

**Amendment Number 1**  
**to**  
**Contract Number DIR-TSO-3820**  
**between**  
**State of Texas, acting by and through the Department of Information Resources**  
**and**  
**AT&T Corp.**

This Amendment Number **1** to **Contract Number DIR-TSO-3820** ("**Contract**") is between the Department of Information Resources ("**DIR**") and AT&T Corp. ("**Vendor**"). DIR and Vendor agree to modify the terms and conditions of the **Contract** as follows:

**1. Contract, Section 2. Term of Contract** is hereby amended by adding the following:

DIR and Vendor hereby agree to extend the term of the Contract for one (1) year through June 23, 2020, or until terminated pursuant to the termination clauses contained in the Contract. The contract will renew automatically in one-year increments for one (1) additional year under the same terms and conditions unless either party provides notice to the other party 60 days in advance of the renewal date stating that the party wishes to discuss modification of terms or not renew. Additionally, the parties by mutual agreement may extend the term for up to ninety (90) additional calendar days.

**2. Contract, Section 3. Services Offerings** is hereby amended as follows:

Services available under this Contract are limited to the End-User IT Outsourcing Services as specified below. Vendor may incorporate changes to their services offering; however, any changes must be within the scope of the RFO and services awarded based on the posting described in Section 1.B above. Vendor may not add services which were not included in the Vendor's response to the solicitation described in Section 1.B above.

**End-User IT Outsourcing Categories**

This Contract is for services only. No hardware or software products may be sold under this Contract. Any products needed to deliver final services must be procured through another contract vehicle.

Customers shall order the Services by execution of a Statements of Work (SOWs). Vendors shall respond by demonstrating qualifications and experience for each engagement. At a minimum, each SOW will describe the service levels. From responses Customer will determine best value. The Sample SOW format and service level examples are shown in Appendix D. Services that can be included to provide End-User IT Outsourcing solutions are set forth below. Some services may be unavailable as service components, at the discretion of the Vendor.

CATEGORY	DESCRIPTION
<b>Management Services</b>	<b>The management of customer owned equipment or vendor provided equipment.</b>
Provisioning of Equipment	This category includes any information technology equipment that may be made commercially available within the current and future technology marketplace that addresses a business need of a Customer. Equipment includes, but is not limited to: desktops/workstations, notebooks/portables, mobility devices, end-user support servers, storage area networks, networking, software, and peripherals. Services shall include, but not be limited to: management of equipment procurement, equipment configuration management, and provisioning of equipment. Vendor must be capable of provisioning equipment using standard configurations developed by Customer. Vendor shall be responsible for bearing the cost of acquisition or lease costs that may be applicable in the procurement process and for IT equipment that may be required by a Customer.
Desktop Outsourcing Services	This category includes services related to desktop computers (or laptops acting in the role of desktops), desktop hosting servers, the underlying network infrastructure, the processes and the organization. Desktop support services include: > Deskside dispatch > Hardware break/fix > Installations, moves, adds and changes (IMAC) > Remote server > LAN/WAN (where applicable) > Shrink-wrapped software (dispatched efforts) > First-level application (dispatched efforts) > Enterprise-specific (where required) > IT asset inventory maintenance and process controls > Backup and recovery processes > Patch management > Output management > Hardware standards establishment > Service desk (often included)
Asset Tracking Services	Maintain a central asset management system to maintain tracking of Vendor owned equipment to include, but not be limited to: physical location, user, software licenses, maintenance records, and end of Agreement term dates. Information should be updated as necessary to account for IMAC, maintenance, and deskside support. The system should also be used for tracking any services that are provided on Customer owned equipment that may be applicable to a Supplemental Agreement.

