with the Section 556.0055, Texas Government Code, restriction on lobbying expenditures. In addition, they acknowledge the applicability of §2155.444 and §2155.4441, Texas Government Code, in fulfilling the terms of the Contract; and
- (xvi) represent and warrant that the Customer's payment and their receipt of appropriated or other funds under this Agreement are not prohibited by Sections 556.005 or Section 556.008, Texas Government Code.

During the term of the Contract, Vendor shall, for itself and on behalf of its Order Fulfillers, promptly disclose to DIR all changes that occur to the foregoing certifications, representations and warranties. Vendor covenants to fully cooperate in the development and execution of resulting documentation necessary to maintain an accurate record of the certifications, representations and warranties.

In addition, Vendor understands and agrees that Vendor may be required to comply

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with additional terms and conditions or certifications that an individual customer may require due to state and federal law (e.g., privacy and security requirements).

D. Ability to Conduct Business in Texas

Vendor and its Order Fulfiller shall be authorized and validly existing under the laws of its state of organization, and shall be authorized to do business in the State of Texas.

E. Equal Opportunity Compliance

Vendor agrees to abide by all applicable laws, regulations, and executive orders pertaining to equal employment opportunity, including federal laws and the laws of the State in which its primary place of business is located. In accordance with such laws, regulations, and executive orders, the Vendor agrees that no person in the United States shall, on the grounds of race, color, religion, national origin, sex, age, veteran status or handicap, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed by Vendor under the Contract. If Vendor is found to be not in compliance with these requirements during the term of the Contract, Vendor agrees to take appropriate steps to correct these deficiencies. Upon request, Vendor will furnish information regarding its nondiscriminatory hiring and promotion policies, as well as specific information on the composition of its principals and staff, including the identification of minorities and women in management or other positions with discretionary or decision-making authority.

F. Use of Subcontractors

If Vendor uses any subcontractors in the performance of this Contract, Vendor must make a good faith effort in the submission of its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses. A revised Subcontracting Plan shall be required before Vendor can engage additional subcontractors in the performance of this Contract. Vendor shall remain solely responsible for the performance of its obligations under the Contract.

G. Responsibility for Actions

- 1) Vendor is solely responsible for its actions and those of its agents, employees, or subcontractors, and agrees that neither Vendor nor any of the foregoing has any authority to act or speak on behalf of DIR or the State.
- 2) Vendor, for itself and on behalf of its subcontractors, shall report to DIR promptly when the disclosures under Certification Statement of Appendix A to the RFO and/or Section 10.C. (xii) and (xiii), Vendor Certifications of this Appendix A to the Contract change. Vendor covenants to fully cooperate with DIR to update and amend the Contract to accurately disclose employment of current or former State employees and their relatives and/or the status of conflicts of interest.

H. Confidentiality

- 1) Vendor acknowledges that DIR and Customers that are state agencies are government agencies subject to the Texas Public Information Act. Vendor also acknowledges that DIR and Customers that are state agencies will comply with the Public Information Act, and with all opinions of the Texas Attorney General's office

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concerning this Act.

2) Under the terms of the Contract, DIR may provide Vendor with information related to Customers. Vendor shall not re-sell or otherwise distribute or release Customer information to any party in any manner.

I. Security of Premises, Equipment, Data and Personnel

Vendor and/or Order Fulfiller may, from time to time during the performance of the Contract, have access to the personnel, premises, equipment, and other property, including data, files and /or materials (collectively referred to as "Data") belonging to the Customer. Vendor and/or Order Fulfiller shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance with the instruction of the Customer. Vendor and/or Order Fulfiller shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors. If a Vendor and/or Order Fulfiller fails to comply with Customer's security requirements, then Customer may immediately terminate its Purchase Order and related Service Agreement.

J. Background and/or Criminal History Investigation

Prior to commencement of any services, background and/or criminal history investigation of the Vendor and/or Order Fulfiller's employees and subcontractors who will be providing services to the Customer under the Contract may be performed by certain Customers having legislative authority to require such investigations. Should any employee or subcontractor of the Vendor and/or Order Fulfiller who will be providing services to the Customer under the Contract not be acceptable to the Customer as a result of the background and/or criminal history check, then Customer may immediately terminate its Purchase Order and related Service Agreement or request replacement of the employee or subcontractor in question.

K. Limitation of Liability

For any claim or cause of action arising under or related to the Contract: i) to the extent permitted by the Constitution and the laws of the State, none of the parties shall be liable to the other for punitive, special, or consequential damages, even if it is advised of the possibility of such damages; and ii) Vendor's liability for damages of any kind to the Customer shall be limited to the total amount paid to Vendor under the Contract during the twelve months immediately preceding the accrual of the claim or cause of action. However, this limitation of Vendor's liability shall not apply to claims of bodily injury; violation of intellectual property rights including but not limited to patent, trademark, or copyright infringement; indemnification requirements under this Contract; and violation of State or Federal law including but not limited to disclosures of confidential information and any penalty of any kind lawfully assessed as a result of such violation.

L. Overcharges

Vendor hereby assigns to DIR any and all of its claims for overcharges associated with this contract which arise under the antitrust laws of the United States, 15 U.S.C.A. Section 1, et seq., and which arise under the antitrust laws of the State of Texas, Tex. Bus. and Comm. Code Section 15.01, et seq.

