SERVICE AGREEMENT

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THIS AGREEMENT entered into in East Hartford, Connecticut, hereinafter referred to as the "Agreement" or "contract" is made by and between the **State of Connecticut**, acting by its Department of Information Technology, Contracts and Purchasing Division, hereinafter referred to as the "State" or "Customer," located at 101 East River Drive, East Hartford, CT 06108, and **Southern New England Telecommunications Corporation**, hereinafter referred to as the "Supplier" or "contractor" or "Provider," having its principal place of business at 310 Orange Street, New Haven, CT 06510, (collectively the "Parties" or singularly a "Party".)

THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

1. Scope

This Agreement governs Services provided by Supplier and through its Affiliates and purchased by the State. Any such Services shall be referenced in a separate Product Schedule, which shall be incorporated by reference into this Agreement and shall include a brief description of the Service, price including applicable discounts, restrictions on use, the entity providing the Service and any other information agreed to by the Parties.

2. Definitions

a. "Affiliate" shall mean: (i) an entity having an ownership interest in a Party of 50% or more; or (ii) an entity in which a Party has an ownership interest of 50% or more; or (iii) an entity having more than 50% ownership interest in an Affiliate as defined in (i) or (ii); or (iv) an entity in which an Affiliate as defined in (i) or (ii) has an ownership interest of 50% or more or (v) an entity which a Party's parent has an ownership interest of 50% or more. During the Initial Term or any additional Term of this Agreement, in the event an Affiliate loses its status as an Affiliate, for any reason, such Affiliate may remain an Affiliate, for purposes of this Agreement, as mutually agreed to by the Parties.

b. "Agreement" shall mean this document, when executed and approved, the RFP and all amendments thereto including Product Schedules, the Supplier's proposal, and all documents referenced in the Order of Precedence as set forth herein.

c. "Contracting agency" shall mean the Department of Information Technology (DOIT).

d. "Department" shall mean the Department of Information Technology (DOIT).

e. "Improvements" shall mean Supplier changes made to Products from time to time either to provide additional functions for Department use or to correct errors and other performance deficiencies noted by the Department and reported to Supplier.

f. "Product" shall mean any Supplier furnished operating firmware, Software license, custom developed or enhanced computer software configured and interconnected as a System capable of being operated to process information in accordance with the RFP. Product shall further mean any associated maintenance, training, other associated services, along with all related materials, documentation, and information received by Department from Supplier that is specified in any Customer Letter Order.

h. "Product Schedule" shall mean that document which establishes Products, licensing period(s), System maintenance and support, training, other services and associated pricing then available to the Department under the provisions of this Agreement.

i. “Project Implementation Summary” shall mean that document which itemizes milestone periods, tasks, and deliverables where checkpoints are to be taken to assure the Department that the development, implementation, and maintenance is proceeding according to schedule.

j.. “Project Implementation Schedule” shall mean that document which further defines the tasks and associated deliverables of the Project Implementation Summary and may be recognized for the purpose of payment to the Supplier.

k. “Proposal” shall mean the document submitted by the Vendor in response to the RFP.

l. “RFP” shall mean the Request For Proposal No 990-A-24-7015 issued by the Department of Information Technology on February 14, 2001, and all amendments thereto, as referenced in this Agreement.

m. “Service” shall mean all of the telecommunications products and services described in the Product Schedules attached hereto as they may be amended from time to time.

n. "Site" shall mean a location of a computer system or systems consisting of one processing unit (PU) or multiple interconnected processing units.

o. “Specifications" shall mean the Supplier's published technical and non-technical detailed descriptions of a Product's capabilities and/or intended use.

p. “User” shall mean State agencies, municipalities, quasi-state agencies and other entities who purchase Products or Services under this Agreement. All agencies, municipalities, quasi-agencies and other entities who are deemed User under this Agreement shall be bound by the terms and conditions stated in this Agreement.