Support Services	Services provided in the course of providing Management Services.
Service Desk	<p>Manage and supply a toll-free telephone number, email address, or web-based application for a Customer to report maintenance issues, trouble-tickets, and request other how-to assistance as necessary. Process must include a timely confirmation of receipt of all Customer reports and a resolution status of all service requests submitted.</p> <p>IT service desk is defined as the provision of internal end-user support for all IT services and includes:</p> <ul style="list-style-type: none"> <li>&gt; Labor, facilities, systems, processes, management and connectivity for service desk support</li> <li>&gt; First-level and second-level support</li> <li>&gt; Problem categorization and logging</li> <li>&gt; Problem tracking and escalation</li> <li>&gt; Problem resolution</li> <li>&gt; Remote access and resolution</li> </ul>
On Site Support & Moves/Adds/Changes (MACs) Services	<p>Provide day-to-day technical on-site support services, to include, but not be limited to: option of Vendor staff residing at a Customer location, assisting with complex problem identification, resolving complex issues which cannot be resolved by assistance of the help desk, installation of emergency hardware/software fixes, troubleshooting, physical relocation of equipment, continuing equipment modifications or upgrades, installation/de-installation, packing/unpacking of equipment, and swaps/replacement of equipment. Vendor should be capable of providing the services described for volume-based projects that affect several end-users as may be necessary throughout the term of a Customer's Supplemental Agreement.</p>
Remote Support Services	<p>Manage and provide Vendor remote support to "take over" and support a piece of equipment from a centralized location by Vendor personnel. Vendor shall provide phone support to assist in resolution of problems from a location that is remote to the end-user Customer.</p>
Standard and Ad Hoc Reporting and Documentation	<p>Produce various types of reports via online or hard copy as may be required by a Customer. These may include, but not be limited to: number of problems/calls logged, number of dispatch calls, and resolution time frames. Vendor shall allow a Customer's authorized end-user to have electronic access to view and query Vendor's standard reports.</p>
Break/Fix/Maintenance Services	<p>Manage support services, including bearing any cost, for all equipment owned and provided by the Vendor. This would include, but not be limited to: time and materials maintenance, troubleshooting, on-site support function, and upgrading of equipment as needed to provide any new technology features.</p>
Unwind/End of Engagement Services	<p>Manage the de-installation and packaging of Vendor provided equipment, to include but not be limited to: providing a plan to manage the unwind of the services, and removal of hard drives to be left with a Customer for destruction</p>

<b>Technology Services</b>	<b>Specific applications or technology centered processes.</b>
Mobility	<p>This category defines mobility as the provision of internal end-user support for all mobile functionality.</p> <p>The mobile services include:</p> <ul style="list-style-type: none"> <li>&gt; Labor, facilities, systems, processes, management and connectivity</li> <li>&gt; Managing mobile devices, including bring your own device (BYOD) to securely work with the customer's network and base systems</li> <li>&gt; Managing mobile device connectivity service</li> <li>&gt; Problem categorization and logging</li> <li>&gt; Problem tracking and escalation</li> <li>&gt; Problem resolution</li> </ul>
Hosted Virtual Desktop (HVD) Services	HVD service that can access applications from a centralized server, combined with a lower-cost desktop solution as the thin client.
Network Management Services	Manage and provide services for network related issues, to include, but not be limited to: connectivity troubleshooting, eliminating bottlenecks, and monitoring. For DIR eligible telecom Customers, telecommunications connectivity services will be achieved through the DIR consolidated telecommunications system, TEX-AN.
Software Services	Manage services for software to include, but not be limited to: software configuration management, patches, automated distribution, imaging creation, and imaging implementations
Security Services	Manage security services as applicable to the equipment as described within Item 1, Provisioning of Equipment and Procurement Services, that may be provided. To include, but not be limited to: firewalls, passwords, and data protection, equipment shipped in a default secure configuration, and option to keep a hard drive is required within the applicable equipment configuration. DIR reserves the right to promulgate standards in relation to security services and such standards will be discussed with vendors selected for negotiation.

4. **Appendix A. Standard Terms and Conditions For Services Contracts**, is hereby restated in its entirety and replaced with the attached **Appendix A. Standard Terms and Conditions For Product and Related Services Contracts dated 09/29/2017** except where previous authorized exceptions to Appendix A were allowed and documented as part of the Contract. In such cases, the previously authorized exceptions shall be applied to the portions of the new Appendix A which are comparable to those in the earlier Appendix A for which they were written, and this without regard for the numbering or lettering associated with any of the documents. Applied in such manner, the exceptions shall remain in full force and effect until such time the contract expires or is terminated.

5. **Authorized Exceptions to Appendix A, Standard Terms and Conditions for Services Contracts, previously authorized exceptions are hereby amended as follows:**

A. **Contract, Section 7, Services Statement of Work and Leasing Documents, E) Conflicting or Additional Terms** is hereby amended in its entirety as follows:

In the event that conflicting or additional terms in Service Agreements or linked or supplemental documents amend or diminish the rights of DIR Customers or the State, such conflicting or additional terms shall not take precedence over the terms of this Contract.

