

AGREEMENT 12-031

This Agreement for the operation of the Offender Calling System ("OCS") is made between the Iowa Department of Corrections ("DOC") and Inmate Calling Solutions, LLC d/b/a ICSolutions ("ICS"). This Agreement shall be administered by the Iowa Telecommunications and Technology Commission ("ITTC") operating the Iowa Communications Network (Iowa Telecommunications and Technology Commission and Iowa Communications Network shall be collectively referred to as ("ICN"). The parties agree as follows:

SECTION 1. IDENTITY OF THE PARTIES.

1.1 The Iowa Department of Corrections (DOC) is an agency of the State of Iowa and is responsible for the management and operation of the State of Iowa prison system. The DOC's principal office address is 510 East 12th Street, Des Moines, IA 50319

1.2 Inmate Calling Solutions, LLC (ICS) is a California limited liability company qualified to provide offender calling services and is authorized to conduct business in the State of Iowa. ICS' address is 2200 Danbury Street, San Antonio, TX 78217.

1.3 The Iowa Communications Network (ICN) is authorized by Iowa Code Chapter 8D to operate a communications network in the State of Iowa. The ICN's address is Grimes State Office Building, 400 East 14th Street, Des Moines, IA 50319. ICN is an agent of IA DOC hereunder and may act accordingly as if ICN were a party hereto.

SECTION 2. PURPOSE. The parties have entered into this Agreement for the purpose of retaining ICS to provide an Offender Calling System as described in Schedule A. ICN is entering into this Agreement pursuant to Iowa Code Chapter 8D.

SECTION 3. TERM. The term of the Agreement will begin upon signature by both Parties and continue for a one (1) year period. The Agreement may be renewed for five (5) additional one (1) year periods upon written mutual agreement of the Parties.

3.1 At the end of the service term or any renewals provided for above, the ICN may extend the Agreement on a month-to-month basis for up to six months to ensure the State retains an operational system at all times. ICS shall agree to this possible extension at the same rates and terms as agreed to in the previously agreed to Agreement term.

SECTION 4. DOCUMENTS INCORPORATED BY REFERENCE.

4.1 Incorporation of Bid Proposal Documents. The Request for Proposal (RFP) 12-031 and ICS's Bid Proposal in response to this RFP, together with any clarifications, attachments, appendices, amendments or other writings of the ICN or ICS (collectively Bid Proposal) are incorporated into this Agreement by this reference as if fully set forth in this Agreement.

4.2 Contractual Obligations of ICS. The terms and conditions of the Bid Proposal and of the RFP are made contractual obligations of ICS.

4.3 Contents of Agreement. The parties acknowledge that this Agreement consists of this document as well as the RFP and the Bid Proposal and that the parties are obligated to perform as set forth in the RFP and the Bid Proposal to the same extent that they are obligated to perform the specific duties set forth in this document.

4.3.1 Order of Preference. In the case of any inconsistency or conflict between the specific provisions of this document, the RFP or the Bid Proposal, any inconsistency or conflict shall be resolved as follows:

4.3.1.1 First by giving preference to the specific provisions of this Agreement.

4.3.1.2 Second, by giving preference to the specific provisions of the RFP.

4.3.1.3 Third, by giving preference to the specific provisions of the Bid Proposal.

4.4 Intent of References to Bid Documents. The references to the parties' obligations, which are contained in this document, are intended to change, supplement or clarify the obligations as stated in the RFP and the Bid Proposal. The failure of the parties to make reference to the terms of the RFP or Bid Proposal in this document shall not be construed as creating a conflict and will not relieve ICS of the contractual obligations imposed by the terms of the RFP and the Bid Proposal. Terms offered in the Bid Proposal, which exceed the requirements of the RFP, shall not be construed as creating an inconsistency or conflict with the RFP or this document. The contractual obligations of the ICN cannot be implied from the Bid Proposal.

SECTION 4. DEFINITIONS. The following words shall have the meanings set forth below. Words in the singular shall be held to include the plural and vice versa, and words of gender shall be held to include the other gender as the context requires. For the purposes of this Agreement, the following terms and all other terms defined in this Agreement shall have the meanings so defined unless the context clearly indicates otherwise.

4.1 "Automated Reporting" is herein defined as - allowing the data and supporting rules and processes required for measuring the RFP Standards in Table 1, #'s 1-7 to be defined within Service Desk and reports generated to measure the results.

4.2 "Canteen" shall mean the area within each DOC institution where offenders may purchase or order goods and products provided by DOC for sale or acquisition by offenders housed within the institution.

4.3 "CLEC" shall mean a competitive local exchange carrier.

4.4 "DOC" shall mean the Iowa Department of Corrections.

4.5 "ICN" shall mean the Iowa Telecommunications and Technology Commission operating the Iowa Communications Network.

4.6 "Institutions" shall mean the nine DOC institutions in which Iowa offenders are housed and which cumulatively comprise the Iowa DOC offender prison system.

4.7 "JFHQ" shall mean Joint Forces Headquarters.

4.8 "LEC" shall mean a local exchange carrier.

4.9 "NOC" shall mean the network operations center

4.10 "Open Standards" are publicly available specifications for achieving a specific task.

4.11 "PAN" shall mean personal access number.

4.12 "PIN" shall mean personal identification number.

4.13 "Project" means the installation and deployment of a state of the art OCS for the ICN.

4.14 "RFP" shall mean Request for Proposal.

4.15 "Service Desk" is the ICN equivalent to a NOC.

4.16 "Software" means all software utilized for the operation of the OCS by ICS, including Third-Party Software, and all related Documentation, Enhancements, object code or copies thereof.

4.17 "System", "OCS", Offender Calling System and or ENFORCER shall mean the state of the art offender telephone management system installed, deployed and operated by ICS for use by the ICN and DOC.

4.18 "State" shall mean the State of Iowa and all of its departments, agencies, boards, and commissions, including the ICN and the DOC.

SECTION 5. SCOPE OF WORK.

5.1 Scope of Services.

5.1.1. The services to be performed pursuant to and as a result of this Agreement by ICS are described on Schedule A attached hereto and made a part hereof by this reference.

5.1.2 ICS shall prepare and deliver specifications to the ICN which will detail the design, technical and functional capabilities, look and feel, and other attributes related to the project, all as more fully described in Schedule A.

5.2 Amendments to Scope of Services and Specifications. The parties agree that Schedule A, Scope of Services, and the specifications, may be revised, replaced, amended or deleted at any time during the term of this Agreement to reflect changes in service or performance standards upon the mutual written consent of the parties.

5.3 Industry Standards. Services rendered pursuant to this Agreement shall be performed in a professional and workmanlike manner in accordance with the terms of this Contract and with generally acceptable industry standards of performance for similar tasks and projects. In the absence of a detailed specification for the performance of any portion of this Agreement the parties agree that the applicable specification shall be the generally accepted industry standard. As long as the ICN notifies ICS promptly of any services performed in violation of this standard, ICS will re-perform the services, at no cost to ICN, such that the services are rendered in the above-specified manner.

5.4 Non-Exclusive Rights. This Agreement is not exclusive. The ICN reserves the right to select other vendors to provide services similar or identical to the Scope of Services described in this Agreement during the term of this Agreement.

SECTION 6. COMPENSATION.

6.1 Payment Terms. Invoice submitted by ICS shall contain appropriate documentation as necessary to support the fees or charges included on the invoice and shall comply with all applicable rules concerning payment of such fees, charges or other claims and shall contain all information reasonably requested by ICN. ICN shall pay all approved invoices in arrears and in conformance with Iowa Code. ICN may pay in less than 60 days as provided in Iowa Code. However, an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code. Any sums owed to ICN by ICS shall be itemized and deducted from ICS's invoice prior to submission. Notwithstanding anything herein to the contrary, ICN shall have the right to dispute any invoice submitted for payment and withhold payment of any disputed amount if ICN believes the invoice is inaccurate or incorrect in any way. Invoices shall be submitted to ICN Finance - Accounts Payable, Grimes State Office Building, 400 East 14th Street, Des Moines, IA 50319.

6.2 Pricing. The pricing matrix is described in Schedule B. The parties agree that Schedule B, Pricing, may be revised, replaced, amended or deleted at any time during the term of this Agreement upon the mutual written consent of the parties.

6.3 RESERVED.

6.4 Reimbursable Expenses. There shall be no reimbursable expenses associated with this Agreement separate from the compensation referred to in this section. ICS shall be solely responsible for all costs and expenses, including, but not limited to, travel, mileage, meals, lodging, equipment, supplies, personnel, training, salaries, benefits, insurance, conferences, long distance telephone, and all other costs and expenses of ICS.

6.5 Set Off. In the event that ICS owes ICN or the State of Iowa any sum under the terms of this Contract, any other Contract, pursuant to any judgment, or pursuant to any law, ICN may set off the sum owed to ICN or the State against any sum billed to ICN by ICS in ICN's sole discretion unless otherwise required by law. ICS agrees that this provision constitutes proper and timely notice under the law of setoff.

6.6 ICS shall audit the invoices presented to the ICN to ensure that they are proper, current and correct. ICS has 30 days from the date of invoice to present and resolve any discrepancies with the ICN. ICS shall notify the ICN of any and all discrepancies that the audit(s) reveals.

6.7 Delay of Payment Due To ICS's Failure. If the ICN in good faith determines that ICS has failed to perform or deliver any service or product as required by this Contract, ICS shall not be entitled to any compensation under this Contract until such service or product is completed or delivered. In the event of partial performance, the ICN may withhold that portion of ICS's compensation, which represents payment for the unsatisfactory services.

SECTION 7. BONDS. Upon execution of a Contract, ICS shall provide the following Bonds to the ICN.

7.1 Fidelity Bond. The State retains the right to require ICS shall post a fidelity bond of one hundred thousand dollars (\$100,000) for the pre-paid calling service, and increase the amount of the bond to a value to be determined in the event that at any time during the life of this contract that the ICN elects to use an OCS that deviates from a pre-paid system and that requires ICS to handle any monies or billing. The bond shall be delivered to the ICN within ten (10) business days of execution of the services covered in this agreement. ICS shall pay the cost of this bond. The bond shall provide funds to the ICN in the event that the ICN or DOC suffers any liability, loss, damage, or expense as a result of any fraudulent or dishonest act or omission of ICS or any subcontractor or any officer, employee, or agent of ICS or any subcontractor or any parent or subsidiary corporation of ICS or any subcontractor. The bond shall be in a form customarily used in the communications industry and shall be written by a surety authorized to do business in Iowa that is acceptable to the ICN. The bond shall be renewed annually for the duration of the Agreement or extensions thereof.