3. Assurances

The Services as set out in the Product Schedule hereof may be governed by Supplier tariffs, filed with the Connecticut Department of Public Utility Control (“DPUC”) or the Federal Communications Commission (“FCC”). Supplier shall not file any tariff changes that impact the State’s obligations hereunder or are inconsistent with the terms hereof, unless such changes are filed to meet a legal or regulatory mandate. If any such required tariff changes impact the State’s obligations hereunder or are inconsistent with the terms hereof, then the State shall have the right to terminate this Agreement without liability to Supplier or its Affiliates. Supplier agrees to use its best efforts to provide the State no less than sixty (60) days prior written notice of its intention to file for such required tariff changes. The State will notify Supplier within sixty (60) days of receipt of Supplier’s notice of the State’s intent to terminate this Agreement as provided hereunder.

4. Acquiring Products

a. Subject to the terms and conditions of this Agreement, Supplier shall sell, transfer, convey and/or license (as identified in the applicable Letter Order) to the Department any Product and furnish to Department any associated Service or Product then available in the Product Schedule that are listed in the Letter Orders, issued by the Contracts and Purchasing Division of the Department.

b. Any Letter Order that has been accepted by the Supplier shall be immediately attached to this Agreement and shall remain attached until such time as any and all Products, licenses and associated Services listed in the Letter Order have been terminated. During the period of attachment, the Letter Order shall be known as an "Attachment" and shall hereinafter be referred to as such.

c. Supplier may supplement the Product Schedule at any time to make additional Products, Services and related terms available to the Customer, provided that the effective date of each supplement is stated thereon. Any supplement must be transmitted to the Customer with a cover letter, documenting formal approval of the supplement by a Supplier representative then legally empowered to so act.

d. Upon Customer receipt of ninety (90) calendar days' prior written notice, Supplier may update any Product Schedule pricing by amending the Product Schedule effective July 1 of any State of Connecticut fiscal year, provided: (1) the Product Schedule amendment is transmitted and approved in the same manner as described for supplements in Subsection 3.c., (2) no Product license, or related service, rate is increased within the first year of the Product license or Service, and (3) any such resultant price increase shall not exceed five percent (5%) in any State of Connecticut fiscal year. In no case shall any such increase exceed Supplier's published prices then applicable to local governments and other states. Customer shall provide Supplier written acknowledgement, for Supplier's records, of such received amendment.

e. Products ordered prior to the effective date of any Product Schedule pricing increase shall enjoy protection from rate increase during their initial terms.

f. Supplier shall provide Customer with a discount on any Product Schedule pricing according to Supplier's discount policy in effect when a Letter Order is placed or according to the discount shown on the Product Schedule, whichever is greater.

5. Payment and Installation.

Any applicable nonrecurring charges specified in this Agreement are due in arrears. Monthly or quarterly service fees or monthly recurring charges ("MRC"), together with applicable taxes or charges (which will be stated separately on the invoice), are due in accordance with State statutes and the terms of this Agreement. Failure to make payment within forty-five (45) days after which services have been rendered and an invoice provided, shall not constitute a default or breach, but rather, shall entitle Provider to receive interest on the amount outstanding after said forty-five (45) days in accordance with the State of Connecticut statutes. Within five (5) days of this Agreement becoming effective upon its approval as to form by the Office of the Attorney General of the State of Connecticut and Provider receipt of a purchase order, Provider will provide an estimated service date for services ordered.

6. 2% Monthly Credit.

Supplier shall issue User, on a monthly basis, a 2% credit, excluding any taxes and surcharges, of the gross amount due to Supplier from each invoice or consolidated bill of any entity utilizing this Agreement effective the first billing cycle following the execution of this Agreement or the first billing cycle following the initiation of services.