In the event of a conflict, any linked documents may not take precedence over the printed or referenced documents comprising this contract; provided further that any update to such linked documents shall only apply to purchases or leases of the associated Vendor product or service offering after the effective date of the update; and, provided further, that, if Vendor has responded to a solicitation or request for pricing, no update of such linked documents on or after the initial date of Vendor's initial response shall apply to that purchase unless Vendor directly informs Customer of the update before the purchase is consummated.

In the event that different or additional terms or conditions would otherwise result from accessing a linked document, agreement to said linked document shall not be effective until reviewed and approved in writing by Customer's authorized signatory. Notwithstanding anything contrary in this Section, third party vendor software license agreements mutually agreed to and referenced via link or otherwise in the Service Agreement shall apply to the use of such software by DIR Customers and/or the State.

Vendor and Customer shall enter into agreed Service Agreements detailing the services, and the associated fees, rates, charges, and expenses. Vendor shall not require any document that diminishes the rights, benefits, or protections of the Customer as set forth in the DIR Contract.

If Vendor attempts to do any of the foregoing, the prohibited documents will be void and inapplicable to the contract between DIR and Vendor or Vendor and Customer, and Vendor will nonetheless be obligated to perform the contract without regard to the prohibited documents, unless Customer elects instead to terminate the contract, which in such case may be identified as a termination for cause against Vendor.

The foregoing requirements apply to all contracts, including, but not limited to, contracts between Customer and a reseller who attempts to pass through documents and obligations from its Manufacturer or Publisher.

**B. Appendix A, Section 2, Definitions, B. Compliance Check** is hereby amended in its entirety as follows:

Compliance Check – an audit of Vendor’s compliance with the Contract may be performed by, but not limited to, a third party auditor, DIR Internal Audit department, or DIR contract management staff or their designees. No third party or DIR designee shall be a direct commercial competitor of Vendor.

**C. Appendix A, Section 2, Definitions**, the following definitions are amended to the Contract as follows:

**H. Affiliate** - of a party means any entity that controls, is controlled by, or is under the common control with, such party.

**I. Damages** - mean collectively all injury, damage, liability, loss, penalty, interest and expense incurred.

**J. Effective Date** - for any Statement of Work means, the date on which the last party signs the Statement of Work unless a later date is required by regulation or law.

**K. Order Fulfiller** – means the Party, either Vendor or party that may be designated by the Vendor, who is fulfilling a Purchase Order pursuant to this Contract.

**L. Service Agreement** - means the agreement executed by Customer for Services provided under this Contract, including any Statements of Work and/or Schedules.

**M. Service** - means a service (including equipment) provided under this contract.

**N. Site** - means Customer’s physical location, including Customer’s collocation space on AT&T’s, its Affiliate’s, or subcontractor’s property, where AT&T installs or provides a Service.

**D. Appendix A, Section 3, General Provisions, B2. Modification of Contract Terms and/or Amendments, 2)**, is hereby amended in its entirety as follows:

Customers shall not have the authority to modify the terms of the Contract; however, (a) additional Customer terms and conditions that do not conflict with the Contract and are acceptable to Order Fulfiller may be added in a Purchase Order and (b) custom terms and conditions agreed to by Vendor and Customer that do not conflict with the Contract or violate the requirements of Section 7.D. (Conflicting or Additional Terms) may be added in a Service Agreement, and given effect. No additional term or condition added in a Purchase Order issued by a Customer can conflict with or diminish a term or condition of the Contract. Pre-printed terms and conditions on any Purchase Order issued by Customer hereunder will

have no force and effect. In the event of a conflict between a Customer's Purchase Order and the Contract, the Contract term shall control.