7.2.1 The bond shall be in force throughout the term of this Agreement and shall be renewed annually for the duration of the Agreement or any extensions thereof. The bond shall provide that the bond cannot be cancelled during the term of the bond or the Agreement or any extension thereof. ICS warrants that it will maintain the required bond coverage at all times during the term of this Agreement or any extensions thereof without any lapse in coverage.

7.2.2 The receipt of such bond or other proof of coverage does not constitute approval of the bond coverage nor does the bond relieve ICS from performing each and every requirement of this Agreement. ICS remains responsible for determining that its bond meets each and every requirement of this Agreement. Failure on the part of ICS to furnish the required bond in the time stated, or to maintain the bond in full force and effect during the term of this Agreement and any extension thereof, shall be cause for the ICN to declare ICS in default under this Agreement.

SECTION 8. INSURANCE.

8.1 Coverage Requirements. ICS, and any subcontractors performing the services required under this Agreement, shall maintain in full force and effect, with insurance companies of recognized responsibility, at its own expense, insurance covering its work during the entire term of this Agreement and any extensions or renewals thereof. The insurance shall be of the type and in the amounts as reasonably required by the ICN. ICS's insurance shall, among other things, insure against any loss or damage resulting from or related to ICS's performance of this Agreement. All such insurance policies should remain in full force and effect for the entire life of this Agreement and shall not be canceled or changed except with the advance written approval of the ICN.

8.2 Types of Coverage. Unless otherwise requested by the ICN, ICS shall, at its sole cost, cause to be issued and maintained during the entire term of this Agreement (and any extensions or renewals thereof) the insurance coverages set forth below, each naming the State of Iowa and the ICN additional insureds or loss payees, as applicable:

Type	Amount
Workers Compensation and Employer Liability	As Required By Iowa Law
General Liability (including contractual liability) written on an occurrence basis	
GENERAL AGGREGATE	\$3 million
PRODUCT LIABILITY	\$1 million
PERSONAL INJURY	\$1 million
COMPREHENSIVE AGGREGATE	\$1 million
EACH OCCURRENCE	\$1 million
Automobile Liability, including any auto, hired autos and non owned autos	\$1 million
COMBINED SINGLE LIMIT	

8.3 Coverage for State Property on ICS Premises. The policies shall provide coverage for damages to the State's property, which occurs on ICS's premises or premises under the control of ICS or ICS's subcontractors.

8.4 Claims Made Coverage. All insurance policies required by this Agreement must provide coverage for all claims arising from activities occurring during the term of the policy regardless of the date the claim is filed or expiration of the policy.

8.5 Notice Regarding Cancellation. Certificates of insurance, which provide that the ICN will be notified at least thirty (30) days prior to cancellation of the coverage required by this Agreement must be provided by ICS and any subcontractors to the ICN at the time of execution of the Agreement or at a time mutually agreeable to the parties.

8.6 No Limitation of Liability. The receipt of insured certificates by the ICN does not constitute approval of the coverage contained in the certificates, and ICS remains responsible for determining that its insurance coverage meets each and every requirement of this Agreement. Acceptance of the insurance certificates by the ICN shall not act to relieve ICS of any obligation under this Agreement. Only companies authorized to transact business in the State of Iowa shall issue the insurance policies and certificates required by this Section. It shall be the responsibility of ICS to keep the respective insurance policies and coverages current and in force during the life of this Agreement.

8.7 Warranty. ICS warrants that it has examined its insurance coverage to determine that the State of Iowa and the ICN can be named as additional insured without creating an adverse effect on ICS's coverage.

8.8 Waiver of Subrogation Rights. ICS shall obtain a waiver of any subrogation rights that any of its insurance carriers might have against State of Iowa and the ICN. The waiver of subrogation rights shall be indicated on the certificates of insurance coverage supplied to the ICN.

SECTION 9. CONFIDENTIAL INFORMATION.

9.1 During the course of this Agreement each party may disclose, to the other either directly or indirectly, certain data which is proprietary which shall be referred to as "Confidential Information" of the disclosing party and which must remain confidential. Confidential Information may include without limitation, among other things, such items as security information, user information, data, knowledge, trade secrets and other proprietary information, methodologies, developments, software, software documentation, inventions, processes, and other nonpublic information in oral, graphic, written, electronic or machine readable form.

9.2 The parties acknowledge that information and material in the hands of the ICN is generally public information unless it is specifically allowed by law to be maintained as Confidential Information.

9.3 The parties acknowledge that some information in the hands of the ICN is strictly confidential and is not subject to release as a matter of law. ICS shall abide by all such statutory provisions when handling sensitive ICN information identified as confidential.

9.4 All written or electronic Confidential Information shall be clearly marked as Confidential Information by the party providing the Confidential Information at the time of disclosure to the other party.

9.5 If the Confidential Information is disclosed orally, and reduced to writing, the receiving party must treat the information as Confidential Information.

9.6 ICS shall limit such identification to information it reasonably believes it is entitled to confidential treatment pursuant to Iowa Code Chapter 22 or other applicable law.

9.7 In the event a public records request is made to the ICN pursuant to Iowa Code Chapter 22, regarding the Confidential Information of ICS, the ICN shall immediately notify ICS of the request by telephone and fax. The ICN will respond to the request for information within 15 days thereafter with a release of the information unless ICS has obtained an injunction preventing release of the requested information.

9.8 The obligations of this Agreement do not apply to Confidential Information which:

9.8.1 Was rightfully in the possession of the receiving party from a source other than the disclosing party prior to the time of disclosure of the Confidential Information to receiving party.

9.8.2 Was known to the receiving party prior to the disclosure of the Confidential Information from the disclosing party;

9.8.3 Was disclosed to the receiving party without restriction by an independent third party having a legal right to disclose the Confidential Information;

9.8.4 Becomes public knowledge, other than through an act or failure to act of the disclosing party;

9.8.5 Is publicly available or in the public domain when provided;

9.8.6 Is independently developed by the disclosing party; or

9.8.7 Is disclosed pursuant to law, subpoena or the order of a court or government authority.

9.9 The parties shall have the following duties relating to the Confidential Information:

9.9.1 ICS shall designate one individual who shall remain the responsible authority in charge of all data collected, used or disseminated by ICS in connection with the performance of this Agreement. ICS shall accept responsibility for providing adequate supervision and training to its agents and employees to ensure compliance with the terms of this Agreement. The private and confidential data shall remain the property of the ICN at all times.

9.9.2 The Confidential Information of either party shall be held in strict confidence by the receiving party and shall not be disclosed or used by the receiving party without the prior written consent of the disclosing party, except as provided in this Agreement or as may be required by law pursuant to available confidentiality restrictions.

9.9.3 The parties shall use their best efforts to protect the Confidential Information in its possession.

9.9.4 The parties shall restrict disclosure of the Confidential Information solely to those of its employees, agents, consultants and attorneys with a need to know in order to accomplish the purpose of this Agreement.

9.9.5 The parties shall protect the Confidential Information from disclosure to or access by unauthorized persons.

9.9.6 The parties shall use the Confidential Information solely for the purpose of this Agreement and for no other purpose.

9.9.7 The parties shall not duplicate the Confidential Information in any form, except as may be necessary to accomplish the purpose of this Agreement.

9.9.8 The parties shall advise each of its employees, agents, consultants and attorneys who receive the Confidential Information of the obligations of confidentiality and restrictions on the use set forth herein.

9.9.9 The parties shall immediately return the Confidential Information and all copies thereof, to each other upon the earlier of the expiration of the need therefore or the termination of this Agreement in order to accomplish the purpose.

9.10 The provisions of this Agreement shall apply to all Confidential Information disclosed by the parties to each other over the course of this Agreement. The parties' obligations under this provision shall survive termination of this Agreement and shall be perpetual.

9.11 ICS shall indemnify the ICN for a violation of this Section. ICS shall notify the ICN prior to the destruction of these materials and shall provide the ICN with the opportunity for proper destruction of these materials.

9.12 No Confidential Information will be exported to any country in violation of the United States Export Administration Act and the regulations thereunder.

SECTION 10. ICS WARRANTIES.

10.1 Construction of Warranties Expressed in this Agreement with Warranties Implied by Law. All warranties made by ICS in all provisions of this Agreement and the Bid Proposal by ICS, whether or not this Agreement specifically denominates ICS's promise as a warranty or whether the warranty is created only by ICS's affirmation or promise, or is created by a description of the materials and services to be provided, or by provision of samples to the ICN, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties which arise through course of dealing or usage of trade. The warranties expressed in this Agreement are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the goods and services provided by ICS.

10.2 ICS warrants that all the concepts, materials produced, the work product and the information, data, designs, processes, inventions, techniques, devices, and other such intellectual property furnished, used, or relied upon by ICS or the ICN will not infringe any copyright, patent, trademark, trade dress, or other intellectual property right of ICS or others. Any intellectual property provided to the ICN pursuant to the terms of this Agreement, shall be wholly original with ICS or ICS has secured all applicable interests, rights, licenses, permits, or other intellectual property rights in such concepts, materials and work.

10.3 ICS represents and warrants that the concepts, materials and the ICN's use of same and the exercise by the ICN of the rights granted by this Agreement shall not infringe upon any other work, other than material provided by the ICN to ICS to be used as a basis for such materials, or violate the rights of publicity or privacy of, or constitute a libel or slander against, any person, firm or corporation and that the concepts, materials and works will not infringe upon the copyright, trademark, trade name, literary, dramatic, statutory, common law or any other rights of any person, firm or corporation or other entity.

10.4 ICS warrants that all of the services to be performed hereunder will be rendered using sound, professional practices and in a competent and professional manner by knowledgeable, trained and qualified personnel.

10.5 ICS warrants that the deliverables under this Agreement will operate in conformance with the terms and conditions of this Agreement.

10.6 ICS warrants that it has full authority to enter into this Agreement and that it has not granted and will not grant any right or interest to any person or entity which might derogate, encumber, or interfere with the rights granted to the ICN.

10.7 ICS warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by ICS pursuant to this Agreement are or will be fully satisfied by ICS so that the ICN will not have any obligations with respect thereto.

10.8 ICS warrants that it is the owner of or otherwise has the right to use and distribute the software, the materials owned by ICS and any other materials, and methodologies used in connection with providing the services contemplated by this Agreement.