Surcharges include SLC (Subscriber Line Charge), PICC-Interstate (Primary Interexchange Carrier Charge), PICC-Intrastate (Primary Intraexchange Carrier Charge), CLC (Carrier Line Charge), FUSF-End User (Federal Universal Service Fund), USF-Interstate (Universal Service Fund), USF-Local (Universal Service Fund), LNP (Local Number Portability), GSP (Global Service Provider), E-911 (En-

hanced 911) CSF (Connecticut Service Fund), Flex-Ani Surcharge (PSP payphone service provider only). If some future regulatory development establishes a new charge, SBC SNET and the State will mutually determine the exemption of such charges from the monthly credit at that time.

7. Term.

This Agreement shall become effective upon its approval as to form by the Attorney General of the State of Connecticut and continue for three years from that date. At the expiration of the initial three (3) year term of this Agreement there shall be two (2) one-year optional extensions. Such optional extensions shall be exercised at the sole discretion of the Customer, at rates and charges to be agreed upon between the Parties. All purchase orders issued against this Agreement shall be governed by the Terms and Conditions of this Agreement regardless of the purchase order's end date.

8. Rates.

Provider agrees to provide the Services at rates not exceeding the rates set forth in this Service Agreement. Upon Customer receipt of ninety (90) days' prior written notice, Provider may increase such rates effective July 1 of any Customer fiscal year provided such rate increase is limited to the lesser of five percent (5%) or the Consumer Price Index. Upon any such price increase, Customer may elect to terminate this Agreement, and be relieved of all obligations therefor, upon thirty (30) days written notice to Provider.

Payment will be made only after presentation of a properly completed and documented Invoice. All invoices shall be sent directly to the Customer. All inquiries regarding the status of unpaid invoices shall also be directed to the Customer. In cases where there is a good faith dispute concerning the Provider's claim for payment, the State agency shall contact the Provider prior to payment due date. Where there is a good faith dispute concerning Provider's claim for payment, payment of the disputed amount may be withheld. When the Provider corrects the defect or impropriety, Provider shall be entitled to timely payment.

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9. Reports To The Auditors Of Public Accounts.

This contract is subject to the provisions of §4-61dd Connecticut General Statutes. In accordance with this section any person having knowledge of any matter involving corruption, violation of state or federal laws or regulations, gross waste of funds, abuse of authority or danger to the public safety occurring in any large state contract, may transmit all facts and information in his possession concerning such matter to the Auditors of Public Accounts. In accordance with subsection (e) if an officer, employee or appointing authority of a large state contractor takes or threatens to take any personnel action against any employee of the contractor in retaliation for such employee's disclosure of information to the Auditors of Public Accounts or the Attorney General under the provisions of this section, the contractor shall be liable for a civil penalty of not more than five thousand dollars for each offense, up to a maximum of twenty per cent of the value of the contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation each calendar day's continuance of the violation shall be deemed to be a separate and distinct offense. The executive head of the state or quasi- public agency may request the Attorney General to bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection

(f) each large state contractor shall post a notice of the provisions of this section relating to large state contractors in a conspicuous place, which is readily available for viewing by the employees of the contractor.

10. Provision of Equipment Space, Conduit, and Electrical Power.

Customer shall timely provide the necessary equipment space, conduit, electrical power and environmental conditions required to terminate and maintain the facilities used to provide the Services on all applicable premises without charge or cost to Provider and assure Provider a safe place to work. Customer shall also make available to Provider for diagnostic purposes a local exchange carrier dedicated inbound telephone line. The Customer will establish the procedure for use of the telephone line.

11. Equipment.

All right, title and interest in all the fiber optic or other facilities and associated equipment provided by Provider, unless paid for by Customer, shall at all times remain exclusively with Provider. Customer acknowledges that all routing equipment supplied by Provider is for management of Customer/Provider demarcation point and shall not be used for anything other than its intended purpose as provided for in RFP # 990-A-24-7015. Customer shall not create any liens or encumbrances with respect to such facilities or equipment. Upon termination of Services, Provider shall remove, or request Customer to return at Provider's expense, Provider's equipment.