**E. Appendix A, Section 3, General Provisions, E. Survival** is hereby amended in its entirety as follows:

All applicable Service Agreements that were entered into between Vendor and a Customer under the terms and conditions of the Contract shall survive the expiration or termination of the Contract. All Purchase Orders issued and accepted by Vendor shall survive expiration or termination of the Contract for the term of the Purchase Order, unless the Customer terminates the Purchase Order sooner. However, regardless of the term of the Purchase Order, no Purchase Order shall survive the expiration or termination of the Contract for more than five years, unless Customer makes an express finding and justification for the longer term. The finding and justification must either be included in the Purchase Order, or referenced in it and maintained in Customer's procurement record. Rights and obligations under this Contract which by their nature should survive, including, but not limited to the DIR Administrative Fee; and any and all payment obligations invoiced prior to the termination or expiration hereof, obligations of confidentiality; and indemnification will remain in effect after termination or expiration hereof.

**F. Appendix A, Section 3, General Provisions, F. Choice of Law** is hereby amended in its entirety as follows:

The laws of the State of Texas shall govern the construction and interpretation of the Contract. Nothing in the Contract or its Appendices shall be construed to waive the State's sovereign immunity.

**G. Appendix A, Section 4, Intellectual Property Matters** is hereby replaced as follows:

At present, no development of new code or other customization, Intellectual Property is contemplated under this contract. At such time Vendor and Customer agree to a scope or work involving new code development, the parties agree to negotiate applicable Intellectual Property provisions.

**H. Appendix A, Section 6, Contract Fulfillment and Promotion, A. Service, Sales and Support of the Contract** is hereby amended in its entirety as follows:

Subject to the availability and operation limitations of the necessary facilities and equipment, Vendor agrees to provide or arrange to have an AT&T Affiliate provide service, sales and support resources to serve all Customers throughout the State. It is the responsibility of the Vendor to sell, market, and promote products and services available under the Contract. Vendor shall use its best efforts to ensure that potential Customers are made aware of the existence of the Contract. All sales to Customers for products and services available under the Contract shall be processed through the Contract.

**I. Appendix A, Section 6, Contract Fulfillment and Promotion, B.5) Use of Access Data Prohibited** is hereby amended in its entirety as follows:

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

**J. Appendix A, Section 7, Pricing, Purchase Orders, Invoices, and Payments, C.3) Customer Price** is hereby amended in its entirety as follows:

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

**K. Appendix A, Section 7, Pricing, Purchase Orders, Invoices, and Payments, G. Changes to Prices** is hereby amended in its entirety as follows:

Subject to the requirements of this section, Vendor may change the price of any product or service at any time, based upon changes to the MSRP, but discount levels shall remain consistent with the discount levels specified in this Contract. Vendor may revise its pricing (but not its discount rate, if any, and not the services on its contract pricing list) by posting a revised pricing list. Such revised pricing lists are subject to review by DIR. If DIR finds that a product's or service's price has been increased unreasonably, DIR may request Vendor to reduce its pricing for the product or service to the level published before the revision. Vendor must reduce its pricing, or remove the product from its pricing list. Failure to do so will constitute an act of default by Vendor. This section shall not require Vendor to revise prices for services where Vendor has already placed an order.

**L. Appendix A, Section 8, Contract Administration, B. Reporting and Administrative Fees, 4) DIR Administrative Fee** is hereby amended in its entirety as follows:

a) An administrative fee shall be paid by Vendor to DIR to defray the DIR costs of negotiating, executing, and administering the Contract. The maximum administrative fee is set by the Texas Legislature in the biennial General Appropriations Act. Payment of the administrative fee shall be due on the fifteenth (15th) calendar day after the close of the previous month



period. DIR may change the amount of the administrative fee upon ninety (90) calendar days written notice to Vendor without the need for a formal contract amendment.

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

**M. Appendix A, Section 9, Vendor Responsibilities, A. Indemnification, 2) Acts and Omissions** is hereby amended in its entirety as follows:

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

**N. Appendix A, Section 9, Vendor Responsibilities, A. Indemnification, 3) Infringements** is hereby amended in its entirety as follows:

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

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

content; (vii) AT&T's adherence to Customer's or its Affiliate's written requirements; or (viii) use of the Service in violation of this Contract (including the Service Agreement).

