

**OHIO SYNCHRONOUS OPTICAL NETWORK (SONET) INFRASTRUCTURE  
CONTRACT EXTENSION AMENDMENT**

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This Amendment ("Amendment") to the Synchronous Optical Network Infrastructure Agreement for the State of Ohio Multi-Agency Communications System (as previously amended the "SOMACS Contract" or the "Contract") by and between AT&T Corp ("AT&T") and The Department of Administrative Services, on behalf of the State of Ohio (the "State") amends and supplements the terms and conditions of the SOMACS Contract dated as of February 16, 1996, as subsequently amended including the Agreement dated April 10, 2015, by and between AT&T and the State ("Contract"). Unless otherwise defined in this Amendment, all defined terms used herein shall have the meanings assigned to such terms in the SOMACS Contract. AT&T and the State are sometimes referred to as the "Parties" or individually as a "Party". This Amendment shall be effective as of the date of the last signature hereto. The changes described herein shall become effective July 1, 2017.

WHEREAS, the Parties desire to amend the Agreement to extend the term of the SOMACS Contract and continue receiving all services pursuant to the terms of the SOMACS Contract; and

NOW, THEREFORE, the parties intending to be legally bound, for and in consideration of their mutual promises herein, mutually agree that the Contract is hereby modified as follows:

1. The Contract is hereby extended until June 30, 2019 to coincide with the State's fiscal year and the E-Rate filing cycle for all E-Rate eligible entities authorized to purchase services pursuant to the terms and conditions of the SOMACS Contract and applicable E-Rate regulatory filings.
2. The State acknowledges and agrees that some of the underlying Services provided to the State pursuant to the Contract are provided by numerous local and inter-exchange companies throughout the state of Ohio.
3. Term: The SOMACS Contract shall be extended for a period of twenty-four (24) months from July 1, 2017 through June 30, 2019 (the "Extension Period").
4. Termination Charges: If the Customer of record terminates a SOMACS T1 circuit during the Extension Period, no Termination Charge applies.
5. Pricing: During the Extension Period pricing will be as follows:
  - a. For any Existing Base SOMACS T1 installed prior to July 1, 2011, the monthly recurring charge (MRC) will be \$450.00 during the Extension Period, until a replacement AT&T VPN contract is consummated with State of Ohio.
  - b. After June 30, 2017, no new SOMACS 56K, T1, DS3, SONET and GigaMAN orders will be accepted.
  - c. Upon execution of a new AT&T VPN Pricing Schedule with the State of Ohio, AT&T will provide 60 days' notice to each Subscribing Entity of pending SOMACS rerate. Upon receipt of such notice, the Subscribing Entity will have 60 days to issue a written order to AT&T to migrate service to the replacement AT&T VPN service or to disconnect the existing SOMACS service. In the event that an order to replace AT&T VPN service is received, AT&T will agree to maintain current contracted SOMACS monthly recurring charge (MRC) until such time as new AT&T VPN service is installed. If, after 60 day notice, no action is taken by Subscribing Entity, then the SOMACS T1 will rerate to \$1,000 MRC until 12/31/17. After 12/31/17, the MRC will increase to \$1,250.

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6. Termination of SOMACS Contract: The State and any Subscribing entities purchasing SOMACS services hereunder acknowledge and agree that the SOMACS Contract will terminate at the end of the Extension Period which is June 30, 2019. It is the intent of both Parties that all Customers purchasing hereunder will have migrated off the SOMACS Contract. In the event any Customers receiving SOMACS service have not been migrated by June 30, 2019, the State acknowledges and agrees that AT&T will migrate such service to an AT&T provided equivalent service under the State's Master Service Agreement at a contracted rate (if an effective contract is in place) or month to month rate. Such services shall be provided pursuant to an effective contract between the State and AT&T for equivalent service. Alternatively, if there is not an effective contract, then such service shall be provided in accordance with the applicable AT&T Service Guide at the then current AT&T month to month rates in effect for such service. AT&T will use commercially reasonable efforts to notify the Subscribing Entity(s) 30 days prior to contract expiration.

AT&T will work with the Customer and the State to generate status reports to be run and distributed to the Customer and the State at agreed upon time frames regarding active Service Orders Customer and the State will work diligently on the transitions of the Services.