12. Governmental Authorizations.

Provider shall use reasonable efforts to obtain and keep in effect all necessary governmental authorizations necessary to provide the Services, and Provider shall take all such actions, at no cost to Customer, as may reasonably be required to maintain the Services in conformity with governmental requirements.

13. Default And Remedies.

In the event Customer shall fail to pay any undisputed amount under this Agreement within forty-five (45) calendar days of the due date, Provider shall submit to Customer written notice of the breach. If Customer fails to pay Provider any amount due or fails to cure provisions of this Agreement, within thirty (30) days of such notice, Provider may terminate the Services hereunder upon sixty (60) calendar days notice after expiration of cure period and pursue any and all other remedies provided for hereunder or at law or equity.

14. Language Required Pursuant To CGS 4d-44.

The provisions of Section 4d-44 of the Connecticut General Statutes concerning continuity of systems in the event of expiration or termination of contracts, amendments or default of the contractor are incorporated herein by reference.

Sec. 4d-44. Each contract, subcontract or amendment to a contract or subcontract shall include provisions ensuring continuity of state agency information system and telecommunication system facilities, equipment and services, in the event that work under such contract, subcontract or amendment is transferred back to the state or transferred to a different contractor, upon the expiration or termination of the contract, subcontract or amendment or upon the default of the contractor or subcontractor. Such provisions shall include, but not be limited to, (1) procedures for the orderly transfer to the state of (A)

such facilities and equipment, (B) all software created or modified pursuant to the contract, subcontract or amendment, and (C) all public records, as defined in section 4d-33, which the contractor or subcontractor possesses or creates pursuant to such contract, subcontract or amendment, and (2) procedures for granting former state employees who were hired by such contractor or subcontractor the opportunity for reemployment with the state.

15. Limitations Of Liability.

12.1 EITHER PARTY'S ENTIRE LIABILITY AND THE OTHER PARTY'S EXCLUSIVE REMEDIES FOR
ANY DAMAGES CAUSED BY ANY SERVICE DEFECT OR FAILURE, OR FOR OTHER CLAIMS ARISING IN CONNECTION WITH ANY SERVICE OR PERFORMANCE OR NON-PERFORMANCE OF OBLIGATIONS UNDER THIS AGREEMENT SHALL BE:

(i) FOR BODILY INJURY OR DEATH TO ANY PERSON, OR REAL OR TANGIBLE PROPERTY DAMAGE, NEGLIGENTLY CAUSED BY Supplier, OR DAMAGES ARISING FROM THE WILLFUL MISCONDUCT OF Supplier, THE OTHER PARTY'S RIGHT TO PROVEN DIRECT DAMAGES;

(ii) FOR DAMAGES OTHER THAN THOSE SET FORTH ABOVE AND NOT EXCLUDED UNDER THIS AGREEMENT, EACH PARTY'S LIABILITY SHALL BE LIMITED TO PROVEN DIRECT DAMAGES NOT TO EXCEED PER CLAIM (OR IN THE AGGREGATE DURING ANY TWELVE (12) MONTH PERIOD) THE GREATER OF AN AMOUNT EQUAL TO THE TOTAL NET PAYMENTS PAYABLE BY CUSTOMER FOR THE NETWORK SERVICE DURING THE TWELVE (12) MONTHS PRECEDING THE MONTH IN WHICH THE DAMAGE OCCURRED OR $250,000. THIS SECTION SHALL NOT LIMIT CUSTOMER'S RESPONSIBILITY FOR THE PAYMENT OF ANY AND ALL PROPERLY DUE CHARGES UNDER THIS AGREEMENT

12.2 NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, RELIANCE OR SPECIAL DAMAGES, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, ADVANTAGE, SAVINGS OR REVENUES OF ANY KIND OR INCREASED COST OF OPERATIONS, WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

12.3 Supplier ALSO SHALL NOT BE LIABLE FOR ANY DAMAGES ARISING OUT OF OR RELATING TO: INTEROPERABILITY, INTERACTION OR INTERCONNECTION PROBLEMS WITH APPLICATIONS, EQUIPMENT, SERVICES OR NETWORKS PROVIDED BY CUSTOMER OR THIRD PARTIES; SERVICE INTERRUPTIONS OR LOST OR ALTERED MESSAGES OR TRANSMISSIONS, EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT; OR, UNAUTHORIZED ACCESS TO OR THEFT, ALTERATION, LOSS OR DESTRUCTION OF CUSTOMER'S, USERS' OR THIRD PARTIES' APPLICATIONS, CONTENT, DATA, PROGRAMS, INFORMATION, NETWORK OR SYSTEMS.