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

**O. Appendix A, Section 9, Vendor Responsibilities, B. Taxes/Worker's Compensation/UNEMPLOYMENT** is hereby amended in its entirety as follows:

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

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

**P. Appendix A, Section 9, Vendor Responsibilities, I. Security of Premises, Equipment, Data and Personnel** is hereby amended in its entirety as follows:

Vendor and/or Order Fulfiller may, from time to time during the performance of the Contract, have access to the personnel, premises, equipment, and other property, including data, files and /or materials (collectively referred to as "Data") belonging to the Customer. Vendor shall use their best efforts to preserve the safety, security, and the integrity of the personnel, premises, equipment, Data and other property of the Customer, in accordance

with the instruction of the Customer. Vendor shall be responsible for damage to Customer's equipment, workplace, and its contents when such damage is caused by its employees or subcontractors.

**Q. Appendix A, Section 9, Vendor Responsibilities, K. Limitation of Liability** is hereby amended in its entirety as follows:

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

**R. Appendix A, Section 9, Vendor Responsibilities, N. Required Insurance Coverage** is hereby amended in its entirety as follows:

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

**Commercial General Liability**

Commercial General Liability must include \$1,000,000 per occurrence for Bodily Injury and Property Damage, with a separate aggregate limit of \$2,000,000; Personal Injury and Advertising Liability of \$1,000,000; Products/Completed Operations Aggregate Limit of \$2,000,000; and Damage to Premises Rented: \$50,000. Agencies may require additional Umbrella/Excess Liability insurance. The policy shall contain the following provisions:

- a) Blanket contractual liability coverage for liability assumed under the Contract;
- b) Independent Contractor coverage;
- c) State of Texas, DIR and Customer included as an additional insured; and
- d) Waiver of Subrogation

Workers' Compensation Insurance

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

Business Automobile Liability Insurance

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

Waiver of Subrogation; and  
Additional Insured.

**S. Appendix A, Section 9, Vendor Responsibilities, T. Deceptive Trade Practices; Unfair Business Practices** is hereby amended in its entirety as follows:

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

**T. Appendix A, Section 9, Vendor Responsibilities, X. Disclaimer of Warranties** is hereby amended as follows:

AT&T MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY REPRESENTATION OR WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INFRINGEMENT, OR ANY WARRANTY ARISING BY USAGE OF TRADE OR COURSE OF DEALING. FURTHER, AT&T MAKES NO REPRESENTATION OR WARRANTY THAT TELEPHONE CALLS OR OTHER TRANSMISSIONS WILL BE ROUTED OR COMPLETED WITHOUT ERROR OR INTERRUPTION (INCLUDING CALLS TO 911 OR ANY SIMILAR EMERGENCY RESPONSE NUMBER), OR GUARANTEE REGARDING NETWORK SECURITY, THE ENCRYPTION EMPLOYED BY ANY SERVICE, THE INTEGRITY OF ANY DATA THAT IS SENT, BACKED UP, STORED OR SUBJECT TO LOAD BALANCING, OR THAT AT&T'S SECURITY PROCEDURES WILL PREVENT THE LOSS OR ALTERATION OF, OR IMPROPER ACCESS TO, CUSTOMER'S DATA AND CONFIDENTIAL INFORMATION.

**U. Appendix A, Section 9, Vendor Responsibilities, Y. Disclaimer of Liabilities** is hereby amended as follows:

AT&T WILL NOT BE LIABLE FOR ANY DAMAGES, EXCEPT TO THE EXTENT CAUSED BY AT&T'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, ARISING OUT OF OR RELATING TO: INTEROPERABILITY, ACCESS OR INTERCONNECTION OF THE SERVICES WITH APPLICATIONS, EQUIPMENT, SERVICES, CONTENT, OR NETWORKS PROVIDED BY CUSTOMER OR THIRD PARTIES; SERVICE DEFECTS, SERVICE LEVELS, DELAYS, OR INTERRUPTIONS (EXCEPT FOR LIABILITY FOR SUCH EXPLICITLY SET FORTH IN THIS AGREEMENT OR A SERVICE AGREEMENT); ANY INTERRUPTION OR ERROR IN ROUTING OR COMPLETING CALLS OR OTHER TRANSMISSIONS (INCLUDING 911 CALLS OR ANY SIMILAR EMERGENCY RESPONSE NUMBER); LOST OR ALTERED MESSAGES OR TRANSMISSIONS; OR UNAUTHORIZED ACCESS TO OR THEFT, ALTERATION, LOSS, OR DESTRUCTION OF CUSTOMER'S, ITS AFFILIATE'S, USERS', OR THIRD PARTIES' APPLICATIONS, CONTENT, DATA, PROGRAMS, CONFIDENTIAL INFORMATION, NETWORK, OR SYSTEMS.

