Ameritech

Confirmation of Service Order - General Business Services
Exchange Dedicated Communication Services - Base Rate, Fractional DS1, DS1 and DS3 Services

This Confirmation of Service Order ("Order") serves as a confirmation of Customer's agreement to purchase BaseRate, DS1, Fractional DS1 or DS3 Service ("Service") under a term plan according to prices, quantities, terms and conditions set forth herein and in the applicable Ameritech tariffs or catalogs.

Rates Monthly Charges are based on term plan rates in effect at the time Service is ordered, and are set forth on Page 2. During the term rate decreases, as applicable, will automatically be applied to the Monthly Charges. Rates will not increase above Monthly Charges set forth on page 2 for Service between the locations listed in this Order. Monthly Charges may change if a Service location is moved. Non-Recurring Charges ("NRCs"), with the exception of the Clear Channel NRC will be waived if Customer selects a 36 month or greater term plan in this Order.

Term and Expiration The Service term is the term plan selected by Customer on Page 2. Upon expiration of the Service term, the Monthly Charges will revert to the prevailing month-to-month rates[1] unless Customer renews the term plan or terminates Service prior to completion of the Service term. Upon renewal new Monthly Charges will be applied based on rates in effect at that time.

Term Plan Change Prior to the completion of the selected Service term plan, Customer may renew or change to a different term plan without incurring early termination charges, provided the new term plan (I) is for an equal or greater number of circuits than the number ordered herein and (ii) is greater in length than the months remaining on the Service term plan ordered herein. Monthly Charges for the new term plan will be based on rates in effect at the time the new plan is ordered.

Service Upgrade Customer may upgrade Service to a higher speed Ameritech DS1, DS3 or SONET Service or to the same or higher speed Ameritech Protect Path Service (the "Upgraded Service") without incurring early termination charges; provided that the Upgraded Service is (I) under a term plan that is equal to or greater in length than the number of months remaining in the term plan ordered herein and (ii) is installed between the locations herein. NRCs will apply to the Upgraded Service.

Move In the event Customer moves one end of Service to a new location, Customer will not incur early termination charges provided termination of the old circuit and installation of the new circuit are ordered to occur concurrently. NRCs will apply at the new location as applicable. Customer's Monthly Charges will not change unless the new location is served out of a different central office. Any changes to the Monthly Charges will be based on rates in effect at the time of Customer's execution of this original Order. Revised Monthly Charges will be automatically applied for the months remaining in the Service term plan. If Customer moves both ends of the Service circuit concurrently, Customer will be liable for an early termination charge.

Early Termination In the event Customer terminates the Service in whole or in part prior to the expiration of the term plan (except as otherwise permitted in this Order), Customer will be liable for an early termination charge, which will be equal to the amount of savings Customer received while the Service was installed. The charge will be calculated as follows: a. Determine the difference between the monthly rates (in effect at the time of termination), for the term plan Customer would have completed[2] and Customer's Monthly Charges at the time of termination; b. Multiply the difference by the number of months Service was installed; and c. Add any NRCs which were originally waived. Termination of the Service within the first (12) months will be subject to an additional charge which will be calculated as follows: Take 40 percent[3] of the 12 month rates (in effect at the time of termination), and multiply by the number of months remaining in the first year of the term plan.

Assignment Customer shall not assign or otherwise transfer any rights or obligations under this Order without prior written consent of Ameritech, which consent shall not be unreasonably withheld or delayed. Any such assignment without prior written consent of Ameritech shall be void.

Liability The liability of Ameritech its affiliates, successors, agents or "assigns" for damages from Service interruptions or defects shall not exceed the prorata amount of Monthly Charges for the time Service was affected.

Tariffs In the event of conflict or discrepancy between provisions of this Order and provisions of the applicable tariff or catalog, the provisions of the tariff or catalog will prevail. This Order and the applicable tariffs or catalogs are the complete agreement of the parties and supersede any discussions, representation, or proposals, written or oral, concerning the Service.