10.9 ICS expressly warrants to the standards in the industry all aspects of the goods and services provided by it or used by ICS and the ICN in performance of this Agreement.

10.10 ICS unconditionally warrants that all equipment supplied and installed for the purpose of fulfilling its obligations under this Agreement are fit for the purpose intended, that it complies with industry standards and that the equipment is compatible with the State's equipment.

SECTION 11. INDEMNIFICATION BY ICS. ICS agrees to defend, indemnify and hold the ICN, and the State of Iowa, its employees, agents, board members, appointed officials and elected officials, harmless from any and all demands, debts liabilities, damages, loss, claims, suits or actions, settlements, judgments, costs and expenses, including the reasonable value of time expended by the Attorney General's Office, and the costs and expenses and attorney fees of other counsel required to defend the ICN or the State of Iowa related to or arising from:

11.1 Any violation or breach of this Agreement including without limitation any of ICS's representations or warranties; or

11.2 Any acts or omissions, including, without limitation, negligent acts or omissions or willful misconduct of ICS, its officers, employees, agents, board members, contractors, subcontractors, or counsel employed by ICS in the performance of this Agreement, or any other reason in connection with the goods and services provided under this Agreement; or

11.3 Claims for any violation of any intellectual property right including but not limited to infringement of patents, trademarks, trade dress, trade secrets, or copyrights arising from the any of the goods or service performed in accordance with this Agreement; or

11.4 ICS's performance or attempted performance of this Agreement; or

11.5 Any failure by ICS to comply with all local, State and Federal laws and regulations; or

11.6 Any failure by ICS to make all reports, payments and withholdings required by Federal and State law with respect to social security, employee income and other taxes, fees or costs required by ICS to conduct business in the State of Iowa.

11.7 ICS's duty to indemnify as set forth in this Section shall survive the expiration or termination of this Agreement and shall apply to all acts taken in the performance of this Agreement regardless of the date any potential claim is made or discovered by the ICN.

SECTION 12. TERMINATION.

12.1 Termination For Lack Of Authority or Funding. Notwithstanding anything in this Agreement to the contrary and subject to the limitations, conditions and procedures set forth below, the ICN shall have the right to terminate this Agreement without penalty and without any advance notice as a result of any of the following:

12.1.1 If the ICN's, or any responsible State agency's or department's authorization to conduct its business is withdrawn or there is a material alteration in the programs or any other program the ICN administers; or

12.1.2 If the ICN's duties are substantially modified.

12.1.3 Written Notice of Cancellation. The ICN shall provide ICS with written notice of cancellation pursuant to this Section.

12.2 Termination for Cause. The ICN may terminate this Agreement upon written notice for the substantial breach by ICS of any material term if such breach is not cured by ICS within the time period specified in the ICN's notice of breach or any subsequent notice or correspondence delivered by the ICN to ICS. If a cure is feasible and an opportunity to cure is provided, the notice shall specify the exact date by which the condition must be cured. Following expiration of the opportunity to cure or notice from the ICN, the ICN may seek any legal or equitable remedy authorized by this Agreement or by law. Substantial breach events include but are not limited to the following:

12.2.1 ICS fails to perform as required by this Agreement.

12.2.2 ICS fails to make substantial and timely progress toward performance or fails to meet any of the material specifications and requirements stated in this Agreement, including without limitation the warranties provided in this Agreement, in the RFP or in ICS's Bid Proposal.

12.2.3 ICS fails to conform to the specifications as required by the ITB and ICS's response to the ITB.

12.3 Termination for Convenience. Following 30 days written notice, the ICN may terminate this Contract in whole or in part for convenience without the payment of any penalty or incurring any further obligation to ICS. Termination for Convenience can be for any reason or no reason at all if it is in the best interests of the ICN.

12.4 Immediate Termination. The ICN may terminate this Agreement effective immediately without advance notice and without penalty for any of the following reasons:

12.4.1 ICS furnished any statement, representation, warranty or certification in connection with this Agreement, which is materially false, deceptive, incorrect or incomplete.

12.4.2 ICS fails to perform, to the ICN's satisfaction, any material requirement of this Agreement or is in violation of any material provision of this Agreement, including, without limitation, the express warranties made by ICS.

12.4.3 The ICN determines that satisfactory performance of this Agreement is substantially endangered or that a default is likely to occur.

12.4.4 ICS becomes subject to any bankruptcy or insolvency proceeding under Federal or State law to the extent allowed by applicable Federal or State law including bankruptcy laws.

12.4.5 ICS terminates or suspends its business.

12.4.6 The ICN reasonably believes that ICS has become insolvent or unable to pay its obligations as they accrue consistent with applicable Federal or State law.

12.4.7 It is alleged that ICS's processes or materials violate any valid patent, trademark, copyright, other intellectual property right or contract, and the ICN reasonably believes that the allegation may impair ICS's performance of this Agreement.

12.4.8 ICS has failed to comply with all applicable Federal, State, and local laws, rules, ordinances, regulations and orders when performing within the scope of this Agreement.

12.4.9 ICS has engaged in conduct that has or may expose the ICN to liability, as determined in the ICN's sole discretion.

12.4.10 ICS has a conflict of interest that interferes with fair competition or conflicts with an interest of the ICN as determined in the ICN's sole discretion.

12.5 In the event of termination of this Agreement for any reason by the ICN, the ICN shall pay only the amounts, if any, due and owing to ICS for services actually rendered up to and including the date of termination of the Agreement and for which the ICN is obligated to pay pursuant to this Agreement. Payment will be made only upon submission of invoices and proper proof of ICS's claim. This provision in no way limits the remedies available to the ICN in the event of a termination under this provision. However, the ICN shall not be liable for any of the following costs:

12.5.1 The payment of Unemployment Compensation to ICS's employees;

12.5.2 The payment of Workers' Compensation claims which occur during the Agreement or extend beyond the date on which the Agreement terminates.

12.5.3 Any costs incurred by ICS in its performance of the Agreement including but not limited to startup costs, overhead or other costs associated with the performance of the Agreement.

12.5.4 Any taxes that may be owed by ICS for the performance of this Agreement including but not limited to sales taxes, excise taxes, use taxes, income taxes or property taxes.

12.6 ICS Obligations upon Termination. Upon expiration or termination of this Agreement, or upon request of the ICN, ICS shall:

12.6.1 Immediately cease using and return to the ICN any personal property or material, whether tangible or intangible, provided by the ICN to ICS and in its, or any subcontractor's, control or possession;

12.6.2 Upon request from the ICN, destroy any personal property or material, whether tangible or intangible at no additional cost to the ICN, and verify in writing that the designated property or material has been destroyed;

12.6.3 Comply with the ICN's instructions for the timely transfer of active files and work being performed by ICS under this Agreement to the ICN or the ICN's designee;

12.6.4 Protect and preserve property in the possession of ICS in which the ICN has an interest;

12.6.5 Stop work under this Agreement on the date specified in any notice of termination provided by the ICN;

12.6.6 Cooperate in good faith with the ICN, its employees, agents and contractors during the transition period between the notification of termination and the substitution of any replacement ICS.

12.7 Care of Property. ICS shall be responsible for the proper custody and care of any the State owned tangible personal property furnished for ICS's use in connection with the performance of the Agreement, and ICS will reimburse the ICN for such property's loss or damage caused by ICS, normal wear and tear excepted.

12.8 Reduction of Resources. If, during the Term, the ICN experiences a change in the scope, nature or volume of its business, or if the ICN elects to change the manner or method by which it does (including, but not limited to, an election by Iowa Legislature to effect a sale or other disposition of material assets), which have or may have the effect of causing a decrease in the quantity or quality of the Services that will be needed by ICN, then ICN may request ICS to reduce the level of Services and the annual Service charges to ICN under this Agreement. However any such reduction must not adversely impact upon ICS's ability to reasonably perform its obligations under the Agreement.

SECTION 13. TRANSITION EVENTS. During the transition period (which is defined as one (1) year) prior to the actual termination date of the Contract and a reasonable amount of time after the termination date of the Agreement, ICS agrees to:

13.1 Cooperate with the ICN and an incoming ICS, if any, to ensure a smooth transition of services;

13.2 Work with the ICN and an incoming ICS, if any, to create and implement a transition plan;

13.3 Create or modify contractual performance standards to ensure that appropriate staff levels are maintained to manage daily responsibilities under the Agreement, including cooperation with transition activities; comply with the ICN's instructions for the timely transfer of any work being performed by ICS under the Agreement to the ICN or an incoming ICS, if any; deliver to the ICN within the time frame specified by the ICN, the following:

13.4 Prior to conclusion or termination of this Agreement the ICN shall submit to ICS a list of reports, data needed, and other information which will be necessary to effect a smooth transition from this ICS, to another new ICS in a new succeeding Agreement. ICS shall provide the reports, data, and information requested by ICN within sixty (60) days of request.

13.5 During this transition period the ICN may extend the Agreement on a month-to-month basis, as provided for in Section 2.1 to ensure the ICN retains an operational system at all times.

SECTION 14. OWNERSHIP OF WORK. The ICN shall own all work performed by ICS's employees assigned to provide services under this Agreement and all such work shall be considered work made for hire.

14.1 Software License.

14.1.1 Software License. Subject to the terms and conditions of this Agreement, ICS hereby grants to ICN, and ICN accepts, an irrevocable, perpetual, nonexclusive license to use, display and demonstrate the Software ("ICN Use"), during the term of this Agreement. All Software subject to this Agreement may be used in the normal course of business by ICN, including on any one or more of ICN's or the State's computers, data center locations, networks, Internet or intranet sites, servers or other systems ("ICN Systems"). ICN Use hereunder shall include, but not be limited to, disclosure to and use by: (a) offices, agencies, establishments, authorities, councils, departments, commissions, boards, political subdivisions or other governmental units or entities of the State, and any employees, agents, officials or representatives thereof; (b) independent consultants or other Third Parties provided that such disclosure or use is for purposes related to ICN Use, (ICN, all persons, units, and other entities referred to in (a)-(b) above and any and all Third Parties to whom ICN may distribute Software pursuant to this Agreement, shall individually and collectively be referred to as "Authorized Users").

14.1.2 In the event that an agreement between ICS and any Third-Party owner of any Software item or component expires or is terminated, then the license granted hereunder shall nevertheless continue in effect perpetually unless terminated in accordance with the provisions of this Agreement.

