

**AMENDMENT NO. 2  
TO  
MASTER SERVICE AGREEMENT  
BY AND BETWEEN  
TIME WARNER ENTERTAINMENT COMPANY LP AND  
THE STATE OF OHIO, DEPARTMENT OF ADMINISTRATIVE SERVICES**

**THIS AMENDMENT NO. 2** (“Amendment No. 2”) is entered into by and between **Time Warner Cable Enterprises LLC, successor in interest to Time Warner Entertainment Company, L.P.** (“Vendor”) having an office at 1015 Olentangy River Road, Columbus, Ohio 43212 and the **State of Ohio, Department of Administrative Services** (referred to as State of Ohio, Department of Administrative Services, Office of Information Technology in Amendment No.1)(the “State”), having its principal place of business at 30 East Broad Street, 40<sup>th</sup> Floor, Columbus, Ohio 43215, is effective as of the Effective Date (as defined below), and sets forth additional and amended terms and conditions that shall apply to the Master Service Agreement dated September 2, 2009 (“Master Agreement”), as amended by Amendment to Master Service Agreement, dated June 20, 2013 (“Amendment No. 1”, and together with Master Agreement, “Agreement”), in each case by and between the State and Vendor. The State and Vendor are referred to herein as a “Party” and collectively as the “Parties.” Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Agreement.

**Section 1. Recitals.**

**WHEREAS**, the State and Vendor entered into and subsequently renewed the Agreement and the current renewal term of the Agreement continues through and including June 30, 2017; and

**WHEREAS**, the State and Vendor mutually desire to amend the Agreement as further described herein.

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby mutually agree as follows:

**Section 2. Cost Recovery.** Section 13 of the Agreement is deleted in its entirety and replaced with the language below:

The Vendor must pay a Cost Recovery Fee to the State to cover the estimated costs the State will incur administering this Agreement and the Services offered under it.

The Cost Recovery Fee will be two percent (2%) of the total quarterly sales reported under this Agreement to all Subscribing Entities, including all State-level entities and all Cooperative Purchasing Members. The Cost Recovery Fee is included in the prices reflected on the Service Attachment and the Vendor may not add a surcharge to orders under this Agreement to cover the amount of the Cost Recovery Fee. The State will generate notification to the Vendor via email on the last day of the calendar quarter advising the Vendor to complete a revenue reporting form provided by the State within thirty (30) days after the close of the quarter. The State may compare the form provided by the Vendor to information in the State’s accounting system, the State’s Ordering System, and other records for purposes of verifying the accuracy of the form.

- Examples of calculation of a Cost Recovery Fee:  
(Log-In and Password Established for Cost Recovery Contact to Report Sales)

1) (State Entities Only Example)

FY14				
Quarter	Revenue State Agencies	Revenue Local Governments	Revenue Share Due	Reported by
Q1	\$ 79,193		\$ 0	\$ 1,584 "Name of Contact"
Q2	\$ 10,392		\$ 0	\$ 208 "Name of Contact"
Q3	\$ 209,105		\$ 0	\$ 4,182 "Name of Contact"
Q4	\$ 74,970		\$ 0	\$ 1,499 "Name of Contact"

2) (State Entities and Cooperative Purchasing Member Sales Example)

FY14				
Quarter	Revenue State Agencies	Revenue Local Governments	Revenue Share Due	Reported by
Q1	\$ 79,193	\$ 20,963	\$ 2,003	"Name of Contact"
Q2	\$ 10,392	\$ 4,197	\$ 292	"Name of Contact"
Q3	\$ 209,105	\$ 63,210	\$ 5,446	"Name of Contact"
Q4	\$ 74,970	\$ 1,471	\$ 1,529	"Name of Contact"

3) (Reporting \$0 Sales to both State Entities and Cooperative Purchasing Members)

Note: Reporting still required although sales reported for quarter - \$0

FY14				
Quarter	Revenue State Agencies	Revenue Local Governments	Revenue Share Due	Reported by
Q1	\$ 0	\$ 0	\$ 0	"Name of Contact"
Q2	\$ 0	\$ 0	\$ 0	"Name of Contact"
Q3	\$ 0	\$ 0	\$ 0	"Name of Contact"
Q4	\$ 0	\$ 0	\$ 0	"Name of Contact"

The Vendor must remit to the State the two percent (2%) Cost Recovery Fee within thirty (30) days of receipt of the notice from the State by check to the State of Ohio, Office of Information Technology. The check must be made payable to the Treasurer, State of Ohio, and must be sent to the State at the following address:

**Department of Administrative Services  
L-3686  
Columbus, OH 43260-3686**

The State will direct the Vendor to the State's in-house reporting system to enter all reporting information to include all State entity sales as well as Cooperating Purchasing sales. To ensure that the payment is credited properly, the Vendor must identify the check as a State of Ohio Cost Recovery Fee and reference this Agreement and the supporting Cost Recovery Report. Credit of the Cost Recovery Fee will begin in the month of execution of this Agreement.

