FIRST AMENDMENT TO CONTRACT
A56-3-03-5

This is an amendment to the contract and two subsequent renewals entered into by and between the **Office of the Indiana Attorney General** (hereinafter referred to as "State") and **CallNet Call Center Services, Inc.**, whose address is P.O. Box 1345, Bloomington, IN 47402 (hereinafter "Contractor").

The State and Contractor have agreed to amend the original contract.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

A. Paragraph 2 ("Consideration") is hereby deleted in its entirety and replaced with the following:

2. Consideration. Contractor shall be paid in accordance with the rates set forth in Exhibit B, attached hereto, and incorporated fully herein. Contractor shall be paid for Phase I (setup costs – one time charge) upon completion of the work. Contractor shall not perform Phase II of this contract until it receives written authorization from the State to do so. Contractor further acknowledges that no performance may be required. Total remuneration under this Contract shall not exceed $20,050.00.

B. Paragraph 3 ("Term") is hereby deleted in its entirety and replaced with the following:

3. Term. The term of this Contract will be from January 29, 2003 through January 28, 2008.

C. Paragraph 9 ("Compliance with Laws") is hereby deleted in its entirety and replaced with the following:

9. Compliance with Laws.

A. The Contractor shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the State and the Contractor to determine whether the provisions of this Contract require formal modification.

B. The Contractor and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State, as set forth in Indiana Code § 4-2-6 et seq., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the contractor is not familiar with these ethical requirements, the contractor should refer any questions to the State Ethics Commission, or visit the State Ethics Commission website at <<<http://www.in.gov/ethics/>>>. If the Contractor or its agents violate any applicable ethical

standards, the State may, in its sole discretion, terminate this Contract immediately upon notice to the contractor. In addition, the Contractor may be subject to penalties under Indiana Code § 4-2-6-12.

C. The Contractor certifies by entering into this Contract, that neither it nor its principal(s) is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Contractor agrees that any payments currently due to the State may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until the Contractor is current in its payments and has submitted proof of such payment to the State.

D. The Contractor warrants that it has no pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, Contractor agrees that the State may delay, withhold, or deny work under this Contract and any supplements or amendments.

E. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to the Contractor, the Contractor may request that it be allowed to continue, or receive work, without delay. The Contractor must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties.

F. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest under IC 5-17-5.

G. The Contractor warrants that the Contractor and its subcontractors, if any, shall obtain and maintain all required permits, licenses, and approvals, as well as comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so may be deemed a material breach of this Contract and grounds for immediate termination and denial of further work with the State.

H. The Contractor affirms that it is properly registered and owes no outstanding reports with the Indiana Secretary of State.

I. Contractor agrees that the State may confirm, at any time, that no liabilities exist to the State, and, if such liabilities are discovered, that State may bar Contractor from contracting with the State in the future, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the Contractor is current in its payments on its liability to the State and has submitted proof of such payment to the State.

J. As required by IC 5-22-3-7:

(1) the Contractor and any principals of the Contractor certify that (A) the Contractor, except for de minimis and nonsystematic violations, has not violated the terms of (i) IC 24-4.7 [Telephone Solicitation Of Consumers], (ii) IC 24-5-12 [Telephone Solicitations] , or (iii) IC 24-

5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) the Contractor will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

(2) The Contractor and any principals of the Contractor certify that an affiliate or principal of the Contractor and any agent acting on behalf of the Contractor or on behalf of an affiliate or principal of the Contractor: (A) except for de minimis and nonsystematic violations, has not violated the terms of IC 24-4.7 in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and (B) will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.

D. Paragraph 32 ("Payment") is hereby deleted in its entirety and replaced with the following:

32. Payment. All payments shall be made in arrears in conformance with State fiscal policies and procedures and, as required by IC 4-13-2-14.8, by electronic funds transfer to the financial institution designated by the Contractor in writing unless a specific waiver has been obtained from the Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Contract except as permitted by IC 4-13-2-20.

This amendment shall take effect upon execution.

All other matters previously agreed to and set forth in the original agreement and not affected by this amendment shall remain in full force and effect.

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the contracting party, or that he/she is the representative, agent, member, or officer of the contracting party, that he/she has not, nor has any other member, employee, representative, agent, or officer of the firm, company, corporation or partnership represented by him/her, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion, or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this agreement other than that which appears upon the face of this agreement.

THE REST OF THIS PAGE IS LEFT BLANK INTENTIONALLY.