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[1] *Monthly extension rates will apply for DS3 Service.*
[2] *If termination occurs within the first year12 month rates will apply.*
[3] *For DS3 Service 85 percent will apply.*

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Confirmation of Service Order - General Business Services
Exchange Dedicated Communication Services - Base Rate, Fractional DS1, DS1 and DS3 Services

Service Type:	Base Rate Point to Point:	Base Rate Multipoint:	Fractional DS1-128:	Fractional DS1-256:	Fractional DS1-384:	DS1: X	DS3:	
Order Type:	New: X	Renewal:	Change:	Move:	Add:	Remove:	Upgrade:	Disconnect:
Existing Contract No:					**Existing Circuit ID: DHZA.243499..NB**			
Term Plan:	12 Mo.	36Mo. X	60Mo.			**Requested Installation Date: Existing M to M Circ.**		
Monthly Charges: $ 368.00			**Non Recurring Charges: 350**			**Circuit Quantity: 1**		**#Multipoint locations:**
Service Location No. 1: 100 N Senate Ave, Indianapolis, IN 46204					**Service Location No. 2: 8005 Castleway Dr. Indianapolis, IN 46240**			

Your signature acknowledges that you understand and accept the terms and conditions on Pages 1 and 2 and that you are authorized to make the commitments under this Order

CUSTOMER	AMERITECH
Authorized Customer Signature	Authorized Ameritech Signature
ALLEN L. POPE, DIRECTOR	Arthur E. Cathcart, Salesman
Print Name and Title	Print Name and Title
2/17/03	2/10/03
Date	Date

AMERITECH CONTACT INFORMATION

State of Indiana, Attorney Generals Office	C. Michael Thompson M885386
Company Name	Ameritech Sales Representative Name / Sales Code
8005 Castleway Dr.	SBC Ameritech
Billing Address	Company
Indianapolis, IN 46240	240 N. Meridian Street
City, State and Zip Code	Street Address
Jim Seiders	Indianapolis, IN 46204
Customer Contact	City, State and Zip Code
317-232-3201	317-488-3038
Customer Contact Phone Number	Phone Number
Existing Billing Account Number (if applicable)	Fax Number

As used herein, Ameritech means Illinois Bell Telephone Company in Illinois, Indiana Bell Telephone Company Incorporated in Indiana; Michigan Bell Telephone Company in Michigan; The Ohio Bell Telephone Company in Ohio; and Wisconsin Bell Inc. in Wisconsin.

Ameritech

STATE OF INDIANA
ADDENDUM TO AMERITECH DEDICATED COMMUNICATIONS SERVICES DS1
CONFIRMATION OF SERVICE ORDER

This Addendum, attached to and incorporated by reference to the Ameritech Dedicated Communications Services DS1 Confirmation of Service Order, is entered into between Business Communications Services, a division of SBC Global Services, Inc., formerly known as Ameritech Information Systems, Inc., on behalf of Indiana Bell Telephone Company, Incorporated ("Ameritech" or "Contractor"), and the state of Indiana, State of Indiana, Attourney Generals Office ("Customer") pursuant to the regulations as provided in the Tariff 20 and/or Ameritech Catalog on file with the Indiana Utility Regulatory Commission.

With this Addendum, Ameritech agrees to provide a price associated with the Ameritech Dedicated Communications Services DS1 components listed below in lieu of the Ameritech Catalog price for circuits located as stated below. (The price does not include charges for other applicable charges.) The Contract service Period shall be thirty-six (36) months and shall commence upon cutover (or conversion as the case may be). The rate for any component of this service not listed in this Addendum shall be that listed in the Ameritech Catalog for the Contract Service Period specified above. Notwithstanding the above, in the event that any item of service is terminated prior to expiration of the Circuit Service Term, a termination charge will become due as in the amount of (i) any Non-Recurring Charges that were waived and (ii) [the dollar difference between (the price in the contract) and (the price in the tariff Term Payment Plan that could have been completed during the time the service was actually installed) times (the number of months the service was provided)]

Customer shall not assign or otherwise transfer any rights or obligations with respect to this Agreement without the prior written consent of Ameritech. Any such assignment without prior written consent of Ameritech shall be void. All other terms and conditions of the Ameritech Catalog shall apply. If Customer cancels this Addendum prior to conversion or any individual order placed against this Addendum, Customer agrees to pay to Ameritech one hundred percent (100%) of Ameritech's costs incurred through the date of cancellation. Costs may include, but are not limited to, the non-recoverable cost of any programming, labor and other associated costs.