If the undisputed payment of an applicable Cost Recovery Fee is not paid within thirty (30) days after the end of the applicable reporting period, the State may offset such undisputed, unpaid Cost Recovery Fee from any amount owed to the Vendor under this Agreement and employ all other remedies available to it under Ohio law for the non-payment of such Cost Recovery Fee. Additionally, if the Vendor fails to pay the Cost Recovery Fee in a timely manner, the failure will be considered a breach of this Agreement, and the State may terminate the Agreement for cause upon thirty (30) days' prior written notice, and, subject to the applicable provisions of Section 2.3 of the Agreement, seek to recover its direct damages in the amount of the unpaid Cost Recovery Fee(s) to the full extent of applicable Ohio law.

**Section 3. Notices.** Section 14 of the Agreement is hereby revised to delete the State's notice address in its entirety and replace it with the following:

Department of Administrative Services  
Office of Information Technology  
Enterprise Information Technology Contracts  
30 East Broad Street, 39<sup>th</sup> Floor  
Columbus, Ohio 43215  
Attn: Enterprise IT Contracts Administrator

**Section 4. New Section 16 - IRS 1075 Technology Services.** In consideration of the mutual promises and obligations contained in the Agreement and this Amendment No. 2, the Parties hereby agree to add the following new Section 16 to the Agreement:

#### **16 IRS 1075 Technology Services**

16.1 The Parties agree that, in the event the requirements of the Internal Revenue Service issued Publication 1075 apply to this Agreement, the Parties shall comply with the laws regarding such requirements set forth in such Publication 1075, as applicable to each of them in their respective capacities.

**Section 5. New Section 17 – Registration with the Secretary of State.** In consideration of the mutual promises and obligations contained in the Agreement and this Amendment No. 2, the Parties hereby agree to add the following new Section 17 to the Agreement:

#### **Section 17 Registration with the Secretary of State**

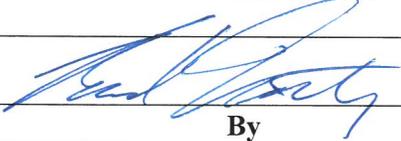
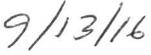
17.1 By providing a Charter Number and signature within the Certification Offer Letter, the Vendor attests that the Vendor is:

- An Ohio corporation that is properly registered with the Ohio Secretary of State; or
- A foreign corporation or limited liability company, not incorporated under the laws of the state of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.01 to 1703.31, as applicable.

Any foreign corporation required to be licensed under O.R.C. § 1703.01-1703.31, which transacts business in the state of Ohio, without being so licensed, or when its license has expired or been canceled, shall forfeit not less than \$250.00 nor more than ten thousand dollars. No officer of a foreign corporation (<http://codes.ohio.gov/orc/1703.01>) shall transact business in the state of Ohio, if such corporation is required by O.R.C. § 1703.01-1803.31 to procure and maintain a license, but has not done so. Whoever violates this is guilty of a misdemeanor of the fourth degree. Questions regarding registration should be directed to (614) 466-3910, or visit <http://www.sos.state.oh.us>.

### **Signatures on Following Page**

IN WITNESS WHEREOF, the Parties have executed this Amendment NO 2, which is effective on the date the State's duly authorized representative signs it on behalf of the State ("Effective Date").

<b>TIME WARNER CABLE ENTERPRISES LLC</b>	<b>STATE OF OHIO, DEPARTMENT OF ADMINISTRATIVE SERVICES</b>
	
<b>By</b>	<b>By</b>
Bradley Freathy	Robert Blair/srd
<b>Name</b>	<b>Printed Name</b>
Vice President	DAS Director Assistant Director/State CIO
<b>Title</b>	<b>Title</b>
	
<b>Date</b>	<b>Effective Date</b>
<b>Federal Tax ID</b>	