IN WITNESS WHEREOF, Contractor and the State of Indiana have, through duly authorized representatives, entered into this agreement. The parties having read and understand the foregoing terms of the contract do by their respective signatures dated below hereby agree to the terms thereof.

CallNet Call Center Services, Inc.

By: _____
CHARLES WEBB
PRESIDENT, CALLNET

Date: 8-15-05

Indiana Attorney General

By: _____
Stephen Carter
Attorney General of Indiana

Date: 8-22-05

APPROVED BY:

DEPARTMENT OF ADMINISTRATION

By: _____ (for)
Earl A. Goode,
Commissioner

Date: 9-12-05

OFFICE OF MANAGEMENT AND BUDGET

By: _____ (for)
Charles E. Schalbol,
Director

Date: 9/13/2005

APPROVED AS TO FORM AND LEGALITY:

By: _____ (for)
Stephen Carter,
Attorney General of Indiana

Date: 9-16-05

EXHIBIT B
Cost Schedule

Phase I:	
Setup Cost (one time only)	
	$300.00
Phase II:	
Per minute calls @ $0.75 per minute @ 24,300 calls	
	$18,225.00
Direct bill-thru AT&T charges and features	
	$1,500.00

Total Contract Not to Exceed $20,025.00

SECOND RENEWAL TO CONTRACT
A56-3-03-5

Pursuant to IC 5-22-17-4 and the terms of its Contract dated March 5, 2003 (the "Contract") with CallNet Call Center Services, Inc. (the "Contractor"), the Office of the Attorney General (the "State") hereby exercises its option to renew the Contract under the same terms and conditions as set forth in the original Contract.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

1. The Contract is hereby renewed for an additional one year period pursuant to Paragraph 35 ("Renewal Option"). The renewal period will begin January 29, 2005 and end January 28, 2006.
2. The following clause is added.
   Ethics. The Contractor shall abide by all ethical requirements that apply to persons who have a business relationship with an agency, as set forth in Indiana Code § 4-2-6 et seq., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the Contractor is not familiar with these ethical requirements, the Contractor should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at <<<http://www.in.gov/ethics/>>>. If the Contractor or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this contract immediately upon notice to the Contractor. In addition, the Contractor may be subject to penalties under Indiana Code § 4-2-6-12."

This Second Renewal shall take effect upon execution by the State.

All other matters previously agreed to and set forth in the Contract and not affected by this Second Renewal shall remain in full force and effect.

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the duly authorized representative, agent, or officer of the Contractor, that he/she has not, nor has any other employee, representative, agent, or officer of the Contractor, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion, or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Second Renewal, other than that which appears upon the face hereof.

IN WITNESS WHEREOF, Contractor and the State of Indiana have, through their duly authorized representatives, entered into this Second Renewal. The parties having read and understand the foregoing do by their respective signatures dated below hereby agree to the terms thereof.

CallNet Call Center Services, Inc.

By: _____
Charles Webb, President

Date: January 28, 2005

Indiana Office of the Attorney General

By: _____
Gregory F. Zoeller,
Chief Deputy

Date: January 31, 2005

APPROVED BY:

DEPARTMENT OF ADMINISTRATION

By: G. Douglas Seidman (for)
Earl A. Goode,
Commissioner

Date: 2/3/05

STATE BUDGET AGENCY

By: Joe C Lem (for)
Charles Schalliol,
Director

Date: 2/8/05

APPROVED AS TO FORM AND LEGALITY:

By: _____ (for)
Stephen Carter,
Attorney General of Indiana

Date: 2/9/05

FIRST RENEWAL TO CONTRACT
A56-3-03-5

Pursuant to IC 5-22-17-4 and the terms of its Contract dated March 5, 2003 (the "Contract") with CallNet Call Center Services, Inc. (the "Contractor"), the Office of the Attorney General (the "State") hereby exercises its option to renew the Contract under the same terms and conditions as set forth in the original Contract.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

1. The Contract is hereby renewed for an additional one year period pursuant to Paragraph 35 ("Renewal Option"). The renewal period will begin January 29, 2004 and end January 28, 2005.

2. Total amount of this renewal is $5,000.00. Total remuneration of the Contract is not to exceed $10,025.00.

All other matters previously agreed to and set forth in the original Contract and not affected by this First Renewal shall remain in full force and effect.

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the duly authorized representative, agent, member, or officer of the Contractor that he/she has not, nor has any other member, employee, representative, agent, or officer of the Contractor, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion, or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Renewal, other than that which appears upon the face hereof.