Circuit Quantity	Location A	Location Z
1	100 N. Senate, Indianapolis IN 46204	8005 Castleway Dr. Indianapolis IN 46240

Qty	Service Element	Non-Recurring Charge Each	Non-Recurring Charge Total	Monthly Rate Each	Monthly Rate Total
2	DS1 LDC (all zones)	$ 0.00	$ 0.00	$ 105.00	$210.00
0	Clear Channel	$ 350.00 [1]	$ 0.00 [1]	$ 0.00	$ 0.00
12	Channel Mileage (all zones)	$ 0.00	$ 0.00	$ 9.00	$108.00
2	CMT (all zones)	$ 0.00	$ 0.00	$ 25.00	$ 50.00

Customer's signature acknowledges that the signatory is authorized to make the commitments hereunder.

State of Indiana, Attourney Generals Office

By: [signature]

Printed: ALLEN K. POPE

Title: DIRECTOR

Date: 2/14/03

Business Communications Services, a division of SBC Global Services, Inc., on behalf of Indiana Bell Telephone Company, Incorporated

By: [signature]

Printed: Arthur E Cathcart

Title: Sales Mgr

Date: 2/10/03

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(rev. 11/30/01)

ADDENDUM

This Addendum amends the attached and foregoing contract with the entity designated herein as Contractor.

State Agency: Attorney Generals Office

Contractor/Vendor: SBC Global Services, Inc., on behalf of Indiana Bell Telephone Company, Incorporated

Address: 240 N. Meridian Street, Indianapolis IN 46204

Attached contract consists of 3 pages (with/without) terms on both sides.

Contract term begins February, 2003 and ends January, 2006

Total consideration for term of agreement is: $13,598.00

The terms and conditions of the attached contract are incorporated herein by reference and subject to: the approval of the signatories hereto; the appropriation and availability funds; compliance with Indiana law; and the modifications made herein.

1. Deleted Provisions

By mutual agreement of the parties the following provisions of Contractor's form contract are deleted from this agreement and are not legally binding on the parties:

Governing Laws

Any contract provision requiring the contract to be construed with laws other than the State of Indiana is hereby deleted.

Indemnification

Any clause requiring the State to indemnify the Contractor is hereby deleted.

Insurance

Any contract provision requiring the State to maintain insurance is hereby deleted.

No other clauses are deleted, unless specifically listed here _____.

The parties agree to the following additional provisions:

2. 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 agreement. They shall make such materials available at their respective offices at all reasonable times during the contract period, and for three (3) years from the date of final payment under the 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.

3. Assignment

Except to Contractor's affiliates, the Contractor shall not assign or subcontract the whole or any part of this contract without the State's prior written consent, which shall not be unreasonably withheld. 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.

4. Authority to Bind Contractor

Notwithstanding anything in the 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 designated above 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 is not subject to home office acceptance hereto when accepted by the State of Indiana.

5. Changes in Work

In the event the State requires a major change in the 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 honest and reasonable judgment. The Contractor shall not commence any additional work or change 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.

6. Compliance with Laws

The Contractor agrees to 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 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.

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

The Contractor 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. By this contract, the Contractor 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.

8. 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 the Contractor for the purpose of this contract, will not be disclosed to others or discussed with other parties without the prior written consent of the State.

9. Conflict of Interest

A. As used in this section:
"Immediate family" means the spouse and the 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.

10. Continuity of Services

A. The Contractor recognizes that the services 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 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).

11. Debarment and Suspension

Contractor certifies, by entering into this agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this agreement by any federal agency or department, agency or political subdivision of the State of Indiana. The term "principal' for purposes of this agreement is defined as 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.