14.1.3 Proprietary Rights. ICN acknowledges that ICS's proprietary Software licensed under this Agreement may contain Confidential Information of ICS. Any specific information contained in such Software that is claimed by ICS to be Confidential Information must be clearly marked or identified as confidential by ICS. Except as may be permitted or contemplated under this Agreement and except as may be required, authorized or permitted by applicable federal, state or international laws, rules or regulations (including but not limited to Iowa Code Chapter 22), ICN shall not knowingly and voluntarily disclose such Confidential Information to any Third Parties (except for Third Parties that constitute Authorized Users under this Agreement), without the prior written consent of ICS, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, ICN may disclose such Confidential Information if it is required or compelled pursuant to legal, judicial, or administrative proceedings, subpoena, order, ruling or other legal or administrative processes, or as otherwise required or authorized by applicable laws, rules or regulations. In such events, ICN shall provide prompt notice to ICS of the circumstances giving rise to ICN's disclosure.

14.1.4 Third-Party Software. All terms, conditions and requirements in any license agreements or support contracts for Third-Party Software shall be consistent with the terms, conditions and requirements of this Agreement. In the event of a conflict between the terms of any such license agreements and support contracts and this Agreement, this Agreement shall take precedence and supersede such license agreements and support contracts. ICN shall have the right to review, approve and require changes consistent with the terms and conditions in this Agreement in all license agreements and support contracts for Third-Party Software. Upon Acceptance and at ICN's request, ICS shall assign to the ICN all license agreements and support contracts for Third Party Software. ICS shall take all action necessary to ensure that ICN shall be entitled to receive and enjoy all warranties and other benefits related to Third Party Software, and ICS shall assign to ICN all warranties and indemnities relating to Third Party Software.

SECTION 15. PROJECT MANAGEMENT AND REPORTING.

15.1 Project Manager. At the time of execution of the Agreement, each party shall designate, in writing, a Project Manager to serve until the expiration of this Agreement or the designation of a substitute Project Manager. During the term of this Agreement, each Project Manager shall be available as needed in either parties opinion to meet weekly by phone, unless otherwise mutually agreed, to review and plan and review problem resolutions with the services being provided under this Agreement.

15.2 Reports. At the next scheduled meeting after which any party has identified in writing a problem, the party responsible for resolving the problem shall provide a report setting forth activities undertaken, or to be undertaken, to resolve the problem, together with the anticipated completion dates of such activities. Any party may recommend alternative courses of action or changes that will facilitate problem resolution. For as long as a problem remains unresolved, written reports shall identify:

15.2.1 Any event not within the control of ICS or the ICN that accounts for the problem;

15.2.2 Modifications to the Agreement agreed to by the parties in order to remedy or solve the identified problem: and

15.2.3 Damages incurred as a result of any party's failure to perform its obligations under this Agreement; and

15.2.4 Any request or demand for services by one party that another party believes are not included within the terms of this Agreement.

15.3 Problem Reporting Omissions. The ICN's acceptance of a problem report shall not relieve ICS of any obligation under this Agreement or waive any other remedy under this Agreement or at law or equity that the ICN may have. The ICN's failure to identify the extent of a problem or the extent of damages incurred as a result of a problem shall not act as a waiver of performance under this Agreement. Where other provisions of this Agreement require notification of an event in writing, the written report shall be considered a valid notice under this Agreement provided the parties required to receive notice are notified.

15.4 Change Order Procedure. The ICN may at any time request a modification to the scope of service work described in the contract using a Change Order. The following procedures for a change order shall be followed:

15.4.1 Written Request. The ICN shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Services.

15.4.2 ICS's Response. ICS shall submit to the ICN a time and cost estimate for the requested Change Order within five (5) business days of receiving the Change Order Request.

15.4.3 Acceptance of ICS Estimate. If the ICN accepts the estimate presented by ICS within five (5) business days of receiving ICS's response, ICS shall perform the modified services subject to the time and cost estimates included in ICS response. ICS's performance and the modified services shall be governed by the terms and conditions of this Agreement.

15.4.4 Adjustment to Compensation. The parties acknowledge that a Change Order for this Agreement may or may not entitle ICS to an equitable adjustment in ICS's compensation or the performance deadlines under this Agreement.

SECTION 16. CONTRACT ADMINISTRATION.

16.1 Independent Contractor. The status of ICS shall be that of an independent contractor. ICS, its employees, agents and any subcontractors performing under this Agreement are not employees or agents of the State of Iowa or any agency, division or department of the State. Neither ICS nor its employees shall be considered employees of the ICN of Iowa for Federal or State tax purposes. The ICN will not withhold taxes on behalf of ICS (unless required by law).

16.2 Compliance with the Law and Regulations.

16.2.1 Compliance with the Law and Regulations. ICS shall comply with all applicable Federal, State, and local laws, rules, ordinances, regulations and orders when performing within the scope of this Agreement, including without limitation all laws applicable to the prevention of discrimination in employment, the administrative rules of the Iowa Department of Management or the Iowa Civil Rights Commission which pertain to equal employment opportunity and affirmative action, laws relating to prevailing wages, occupational safety and health standards, prevention of discrimination in employment, payment of taxes, gift laws, lobbying laws and laws relating the use of targeted small businesses as subcontractors or suppliers.

16.2.2 ICS declares that it has complied with all Federal, State and local laws regarding business permits and licenses that may be required to carry out the work to be performed under this Agreement, including without limitation, laws governing State of Iowa procurement and contracting.

16.2.3 ICS shall give notice to any labor union with which it has a bargaining or other agreement of its commitment under this section of the Agreement. ICS shall make the provisions of this Section a part of its contracts with any subcontractors providing goods or services related to the fulfillment of this Agreement.

16.2.4 ICS shall comply with all of the reporting and compliance standards of the Department of Management regarding equal employment.

16.2.5 ICS may be required to submit its affirmative action plan to the Department of Management to comply with the requirements of 541 IAC Chapter 4.

16.2.6 The ICN may consider the failure of ICS to comply with any law or regulation as a material breach of this Agreement. In addition, ICS may be declared ineligible for future State contracts or be subjected to other sanctions for failure to comply with this Section.

16.3 Amendments. This Agreement may be amended in writing from time to time by mutual consent of the parties. All amendments to this Agreement must be fully executed by the parties.

16.4 Third Party Beneficiaries. There are no third party beneficiaries to this Agreement. This Agreement is intended only to benefit the State and ICS.

16.5 Choice of Law and Forum.

16.5.1 The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Agreement without regard to the choice of law provisions of Iowa law.

16.5.2 In the event any proceeding of a quasi-judicial or judicial nature is commenced in connection with this Agreement, the exclusive jurisdiction for the proceeding shall be brought in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa wherever jurisdiction is appropriate.

16.5.3 This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or Federal court, which may be available to the ICN or the State of Iowa.

16.6 Integration. This Agreement, including all the documents incorporated by reference, represents the entire Agreement between the parties and neither party is relying on any representation that may have been made which is not included in this Agreement. The parties agree that if a Schedule, Addendum, Rider or Exhibit or other document is attached hereto by the parties, and referred to herein, then the same shall be deemed incorporated herein by reference.

16.7 Not a Joint Venture. Nothing in this Agreement shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent/principal relationship) between the parties hereto. No party, unless otherwise specifically provided for herein, has the authority to enter into any agreement or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Agreement.

16.8 Consent to Service. ICS irrevocably consents to service of process by certified or registered mail addressed to ICS's designated agent. ICS appoints: C T Corporation System at 500 East Court Avenue, Suite 500, Des Moines, IA, 50309 as its agent to receive service of process. If for any reason ICS's agent for service is unable to act as such or the address of the agent changes, ICS shall immediately appoint a new agent and provide the ICN with written notice of the change in agent or address. Any change in the appointment of the agent or address will be effective only upon actual receipt by the ICN. Nothing in this provision will alter the right of the ICN to serve process in another manner permitted by law.

16.9 Supersedes Former Agreements. This Agreement supersedes all prior Agreements between the ICN and ICS for the services provided in connection with this Agreement.

16.10 Waiver. Any breach or default by either party shall not be waived or released other than by a writing signed by the other party. Failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Agreement shall not be construed as affecting any subsequent breach or the right to require performance with respect thereto or to claim a breach with respect thereto.

16.11 Notices.

16.11.1 Any and all notices, designations, consents, offers, acceptances or any other communication provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by electronic mail or facsimiles, by Federal Express, courier or other similar and reliable carrier which shall be addressed to each party as set forth as follows:

If to the ICN: ICN Contracting Officer
Grimes State Office Building
400 East 14th Street
Des Moines, IA 50319

If to ICS: ICSolutions
2200 Danbury Street
San Antonio, TX 78217
Att: Legal Dept.

16.11.2 Each such notice shall be deemed to have been provided:

16.11.2.1 At the time it is actually received; or,

16.11.2.2 Within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day of delivery; or,

16.11.2.3 Within five days after deposited the U.S. Mail in the case of registered U.S. Mail; or,

16.11.2.4 When verified by automatic receipt or electric logs if sent by facsimile or email.

16.11.3 Copies of such notice to each party shall be provided separately.

16.11.4 From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

16.12 Cumulative Rights. The various rights, powers, options, elections and remedies of either party, provided in this Agreement, shall be construed as cumulative and no one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law. Nothing in this Agreement shall be construed as affecting, impairing or limiting the equitable or legal remedies to which either party may be entitled as a result of any breach of this Agreement.

16.13 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the invalid portion shall be severed from this Agreement. Such a determination shall not affect the validity or enforceability of any other part or provision of this Agreement.

16.14 Express Warranties. ICS expressly warrants all aspects of the items and services provided by it or used by ICS and the ICN in performance of this Agreement.

16.15 Warranty Regarding Solicitation. ICS warrants that no person or selling agency has been employed or retained to solicit and secure this Agreement upon an agreement or understanding for commission, percentage, brokerage or contingency except bona fide employees or selling agents maintained for the purpose of securing business.

16.16 Obligations of Joint Entities. If ICS is a joint entity consisting of more than one individual, partnership, corporation or other business organization, all such entities shall be jointly and severally liable for carrying out the Agreement activities.

16.17 Obligations Beyond Agreement Term. This Agreement shall remain in full force and effect to the end of the specified term or until terminated or canceled pursuant to this Agreement. All obligations of ICS incurred or existing under this Agreement as of the date of expiration, termination or cancellation will survive the expiration, termination or cancellation of this Agreement.