**V. Appendix A, Section 9, Vendor Responsibilities, Z. Privacy and Related Terms** is hereby amended as follows:

A. Privacy Laws. Each party is responsible for complying with the privacy laws applicable to its business. Customer proprietary network information (CPNI) is defined as data collected about a customer's network and call records including call detail reports. Personally Identifiable Information (PII) is defined as information which can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual. Until directed otherwise by Customer in writing, if AT&T designates a dedicated account representative as Customer's primary contact with AT&T, Customer authorizes that representative to discuss and disclose Customer's CPNI to any employee or agent of Customer without a need for further authentication or authorization. Any PII identified by the Customer and specifically designated physically or electronically as Customer PII disclosed to the AT&T personnel through any service effort must not be communicated, transmitted or disclosed in any manner without the written authorization of the Customer. If Customer does not want AT&T personnel to comprehend or transmit Customer CPNI or PII data to which they may have access in performing services, Customer should identify such data, encrypt, mask, obfuscate, or otherwise protect such data so that it will be unintelligible.

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

C. Obligations. Each party's Confidential Information will permanently following its disclosure to the other party: (i) be held in confidence; and (ii) not be disclosed, except to the receiving party's employees, agents and contractors having a need-to-know (but only if such agents and contractors are not direct competitors of the other party and agree in writing to use and disclosure restrictions as restrictive as this Section 8.H., or to the extent compelled to be revealed by law (including the Texas Public Information Act), governmental authority or legal process (but only if such disclosure is limited to that which is compelled

by such legal process and prompt notice is provided to the disclosing party to the extent practicable and not prohibited by law or legal process). These obligations will survive the expiration or termination of the Contract or any Purchase Order under it.

D. Exceptions. The restrictions in this Section will not apply to any information that: (a) is independently developed by the receiving party; (b) is lawfully received by the receiving party free of any obligation to keep it confidential; or (c) becomes generally available to the public other than by breach of this Agreement. e) As part of conducting a background and/or criminal history investigation pursuant to Appendix A, Section 9.J, Customer or its designee, including the Texas Department of Public Safety, may obtain information regarding AT&T employees or subcontractors, which includes, but is not limited to, name, address, telephone number, driver's license number, date of birth, health information, biometric data and other personal information obtained in connection with the investigation (collectively, "Sensitive Personal Information" or "SPI"). Customer and its designee(s) shall consider SPI to be private, sensitive and confidential. SPI may be subject to certain privacy laws and regulations and requirements, including requirements of AT&T, and requires a high degree of protection. Customer shall comply with all applicable privacy laws and regulations and must treat such SPI with the same degree of care as Customer would treat SPI of its own employees and subcontractors including, without limitation:

- (i) Collect SPI only as needed for a background and/or criminal history investigation or otherwise as permissible under this Agreement;
- (ii) Not use, disclose, or distribute any SPI except in connection with a background and/or criminal history investigation or otherwise as permissible under this Agreement;
- (iii) Store and transmit SPI securely, including without limitation encrypting SPI when it is at rest and being transmitted;
- (iv) Restrict access to SPI only to those employees of Customer or its designee(s) that require access to perform the services under this Agreement;
- (v) Immediately notify AT&T if Customer becomes aware that (a) any of the above provisions has been breached; (b) any disclosure of SPI to any third party not expressly permitted herein to receive or have access to SPI; or (c) any breach of, or other security incident involving, Customer's systems or network that could cause or permit access to SPI inconsistent with the above-referenced provisions. Customer shall fully cooperate with AT&T in determining, as may be necessary or appropriate, actions that need to be taken including the full scope of the breach, disclosure or security incident, corrective steps to be taken by Customer, the nature and content of any notifications, law enforcement involvement, or news/press/media contact etc., and Customer shall not communicate directly with any AT&T employee or subcontractor without AT&T's consent, which such consent shall not be unreasonably withheld; and
- (vi) Implement any other administrative, physical, and technical safeguards to ensure proper use, and protect against any unauthorized disclosure, of SPI.