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M. Prohibited Conduct

Vendor represents and warrants that, to the best of its knowledge as of the date of this certification, neither Vendor nor any Order Fulfiller, subcontractor, firm, corporation, partnership, or institution represented by Vendor, nor anyone acting for such Order Fulfiller, subcontractor, firm, corporation or institution has: (1) violated the antitrust laws of the State of Texas under Texas Business & Commerce Code, Chapter 15, or the federal antitrust laws; or (2) communicated its response to the Request for Offer directly or indirectly to any competitor or any other person engaged in such line of business during the procurement for the Contract.

N. Required Insurance Coverage

As a condition of this Contract with DIR, Vendor shall provide the listed insurance coverage within 5 business days of execution of the Contract if the Vendor is awarded services which require that Vendor's employees perform work at any Customer premises and/or use employer vehicles to conduct work on behalf of Customers. In addition, when engaged by a Customer to provide services on Customer premises, the Vendor shall, at its own expense, secure and maintain the insurance coverage specified herein, and shall provide proof of such insurance coverage to the related Customer within five (5) business days following the execution of the Purchase Order. Vendor may not begin performance under the Contract and/or a Purchase Order until such proof of insurance coverage is provided to, and approved by, DIR and the Customer. All required insurance must be issued by companies that are A rated by A.M. Best, licensed in the State of Texas, and authorized to provide the corresponding coverage. The Customer and DIR will be named as Additional Insureds on all required coverage. Required coverage must remain in effect through the term of the Contract and each Purchase Order issued to Vendor there under. The minimum acceptable insurance provisions are as follows:

1) Commercial General Liability

Commercial General Liability must include a combined single limit of \$1,000,000 per occurrence for coverage A, B, & C including products/completed operations, where appropriate, with a separate aggregate limit of \$2,000,000. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:

- a) Blanket contractual liability coverage for liability assumed under the Contract;
- b) Independent Contractor coverage;
- c) State of Texas, DIR and Customer listed as an additional insured;
- d) 30-day Notice of Termination in favor of DIR and/or Customer; and
- e) Waiver of Transfer Right of Recovery Against Others in favor of DIR and/or Customer.

2) Workers' Compensation Insurance

WORKERS' COMPENSATION INSURANCE AND EMPLOYERS' LIABILITY COVERAGE MUST INCLUDE LIMITS CONSISTENT WITH STATUTORY BENEFITS OUTLINED IN THE TEXAS WORKERS' COMPENSATION ACT (ART. 8308-1.01 ET SEQ. TEX. REV. CIV. STAT) AND

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MINIMUM POLICY LIMITS FOR EMPLOYERS' LIABILITY OF \$1,000,000 BODILY INJURY PER ACCIDENT, \$1,000,000 BODILY INJURY DISEASE POLICY LIMIT AND \$1,000,000 PER DISEASE PER EMPLOYEE.

3) Business Automobile Liability Insurance

Business Automobile Liability Insurance must cover all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternative acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident. The policy shall contain the following endorsements in favor of DIR and/or Customer:

- a) Waiver of Subrogation;
- b) 30-day Notice of Termination; and
- c) Additional Insured.

O. Use of State Property

Vendor is prohibited from using the Customer's equipment, the customer's location, or any other resources of the Customer or the State for any purpose other than performing services under this Agreement. For this purpose, equipment includes, but is not limited to, copy machines, computers and telephones using State long distance services. Any charges incurred by Vendor using the Customer's equipment for any purpose other than performing services under this Agreement must be fully reimbursed by Vendor to the Customer immediately upon demand by the Customer. Such use shall constitute breach of contract and may result in termination of the contract and other remedies available to DIR and Customer under the contract and applicable law.

P. Immigration

The Vendor shall comply with all requirements related to federal immigration laws and regulations, to include but not be limited to, the Immigration and Reform Act of 1986, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 ("IIRIRA") and the Immigration Act of 1990 (8 U.S.C.1101, et seq.) regarding employment verification and retention of verification forms for any individual(s) who will perform any labor or services under this Contract.

The Vendor shall require its subcontractors to comply with the requirements of this Section and the Vendor is responsible for the compliance of its subcontractors. Nothing herein is intended to exclude compliance by Vendor and its subcontractors with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

Pursuant to Executive Order No. RP-80, issued by the Governor of Texas on December 3, 2014, the Contractor shall, as a condition of this Contract, also comply with the United States Department of Homeland Security's E-Verify system to determine the eligibility of:

- all persons employed during the term of this Contract to perform duties within Texas; and

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- all persons (including subcontractors) assigned by the Contractor to perform work pursuant to this Contract.

The Contractor shall require its subcontractors to comply with the requirements of this Section and the Contractor is responsible for the compliance of its subcontractors. Nothing herein is intended to exclude compliance by Contractor and its subcontractors with all other relevant federal immigration statutes and regulations promulgated pursuant thereto.

Q. Public Disclosure

No public disclosures or news releases pertaining to this contract shall be made without prior written approval of DIR.

R. Product and/or Services Substitutions

Substitutions are not permitted without the written permission of DIR or Customer.

S. Secure Erasure of Hard Disk Products and/or Services

Vendor agrees that all products and/or services equipped with hard disk drives (i.e. computers, telephones, printers, fax machines, scanners, multifunction devices, etc.) shall have the capability to securely erase data written to the hard drive prior to final disposition of such products and/or services, either at the end of the Customer's Managed Services product's useful life or the end of the related Customer Managed Services Agreement for such products and/ services, in accordance with 1 TAC 202.