16.18 Time is of the Essence. Time is of the essence with respect to the successful performance of the terms of this Agreement. ICS shall ensure that all personnel providing services to the ICN are responsive to the ICN's requirements in all respects.

16.19 Authorization. Each party to this Agreement represents and warrants to the other that it has the right, power and authority to enter into and perform its obligations under this Agreement and that it has taken all requisite action (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Agreement. This Agreement constitutes a legal, valid and binding obligation upon the parties in accordance with its terms.

16.20 Successors in Interest. All the terms, provisions, and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

16.21 Counterparts and Facsimile Signatures. The parties agree that this Agreement has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument. The parties further agree that the signatures on this Agreement or any amendment or schedule may be manual or a facsimile signature of the person authorized to sign the appropriate document. All authorized facsimile signatures shall have the same force and effect as if manually signed.

16.22 Additional Provisions. The parties agree that if a Schedule, Addendum, Rider or Exhibit is attached hereto by the parties, and referred to herein, then the same shall be deemed incorporated herein by reference.

16.23 Use of Third Parties/Prime ICS Responsibilities. The ICN acknowledges that ICS may Agreement with third parties for the performance of any of ICS's obligations under this Agreement. All subcontracts shall be subject to advance written approval by the ICN. ICS may enter into these contracts to complete the project provided that ICS remains responsible for all services performed under this Agreement. All restrictions, obligations and responsibilities of ICS under this Agreement shall also apply to subcontractors. The ICN shall consider ICS to be the sole point of contact with regard to all matters related to this Agreement and is not required to initiate or maintain contact with any subcontractor. ICN may choose to deny use of any specific third party contractor at ICN's sole discretion, in which case ICS must obtain a different third party contractor.

16.24 DATE PROCESSING WARRANTY.

16.24.1 ICS warrants that each item of hardware, software, firmware, or a custom designed and developed software program or a system which is developed or delivered under, or used by ICS in connection with its performance of this Agreement, shall accurately process data, including, but not limited to, calculating, comparing and sequencing, from, into, between and among the nineteenth, twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the item(s) documentation provided by ICS.

16.24.2 If the items to be developed and delivered under this Agreement are to perform as a system with other hardware and/or software, then the warranty shall apply to the items developed and delivered as the items process, transfer, sequence data, or otherwise interact with other components or parts of the system. This warranty shall survive the term of this Agreement. The remedies available to the ICN for a breach of warranty includes, but is not limited to, repair or replacement of non-compliant items or systems.

16.24.3 Nothing in this warranty shall be construed to limit any rights or remedies of the ICN under this Agreement with respect to defects in the items other than the Date Processing Warranty.

16.25 Force Majeure. Neither ICS nor the ICN shall be liable to the other for any delay or failure of performance of this Agreement; and no delay or failure of performance shall constitute a default or give rise to any liability for damages if, and only to the extent that, such delay or failure is caused by a "force majeure".

16.25.1 As used in this Agreement, "force majeure" includes acts of God, war, civil disturbance and any other similar causes which are beyond the control and anticipation of the party effected and which, by the exercise of reasonable diligence, the party was unable to anticipate or prevent. Failure to perform by a subcontractor or an agent of ICS shall not be considered a "force majeure" unless the subcontractor or supplier is prevented from timely performance by a "force majeure" as defined in this Agreement. "Force majeure" does not include: financial difficulties of ICS or any parent, subsidiary, affiliated or associated company of ICS; claims or court orders which restrict ICS's ability to deliver the goods or services contemplated by this Agreement; or Year 2000 issues or Y2K-related difficulties or problem.

16.25.2 If a "force majeure" delays or prevents ICS's performance, ICS shall immediately commence to use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be reasonably determined solely by the ICN.

16.25.3 During any such period, ICS shall continue to be responsible for all costs and expenses related to alternative performance.

16.25.4 This Section shall not be construed as relieving ICS of its responsibility for any obligation which is being performed by a subcontractor or supplier of services unless the subcontractor or supplier is prevented from timely performance by a "force majeure" as described here.

16.26 Records Retention and Access. ICS shall permit the Auditor of the State of Iowa or any authorized representative of the State or any authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent validation records, financial records, accounting records, books, documents, papers, electronic or optically stored and created records or other records of ICS relating to or created as a result of the performance of this Agreement. These records shall be made available to the State, its designees, the Auditor, or an authorized representative of the United States government at reasonable times and at no cost to the State during the term of this Agreement and for a period of at least (5) years following the termination, cancellation or expiration of this Agreement.

16.27 Taxes. ICN declares and ICS acknowledges that ICS and its subcontractors may be subject to certain taxes including but not limited to sales tax, motor vehicle fuel tax, personal or corporate income tax or other taxes or assessments, and to licensing fees or other miscellaneous fees or charges which may be imposed by Federal, State or local law or ordinance. ICS and its subcontractors shall be solely responsible for the payment of such taxes. ICS shall promptly pay all such taxes, fees or charges when due. ICN is a tax-exempt entity and ICS shall not attempt to pass on any costs, including surcharges and fees, to the ICN that are attributable to federal, state, or local taxes, including sales tax, motor fuel tax, property tax, or personal or corporate income tax. Universal service fund payments are covered by Section 16.28.

16.28 Universal Service Fund Charges. The parties agree that the ICN has been recognized by the FCC as a telecommunications carrier and a re-seller of the Services to be provided by ICS under this Agreement. The ICN incorporates the Services into services offered to its own customers. The ICN contributes directly to the federal Universal Service Fund, as required, based upon revenue from its end-user customers. Based on the foregoing representations, the ICN will not be required to pay the Federal Universal Service Fee ("FUSF") of ICS or its successor(s).

16.29 Further Assurances and Corrective Instruments. ICS agrees that it will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Agreement.

16.30 Assignment and Delegation. This Agreement may not be assigned, transferred or conveyed in whole or in part without the prior written consent of the other party. For purposes of construing this clause, a transfer of a controlling interest in ICS shall be considered an assignment. If either party, in its sole discretion, determines that the other party's assignment of this Agreement to another person or entity is not in the determining party's best interests, the determining party may elect to terminate this Agreement with the other party without penalty upon thirty (30) days written notice to ICS.

16.31 Headings or Captions. The paragraph headings or captions are for identification purposes only and do not limit or construe the contents of the paragraphs.

16.32 The ICN reserves the right to conduct criminal history and other background investigations of ICS, its officers, directors, shareholders, or partners and personnel retained by ICS for the performance of the Contract.

16.33 No Minimums Guaranteed. The ICN does not guarantee any minimum usage of ICS's services or make any volume commitment under this Agreement.

SECTION 17. BUSINESS DOWNTURN.

17.1 In the event of a business downturn or budget difficulties beyond the control of the ICN, including budget difficulties of other authorized users of the ICN or significant restructuring or reorganization, any of which significantly reduces the volume of Services required by the ICN, with the result that ICN will be unable to meet its revenue or volume commitments under this Agreement, ICS and the ICN will cooperate in efforts to develop a mutually agreeable alternative.

SECTION 18. REDUCTION OF RESOURCES.

18.1 If, during the Term, the ICN experiences a change in the scope, nature or volume of its business, or if the ICN elects to change the manner or method by which it does (including, but not limited to, an election by Iowa Legislature to effect a sale or other disposition of material assets), which have or may have the effect of causing a decrease in the quantity or quality of the Services that will be needed by ICN, then ICN may request ICS to reduce the level of Services and the annual Service charges to ICN under this Agreement. However any such reduction must not adversely impact upon ICS's ability to reasonably perform its obligations under the Agreement.

18.2 In such event, ICS shall estimate, in writing and in good faith, the aggregate decreased charges to ICS from ICN's ceasing to perform such Services and shall provide such written estimate to ICN, no later than 30 days from ICS's receipt of ICN's notice. ICN, upon receipt of such estimate, may then elect by written notice given to ICS within 15 days following receipt of ICS's written estimate to:

18.2.1 Withdraw its request for a cessation of part of the Services;

18.2.2 Implement such partial cessation of Services based upon the estimate of ICS; or

18.2.3 Request that ICS negotiate with ICN regarding the aggregate reduction in the Annual Service Charges due to ICS from ICN hereunder as a result of the partial cessation of Services. If ICN shall elect to request ICS to negotiate, the parties shall promptly negotiate in good faith regarding the amount.

SECTION 19. EXECUTION.

19.1 IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into this Agreement and have caused their duly authorized representatives to execute this Agreement.

Iowa Department of Corrections

By: John Baldwin
Name: John Baldwin
Title: Director

Date: 8 Oct. 13

Inmate Calling Solutions, LLC d/b/a ICSolutions

By: Brendan Philbin
Name: BRENDAN PHILBIN
Title: VICE PRESIDENT

Date: 10/4/13

**Approved as to form:
Iowa Telecommunications and Technology Commission
operating the Iowa Communications Network**

By: Mark W. Johnson
Name: Mark W. Johnson
Title: Administration Director

Date: 10-8-13

SCHEDULE A **Scope of Services**

1. General System Requirements. ICSolutions agrees to install and provide the services of an OCS for use at State of Iowa DOC offender facilities including, but not limited to, State owned prison facilities and all correctional facilities deemed necessary, by the State. The System shall operate as a prepaid calling System.

Advanced Technology. The System's software shall be of advanced technology with robust management capability. Every component of the System must adhere to open standards. Open standards are publicly available specifications for achieving a specific task.

State-of-the Art. The System shall use state-of-the-art hardware equipment at onset of the new Contract. The hardware will be new, or at a least minimally new by being manufactured within 12 months of the Contract execution date and of such capacity as to ensure a continued, responsive, serviceable and expandable service with little or no down time. Hardware equipment must be freely available on the open market or must be clearly indicated in the bid proposal as being of a proprietary nature.

Current Design. ICS confirms that the OCS software proposed is in current production and detail the anticipated life cycle of the product. ICS shall offer or design the most up to date revision that is applicable to the OCS as required in this Contract.

Upgrades, Enhancements, or Replacements. ICS must regularly provide the latest upgrades, enhancements, and replacements to hardware, any other equipment used in the System, and software. Free, regular software updates are provided at no cost throughout the life of the contract. Whenever an upgrade and/or enhancements to The ENFORCER® finishes testing and is ready for wide release, the State will be notified of the new release updates and provided documentation of the features and functions of the new software. New software releases and enhancements are distributed through an IP connection, with no need for any onsite disruption. Enhancements and upgrades to The ENFORCER® are predominantly driven by market demand and specific client requests. Typically, large upgrades are released approximately once per quarter.