IN WITNESS WHEREOF, Contractor and the State have, through duly authorized representatives, entered into this Renewal. The parties having read and understand the foregoing terms of the Contract Renewal do by their respective signatures dated below hereby agree to the terms thereof.

CallNet Call Center Services, Inc.	Office of the Indiana Attorney General
By:	By:
Title: PRESIDENT	Title: CEO
Date: 1-16-04	Date: 1-21-04

APPROVED BY:

DEPARTMENT OF ADMINISTRATION

By: _____ (for)
Charles Martindale,
Commissioner

Date: 1/27/04

STATE BUDGET AGENCY

By: _____ (for)
Marilyn Schultz,
State Budget Director

Date: 1-29-04

APPROVED AS TO FORM AND LEGALITY:

By: _____ (for)
Stephen Carter,
Attorney General of Indiana

Date: 2-2-04

PROFESSIONAL SERVICES CONTRACT

THIS CONTRACT is between the Office of the Indiana Attorney General (hereinafter the "State") and CallNet Call Center Services, Inc., whose address is P.O. Box 1345, Bloomington, IN 47402 (hereinafter "Contractor").

WITNESSETH

WHEREAS, pursuant to IC 4-6-9.1-3, the Office of the Attorney General is charged with investigating claims of price gouging during a period in which an emergency is declared by the Governor under IC 10-4-1-7; and

WHEREAS, the State's current staffing levels and telecommunications infrastructure are unable to adequately handle calls of this nature; and

WHEREAS, Contractor has, among other things, particular expertise and knowledge in handling large call volumes, after-hours calls, and assisting callers with inquiries.

NOW THEREFORE, in consideration of the premises and the mutual promises herein contained, it is agreed by and between the State and Contractor as follows:

1. Duties of Contractor

As is more fully set forth in Exhibit A, attached hereto, and incorporated fully herein, Contractor will receive and process incoming calls from consumers regarding alleged violations of price gouging under IC 4-6-9.1. Contractor shall collect such information as directed in writing by the State, and provide data collected from consumer calls to the State on a daily basis.

2. Consideration

Contractor shall be paid in accordance with the rates set forth in Exhibit B, attached hereto, and incorporated fully herein. Contractor shall be paid for Phase I (setup costs – one time charge) upon completion of the work. Contractor shall not perform Phase II of this contract until it receives written authorization from the State to do so. Contractor further acknowledges that no performance may be required. Total remuneration under this Contract shall not exceed $5,025.00.

3. Term

The term of this Contract will be from January 29, 2003 through January 28, 2004.

4. Access to Records

The Contractor and it's subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Contract. They shall make such materials available at their respective offices at all reasonable times during this Contract term, and for three (3) years from the date of final payment under this Contract, for inspection by the State or by any other authorized representative of state government. Copies thereof shall be furnished at no cost to the State if requested.

5. Assignment

The Contractor shall not assign or subcontract the whole or any part of this Contract without the State's prior written consent. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the State, provided that Contractor gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

6. Audits

Contractor acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC 5-11-1, and audit guidelines specified by the State.

7. Authority to Bind Contractor

Notwithstanding anything in this Contract to the contrary, the signatory for the Contractor represents that he/she has been duly authorized to execute contracts on behalf of the Contractor and has obtained all necessary or applicable approvals from the home office of the Contractor to make this Contract fully binding upon the Contractor when his/her signature is affixed, and this Contract is not subject to further acceptance by Contractor when accepted by the State of Indiana.

8. Changes in Work

In the event the State requires a major change in scope, character or complexity of the work after the work has begun, adjustments in compensation to the Contractor shall be determined by the State in the exercise of its good faith and prudent judgment. The Contractor shall not commence any additional work or the change of the scope of the work until authorized in writing by the State. No claim for additional compensation shall be made in the absence of a prior written approval executed by all signatories hereto.

9. Compliance with Laws

The Contractor shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, the provisions of which are incorporated by reference. The enactment or amendment of any applicable state or federal statute or the promulgation or regulations thereunder after execution of this Contract shall be reviewed by the State and the Contractor to determine whether the provisions of the Contract require formal modification.

10. Security and Privacy of Health Information. Deleted; not applicable.

11. Confidentiality of Data, Property Rights in Products, and Copyright Prohibition

The Contractor further agrees that all information, data, findings, recommendations, proposals, etc. by whatever name described and in whatever form secured, developed, written or produced by the Contractor in furtherance of this Contract shall be the property of the State. The Contractor shall take such action as is necessary under law to preserve such property rights in and of the State while such property is within the control and/or custody of the Contractor. The Contractor hereby specifically waives and /or releases to the State any cognizable property right of the Contractor to copyright, license, patent or otherwise use such information, data, findings, recommendations, proposals, etc.