**W. Appendix A, Section 10, Contract Enforcement, B. Termination, 4) Termination for Cause, b) Purchase Order or Service Agreement** is hereby amended in its entirety as follows:

Customer or Order Filler may terminate a Purchase Order or Service Agreement upon the occurrence of a material breach of any term or condition: (i) of the Contract, or (ii) included in the Purchase Order or Service Agreement in accordance with Section 3.B.2 above, upon the following preconditions: first, the parties must comply with the requirements of Chapter 2260, Texas Government Code, in an attempt to resolve a dispute; second, after complying with Chapter 2260, Texas Government Code, and the dispute remains unresolved, or if Chapter 2260 is not applicable, then the non-defaulting party shall give the defaulting party thirty (30) calendar days from receipt of notice to cure said default. If the defaulting party fails to cure said default within the timeframe allowed, the non-defaulting party may, at its option and in addition to any other remedies it may have available, cancel and terminate the Purchase Order or Service Agreement. Customer may immediately suspend or terminate a Purchase Order without advance notice in the event Vendor fails to comply laws. with confidentiality, privacy or security requirements or is in violation of any applicable.

**X. Appendix A, Section 10, Contract Enforcement, B. Termination, 8) Suspension and Termination of Services, is hereby amended as follows:**

The following additional suspension and termination of Services provisions apply:

a) Fraud or Abuse. AT&T may terminate or suspend an affected Service for cause immediately by providing Customer with as much advance notice as is reasonably practicable under the circumstances if Customer (i) commits a fraud upon VENDOR, (ii) utilizes the Service to commit a fraud upon another party, (iii) unlawfully uses the Service, (iv) abuses or misuses VENDOR's network or Service, or (v) interferes with another customer's use of VENDOR's network or services.

b) Withdrawal of Services. Notwithstanding that a Pricing Schedule or Service Agreement may commit VENDOR to provide a Service to Customer for a Term, and unless applicable law or regulation mandates otherwise, VENDOR may discontinue providing a Service upon 12 months' notice, or a Service Component upon 120 days' notice, but only where VENDOR generally discontinues providing the Service or Service Component to similarly-situated customers.

(c) Materially Adverse Change. If VENDOR revises a Service Publication and the revision has a materially adverse impact on Customer, and VENDOR does not effect revisions that remedy such materially adverse impact within 30 days after notice from Customer, then Customer may, as Customer's sole remedy, elect to terminate the affected Service Components on 30 days' notice to VENDOR, given not later than 90 days after Customer first learns of the revision to the Service Publication. "Materially adverse impacts" do not include changes to non-stabilized pricing, changes required by governmental authority, or assessment of or changes to additional charges such as surcharges or taxes.

(d) Internet Services. If Customer fails to rectify a violation of the AUP within 5 days after notice from VENDOR, VENDOR may suspend (and later terminate for cause) or terminate the Service for cause. If Services are provided over or access the Internet, VENDOR may act immediately and without notice to suspend or terminate Service in response to a court order or government notice that certain conduct must be stopped or when VENDOR reasonably determines (i) that it may be exposed to sanctions or prosecution; (ii) that such violation may cause harm to or interfere with the integrity or normal operations or security of VENDOR's network or networks with which VENDOR is interconnected or interfere with

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

**Y. Appendix A, Section 10, Contract Enforcement, B. Termination, 9) Effect of Termination**, is hereby amended as follows:

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

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

**Z. Appendix A, Section 10, Contract Enforcement, B. 10) Termination Charges** is hereby amended as follows:

If, on or after Customer's obligation to pay for Services begins, Customer terminates a Purchase Order or Service Agreement for convenience or Vendor terminates a Purchase Order or Service Agreement for Customer's fraud or abuse, Customer's hazardous materials violations, or Customer's material breach, Customer will pay termination charges as follows:

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

**AA. Appendix A, Section 10, Contract Enforcement, C. Force Majeure** is hereby amended in its entirety as follows:

Except in the case of payment of amounts due, for which such payments do not directly involve an event of Force Majeure, DIR, Customer, or Order Fulfiller may be excused from performance under the Contract for any period when performance is prevented due to any cause beyond such non-performing party's reasonable control, including an act of God, strike, war, civil disturbance, epidemic, loss or damage due to fire, explosion, cable cuts, power blackout, earthquake, flood, embargo, labor disputes, acts of civil or military authority, acts of a public enemy, acts or omissions of carriers or suppliers, acts of regulatory or governmental agencies, or court order, provided that the party experiencing the event of Force Majeure has prudently and promptly acted to take any and all steps that are within the party's control to ensure performance and to shorten the duration of the event of Force Majeure. The party suffering an event of Force Majeure shall provide notice of the event to the other parties when commercially reasonable. Subject to this provision, such non-performance shall not be deemed a default or a ground for



termination. However, a Customer may terminate a Purchase Order within thirty (30) days of the issuance of the Purchase Order if it is reasonably determined by the Customer that, as a result of a Force Majeure event, Order Fulfiller will not be able to deliver products or services in a timely manner to meet the business needs of the Customer.

**BB. Appendix A, Section 13, Import/Export Control** is hereby amended as follows:

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

**CC. Appendix A, Section 14, No Third Party Beneficiaries** is hereby amended as follows:

This Agreement is for the benefit of permitted Customers and AT&T, and does not provide any third party (including Users) the right to enforce or bring an action for any remedy, claim, liability, reimbursement, cause of action or other right or privilege.

**DD. Appendix A, Section 15, AT&T Deliverables** is hereby amended as follows:

- A. Services. AT&T agrees to either provide or arrange to have an AT&T Affiliate provide Services to Customer in accordance with this Contract, subject to availability and operational limitations of systems, facilities and equipment. Where required, an AT&T Affiliate authorized by the appropriate regulatory authority will be the service provider.
- B. AT&T Equipment. Services may include use of certain equipment owned by AT&T that is located at the Site ("AT&T Equipment"), but title to the AT&T Equipment will remain with AT&T. Customer must provide electric power for the AT&T Equipment and keep the AT&T Equipment physically secure and free from liens and encumbrances. Customer will bear the risk of loss or damage to AT&T Equipment (other than ordinary wear and tear) except to the extent caused by AT&T or its agents.
- C. Software. Any software used with the Services will be governed by the written terms and conditions applicable to such software. Title to software remains with AT&T or its supplier. Customer must comply with all such terms and conditions and they take precedence over this Contract as to such software.

**EE. Appendix A, Section 16, Customer's Cooperation** is hereby amended as follows:

- A. Access Right. Customer will in a timely manner allow AT&T to access property and equipment that Customer controls as reasonably required to provide the Services, and Customer will obtain, at Customer's expense, timely access for AT&T to property that Customer does not control (other than public property) as reasonably required to provide

the Services. Access rights include the right to construct, install, repair, maintain, replace and remove access lines and network facilities, as well as to use ancillary equipment space within a building, as necessary for Customer's connection to AT&T's network. Customer must provide AT&T timely information and access to Customer's facilities and equipment as AT&T reasonably requires to provide the Services, subject to Customer's reasonable security policies. Customer will furnish any conduit, holes, wireways, wiring, plans, equipment, space, power/utilities, and other items reasonably required to perform installation of the Services, and obtain any necessary licenses, permits and consents (including easements and rights-of-way). Customer will have the Site ready for AT&T to perform its work according to a mutually agreed schedule.

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

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

D. Resale of Services. Customer may not resell the Services to third parties without AT&T's written consent. Where permitted under applicable law, Customer may resell the Services to Customer's Affiliates without AT&T's consent.

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

**FF. Appendix A, Section 17, Overview of Documents** is hereby amended as follows:

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

Pricing Schedules

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

Tariffs and Guidebooks

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

#### Acceptable Use Policy

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

#### Service Guides

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

All other terms and conditions of the Contract as amended, not specifically modified herein, shall remain in full force and effect. In the event of conflict among the provisions, the order of precedence shall be Amendment Number 1 and then the Contract DIR-TSO-3820.

**IN WITNESS WHEREOF**, the parties hereby execute this amendment to be effective as of the date of the last signature, but in all events, no later than June 23, 2019.

**AT&T Corp.**

**Authorized By:** Signature on file

**Name:** Laura Morales

**Title:** Contract Specialist CGI

**Date:** 17 Jun 2019

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

**Authorized By:** Signature on file

**Name:** Hershel Becker

**Title:** Chief Procurement Officer

**Date:** 6/20/2019 | 5:21 PM CDT

**Office of General Counsel:** M.H 6/19/2019 | 10:13 AM CDT