- ICS confirmed it's understanding that if the State requests changes to the installed and operational system, ICS shall be asked to provide a detailed quote of the cost components for the States consideration before proceeding with the implementation of the additional system components or service capabilities.
- ICS shall upgrade any third party software products to insure no software becomes unsupported, obsolete or publically available during the term of the contract.
- During any System hardware and or software upgrade, enhancement or replacement, ICS shall guarantee that the new system will be fully tested for operability and accuracy before being placed into production. ICS understands that any upgrade, enhancement or replacement must be accepted by the State prior to ICSs implementation. If the changes to the System are put into production and are not accepted by the State and are not operable or accurate, the changes will be considered "Service Degraded" as identified in 19.

Availability. ICS shall provide constantly available service, which shall be defined as an uptime annually of 99.999% at the institutional level as determined by the ICN monitoring. In addition, Availability would exclude planned network outages for upgrades or maintenance, pursuant to Section 6 regarding Maintenance. In addition, ICS shall monitor the quality of service it delivers. ICS shall describe how it monitors and measures availability of the system they are proposing. The resulting contract will apply appropriate credits if ICS is unable to achieve 99.999% availability. Refer to Sections 17, 18, 19, 20, 21 and 22 and subsections thereof for performance standards and credit computation.

System Architecture. The ICS system utilizes a centralized architecture, whereby the call processor, database, and data/recording storage hardware components are installed at JHFQ Armory and connected via IP gateways to the telephone instruments at each institution.

Automated Direct Call Processing. The System shall provide automated direct call processing of the pre-paid call system. Passive or voice activated acceptance shall be programmable by dialed number and controlled by each institution.

Rejected Calls. The ICN and DOC shall not incur any LEC, CLEC, or long distance charges for calls that are made by offenders where the call is received by a called party and rejected and no conversation occurred between offender and the called party.

Incomplete Calls. The ICN and DOC shall not incur any LEC, CLEC, or long distance charges for calls that are incomplete.

User-Friendly Voice Prompts. The System shall support user-friendly voice prompts. Voice prompts shall be available in any variety of languages, based on needs of the DOC. At this time only English and Spanish (including Spanish dialects such as Mexican, Cuban, etc.) are required. The ICN for DOC may add additional required languages during the Contract, depending on offender population.

Conversation Length. The System for all institutions shall provide a programmable conversation length designated by the DOC with an automatic shutoff which includes a warning signal sixty seconds prior to call termination which is heard by both parties. (Currently the call duration is 20 minutes.)

Telephone Administration. The System shall support a programmable on/off "administration" of all telephones. This administration shall include the available features and disclose the data captured within this administrative function to include, but not limited to, the minimum data required by this Section. At a minimum the System must capture all of the data described below:

- Individual offender or resident data, including number of calls during a period of time for an offender or resident; the dates, times, duration and location of calls; phone numbers that were dialed; and any other pertinent data must be recorded.
- Individual phone number data including date, time, duration and location of a particular phone number, and by who must be recorded.
- Complete chronological data regarding individual phone activity at all facilities including date, time, duration and location of all calls made and by whom must be recorded. All call attempts and phone pickups for use but no call completed must be able to be recorded.
- The ICN and the DOC reserve the right to request other data as required to monitor offender telephone conversation and usage.

Telecommunications Device for the Deaf (TDD). ICS' system shall provide TDD capabilities at each institution. A TDD call will be processed under normal procedures, at a secured location, such as a security office, with DOC staff assistance as needed. The Central Equipment must only be capable of providing such a service. The System shall provide for telephone instrument needs and situations applicable under the Americans with Disabilities Act.

2. Call Recording. The System shall provide configurable call recording and live monitoring at each institution. The call recording and monitoring features shall be capable of meeting the following requirements:

The call recording system proposed shall be sufficiently flexible to allow selective call recording at the request of each institution. For example, selective recording of the conversation of any particular telephone call at the discretion of the DOC institution's security director. All call recordings must start when the offender begins to process the call.

- The recordings must include the voice prompts given to the called party and a record of the call attempts by receiver pick up shall be made.
- By asking for a record of the call attempts by receiver pick up, DOC requires that recordings also be maintained for incomplete calls.

The central equipment shall record ALL telephone calls simultaneously from every institution and store and index these recordings for archive purposes. The System will record all calls in real-time and provide online storage for immediate retrieval by DOC, during the entire contract term. The record retention time frame may be changed only at the request of DOC.

- The calls will be stored on ICS-provided NAS devices, housed at the JFHQ Armory, and will be retained, along with all associated call detail for the entire contract duration. Call recordings and associated data are available for instant online access by authorized DOC/ICN users at any time, throughout the contract term.

The System shall allow DOC to search stored call records and export reports which will include, but not be limited to; number called, offender ID number placing the call, date and time of call (central time only), etc.

ICS shall ensure that no call recordings will be unavailable or lost.

ICS confirmed its understanding that if a recording is not available as required in Section 2 ICS shall be assessed a performance penalty as described in Section 20.

DOC may elect to set the standard such as .wav files attainable for all calls recorded during the period of this contract.

The recorded calls must not be stored in any proprietary format. Only common industry formats will be acceptable, ICS will be required to obtain DOC approval of the recording format.

All call records must be recorded in a manner that enables recordings to be admissible in court. ICS will be required to work with DOC to ensure this requirement is met.

The System shall contain security features that provide verifiable proof that the recording was not altered or tampered with.

Upon completion or termination of the resulting contract for any reason, ICS shall provide the complete records of all calls recorded during the life of the contract on a standard medium such as tape, CD or hard drive or any medium requested by the State. ICS must also provide the State the software necessary to access the call records. ICS shall be responsible for any licensing fees related to the software. The historical call recording records will be provided at no additional cost to ICN other than any costs which may be defined in the Pricing Worksheet of the RFP in the Other Charges or Other Costs line as applying to this transfer of historical call recording.

- ICS will leave behind a NAS (Network-Attached Storage device) that, throughout the contract period, backs up all phone system information, call data, and recordings and stores them for the life of the contract. To allow for easy access to the data and call recordings on the NAS, ICS can also leave behind a workstation and related components that meet the State's requirements for this contract. From the provided workstation, State personnel can access The ENFORCER® software GUI (using login credentials that will be maintained by ICS). This access will enable authorized State users to use The ENFORCER® GUI to search the call data and call recordings, play back and transfer recordings, run reports, export data, etc. – all using the same familiar ENFORCER® interface they used during the contract period.
- Because the call data and recordings are available in non-proprietary formats, the State can also export the files into other formats and systems. If the incoming offender phone vendor is willing to transfer the data into their own system, for example, they should be able to read the data and play back call recordings.

All call records are the sole property of the State of Iowa. ICS shall not retain any rights to the call records. ICS shall be able to provide proper billing based upon the call records. ICS may not keep or use the records for any purpose other than those directed by the State. The State of Iowa is the sole owner of the records.

3. Customer Call Acceptance / Call Acceptance by Called Parties. The System shall provide for call acceptance through computer instruction. The System must be configured so that only the called party may accept the call. ICS shall manage customer call acceptance in compliance with the requirements listed in this Section.

The System shall provide for call-acceptance by keypad indication. In the event the called party has only rotary phone service ICS shall be able to accommodate such rotary phone service. ICS shall be able to accommodate rotary phone service.

Voice acceptance will not be allowed unless the recipient has a disability and uses voice activation to communicate telephonically and has advised DOC of the need for the exception. DOC shall notify ICS of the need for the exception. The System shall accommodate such exceptions once ICS is notified of the need for the exception by the DOC.

The System shall be designed so that the offender and the called party will only be allowed to talk with each other after the called party has accepted the call. There shall not be any voice connection between the offender and the called party until the called party accepts the call, and it is required that the offender NOT hear any words or conversation until the called party has accepted the call.

- The System shall be designed so that a public member may request a block on calls from a particular offender, calls from a specific DOC institution or offender calls from all DOC institutions.
- All blocked calls or block requests shall be reported by the System in the usage reports.

ICS understands that if an offender is connected to an answering machine or a voice mail box, the offender will be charged for the call.

4. Tariff. ICS shall file a tariff with the Iowa Utilities Board on behalf of the DOC. All rates and surcharges will be determined at the sole discretion of the DOC and may be changed at the determination of the DOC. The tariff(s) filed on behalf of the Iowa DOC will include local, intrastate, interstate, and international charges as determined by the DOC. Tariff amounts shall be obtained from DOC by ICN and provided to ICS for filing.

5. Software.

ICS shall provide OCS software. ICS shall provide a robust System that can produce various iterations of the data captured and produce customizable reports that meet ICN and DOC requirements for numerous situations related to security and investigations, as well as evaluation and planning. The software shall be capable of reporting real time and delayed call record reporting by time of day, date, duration, calls longer than a time parameter (calls longer than a time parameter shall be terminated), most frequently called number, personal identification number (PIN), dialed number, telephone, offender name, area code, telephone number prefix, or any combination thereof; and be sufficiently flexible to provide reports in DOC format requirements.

The System shall enable DOC to review any and all transactions and functions of each and every telephone from the institution's offender phone rooms and from the main equipment. The DOC must be able to listen to calls in real time as well as to recorded calls. The software program must have the ability to audit all calling patterns and income streams for long distance and local calls.

The System allows the DOC or the ICN the ability to add/delete phone stations at their discretion.

The System allows the DOC or the ICN the ability to activate and or deactivate offender accounts.

The System allows DOC to control offender accounts based upon privilege level, housing unit and time remaining per day/week/month.

The System allows DOC the ability to turn off an individual handset, a given housing unit, a specified institution or all intuitions.

ICS shall provide software upgrades and/or enhancements as they become available by the original equipment manufacturer, OEM, and/or are necessary for the System's operability.

System Integration. The System shall interface with other systems used by the State of Iowa. The other systems with which the System must interface include, but are not limited to, the Offender Demographics System (currently "ICON"); the Offender Movement System (currently "ICON"); the system that receives data of authorized telephone numbers – both adds and deletes; the system that governs Lockbox Transactions, including additions and removals of funds to specific authorized phone numbers for an offender versus an offender's general telephone fund pool.