T. Deceptive Trade Practices; Unfair Business Practices

1) Vendor represents and warrants that neither Vendor nor any of its Subcontractors has been (i) found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations as defined under Chapter 17, Texas Business & Commerce Code, or (ii) has outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

2) Vendor certifies that it has no officers who have served as officers of other entities who (i) have been found liable in any administrative hearing, litigation or other proceeding of Deceptive Trade Practices violations or (ii) have outstanding allegations of any Deceptive Trade Practice pending in any administrative hearing, litigation or other proceeding.

U. Drug Free Workplace Policy

Vendor shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (Public Law 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.) and maintain a drug-free work environment; and the final rule, government-wide requirements for drug-free work place (grants), issued by the Office of Management and Budget and the Department of Defense (32 CFR Part 280, Subpart F) to implement the provisions of the Drug-Free Work Place Act of 1988 is incorporated by reference and Vendor shall comply with the relevant provisions thereof, including any amendments to the final rule that may hereafter be issued.

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V. Accessibility of Public Information

- 1) Pursuant to S.B. 1368 of the 83rd Texas Legislature, Regular Session, Vendor is required to make any information created or exchanged with the State pursuant to this Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.
- 2) Each State government entity should supplement the provision set forth in Subsection 1, above, with the additional terms agreed upon by the parties regarding the specific format by which the Vendor is required to make the information accessible by the public.

W. Vendor Reporting Requirements

Vendor shall comply with Subtitle C, Title 5, Business & Commerce Code, Chapter 109 as added by HB 2539 of the 83rd Texas Legislature, Regular Session, requiring computer technicians to report images of child pornography.

11. Contract Enforcement

A. Enforcement of Contract and Dispute Resolution

- 1) Vendor and DIR agree to the following: (i) a party's failure to require strict performance of any provision of the Contract shall not waive or diminish that party's right thereafter to demand strict compliance with that or any other provision, (ii) for disputes not resolved in the normal course of business, the dispute resolution process provided for in Chapter 2260, Texas Government Code, shall be used, and (iii) actions or proceedings arising from the Contract shall be heard in a state court of competent jurisdiction in Travis County, Texas.
- 2) Disputes arising between a Customer and the Vendor shall be resolved in accordance with the dispute resolution process of the Customer that is not inconsistent with subparagraph A.1 above. DIR shall not be a party to any such dispute unless DIR, Customer, and Vendor agree in writing.
- 3) State agencies are required by rule (34 TAC §20.108(b)) to report vendor performance through the Vendor Performance Tracking System (VPTS) on every purchase over \$25,000.

B. Termination

1) Termination for Non-Appropriation

a) Termination for Non-Appropriation by Customer

Customer may terminate Purchase Orders if funds sufficient to pay its obligations under the Contract are not appropriated: i) by the governing body on behalf of local governments; ii) by the Texas legislature on behalf of state agencies; or iii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided ten (10) calendar days written notice of intent to terminate. Notwithstanding the foregoing, if a Customer issues a Purchase Order and has accepted delivery of the product or services, they are obligated to pay for the product or services or they may return the

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product and discontinue using services under any return provisions that Vendor offers. In the event of such termination, the Customer will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

b) Termination for Non-Appropriation by DIR

DIR may terminate Contract if funds sufficient to pay its obligations under the Contract are not appropriated: by the i) Texas legislature or ii) by budget execution authority provisioned to the Governor or the Legislative Budget Board as provided in Chapter 317, Texas Government Code. In the event of non-appropriation, Vendor and/or Order Fulfiller will be provided thirty (30) calendar days written notice of intent to terminate. In the event of such termination, DIR will not be considered to be in default or breach under this Contract, nor shall it be liable for any further payments ordinarily due under this Contract, nor shall it be liable for any damages or any other amounts which are caused by or associated with such termination.

2) Absolute Right

DIR shall have the absolute right to terminate the Contract without recourse in the event that: i) Vendor becomes listed on the prohibited vendors list authorized by Executive Order #13224, "*Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism*", published by the United States Department of the Treasury, Office of Foreign Assets Control; ii) Vendor becomes suspended or debarred from doing business with the federal government as listed in the *System for Award Management (SAM)* maintained by the General Services Administration; or (iii) Vendor is found by DIR to be ineligible to hold this Contract under Subsection (b) of Section 2155.006, Texas Government Code. Vendor shall be provided written notice in accordance with Section 12.A, Notices, of intent to terminate.

3) Termination for Convenience

DIR may terminate the Contract, in whole or in part, by giving the other party thirty (30) calendar days written notice. A Customer may terminate a Purchase Order by giving the other party thirty (30) calendar days written notice.

4) Termination for Cause

a) Contract

Either DIR or Vendor may issue a written notice of default to the other upon the occurrence of a material breach of any covenant, warranty or provision of the Contract, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default.

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If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Contract. Customers purchasing products or services under the Contract have no power to terminate the Contract for default.

b) Purchase Order

Customer or Order Fulfiller may terminate a Purchase Order upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order in accordance with Section 4.B.2 above, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code, in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Purchase Order.

5) Customer Rights Under Termination

In the event the Contract expires or is terminated for any reason, a Customer shall retain its rights under the Contract and the Purchase Order issued prior to the termination or expiration of the Contract. The Purchase Order survives the expiration or termination of the Contract for its then effective term.

6) Vendor or Order Fulfiller Rights Under Termination

In the event a Purchase Order expires or is terminated, a Customer shall pay: 1) all amounts due for products or services ordered prior to the effective termination date and ultimately accepted, and 2) any applicable early termination fees agreed to in such Purchase Order.

C. Force Majeure

DIR, Customer, or Order Fulfiller may be excused from performance under the Contract for any period when performance is prevented as the result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for termination. However, a Customer may terminate a Purchase Order if it is determined by the Customer that Order Fulfiller will not be able to deliver product or services in a timely manner to meet the business needs of the Customer.