12. Confidentiality of State Information

The Contractor understands and agrees that data, materials and information disclosed to Contractor may contain confidential and protected data. Therefore, the Contractor promises and assures that data, material and information gathered, based upon or disclosed to Contractor for the purposes of this contract, will not be disclosed to others or discussed with other parties without the prior written consent of the State.

13. Conflict of Interest

A. As used in this section:
"Immediate Family" means the spouse and unemancipated children of an individual.
"Interested Party" means:
1. The individual executing this Contract;

2. An individual who has an interest of three percent (3%) or more of Contractor, if Contractor is not an individual; or
3. Any member of the immediate family of an individual specified under subdivision 1 or 2.

"Department" means the Indiana Department of Administration.
"Commission" means the State Ethics Commission.

B. The Department may cancel this Contract without recourse by Contractor if any interested party is an employee of the State of Indiana.

C. The Department will not exercise its right of cancellation under section B above if the Contractor gives the Department an opinion by the Commission indicating that the existence of this Contract and the employment by the State of Indiana of the interested party does not violate any statute or code relating to ethical conduct of state employees. The Department may take action , including cancellation of this contract, consistent with an opinion of the Commission obtained under this section.

D. Contractor has an affirmative obligation under this contract to disclose to the Department when an interested party is or becomes an employee of the State of Indiana. The obligation under this section extends only to those facts that Contractor knows or reasonably could know.

14. Continuity of Services

A. The Contractor recognizes that the service(s) to be performed under this Contract are vital to the State and must be continued without interruption and that, upon Contract expiration, a successor, either the State or another Contractor, may continue them. The Contractor agrees to:
1. Furnish phase-in training, and
2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

B. The Contractor shall, upon the State's written notice:
1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires, and
2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase out services required.

The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this contract are maintained at the required level of proficiency.

C. The Contractor shall be allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e. costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations).

15. Debarment and Suspension

Contractor certifies, by entering into this contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State of Indiana. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of Contractor.

16. Default by State

If the State, sixty (60) days after receipt of written notice, fails to correct or cure any breach of this Contract, then the Contractor may cancel and terminate this contract and collect all monies due up to and including the date of termination.

17. Disputes

A. Should any disputes arise with respect to this Contract, Contractor and the State agree to act immediately to resolve any such disputes. Time is of the essence in the resolution of disputes.

B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the State for such costs. If the State and Contractor cannot resolve a dispute within ten (10) working days following notification in writing by either party of the existence of a dispute, then the following procedure shall apply:

The parties agree to resolve such matters through submission of their dispute to the Commissioner of the Indiana Department of Administration. The Commissioner shall reduce a decision to writing and mail or otherwise furnish a copy thereof to the Contractor and the State within ten (10) working days after presentation of such dispute for action. The Commissioner's decision shall be final and conclusive unless either party mails or otherwise furnishes to the Commissioner, within ten (10) working days after receipt of the Commissioner's decision, a written appeal. Within ten (10) working days of receipt by the Commissioner of a written request for appeal, the decision may be reconsidered. If no reconsideration is provided within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration for a determination, or otherwise the dispute shall be submitted to an Indiana court of competent jurisdiction.

The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to Contractor of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for Contractor to terminate this contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

18. Drug-Free Workplace

The Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. Contractor will give written notice to the State within ten (10) days after receiving actual notice that the Contractor or an employee of the Contractor has been convicted of a criminal drug violation occurring in Contractor's workplace.

False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State of Indiana for up to three (3) years.

In addition to the provisions of the above paragraphs, if the total contract amount set forth in this Contract is in excess of $25,000.00, Contractor hereby further agrees that this agreement is expressly subject to the terms, conditions, and representations of the following certification:

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. Pursuant to its delegated authority, the Indiana Department of Administration is requiring the inclusion of this certification in all contracts and grants from the State of Indiana in excess of $25,000.00. No award of a contract shall be made, and no contract, purchase order or agreement, the total amount of which exceeds $25,000.00, shall be valid, unless

and until this certification has been fully executed by Contractor and made a part of the contract or agreement as part of the contract documents.