12. Default by State

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

13. Disputes

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

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 the 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 the 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 may 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 the 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.

14. Drug-Free Workplace Certification

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 the 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 the contract or agreement 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 agreement 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 with 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 the 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 employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, 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) take appropriate personnel action against the employee, up to and including termination; or (2) require 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.

15. 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.

16. 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 a contract, the 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.

17. 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.

18. 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 not provide such indemnification to the Contractor.

19. Independent Contractor

Both parties hereto, in the performance of this contract, shall act in an individual capacity and not as agents, employees, partners, joint venturers 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 workers' compensation insurance for the Contractor's employees.

20. Information Technology Accessibility

The contractor acknowledges and agrees that all hardware, software and services provided to or purchased by the State must be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted by the Architectural and Transportation Barriers Compliance Board under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 749d), as amended.

21. Key Person(s)

A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this contract for whatever reason, the State shall have the right to terminate this contract upon thirty (30) days prior written notice.

B. In the event that the Contractor is an individual, that individual shall be considered a key person and, as such, essential to the contract. Substitution of another for the Contractor shall not be permitted without express written permission from the State.

C. Nothing in sections A and B above should be construed to prevent the Contractor from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. The Contractor shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

Key person to this contract is ____[DNA]_____

22. Licensing Standards

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

23. Material Incorporated or Referred to in Contract

The Contractor has supplied herewith all written materials, documents, or instruments mentioned or referred to in the contract except, where applicable, user manuals which will be included with the equipment upon delivery and which do not alter the terms of this agreement.

24. Nondiscrimination

Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, Contractor and its subcontractors 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. Acceptance 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.

The Contractor understands that the State is a recipient of federal funds. Pursuant to that understanding, the Contractor and its subcontractor, if any, agree that if the Contractor employs fifty (50) or more employees and does at least $50,000.00 worth of business with the State and is not exempt, the Contractor will comply with the affirmative action reporting requirements of 41 CFR 60-1.7. The Contractor shall comply with Section 202 of Executive Order 11246, as amended, 41 CFR 60-250, and 41 CFR 60-741, as amended, which are incorporated herein by specific reference. Breach of this covenant may be regarded as a material breach of contract.

25. Order of Precedence

Any inconsistency or ambiguity in this contract shall be resolved by giving precedence in the following order: (1) State Addendum contract (2) Contractor's contract (3) State Request for Quotation (4) attachments prepared by the State (5) Contractor's response to State Request for Quotation and (6) attachments prepared by the Contractor.

26. Ownership of Documents and Materials

All documents, records, programs, data, film, tape, articles, memoranda, and other materials developed under this contract specifically for the State shall be considered "work for hire" and the Contractor

transfers any ownership claim to the State of Indiana and all such materials 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 the services specified herein, 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.

27. Payments

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

28. 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.

29. Renewal Option

This contract may be renewed upon the mutual agreement of the parties 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 term of the original contract. Any provision for automatic renewal is void.

30. 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.

31. 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.

32. 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.

33. 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 (i) services properly rendered prior to the effective date of termination and (ii) termination charges of [the dollar difference between (the price in the contract) and (the price in the tariff Term Payment Plan that could have been completed during the time the service was actually installed) times (the number of months the service was provided)]. The State will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to 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.

34. 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, excess costs shall not exceed ten percent (10%) of the price paid for the services. However, the Contractor shall continue the 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 under this contract.

35. 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 shall be in writing and signed by the party claimed to have waived such right.

36. Work Standards

The Contractor agrees to 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.

37. 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 the 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.

Contractor:

By: _____
Printed Name: ARTHUR E CATHCART
Title: SALES Mgr
Date: 2/10/03

State of Indiana Agency:

By: _____
Printed Name: ALLEN R. FOFE
Title: DIRECTOR
Date: 2/14/03

Department of Administration

_____
DAVID PERLINI
Commissioner
Date: 2/19/03

State Budget Agency

_____
Marilyn F. Schultz
Director
Date: 2-19-03

Office of the Attorney General

_____
Stephen Carter
Attorney General
Date: _____