7. Add Section for Cost Recovery

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 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 contract 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 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"

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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 2% Cost Recovery Fee within 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 Master Service Agreement and the supporting Cost Recovery Report. Credit of the Cost Recovery Fee will begin in the month of execution of this Agreement.

If Cost Recovery fee is not paid within 30 days after the end of the applicable reporting period, each party will attempt to resolve the dispute at the earliest possible time and without undue delay. If the parties are unable to resolve the dispute, the Party raising the dispute may provide to the other Party written notice detailing reason for dispute (the 'Dispute Notification'). The Parties will seek to resolve the dispute in accordance with the procedure below:

All disputes will be submitted first to the State's Revenue Share Manager and the Vendor's Account Manager (or equivalent) for resolution. For fifteen (15) days from receipt of the Dispute Notification ('Dispute Date') the State's Revenue Share Manager and the Vendor's Account Manager will meet in person or by telephone as often as is reasonably necessary to discuss and attempt to resolve the dispute in good faith.

If after the fifteen (15) days identified above, the State's Revenue Share Manager and the Vendor's Account Manager are unable to resolve the dispute, the Parties will then submit the dispute to the State's Financial Analysis Supervisor and to the Vendor's Sales Director (or equivalent) for resolution. For the next fifteen (15) days, the State's Financial Analysis Supervisor and Vendor's Sales Director will meet in person or by telephone as often as is reasonably necessary to discuss and attempt to resolve the dispute in good faith.

If following the fifteen (15) days in the previous section, the State's Financial Analysis Supervisor and the Vendor's Sales Director are unable to resolve the dispute, the Parties may then submit the dispute to the State's Financial Manager and to the Vendor's Vice President of Sales (or equivalent executive) for resolution. For the next fifteen (15) days, the State's Financial Manager and Vendor's Vice President will meet in person or by telephone as often as is reasonably necessary to discuss and attempt to resolve the dispute in good faith. If the State's Financial Manager and Vendor's Vice President are unable to resolve the dispute within that time, the Parties will nevertheless continue to retain their rights to initiate formal proceedings hereunder.

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The specific format for such discussions will be left to the discretion of the representatives of the State and Vendor responsible for attempting to resolve the dispute, but each Party will involve the business and legal resources reasonably necessary to attempt in good faith to resolve the dispute at the earliest possible time and without undue delay.

If the Parties are unable to resolve the dispute and the dispute involves a claim that the Vendor is noncompliant with its obligations regarding Cost Recovery payment, the State may offset any unpaid cost recovery from any amount owed to the Vendor under this Contract and employ all other remedies available to it under Ohio law for the non-payment of Cost Recovery. If the Parties are unable to resolve the dispute per the processes enumerated in the preceding paragraphs in this Agreement, and the disputes involves a claim that the Vendor is noncompliant with its obligations regarding Cost Recovery payment, the parties shall submit the dispute to third party binding arbitration for resolution, via a mutually agreeable AAA arbitration provider in the State of Ohio.

This Amendment shall become effective as of the date of State's signature and shall remain in full force and effect for the term of the Contract. Except as modified by this Amendment, all of the terms and conditions of the Contract shall remain in full force and effect.

The State has requested that AT&T sign this attachment first, and AT&T has agreed to do so. This attachment as signed by AT&T shall be binding upon the State of Ohio signature, and AT&T will begin implementing the attachment when a fully signed copy is returned by the State, provided such fully signed copy is returned to AT&T no more than thirty (30) days after AT&T delivered a signed copy to the State. Further, any and all changes made to the attachment after signature by AT&T shall be void and of no effect, unless and until incorporated into a written amendment to this attachment signed by both Parties, except for changes expressly authorized by the terms of this amendment.

**In Witness Whereof**, the Parties have executed this Amendment, which is effective on the date the State's duly authorized representative signs it on behalf of the State, ("Effective Date").

<b>AT&amp;T</b> (by its authorized representative)	<b>State of Ohio, The Department of Administrative Services</b>
By: 	By: 
Printed Name: Cheryl Wankowski	Printed Name: Robert Blair
Title: Senior Customer Contracts	Title: DAS Director
Date: 6-21-17	Effective Date: 6-27-17

Federal Tax ID: 13-4924710

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