The Contractor certifies and agrees that it will provide a drug-free workplace by:

A. Publishing and providing to all of its employees a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;

B. Establishing a drug-free awareness program to inform it's employees of (1) the dangers of drug abuse in the workplace; (2) Contractor's policy of maintaining a drug-free workplace; (3) any available drug consulting, rehabilitation, and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;

C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;

D. Notifying in writing the State within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction.

E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and

F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

19. Employment Option

If the State determines that it would be in the State's best interest to hire an employee of the Contractor, the Contractor will release selected employee from any non-compete contracts that may be in effect. This release will be at no cost to the State or the employee.

20. Force Majeure

In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this contract.

21. Funding Cancellation

When the director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the Budget Director that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

22. Governing Laws

This contract shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

23. Indemnification

Contractor agrees to indemnify, defend, and hold harmless the State of Indiana and its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any. The State shall <u>not</u> provide such indemnification to Contractor.

24. Independent Contractor

Both parties hereto, in the performance of this contract, shall act in an individual capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property arising out of the acts or omissions of the agents, employees or subcontractors of the other party.

The Contractor shall be responsible for providing all necessary unemployment and worker's compensation insurance for Contractor's employees.

25. Information Technology Accessibility. Deleted; not applicable.

26. Key Person(s). Deleted; not applicable.

27. Licensing Standards

The parties agree that Contractor and its employees will comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules or regulations governing services to be provided by the Contractor pursuant to this Contract. The State shall not be required to reimburse Contractor for any services performed when Contractor or its employees are not in compliance with such applicable standards, laws, or regulations. If licensure, certification or accreditation expires or is revoked, Contractor shall notify State immediately and the State, at its option, may immediately terminate the contract.

28. Nondiscrimination

Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, Contractor shall not discriminate against any employee or applicant for employment in the performance of this contract. The Contractor shall not discriminate with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as a material breach of Contract. The Contractors execution of this Contract also signifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability or status as a veteran.

29. Notice to Parties

Whenever any notice, statement or other communication is required under this Contract, it shall be sent to the following addresses, unless otherwise specifically advised.

A. Notice to the State shall be sent to:

Office of the Attorney General
Attn: Brent Embrey
402 W. Washington Street
IGCS, 5th Floor
Indianapolis, IN 46204

B. Notice and payments to the Contractor shall be sent to:

CallNet Call Center Services, Inc.
Attn: Charles Webb
P.O. Box 1345
Bloomington, IN 47402

30. Order of Precedence

Any inconsistency or ambiguity in this Contract shall be resolved by giving precedence in the following order: (1) This contract, (2) attachments prepared by the State, and (3) attachments prepared by the Contractor.

31. Ownership of Documents & Materials

All documents, records, programs, data, film, tape, articles, memos, and other materials not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this contract shall be considered "work for hire" and the Contractor transfers any ownership claim to the State of Indiana and all such matters will be the property of the State of Indiana. Use of these materials, other than related to contract performance by the Contractor, without the prior written consent of the State, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to these materials developed for or supplied by the State and used to develop or assist in the services provided herein while the materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. Full, immediate, and unrestricted access to the work product of the Contractor during the term of this Contract shall be available to the State.

32. Payments

All payment obligations shall be made in arrears in accordance with Indiana law and state fiscal policies and procedures.

33. Penalties/Interest/Attorney's Fees

The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest, or attorney's fees, except as required by Indiana law, in part, IC 5-17-5, IC 34-54-8, and IC 34-13-1.

Notwithstanding the provisions contained in IC 5-17-5, the Parties stipulate and agree that any liability resulting from the State of Indiana's failure to make prompt payment shall be based solely on the amount of funding originating from the State of Indiana and shall not be based on funding from federal or other sources.

34. Progress Reports

The Contractor shall submit progress reports to the State upon request. The report shall be oral, unless the State, upon receipt of the oral report, should deem it necessary to have it in written form. The progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule, and that completion can be reasonably assured on the scheduled date.

35. Renewal Option

This contract may be renewed under the same terms and conditions subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC 5-22-17-4. The term of the renewed contract may not be longer than the original contract. Exercise of this option is at the sole discretion of the State and is not subject to agreement or acceptance by the Contractor.

36. Severability

The invalidity of any section, subsection, clause or provision of this Contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

37. Substantial Performance

This contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any modification thereof.

38. Successors and Assignees

The Contractor binds its successors, executors, administrators, and assignees to all covenants of this Contract. Except as above set forth, the Contractor shall not assign, sublet or transfer interest in this Contract without the prior written consent of the State of Indiana.

39. Taxes

The State of Indiana is exempt from state, federal and local taxes. The State will not be responsible for any taxes levied on the Contractor as a result of this Contract.

