

**Amendment Number 1**  
**to**  
**Contract Number DIR-TSO-3987**  
**between**  
**State of Texas, acting by and through the Department of Information Resources**  
**and**  
**Affiliated Telephone, Inc.**

This Amendment Number 1 to Contract Number DIR-TSO-3987 ("Contract") is between the Department of Information Resources ("DIR") and Affiliated Telephone, Inc. ("Vendor"). DIR and Vendor agree to modify the terms and conditions of the Contract as follows:

1. **Contract, Section 5., DIR Cost Recovery Fee**, is hereby replaced in its entirety as follows:

**5. DIR Administrative Fee**

A. The Administrative Fee (AF) to be paid by the Vendor to DIR for telecommunications Services based on the dollar value of all sales to Customers pursuant to this Contract is zero-point five percent (0.50%) beginning September 1, 2018. The AF applied for sales prior to September 1, 2018 will be the AF paid throughout project completion, and the AF for all sales after September 1, 2018 will be 0.50%. Payment will be calculated for all telecommunications sales, net of returns and credits. For example, the AF for sales totaling \$100,000 shall be \$500.

B. All prices quoted to Customers shall include the applicable AF. DIR reserves the right to change this fee upwards or downwards during the term of this Contract, upon written notice to Vendor. Changes in the AF shall be incorporated into the price to the Customers on the date designated by DIR.

2. **Contract, Section 6. Notification, If Sent to the State**, is hereby replaced in entirety as follows:

If sent to the State:

Aiko Neill, CTPM, CTCM  
Director, Enterprise Contract Management  
Department of Information Resources  
300 W. 15th St., Suite 1300  
Austin, Texas 78701  
Phone: (512) 475-0515  
Facsimile: (512) 475-4759  
Email: [aiko.neill@dir.texas.gov](mailto:aiko.neill@dir.texas.gov)

3. **Appendix A, Standard Terms and Conditions for Services Contracts** is hereby replaced in entirety with **Appendix A, Standard Terms and Conditions for Telecom Managed Services Contracts** dated January 23, 2018.

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 this Amendment 1, and then the Contract.

**IN WITNESS WHEREOF**, the parties hereby execute this amendment to be effective as of the date of last signature below.

**Affiliated Telephone, Inc.**

**Authorized By:**           /signature on file/          

**Name:**   **Jim Carter**          

**Title:**   **Partner**          

**Date:**   8/22/2018 | 8:42 AM CDT          

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

**Authorized By:**           /signature on file/          

**Name:**   **Wayne Egeler**          

**Title:**   **CTS Director**          

**Date:**   8/24/2018 | 4:15 PM CDT          

**Office of General Counsel:**           /initials on file/