12. Notification

A. Notices

All notices, demands, designations, certificates, requests, offers, consents, approvals and other instruments given pursuant to the Contract shall be in writing and shall be validly

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given on: (i) the date of delivery if delivered by email, facsimile transmission, mailed by registered or certified mail, or hand delivered, or (ii) three business days after being mailed via United States Postal Service. All notices under the Contract shall be sent to a party at the respective address indicated in Section 6 of the Contract or to such other address as such party shall have notified the other party in writing.

B. Handling of Written Complaints

In addition to other remedies contained in the Contract, a person contracting with DIR may direct their written complaints to the following office:

Public Information Office
Department of Information Resources
Attn: Public Information Officer
300 W. 15th Street, Suite 1300
Austin, Texas 78701
(512) 475-4759, facsimile

13. Captions

The captions contained in the Contract, Appendices, and its Exhibits are intended for convenience and reference purposes only and shall in no way be deemed to define or limit any provision thereof.



HUB Subcontracting Plan (HSP) QUICK CHECKLIST

While this HSP Quick Checklist is being provided to merely assist you in readily identifying the sections of the HSP form that you will need to complete, it is very important that you adhere to the instructions in the HSP form and instructions provided by the contracting agency.

➤ **If you will be awarding all of the subcontracting work you have to offer under the contract to only Texas certified HUB vendors, complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - Yes, I will be subcontracting portions of the contract.
- Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors.
- Section 2 c. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract* in place for more than five (5) years meets or exceeds the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - Yes, I will be subcontracting portions of the contract.
- Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
- Section 2 c. - No
- Section 2 d. - Yes
- Section 4 - Affirmation
- GFE Method A (Attachment A) - Complete an Attachment A for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will be subcontracting any portion of the contract to Texas certified HUB vendors and Non-HUB vendors or only to Non-HUB vendors, and the aggregate percentage of all the subcontracting work you will be awarding to the Texas certified HUB vendors with which you do not have a continuous contract* in place for more than five (5) years does not meet or exceed the HUB Goal the contracting agency identified in the "Agency Special Instructions/Additional Requirements", complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - Yes, I will be subcontracting portions of the contract.
- Section 2 b. - List all the portions of work you will subcontract, and indicate the percentage of the contract you expect to award to Texas certified HUB vendors and Non-HUB vendors.
- Section 2 c. - No
- Section 2 d. - No
- Section 4 - Affirmation
- GFE Method B (Attachment B) - Complete an Attachment B for each of the subcontracting opportunities you listed in Section 2 b.

➤ **If you will not be subcontracting any portion of the contract and will be fulfilling the entire contract with your own resources (i.e., employees, supplies, materials and/or equipment, including transportation and delivery), complete:**

- Section 1 - Respondent and Requisition Information
- Section 2 a. - No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources.
- Section 3 - Self Performing Justification
- Section 4 - Affirmation

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.



HUB Subcontracting Plan (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- **11.2 percent for heavy construction other than building contracts,**
- **21.1 percent for all building construction, including general contractors and operative builders' contracts,**
- **32.9 percent for all special trade construction contracts,**
- **23.7 percent for professional services contracts,**
- **26.0 percent for all other services contracts, and**
- **21.1 percent for commodities contracts.**

- - Agency Special Instructions/Additional Requirements - -

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent does not have a continuous contract in place for more than five (5) years shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

M Failure to complete and comply with the current HSP form may disqualify the respondents proposal pursuant to Texas Gov't Code §2161.252(b). The HSP form cannot be altered.

I. DIR's HUB Goal for this bidding opportunity is 26 %

II. HSP Form:

RFO HSPs- must utilize the HSP provided

III. For assistance in completing the HSP, contact the HUB Coordinator, at dir.hub@dir.texas.gov or lisa.maldonado@dir.texas.gov 512-463-5662 or lynn.sanchez@dir.texas.gov 512-463-9813

SECTION-1 RESPONDENT AND REQUISITION INFORMATION

a. Respondent (Company) Name: AT&T Corp State of Texas VID #: 1134924710302
 Point of Contact: Marcus Montemayor Phone #: 512-421-5160
 E-mail Address: marcus.montemayor@att.com Fax #: 512-870-4388

b. Is your company a State of Texas certified HUB? - Yes - No

c. Requisition #: DIR-TSO-TMP-234 Bid Open Date: 01/22/2016
(mm/dd/yyyy)

Enter your company's name here: AT&T CorpRequisition #: DIR-TSO-TMP-234**SECTION-2: RESPONDENT'S SUBCONTRACTING INTENTIONS**

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, **including contracted staffing, goods, services, transportation and delivery will be subcontracted**. Note: In accordance with 34 TAC §20.11., a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- Yes, I will be subcontracting portions of the contract. (If Yes, complete Item b of this SECTION and continue to Item c of this SECTION.)
- No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods, services, transportation and delivery. (If No, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to non-HUBs.
1	Deployment	0 %	.05 %	0 %
2	Staging and Kitting	0 %	.10 %	0 %
3	Customer Support	0 %	0 %	.07 %
4	Service Management	0 %	0 %	.07 %
5	Application Development	0 %	.05 %	.05 %
6	Training	0 %	.02 %	.07 %
7	Tele-Sales and Tele-Support	0 %	0 %	.07 %
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
	Aggregate percentages of the contract expected to be subcontracted:	0 %	.22 %	.33 %

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using **only** Texas certified HUBs to perform **all** of the subcontracting opportunities you listed in SECTION 2, Item b.

- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- No (If No, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract **with Texas certified HUBs** with which you **do not** have a **continuous contract*** in place with for **more than five (5) years**, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- Yes (If Yes, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed.)
- No (If No, continue to SECTION 4 **and** complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed.)

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION 2 RESPONDENT'S SUBCONTRACTING INTENTIONS (CONTINUATION SHEET)

This page can be used as a continuation sheet to the HSP Form's page 2, Section 2, Item b. Continue listing the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years .	Percentage of the contract expected to be subcontracted to non-HUBs.
16		%	%	%
17		%	%	%
18		%	%	%
19		%	%	%
20		%	%	%
21		%	%	%
22		%	%	%
23		%	%	%
24		%	%	%
25		%	%	%
26		%	%	%
27		%	%	%
28		%	%	%
29		%	%	%
30		%	%	%
31		%	%	%
32		%	%	%
33		%	%	%
34		%	%	%
35		%	%	%
36		%	%	%
37		%	%	%
38		%	%	%
39		%	%	%
40		%	%	%
41		%	%	%
42		%	%	%
43		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

***Continuous Contract:** Any existing written agreement (including any renewals that are exercised) between a prime contractor and a HUB vendor, where the HUB vendor provides the prime contractor with goods or service, to include transportation and delivery under the same contract for a specified period of time. The frequency the HUB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is considered continuous. Two or more contracts that run concurrently or overlap one another for different periods of time are considered by CPA to be individual contracts rather than renewals or extensions to the original contract. In such situations the prime contractor and HUB vendor are entering (have entered) into "new" contracts.

Enter your company's name here: AT&T Corp Requisition #: DIR-TSO-TMP-234

SECTION-3 SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.)

If you responded "No" to SECTION 2, Item a, in the space provided below explain how your company will perform the entire contract with its own employees, supplies, materials and/or equipment, to include transportation and delivery.

SECTION-4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Marcus Montemayor	Strategic Account Lead	01/22/2016
	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>

Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 1 Description: Deployment

SECTION B 2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)

- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3 and SECTION B-4.)

SECTION B 3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs **at least seven (7) working days** to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbldsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.
- b. List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Media Riders	1900041824400	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Precision Task Group	1742131973600	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Austin Tele-Services	1201025895700	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers **at least seven (7) working days** prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.

- d. List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Women's Business Enterprise Alliance	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 1 Description: Deployment

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/passcmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
Austin Tele-Services	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No		\$ 270,000.00	.05 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

IMPORTANT: If you responded “No” to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 2 Description: Staging and Kitting

SECTION B 2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B 3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company’s Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Media Riders	1900041824400	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Precision Task Group	1742131973600	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Austin Tele-Services	1201025895700	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program’s webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.
- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Women’s Business Enterprise Alliance	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 2 Description: Staging and Kitting

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
Austin Tele-Sales	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1201025895700	\$ 270,000.00	.05 %
Media Riders	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No		\$ 270,000.00	.05 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 3 Description: Customer Support

SECTION B 2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, continue to SECTION B-4.)

- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3 and SECTION B-4.)

SECTION B 3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs **at least seven (7) working days** to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.
- b. List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Media Riders	1900041824400	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Precision Task Group	1742131973600	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Austin Tele-Services	1201025895700	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers **at least seven (7) working days** prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.

- d. List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Women's Business Enterprise Alliance	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 3 Description: Customer Support

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/passcmbsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
West Corporation	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$ 3,780,000.00	.07 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

IMPORTANT: If you responded “No” to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 4 Description: Deployment

SECTION B 2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B 3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company’s Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Media Riders	1900041824400	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Precision Task Group	1742131973600	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Austin Tele-Services	1201025895700	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program’s webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.
- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Women’s Business Enterprise Alliance	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 4 Description: Service Management

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/passcmlsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
West Corporation	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$ 3,780,000.00	.07 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

West Corporation:

AT&T is strongly committed to diversity among our subcontractors. We make every effort to include Historically underutilized businesses as subcontractors in our business model. AT&T has a decades long relationship with West Corporation to provide business office and service management support for our wireless customers. Due to our agreements with the Communication Workers of America union, AT&T is contractually limited in our ability to utilize HUB/subcontractors. The AT&T/ West Corp agreement is for support of AT&T customers across all business units of which State and Local Government is included in this limitation.

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

IMPORTANT: If you responded “No” to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 5 Description: Deployment

SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company’s Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Media Riders	1900041824400	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Precision Task Group	1742131973600	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Austin Tele-Services	1201025895700	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program’s webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.
- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Women’s Business Enterprise Alliance	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 5 Description: Application Development

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmlsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
Kony, Inc	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$ 270,000.00	.05 %
Media Riders	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1900041824400	\$ 270,000.00	.05 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

Kony, Inc:

AT&T is strongly committed to diversity among our subcontractors. We will make every effort to seek out a Texas Historically Underutilized Business with the stringent requirements the state and local government require. Kony, Inc is a leader in application development with HiPAA (Health Insurance Portability and Accounting Act) standards and is CJIS (Criminal Justice Information Security) compliant. Kony has experience in application development for state and local government, and offers pre-built applications.

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

IMPORTANT: If you responded “No” to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 6 Description: Deployment

SECTION B 2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B 3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company’s Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Media Riders	1900041824400	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Precision Task Group	1742131973600	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Austin Tele-Services	1201025895700	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program’s webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.

- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Women’s Business Enterprise Alliance	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 6 Description: Training

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbblsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
West Corporation	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$ 3,780,000.00	.07 %
Austin Tele-Services	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1201025895700	\$ 108,000.00	.02 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

HSP Good Faith Effort - Method B (Attachment B)

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

IMPORTANT: If you responded “No” to **SECTION 2, Items c and d** of the completed HSP form, you must submit a completed “HSP Good Faith Effort - Method B (Attachment B)” for **each** of the subcontracting opportunities you listed in **SECTION 2, Item b** of the completed HSP form. You may photo-copy this page or download the form at <http://window.state.tx.us/procurement/prog/hub/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 7 Description: Deployment

SECTION B 2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in **SECTION B-1**, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If *Yes*, continue to SECTION B-4.)
- No / Not Applicable (If *No* or *Not Applicable*, continue to SECTION B-3 and SECTION B-4.)

SECTION B 3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items **a, b, c and d**, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be “day zero” and does not count as one of the seven (7) working days.

- a.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas’ Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/tpasscmbldsearch/index.jsp>. HUB status code “A” signifies that the company is a Texas certified HUB.
- b.** List the **three (3) Texas certified HUBs** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company’s Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers.)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Media Riders	1900041824400	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Precision Task Group	1742131973600	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Austin Tele-Services	1201025895700	01/09/2016	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- c.** Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to **two (2)** or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program’s webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>.
- d.** List **two (2) trade organizations or development centers** you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Women’s Business Enterprise Alliance	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Association of Mexican American Chambers of Commerce	01/09/2016	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 09/15

Enter your company's name here: AT&T Corp

Requisition #: DIR-TSO-TMP-234

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in **SECTION 2, Item b**, of the completed HSP form for which you are completing the attachment.

- a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 7 Description: Tele-Sales and Tele-Support

- b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/passcmlsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB	Texas VID or federal EIN <small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>	Approximate Dollar Amount	Expected Percentage of Contract
West Corporation	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$ 3,780,000.00	.07 %
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in **SECTION B-1** is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

West Corporation:

AT&T is strongly committed to diversity among our subcontractors. We make every effort to include Historically underutilized businesses as subcontractors in our business model. AT&T has decades long relationship with West Corporation for providing business office and call center support and sales for our customers. Due to our agreements with the Communication Workers of America Union, AT&T is contractually limited to utilize HUB/subcontractors. The AT&T - West Corp agreement is for sales and support of AT&T customers across all business units of which State and Local Government is included.

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

DIR-TSO-3420 Appendix C - Pricing Index

Plan Type/Title	Published Price	DIR Discount	DIR/Customer Price	Service Plan Description
Wireless Voice Plans: All wireless plans below include: Voicemail, Caller ID, Three-Way Calling, Call Forwarding, Call Waiting, Free Nationwide Long Distance and Domestic Roaming				
AT&T Nation 450 Roll Over Rate Plan	\$ 39.99	26%	\$ 29.59	450 Rollover; 5000 night and weekend* minutes; unlimited mobile to mobile; \$0.45/min./overage
AT&T Nation 900 Roll Over Rate Plan	\$ 59.99	26%	\$ 44.39	900 Rollover; unlimited night and weekend* minutes; unlimited mobile to mobile; \$0.45/min./overage
AT&T Nation Unlimited Roll Over Rate Plan	\$ 69.99	0%	\$ 69.99	Unlimited minutes; unlimited night and weekend minutes; unlimited mobile to mobile
AT&T Pooled GOV Nation 100 Rate Plan	\$ 30.00	26%	\$ 22.20	100 Pooled Minutes; 5000 night and weekend minutes* ; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 200 Rate Plan	\$ 34.00	26%	\$ 25.16	200 Pooled Minutes; 5000 night and weekend minutes* ; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 300 Rate Plan	\$ 39.00	26%	\$ 28.86	300 Pooled Minutes; 5000 night and weekend minutes* ; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 400 Rate Plan	\$ 44.00	26%	\$ 32.56	400 Pooled Minutes; 5000 night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 500 Rate Plan	\$ 49.00	26%	\$ 36.26	500 Pooled Minutes; unlimited night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 600 Rate Plan	\$ 53.00	26%	\$ 39.22	600 Pooled Minutes; unlimited night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 700 Rate Plan	\$ 57.00	26%	\$ 42.18	700 Pooled Minutes; unlimited night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage

Plan Type/Title	Published Price	DIR Discount	DIR/Customer Price	Service Plan Description
AT&T Pooled GOV Nation 800 Rate Plan	\$ 61.00	26%	\$ 45.14	800 Pooled Minutes; unlimited night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 900 Rate Plan	\$ 65.00	26%	\$ 48.10	900 Pooled Minutes; unlimited night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 1000 Rate Plan	\$ 70.00	26%	\$ 51.80	1000 Pooled Minutes; unlimited night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage
AT&T Pooled GOV Nation 6000 Rate Plan	\$ 205.00	26%	\$ 151.70	6000 Pooled Minutes; unlimited night and weekend minutes*; unlimited mobile to mobile; \$0.25/min./overage

Text Messaging Plans:

Text Messaging Pay-Per-Use (PPU)**	\$ 0.20	0%	\$ 0.20	Pricing is per message **
Picture/Video Messaging Pay-Per Use (PPU)**	\$ 0.30	0%	\$ 0.30	Pricing is per message **
Messaging 200***				200 messages included with voice plan(s)\$24.99 or higher; \$.20/msg overage
Messaging Unlimited***	\$ 20.00	75%	\$ 5.00	Discount only applies with voice plans \$24.99 or higher

Enhanced Push-to-Talk (EPTT) Plans:

EPTT Standalone	\$ 25.66	26%	\$ 18.99
EPTT Feature Bolt-on non-flat rate	\$ 5.00	40%	\$ 3.00

International Plans:

AT&T Passport****	\$ 30.00	0%	\$ 30.00	Text, Picture, Video unlimited; talk \$1/minute; cellular data 120 MB; cellular data overage \$.25/MB
AT&T Passport Silver****	\$ 60.00	0%	\$ 60.00	Text, Picture, Video unlimited; talk \$.50/minute; cellular data 300 MB; cellular data overage \$.20/MB
AT&T Passport Gold****	\$ 120.00	0%	\$ 120.00	Text, Picture, Video unlimited; talk \$.35/minute; cellular data 800 MB; cellular data overage \$.15/MB
AT&T Passport Data*****	\$ 30.00	0%	\$ 30.00	Cellular Data 120MB, Cellular Data Overage \$0.25/MB

Plan Type/Title	Published Price	DIR Discount	DIR/Customer Price	Service Plan Description
AT&T Passport Data Silver*****	\$ 60.00	0%	\$ 60.00	Cellular Data 300MB, Cellular Data Overage \$0.20/MB
AT&T Passport Data Gold*****	\$ 120.00	0%	\$ 120.00	Cellular Data 800MB, Cellular Data Overage \$0.15/MB
Canada and Mexico Travel Minutes	\$ 30.00	0%	\$ 30.00	80 minutes included, overage \$.50/min.
Canada and Mexico Travel Minutes	\$ 60.00	0%	\$ 60.00	200 minutes included, overage \$.50/min.
Canada and Mexico Travel Minutes	\$ 120.00	0%	\$ 120.00	500 minutes included, overage \$.50/min.

Domestic Directory Assistance

411 Directory Assistance	\$ 1.99	0%	\$ 1.99	Price per call (The charge for Directory Assistance-411 cannot be waived or credited)
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*Standard Nights & Weekends (N&W) calling times are based on local market times(LMT):

NIGHTS: 9:00 PM - 5:59 AM Monday through Thursday

WEEKENDS: 9:00 PM Friday through 5:59 AM Monday

** PPU plan auto-attached to all activations

*** Includes Text, Picture, Video, and Instant Messaging

**** AT&T PassportSM packages: Compatible device with domestic postpaid wireless service (voice, text & data) required. Includes talk, text & data coverage in over 150 countries. Actual data speeds vary by device/location. Includes Wi-Fi access at participating hotspots in over 35 countries. Must download AT&T Passport app and register to access hotspots. Countries listed at att.com/globalcountries. Requires one-time charge and package is valid for 30 days. Pay-per-use rates apply without package, when package expires, or when in excluded countries. Restrictions apply. See attached International Roaming Product Brief.

***** AT&T Passport DataSM packages: Compatible device with domestic postpaid wireless service (voice, text & data) required. Includes data coverage in over 150 countries. Actual data speeds vary by device/location. Includes Wi-Fi access at participating hotspots in over 35 countries. Must download AT&T Passport app and register to access hotspots. Countries listed at att.com/globalcountries. Requires one-time charge and package is valid for 30 days. Pay-per-use rates apply without package, when package expires, or when in excluded countries. Restrictions apply. See attached International Roaming Product Brief.

Wireless Data Plans:

All Data Plans below DO NOT include International Roaming

Data Unlimited for Smartphone Enterprise Windows, Blackberry, iPhone, Android Devices	\$ 45.00	26%	\$ 33.30	
DataPro 5GB for Windows, Blackberry, iPhone, Android Devices	\$ 50.00	26%	\$ 37.00	5GB data and \$15/GB overage

Plan Type/Title	Published Price	DIR Discount	DIR/Customer Price	Service Plan Description
5GB Data plus Tethering ADD-On for Windows, Blackberry, iPhone, Android Devices	\$ 65.00	26%	\$ 48.10	5GB data with tethering and \$15/GB overage
DataConnect Government Unlimited for laptops, modem cards and tablets	\$ 69.99	45.72%	\$ 37.99	
DataConnect 5GB Pooling for laptops, modem cards and tablets	\$ 149.99	76.005%	\$ 35.99	\$10/GB overage
DataConnect 5GB for mobile hotspots and netbooks	\$ 60.00	40%	\$ 35.99	\$10/GB overage
DataConnect 3GB for Tablets and iPads	\$ 35.00	26%	\$ 25.90	\$10/GB overage
DataConnect 250MB for Tablets and iPads	\$ 14.99	0%	\$ 14.99	\$10/GB overage
Government Unlimited Data Plan for Tablets and iPads	\$ 69.99	45.72%	\$ 37.99	
DataConnect 5GB for iPad	\$ 50.00	26%	\$ 37.00	\$10/GB overage
iPad Domestic 5GB Pooling	\$ 149.99	76.005%	\$ 35.99	\$10/GB overage
AVPN Wireless 25MB Backup Plan	\$ 5.00	0%	\$ 5.00	\$10/GB overage

Custom Access Point Name (APN)