40. Termination for Convenience

This Contract may be terminated, in whole or in part, by the State whenever, for any reason, the State determines that such termination is in the best interest of the State. Termination of services shall be effected by delivery to the Contractor

of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

41. Termination for Default

A. With the provision of thirty (30) days notice to the Contractor, the State may terminate this contract in whole or in part, if the Contractor **fails to:**

1. Correct or cure any breach of this Contract;
2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;
3. Make progress so as to endanger performance of this Contract; or
4. Perform any of the other provisions of this contract.

B. If the State terminates this contract in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue work not terminated.

C. The State shall pay the contract price for completed supplies delivered and services accepted. The Contractor and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity under this contract.

42. Registration with the Secretary of State of Indiana

The Contractor certifies that if it is a non-domestic entity, it is registered with the Indiana Secretary of State to do business in the State of Indiana.

43. Travel

Expenditures made by the Contractor for travel will be reimbursed by the State at the current rate paid by the State of Indiana and upon pre-approval by the State. Travel expenses can only be reimbursed in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular (#97-1.1). Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

44. Waiver of Rights

No right conferred on either party under this Contract shall be deemed waived and no breach of this contract excused, unless such waiver or excuse is in writing and signed by the party claimed to have waived such right.

45. Work Standards

The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the State may request in writing the replacement of any or all such individuals and Contractor shall grant such request.

46. State Boilerplate Affirmation Clause

I swear or affirm under the penalties of perjury that I have not altered, modified or changed the State's Boilerplate contract clauses (as defined in the 2002 IDOA Professional Services Contract Manual) in any way except for the following clauses which are identified by name below: **Clauses deleted as not applicable to this Contract: 10 (Security and Privacy of Health Information), 25 (Information Technology), and 26 (Key Person(s)). Clauses modified to reflect no RFP: 30 (Order of Precedence).**

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the Contractor, or that he/she is the representative, agent, member, or officer of the contracting party, that he/she has not, nor has any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Contract other than that which appears upon the face of this Contract.

IN WITNESS WHEREOF, Contractor and the State of Indiana have, through duly authorized representatives, entered into this Contract. The parties having read and understand the foregoing terms of the contract do by their respective signatures dated below hereby agree to the terms thereof.

CallNet Call Center Services, Inc.

By: _____

Printed Name: CHARLES WEBB

Title: PRESIDENT

Date: 2-10-03

The Indiana Attorney General

By: _____ for Steve Carter

Printed Name: Larry Hopkins

Title: C.E.O.

Date: 2-18-03

DEPARTMENT OF ADMINISTRATION

_____

David Perlini
Commissioner
Date: 2/28/03

STATE BUDGET AGENCY

_____ for

Marilyn F. Schultz
Director
Date: 3-4-03

OFFICE OF ATTORNEY GENERAL

_____

Stephen Carter
Attorney General
Date: March 5, 2003

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EXHIBIT A
Duties of Contractor

The Contractor will be responsible for providing the following:

a. Provide setup services for the reporting of price gouging claims including scripting, 800-number linkage, networking, operator training, and maintenance on data entry equipment owned by Contractor.
b. Upon authorization from the State, activate linkage and receive daily calls from Indiana residents to report claims of price gouging.
c. Record essential name, address, telephone number(s), station name, price, date, and time information from caller. Operators will repeat information back to caller to confirm accuracy.
d. Media (radio, television, or newspaper) calls will be immediately routed to the Press Secretary, Office of the Attorney General, (317) 232-6351.
e. Provide a minimum of one 800-toll free number that is freely transferable to the Office of the Attorney General if contract is terminated.
f. Provide 24 hour, 7 days a week, including holidays, call answering services for Indiana residents to report claims of price gouging and obtain assistance.
g. Minimize call length to provide information and control cost.
h. All essential information collected is the property of the Office of the Attorney General and may not be used for any other purpose.
i. Essential information reports will be provided daily via email to the designated email address of the Office of the Attorney General.
j. Daily reports for call volume are to provide call statistics including, but not limited to, total number of calls, average call length, number of caller hang-ups, and total call minutes.
k. Provide custom reports on an as-needed basis.
l. Operators provide high quality customer service during consumer contact.

EXHIBIT B
Cost Schedule

Phase I:	
Setup Cost (one time only)	$300.00
Phase II:	
Per minute calls @ $.75 per minute for 4,300 minutes	$3,225.00
Direct bill-thru AT&T charges and features	$1,500.00
Total Contract	**$5,025.00**