- The ENFORCER® supports both batched and web service interfaces. The web service interface provides flexibility and eliminates the latency inherent in a batched process. ICSolutions has already deployed web service interfaces with ATG and has confirmed with ATG that all data exchange file transfers currently handled through FTP batch processing can be handled via web service. This web service interface will eliminate all latency and remove the dependency for nightly information loads, thereby supporting an event-driven SOA solution.

- The ENFORCER® supports both batched and Service Oriented Architecture (web services) interfaces. We have confirmed with ATG our ability to provide a web services interface, and we will do so at no additional cost to the DOC or ICN. With this real-time integration in place, any offender changes in the OMS (such as additions or moves) will be reflected immediately in the OCS. The phone system will know the correct locations of all offenders at any point in time and can appropriately enforce location-based calling restrictions. Furthermore, when funds are deposited to debit calling accounts, they will be immediately available to offenders in the OCS. Offender calling will not be delayed by waiting for nightly batch processing.
- ICS's System shall be able to back out individual balance updates.
- ICS's System shall be able to remove complete institution or system updates if the update is found to be duplicate or incorrect.
- ICS's System shall be required to pick up inmate demographic and housing information on a daily basis.

Investigator Tools. The following capabilities are available within the ICS ENFORCER System:

- Access the system easily through a secure, browser based GUI (Graphical User Interface).
- Receive flagged in-progress calls to a designated direct line or mobile phone, to which the ENFORCER® system provides an Alert feature to aid investigators in up-to-the-minute offender telephone activity.
- Monitor offenders real-time via cell phone.
- Simultaneously monitor calls from multiple correctional facilities.
- Add notes to calls or flag calls for follow-up.
- Receive automated alarms via email and text message.
- ICS call center operators can monitor calls at no cost.
- Map destination number locations online.
- Review numbers called by more than one offender, depositors depositing to multiple offenders.

6. Maintenance.

Maintenance Request Procedures: Scheduled or Routine System Maintenance is defined as any work activity that either involves the disruption of service to customers, or has the potential to disrupt service to customers. The nature of the activity is such that it can be pre-scheduled so as to allow notification to customers if necessary. Work on any network facility that is involved in service delivery either directly (Servers or LAN gear, switches, transmission equipment, fiber, fiber cable, etc.) or indirectly (power, environmental systems, etc.) is subject to ICN Maintenance and Support Contacts and On Call Procedures, provided in Schedule C.

- ICS shall adhere to all ICN standard procedures listed in Schedule C for the working of trouble tickets, scheduling of Change Orders (Maintenance Windows), and chronic problem resolution.

Preventative Maintenance: Tasks that affect or potentially impacts the customer(s) requires at least 4 business days notice to the ICN so that customers are properly notified in advance. Actions must be submitted via ICN Maintenance Window/Change Order Procedures and must describe in detail the action to be taken, duration expected including when the system will be back on line, system impact and/or potential impact, a back-out plan in case the process does not go as expected, and the time the back-out plan would be commenced to restore the system on schedule. ICS must obtain prior written approval from the ICN before proceeding.

- Planned Maintenance downtime does not count against ICS in service availability measures.

Emergency: Any unplanned facility activity or outage is defined as an emergency, and include maintenance procedures that must be initiated due to imminent service jeopardy or disruption. ICS will provide the ICN NOC information so that a best effort to notify customers of the impending maintenance and its impact can be completed. As with planned maintenance, written approval must be obtained from the ICN to proceed. Emergency maintenance is to be avoided due to lack of advanced notice to customer.

- Emergency Maintenance does count against ICS for service availability measures.
- ICS shall provide ongoing maintenance of the System software and hardware to include, but not limited to the requirements listed in this section.
- ICS shall respond to all maintenance and repair requests for service on its equipment or software within one (1) hour.

Remote Diagnostic System. The OCS shall support remote diagnostic System, programming, polling and System alarm reporting. The DOC and ICN require that the equipment will have all of the above capabilities to facilitate maintenance, upgrades, etc. without staff intervention or staff on-site presence.

ICS must provide a high speed remote connection to the System that allows for a rapid transfer of software upgrades and other downloading requirements.

All ICS maintenance spares must be stocked at JFHQ Armory with fully adequate stock always maintained.

- The proposed network architecture is fully redundant; however a minimum of one network device of each variety and additional hardware components will be stocked at JFHQ Armory. The service technicians will be trained in all replacement procedures and will do so at the direction of the Technical operations staff located in San Antonio.
 - 2 – Adtran Total Access 924e
 - 1 – Adtran NetVanta 4430
 - 1 – Adtran NetVanta 6240
 - 2 – Hard Drives
 - 2 – Network switch

The central equipment shall be ESF-B8ZS Loop Start T1 and SIP compatible. T1's will be used for the trunk sides of the System and in most cases the station side. Certain DOC facilities can only be connected via SIP and will be identified prior to implementation. It is the long range plan of the ICN to convert all DOC institutions to a SIP based connection for the Inmate Calling System. Individual analog channel Interfaces will not be accepted.

7. Training and Instruction. ICS shall provide in-person training to DOC staff in use of the telephone system at each institution within 10 days of the initial installation of the System or an of ICN or DOC request for additional training. Proper use of all features shall be emphasized.

ICS shall provide one (1) complete set of training material/manuals for each institution. Training material may include printed documentation, video training, and audio training information.

ICS shall provide multilingual instruction at all facilities where requested by DOC.

- The training of offenders for call use shall be available in English with phone instructions (a written how-to brochure describing the functionality and proper use of the offender phone system) in both English and Spanish. The in-person training for the phone use to a phone user shall be in English; but the instructions at the phone to each phone user, at contract onset, shall be written in English and in Spanish (and Spanish dialects such as Mexican, Cuban, etc.). At a possible future time various Asian languages including but not limited to Vietnamese, Thai, Chinese (and various major Chinese dialects), Hmong, and Korean or other languages may need to be added. The ICN for DOC, depending on offender population mix, may change this requirement during the contract period. ICS may be required to provide additional training on an as needed basis.

Training shall be maintained for all ICS staff on current upgrades and versions of all hard/software in the System.

Prior to any System upgrades, ICS shall be required to provide training to the DOC staff at least 10 days prior to the implementation of any System upgrade into production.

8. Maintenance of Offender Accounts and Reporting Requirements.

Offender Accounts. All Offenders will be provided a separate offender phone account. The System shall be able to manage a general phone account for each offender PIN and subsidiary accounts for each PAN (Personal Access Number) number for each offender PIN.

- All offenders (each PIN) will have a general account, known as a debit account, which is non-specific in nature and can be used for making debit calls to any allowable number. Typical subsidiary accounts (available for each PAN number) are accounts where the debit funding to that account may be used for making calls only to that designated phone number. An offender may have as many such accounts as DOC/ICN sees fit.

Deposits to Offender Accounts. Deposits to offender accounts, specifically for the use of the OCS, are received by the DOC Offender Phone Account Unit. Deposits to offender phone accounts are made through real time interface between the DOC banking system and the OCS. Received funds are credited to an offender's phone account through this interface and are available for phone use immediately following the deposit. The System shall include provisions for both offenders and called parties to pre-pay or add funds to their general or subsidiary accounts. The System will be required to interface in real time with this system. If the transfer does not occur accurately and or balance, ICN shall deduct \$500 for each day a mismatch occurs.

- The System shall be able to track deposits to each offender's general account and/or the offender's subsidiary accounts.
- ICS shall be able to track monies received by the DOC, from outside individuals that are to be earmarked to a certain telephone number (number in the PAN listing). These funds must be maintained separately from the general offender's phone account and used only for calls made to that telephone number.
- Pre-Paid Deposit forms can be reviewed at: www.doc.state.ia.us. (Open "Offender Telephone Services" then "Pre-Paid Service Forms").
- It is not intended that ICS physically handle monies. If at any time ICS physically handles OCS funds, the State will require ICS to post a fiduciary bond.
- All applicable taxes and fees from the offender's funds prior to the balance being deposited in the offender's phone account. The DOC pays the State sales tax; the other taxes are paid for by the offender. The System shall track, report and remove any applicable taxes and applicable fees from an offender's account.

Rating Calls. Rating of calls is managed within the System, the calls are rated immediately upon completion and the rated call record is stored in the OCS.

- The System shall calculate the cost of each phone call based on the rates established by the Department of Corrections.
- The System shall not allow an offender account to go in to a negative balance. The System shall have controls in place to prevent completed calls from allowing offender accounts to go negative.
 - ICS understands that it is responsible for charges if ICS's system allows the offender to make a call based upon an inaccurate account balance.
- Each call will be rated real time and, once complete, the cost of the call will be applied against the offender's appropriate account.
 - No charges are assessed for refused calls, no answer, busy, answering machines, faxes, or pagers.
 - Offenders will not be charged for incomplete or rejected calls.
 - Costs of completed calls made against specific PAN numbers will be subtracted from the balance available in specific PAN subsidiary accounts.

Financial Management of Offender Accounts. The system shall track and record each offender deposit and subsequent debit call, thereby providing real-time account balances. When an offender initiates a debit call, the system will calculate the cost plus applicable taxes (if any) for a maximum duration call and place a lien on those funds until the end of the call. If the funds in the account are less than funds required for a maximum-duration call, the system will calculate the available duration, inform the offender of this duration, and place a lien on the entire account balance until the end of the call. Once the call ends, the system will compute the true cost of the call based on actual duration and decrement the account balance by the true cost amount. Simultaneously, the OCS creates and stores a detailed call record that can be utilized to audit and reconcile offender accounts.