16. Force Majeure

Neither party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder on account of strikes, shortages, riots, insurrection, fires, flood, storm, explosions, earthquakes, acts of God, war, governmental action or any other cause which is beyond the rea-

sonable control of such party (each a "Force Majeure Event"). Each party will use its reasonable best efforts to notify the other party of the occurrence of a Force Majeure Event within three (3) business days of such occurrence. If the period of nonperformance exceeds thirty (30) days from the date of notice of the Force Majeure Event, either Party may give written notice to the other Party to terminate this Agreement.

17. Independent Contractor

Supplier and its Affiliates are independent contractors with respect to the performance of all the work to be performed hereunder and neither Supplier nor its Affiliates nor anyone employed by Supplier or its Affiliates shall be deemed for any purpose to be an employee, agent, servant, partner, joint venture or representative of the State.

18. Publicity

Except to the extent required by law or government regulation, the Parties to this Agreement shall not make any public announcement of or otherwise disclose to any third party the existence of this Agreement or any of its terms without the other Party's prior written consent. Supplier may not use the State's name, including any logo, trademark or other intellectual property rights in connection with any publicity, unless the State gives prior written consent to such use. The State may not use Provider's name, including any logo, trademark or other intellectual property rights in connection with any publicity, unless Supplier gives prior written consent to such use.

19. Notices

All notices or other communications hereunder shall be deemed to have been duly given when made in writing and either (1) delivered in person or (2) when received, if delivered to any agent, such as an overnight or similar delivery service or (3) when received, if deposited in the United States Mail, postage prepaid and return receipt requested and addressed as follows:

If to the State: Department of Information Technology
Contracts & Purchasing Division
101 E. River Drive
E. Hartford, CT 06108

If to Supplier: Southern New England Telecommunications Corporation
6 Devine Street, 4th Floor,
North Haven, CT 06473
Attention: Contract Manager

20. Survival

Obligations under this Agreement which by their nature would continue beyond termination, cancellation or expiration hereof, including by way of illustration only and not limitation, those in the clauses entitled LIABILITY, PUBLICITY, CONFIDENTIAL AND PROPRIETARY INFORMATION AND WARRANTY will survive the termination, cancellation or expiration of this Agreement.

21. Patent, Copyright, License & Proprietary Rights

a. Supplier hereby grants the State, at no additional cost, rights to use any patented, copyrighted, licensed or proprietary service. State shall maintain the confidentiality of any such service consistent with its privileged nature, and shall not divulge the service or make it available to any third party. This obligation shall survive termination of this Agreement.

b. Supplier agrees to defend any patent, copyright, license or proprietary rights infringement claim or proceeding pertaining to State use of any service, except where State modifies or adapts said service without Supplier consent. Supplier agrees to satisfy any final award arising from any said claim or proceeding. State agrees to give Supplier prompt written notice of any impending claim or proceeding, and agrees to Supplier's right to conduct any defense thereof of any proceeding. The Vendor may, at its discretion: (1) modify the service or substitute another equally suitable service with the CIO or designee's approval (providing such alternative does not degrade the State's service dependent performance capability), or (2) obtain for State the right to continued service use, or (3) if service use is prevented by injunction, take back the service and credit the State for any charges unearned.

c. Supplier shall have no liability for any infringement claim or proceeding based on State's modification of a service.

d. The foregoing states the entire rights and liabilities of both Parties for any loss or damage whatsoever arising from any service patent, copyright, license or proprietary rights infringement except that, if State is not allowed five (5) days to erase or preserve State data, after prior written notification from Supplier, Supplier shall be liable for the cost of recovery of said data.