				Non-Recurring Charge (NRC) for Commercial Connectivity Services (CCS) - a private network connection to connect wireless network to customer network
CCS Custom APN Design CCSAPN0/CCSAPNQ	\$ 500.00	40%	\$ 300.00	
CCS Transport Design CCSTRNo/CCSTRNQ	\$ 1,995.00	40%	\$ 1,197.00	Non-Recurring Charge (NRC)
CCS Public Static Design CCSSIP0/CCSSIPQ	\$ 500.00	40%	\$ 300.00	Non-Recurring Charge (NRC)
CCS Design Change CCSCHNG0/CCSCHNGQ	\$ 500.00	40%	\$ 300.00	Non-Recurring Charge (NRC)
CCS Dedicated Design CCCDED0/CCSDEDQ	\$ 250.00	40%	\$ 150.00	Non-Recurring Charge (NRC)
Incremental Design MSSSCD0/MSSCDQ	\$ 150.00	40%	\$ 90.00	Hourly rate
Public Static IP Address	\$ 3.00	0%	\$ 3.00	Monthly Recurring Charge (MRC)
AccessMyLAN AMLAPN AMLVPN	\$ 9.99	30%	\$ 7.01	Monthly Recurring Charge (MRC)

Bundled Wireless Voice and Data Plans:

All bundled wireless voice plans below include:

Included features: Voicemail, Caller ID, Three-Way

Calling, Call Forwarding, Call Waiting, Free

Nationwide Long Distance and Domestic

Roaming

Unlimited Government Bundle**	\$ 137.99	38.00%	\$ 85.09	Voice/Data/Text/ePTT;
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Plan Type/Title	Published Price	DIR Discount	DIR/Customer Price	Service Plan Description
Basic voice/data/messaging Bundles				
Pooled Government Nation 300 Bundle**	\$ 107.00	53%	\$ 50.00	Voice/Data/Text/ePTT; 300 pooled voice minutes* \$.25/minute overage; 5000 nights and weekend minutes
Pooled Government Nation 600 Bundle**	\$ 121.00	48%	\$ 63.00	Voice/Data/Text/ePTT; 600 pooled voice minutes* \$.25/minute overage
Pooled Government Nation 1000 Bundle**	\$ 138.00	46%	\$ 75.00	Voice/Data/Text/ePTT; 1000 pooled voice minutes* \$.25/minute overage

Enhanced voice/data/messaging Bundles

Pooled Government Nation 500 Bundle	\$119.00	60%	\$47.99	Voice with Unlimited Data, Text & Hotspot; 500 pooled voice minutes* \$.25/minute overage; 5000 nights and weekend minutes
Pooled Government Nation 700 Bundle	\$127.00	53%	\$59.99	Voice with Unlimited Data, Text & Hotspot; 700 pooled voice minutes* \$.25/minute overage
Pooled Government Nation 1000 Bundle	\$138.00	49%	\$69.99	Voice with Unlimited Data, Text & Hotspot; 1000 pooled voice minutes* \$.25/minute overage

***Add-A-Line to an Enhanced bundle for \$34.99 each

Unlimited Government Nation Bundle	\$ 154.99	55%	\$69.99	Unlimited Voice Data, Text & Hotspot
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Premium voice/data/messaging Bundles

Pooled Government Nation 500 Bundle	\$123.25	59%	\$49.99	Voice with Unlimited Data, Text, Hotspot & ePTT; 500 pooled voice minutes* \$.25/minute overage; 5000 nights and weekend minutes
Pooled Government Nation 700 Bundle	\$131.25	53%	\$61.99	Voice with Unlimited Data, Text, Hotspot & ePTT; 700 pooled voice minutes* \$.25/minute overage

Plan Type/Title	Published Price	DIR Discount	DIR/Customer Price	Service Plan Description
Pooled Government Nation 1000 Bundle	\$142.25	49%	\$71.99	Voice with Unlimited Data, Text, Hotspot & ePTT; 1000 pooled voice minutes* \$.25/minute overage
***Add-A-Line to a Premium bundle for \$36.99 each				
Unlimited Government Nation Bundle	\$ 159.99	55%	\$71.99	Unlimited Voice Data, Text, Hotspot & ePTT

NIGHTS: 9:00 PM - 5:59 AM Monday through Thursday

WEEKENDS: 9:00 PM Friday through 5:59 AM Monday

** International Roaming Not Included

***Each subscriber on a bundle plan is eligible for one Add-A-Line; the additional (Add-A-Line) will share voice;data;messaging

Equipment

The only equipment available through this contract is equipment used in conjunction with the service plan offerings stated in this Appendix C Pricing Index.

Equipment Offer: This offer is valid for new activations and standard upgrades with a 2yr term and a voice plan of \$24.99 or higher or data plan of \$35.99 or higher

\$100.00 off 2yr MBS pricing for integrated devices, basic/quickmessaging devices and data only devices. (aircard, usb card, mifi/hotspot)

Accessory Offer: 30% Discount off AT&T stocked retail accessory prices

Plan Type/Title Taxes and Fees	Published Price	DIR Discount	DIR/Customer Price	Service Plan Description
Item - Tax/Fee/Surcharge	Amount - \$ or %	Description		
Federal Universal Service Fee	18.20%	The Federal USF, created by the federal government, is designed to help ensure first-class, affordable telecommunications service for all consumers across the country, especially residents in high cost rural communities and low-income customers. Additionally, the Federal USF provides for discounted telecommunications services for schools, libraries and rural health-care facilities. All telecommunications providers are required to pay into the Federal USF, and their contributions may be recovered from customers. Each quarter, the government updates the amount that companies are required to pay into the Federal USF. As a result, we may adjust the amount we recover from customers each quarter. Your USF charge won't exceed the rate set by the government and, in many cases, may be lower.		
Activation Fee	\$45.00	Fee Waived		
Upgrade Fee	\$45.00	Fee Waived for Standard Upgrades		
Cancellation Fee	\$325.00	Fee Waived		
Standard Shipping Charge	\$9.95	Fee Waived		