

**Amendment Number 1  
to  
Contract Number DIR-TSO-4060  
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-4060 ("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 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.
4. **Appendix A, Standard Terms and Conditions for Telecom Managed Services Contracts** dated January 23, 2018, **Section 7.H. Telecommunication Fees and Surcharges and Taxes, Paragraph 1)** is hereby replaced in entirety as follows:

A. 7.H. 1) Telecommunications Fees and Surcharges and Taxes

1) Any FCC, PUC or other authorized telecommunications taxes, fees and surcharges applicable to any Service may only be imposed if the Vendor listed them in Bid Package 2 upon submission of Offer. Vendor acknowledges that certain Customers that are political subdivisions of the State, are exempt from the imposition and collection of certain State telecommunications fees, including the Texas Universal Service Fund Charge and the Texas Infrastructure Fund assessment. In addition, State agency Customers have additional exemptions from State telecommunications fees, including the 9-1-1 emergency service fee, 9-1-1 equalization surcharge, poison control surcharge, and late charges imposed under Section 55.010, Texas Utilities Code. Vendor agrees to not bill for any items which are not mandated by the FCC, PUC or other proper authority and which are otherwise not applicable to the Services and for which Vendor has requested and received valid exemption certificates from Customers. Vendor agrees to promptly correct any incorrect billings of telecommunications fees and surcharges that occur. Vendor acknowledges that DIR makes no representations about the exemption status of any Customers that are assistance organizations, as defined in Section 2175.001, Texas Government Code or certain private institutions of higher education under Section 2170.004 (5), Texas Government Code. Vendor must request and receive any exemption certificates that may apply from each such organization directly.

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.

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