22. Confidentiality; Nondisclosure

a. The State hereby agrees that:

1) The State shall exercise the same degree of care to safeguard any Product or Service as State does its own property of a similar nature; and
2) Any information Supplier identifies and packages as being proprietary, the State agrees that neither the Product or Service nor any part thereof received by State under this Agreement shall be disclosed to others, in whole or in part, without the prior written consent of Supplier. Such prohibition on disclosures shall not apply to disclosures by the State to its employees, provided such disclosures are reasonably necessary to the State's use of the Product or Service, and provided further that State shall take all reasonable steps not to disclose the terms of this Agreement.
3) Any copies of material or information authorized to be made under this Agreement shall preserve Supplier's copyright, trademark, trade secret or other proprietary notices on such copy.
4) In the event the State receives a request to disclose any Vendor confidential or proprietary information, the State shall promptly notify Supplier of such request.

b. Supplier hereby agrees that:

1) All State information is to be considered confidential and handled as such.
2) Any such State information is not to be removed, altered, or disclosed to others in whole or in part by Supplier and its representatives, except to employees on a need-to-know basis.
3) All published State security procedures will be adhered to by Vendor and its representatives.

It is expressly understood and agreed that the obligations of this section shall survive the termination of this Agreement.

23. Warranty

Unless otherwise set forth herein or in a Product Schedule, Supplier shall use good faith commercially reasonable efforts to provide the Service(s) in accordance with industry standards. Any and all warranties regarding the Services provided hereunder shall be limited to those expressly stated in this Agreement.

24. Assignment

This Agreement may not be assigned by Customer without Provider's prior written consent. This Agreement may not be assigned by Provider without Customer's prior written consent and Provider's compliance with the requirements of the State's Comptroller's Office concerning such assignments, except that Provider may, without the Customer's consent, assign this Agreement to a present or future affiliate or successor. Any such written consent shall not be unreasonably withheld.

25. Date/Time Compliance.

Contractor acknowledges that each Hardware, Software and Firmware Product or each developed, modified or remediated item of Hardware, Software, Firmware ("item") or each service delivered under this Contract shall be able to:

A. accurately assess, present or process date/time data (including, but not limited to, management, manipulation, processing, comparing, sequencing and other use of date data, including single and multi-century formulae and leap years) before, during and after January 1, 2000.

B. properly exchange date/time data when used in combination with other information technology, provided that other information technology not covered by this Contract is Year 2000 Compliant;

C. where appropriate, respond to two digit date input in a way that resolves the ambiguity as to century in a disclosed, defined and predetermined manner.

Notwithstanding any provision to the contrary in any warranty or warranties, the remedies available to the State under this Date/Time Compliance Section shall include the obligation to repair or replace, at Contractor's option, any Product and/or item whose non-compliance with this Section or defect is discovered by Contractor or the State, all at the expense of Contractor. This Section shall remain in effect through the 365 days following the termination of this Contract. This provision shall not be construed to extend the Warranty Term of this Contract.

Nothing in this Section shall be construed to limit any rights or remedies the State may otherwise have under this Contract with respect to defects.

In addition, Contractor agrees to use commercially reasonable efforts to deliver Products or items modified or remediated that will meet the terms and conditions of this Section and shall remain unaffected with respect to their functioning or performance except for processing and exchanging date data. Contractor further agrees to use commercially reasonable efforts so that Products or items not being modified or remediated directly shall remain unaffected with respect to their normal functioning or performance.

26. Nondiscrimination And Affirmative Action Provisions.

Provider agrees to comply with Subsection (a) of Section 4a-60 of the General Statutes of Connecticut, as revised.

a. For the purposes of this section, "minority business enterprise" means any small contractor or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) Who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in Subsection (a) of Conn. Gen. Stat. Section 32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

For the purposes of this section, "commission" means the commission on human rights and opportunities.

For the purposes of this section, "public works contract" means any agreement between any individual, firm or corporation and the state or any political subdivision of the state other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the state, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

b. (1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such contractor that such disability prevents performance of the work involved; (2) the contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the commission; (3) the contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers' representative of the contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the contractor agrees to comply with each provision of this section and Conn. Gen. Stat. Sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to Conn. Gen. Stat. Sections 46a-56, 46a-68e and 46a-68f; (5) the contractor agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor as relate to the provisions of this section and Conn. Gen. Stat. Section 46a-56. If the contract is a public works contract, the contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.

c. Determination of the contractor's good faith efforts shall include but shall not be limited to the following factors: The contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

d. The contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.

e. The contractor shall include the provisions of Subsection b of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Conn. Gen. Stat. Section 46a-56; provided, if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

f. The contractor agrees to comply with the regulations referred to in this section as they exist on the date of this contract and as they may be adopted or amended from time to time during the term of this contract and any amendments thereto.

27. Nondiscrimination Provisions Regarding Sexual Orientation.

Provider agrees to comply with Subsection (a) Section 4a-60a of the General Statutes of Connecticut, as revised.

a. (1) The contractor agrees and warrants that in the performance of the contract such contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the contractor agrees to provide each labor union or representative of workers with which such contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such contractor has a contract or understanding, a notice to be provided by the commission on human rights and opportunities advising the labor union or workers' representative of the contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56 of the general statutes; (4) the contractor agrees to provide the commission on human rights and opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the contractor which relate to the provisions of this section and section 46a-56 of the general statutes.

b. The contractor shall include the provisions of Subsection a of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions

including sanctions for noncompliance in accordance with section 46a-56 of the general statutes; provided, if such contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.

c. The contractor agrees to comply with the regulations referred to in this section as they exist on the date of this contract and as they may be adopted or amended from time to time during the term of this contract and any amendments thereto.

28. Executive Order No. Three.

This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill promulgated June 16, 1971 and, as such, this contract may be cancelled, terminated or suspended by the state labor commissioner for violation of or noncompliance with said Executive Order No. Three, or any state or federal law concerning nondiscrimination, notwithstanding that the labor commissioner is not a party to this contract. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the state labor commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination, until the contract is completed or terminated prior to completion.

The contractor agrees, as part consideration hereof, that this contract is subject to the Guidelines and Rules issued by the state labor commissioner to implement Executive Order No. Three, and that he will not discriminate in his employment practices or policies, will file all reports as required, and will fully cooperate with the State of Connecticut and the state labor commissioner.

29. Executive Order No. Sixteen.

This Agreement is subject to the provisions of Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, and, as such, this Agreement may be canceled, terminated or suspended by the Contracting agency for violation of or noncompliance with said Executive Order No. Sixteen. The parties to this Agreement, as part of the consideration hereof, agree that Executive Order No. Sixteen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting State shall have jurisdiction in providing its employees a reasonably safe and healthy working environment, free from intimidation, harassment, threats, and /or violent acts.

30. Executive Order No. Seventeen.

This Agreement is subject to the provisions of Executive Order No. Seventeen of Governor Thomas J. Meskill promulgated February 15, 1973, and, as such, this contract may be cancelled, terminated or suspended by the contracting agency or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to this contract. The parties to this contract, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the contracting agency and the State Labor Commissioner shall have joint and several continuing jurisdiction in respect to contract performance in regard to listing all employment openings with the Connecticut State Employment Service.

31. Workers' Compensation.

Supplier agrees to carry sufficient workers' compensation and liability insurance in a company, or companies, licensed to do business in Connecticut, and furnish certificates if required.

32. Approval Of Agreement.

Customer and Supplier represent that the persons who are their respective signatories to this Agreement are fully authorized to do so. This Agreement shall become effective upon its approval as to form by the Office of the Attorney General of the State of Connecticut.

33. Applicable Law. Jurisdiction.

a. This contract shall be governed, interpreted and construed under and in accordance with the laws of the State of Connecticut without regard to its conflict of laws principles. This contract shall be deemed to have been made in Connecticut.

b. The Provider irrevocably consents with respect to any permitted claims or remedies at law or equity, arising out of or in connection with this Contract, to the jurisdiction of the Connecticut Superior Court or the U.S. District Court for the District of Connecticut and with respect to venue in the Judicial District of Hartford-New Britain at Hartford or the U.S. District Court for the District of Connecticut in Hartford, and irrevocably waives any objections it may have to such jurisdiction on the grounds of lack of personal jurisdiction of such court or the laying of venue of such court or on the basis of forum non conveniens or otherwise.

c. Provider agrees to appoint agents in the State to receive service of process. In the event Provider fails to appoint said agent the Secretary of the State of Connecticut is hereby appointed by Provider as its agent for service of process for any action arising out or as a result of this contract, such appointment to be in effect throughout the life of this contract including any supplements hereto and all renewals thereof, if any, and six (6) years thereafter except as otherwise provided by law.

34. Language Required Pursuant To Connecticut General Statutes §1-200 And §1-218.

Each contract in excess of two million five hundred thousand dollars between a public agency and a person for the performance of a governmental function shall (1) provide that the public agency is entitled to receive a copy of records and files related to the performance of the governmental function, and (2) indicate that such records and files are subject to the Freedom of Information Act and may be disclosed by the public agency pursuant to the Freedom of Information Act. No request to inspect or copy such records or files shall be valid unless the request is made to the public agency in accordance with the Freedom of Information Act. Any complaint by a person who is denied the right to inspect or copy such records or files shall be brought to the Freedom of Information Commission in accordance with the provisions of sections 1-205 and 1-206 of the general statutes.

35. No Resale.

Customer is not permitted to resell the Services.

36. No Third Party Rights.

a. Supplier's performance obligations under this Agreement are to Customer and not to any third party. This Agreement does not expressly or implicitly provide any third party with any remedy, claim, cause of action or other right or privilege against Supplier.

37. Order of Precedence

The Parties agree that all of the following documents are incorporated by reference into this Agreement. With regard to any inconsistencies that might arise, the following order of precedence shall be used:

1. This Agreement
2. SNET's Clarifications dated 6/27/03
3. SNET's Best and Final Offer 11/22/02
4. SNET's original proposal 2/14/01
5. RFP #990-A-24-7015 and amendments

38. Entirety Of Agreement.

This Agreement includes the SIGNATURE PAGE OF AGREEMENT. To the extent the requirements of the issued RFP #990-A-24-7015 and its amendments, the Provider's response thereto dated February 14, 2001, as amended, do not contradict the provisions of Sections 1 through 38 of this Agreement, said documents are incorporated herein by reference and made a part hereof as though fully set forth herein and constitute the entire Agreement of the Parties which shall be governed and construed in accordance with the laws of the State of Connecticut. This Agreement contains the complete and exclusive statement of the terms and conditions agreed to by the Parties hereto and shall not be altered, amended, or modified except in writing executed by an authorized representative of each Party.

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SIGNATURE PAGE OF AGREEMENT

This Agreement is entered into by authority of Sections 4d-2, 4d-5 and 4d-8 of the General Statutes.

SOUTHERN NEW ENGLAND TELECOMMUNICATIONS CORPORATION

BY: Ann H. Rakitari

NAME: Ann H. Rakitari

TITLE: Vice President - Bus Sales

DATE: 8/14/03

STATE OF CONNECTICUT

APPROVED:

BY: Gregg P Regan

GREGG P REGAN
Chief Information Officer
Department of Information Technology
duly authorized

DATE: 8/18/03

SEAL

LS

APPROVED AS TO FORM:

Asst. Attorney General of the State of Connecticut

DATE: 10/1/03