Financial and Usage Reports. The System must provide ICN and DOC financial and usage reports related to all offender calls. The reports generated by the System must show reconciliation between the amounts of minutes used to the amounts used in the Financial Reports referenced in this Section and all other subsections to ensure that all OCS use is accounted for, and is able to be reconciled in the ICN and DOC billing and payment systems. **All reports MUST be available in real time.**

- **Financial Reports.** ICS shall create any other reports upon ICN or DOC request within the time frame requested by the ICN or DOC. The System shall be able to run all reports by date parameters, individual facility and establish the ability for ICN to run all of the same reports at selected ICN Finance workstations. All reports must have the ability to be exported into Excel. ICS shall provide the ability to do test reporting. A listing of current **REQUIRED** reports is as follows:
 - **Debit Transaction Report:** Showing daily deposit amount, daily transactions for calls, daily adjustments made.
 - **Revenue Breakdown Report:** Showing revenue breakdown by institution, band, call count, duration of call and amount of call, by each institution and a grand total by band.
 - **Call Record Statistic System:** Showing call breakdown by institution, type of call (accepted, failed, refused or unanswered). Also, termination type and count for each type. Reports shall provided subtotals for each institution and category grand total by type of call.
 - **Call Attempts by Date:** Showing call breakdown by day and type of call (accepted, refused or unanswered, free accepted, refused and unanswered) if it was billed or a free call. Also showing call count, duration and amount for each category. Billing Summary total by type of call with a grand total with Free calls totaled by category and totaled.
 - **Call Attempts by Facility:** Showing calls billed or free calls, type of call (accepted, refused or unanswered) count, duration, and amount for each category. Billing Summary total by type of call with a grand total with Free calls totaled by category separately. A Category Summary with grand totals.
 - **Call Records:** Showing calls by Offender ID, date of call, time of call, call type, bill type, duration, and number called, system, station, and trunk.
 - Call records shall also detail the index location of the file containing the call recording.
 - **Offender Reports:** Showing all information relating to offender; offender access, Offender pans, offender status and Offender calling activity.
 - **Station reports:** Showing station revenue, station usage.

The ICS System shall utilize web services integration and will not require nightly FTP uploads. The System will provide real time data, showing offender account balances, offender PAN list and all call records with charge detail and index location of the recording.

ICS confirmed its understanding that the DOC ICON system shall be the independent reconciler of the System balances. If ICSs financial reports do not match the DOC ICON system, the ICN will deduct \$500 per occurrence.

9. System Security. The System shall allow for various levels of access to information. Every institution has various staff working within the Offender Calling System throughout the day. Different levels of security will be required for these individuals to allow access to the various modules of the System. For example: Only, ISP (Iowa State Penitentiary) business office staff will have access to financial and PAN information, however each institution will have system access for call monitoring purposes. Investigators shall have access to the monitoring and history sections of their institution as well as the other institutions.

- The System shall enable administration of security levels through “view only”, and within each security level, a list of tasks (add, modify, view only) that can be performed within that level.
- ICS confirms its understanding that the DOC retains the right to grant or limit access to any part of the System to State staff or DOC systems.
- ICS shall maintain security measures to prevent unauthorized access from an ICS or State computer or from a remote source, to the web based system.

Additionally, a single institution may opt to not record calls.

ICS must apply recommended security patches to operating system and applications within a reasonable timeframe from their release. As an example, the ICN utilizes www.cert.org as a reference tool for these general system patches. The System shall support secure socket layer (SSL) based communication between all client and server communications.

- ICS will supply the ICN with IP port information for any devices interfacing with the State network.
- ICS shall provide ICN admin rights to ICS System.

Fraud Prevention. ICS shall deploy fraud control procedures within its System such as: three-way call detection, hook switch and secondary dial tone prevention, extra dialed digit prevention, chain dialing prevention, no incoming calls, real time validation, continuous system monitoring and custom call restrictions.

10. Additional ICS Responsibilities.

Entry to DOC Facilities. If an ICS’s employee must enter a DOC institution, the employee must meet any access criteria established by the DOC at the time of access. Such criteria may include employee background checks. For routine maintenance, ICS staff must give DOC staff a 24-hour advance notice of need to enter an institution for normal occasions, to include all instances except a trouble. If a trouble has been identified, 2 hour notice must be provided to the appropriate facility and personnel. It shall be ICS’s responsibility to keep ICS staff apprised of DOC access requirements to DOC facilities.

PIN Numbers. Each offender’s access to process calls will be by Offender ID number and the last four digits of the offender’s Social Security number. ICS shall be responsible for personal identification number (PIN) number administration. ICS shall ensure that Offender PIN Numbers follow the offender(s) between institutions and are added and removed in a timely manner, preferably within one day of receipt of new offender information supplied by DOC. A PIN number must only be allowed to be active at one institution, although an offender may carry his or her PIN number to various institutions within Iowa if offenders are moved within the Iowa DOC institutional system. If DOC deems the social security number as the PIN number ICS’s system shall be setup to accommodate that request.

ICN shall have the ability during the life of this contract to select an alternate numbering system for offender pin numbers should such a change be necessary in ICN’s opinion.

Area Codes. The current area codes for the prison locations are 319, 515, 563, 641 and 712. The System shall accommodate these area codes, plus all future new area codes, splits or overlays. Callers must be able to call any area code nationwide.

Operating Procedures. ICS shall respond to offender families’ and ICN staff inquiries (through the DOC) about billing the offender for the pre-paid call, blocked calls, deactivating and activating PIN numbers with offender movement between institutions, use of a help desk, proper posting and debiting of credits (incoming payments posted to the offenders telephone account) and debited charges (cost of a call) to offender pre-paid phone accounts within no more than three (3) work days of receiving the inquiry. ICS’s response to the inquiry must be accurate and courteous.

International Calls. The System shall provide international call capability. The OCS supports automated international debit calling as a standard feature, with no live operator required.

- A live operator is never utilized to make a call connection, nor is an offender able to leave a message on an answering machine or a voice mail box, as active acceptance is typically required before a call can be connected. However, if the State wishes to allow call connections in the absence of active acceptance by a live called party, ICSolutions agrees that the offender shall be charged for calls that are connected to answering machines or voice mail boxes.

Site Administrator. If the State chooses to utilize an ICS on site administrator (person to be identified by ICS) that person would enter personal identification (PIN) numbers for offenders as designated by DOC. For some infrequent times, such as weekends and emergencies, entries might also be completed by an institution's phone contact person or by ICN hub site staff in the absence of ICSs on Site Administrator.

ICS must subscribe to an authorized Public Switched Network service (i.e. NANPA - North American Numbering Plan Administration). ICS must track and make changes for Area Code splits and any other public network numbering changes as identified by this service.

11. Installation and Implementation.

The installation and implementation time schedule is provide in Schedule D.

- Should ICS's System require integration with or use of other State systems not addressed within this Agreement, ICS will be required to agree to the ICN or DOC Standard Operation Procedures, depending upon the system and the level of integration.

Installation of the OCS shall be at ICS's expense, as will be removal of it upon cancellation or completion. ICS shall be responsible for all equipment and service and shall provide a ICS's customer service representative to oversee ICS's staff or manufacturers staff for the installation, and removal at contract end, of all ICS's System components.

ICS shall fully assume the risk of loss and/or damage for any equipment that may be provided by ICS during shipment, unloading and installation.

ICS shall remove all packing crates, boxes, paper, packing materials and all other such extraneous material from the premises at ICS's expense after installation at each site.

Schedule of Implementation. ICS shall submit a complete and detailed schedule of the time required for installation steps, utility coordination, training, cutover and testing. The schedule shall include staff charts, dates, and any cutover aspects. Note that no institution has a higher installation priority than any other. The System shall be installed in a manner and under a time frame designed to minimize disruption of the normal functions of the DOC. Any delay in the schedule that is caused by DOC personnel will increase ICS's time allowed to cutover by the length of such delay.

ICS shall be responsible for supervision, delivery, unpacking, placement, cabling, installation, testing and cutover of equipment provided by ICS. ICS shall coordinate all phases of installation with the ICN contact person. ICS shall obtain the advice and written approval from ICN before making any modification or alteration to any building(s) or grounds. Should DOC approval be required for any installation item, ICN will be responsible for obtaining the DOC approvals for ICS. ICS shall barricade work areas to provide a safe condition for pedestrian and vehicular traffic.

ICS shall be responsible for development of a complete System test plan that validates every system feature and capability. This test plan shall be a formal document to be executed by ICS upon approval of the ICN and others as required by the ICN. The test plan shall be delivered prior to Agreement execution and shall include at least 2 full System tests in addition to incremental testing. ICS methodology and process it intends to use to meet this requirement shall be included in Schedule D.

ICS shall comply with all applicable Local and National Electric Codes when installing the System and it shall ensure that the System conforms to all applicable Local and National Electric Codes.

The ICN Engineering Division must first approve all wiring additions in the JFHQ Armory. All wiring additions to be made at any DOC institution must first be approved by appropriate authorized DOC institution personnel as specified by DOC. ICN Engineering Division must have advance knowledge and review of all wiring additions in any location.

ICS shall have a Conversion Project Manager on site or in constant contact during the whole time that a conversion is in process until conversion is complete.

Physical Test. ICS shall provide a complete system for a physical test, which shall include fully installed and operational software and hardware. The test shall enable the State to enter OCS data into the System and verify the proper processing and reporting of the data. The duration of the physical test, shall be no shorter than 2 months, which shall be prior to full conversion to a new system to ensure that everything is working properly.

- After full System testing for a minimum 2 months, the System shall be cutover and made fully operational before midnight, December 31, 2013. Should ICS be unable to provide a full System for testing and subsequent cutover prior to October 31, 2013, ICS shall be assessed a deduction of \$1,450.00 for each day of delay, which will be deducted from ICS invoices once the System is operational. The ICN shall not hold ICS responsible for delays beyond ICS's control, however; ICS must take appropriate measures to mitigate any delay and shall keep the ICN fully aware of any potential issues that may cause a delay. The assessment of a deduction shall be at the sole discretion of the ICN.
- During the physical testing period the system(s) shall be processing traffic to confirm full operability and accuracy of reporting functions.

12. Drug Free Workplace. ICS and all of its sub-contractors shall certify that they maintain a drug free workplace policy which includes a published statement which notifies employees that the manufacturing, distribution, dispensing possession or use of a controlled substance is unlawful and prohibited in the workplace and specifies actions that will be taken against an employee for such violations.

13. Equal Opportunity. ICS and all of its sub-contractors shall certify that the company or corporation maintains a practice of nondiscrimination and equal opportunity employment.

14. Safety. ICS shall follow all standard SAFETY REGULATIONS including but not limited to all applicable federal, state, local safety regulations and OSHA regulations for all facets of the service functions described in this RFP. It shall be ICS's responsibility to insure that ICS's staff is A. aware of all applicable safety rules, B. ICS staff follow all applicable safety rules, C. that appropriate safety regulations and rules are posted and updated so that, at all times, all ICS's staff is made aware of and told that they must FIRST and ALWAYS follow appropriate safety procedures and regulations for every facet of the work being described to be done in this RFP.

15. Payment Mechanism – Maintenance of Standards. The resulting contract will tie ICS's payment to meeting the performance standards described in Sections 16 thru 22.

16. Performance Standards. ICS shall perform the services described in Schedule A. in a manner that ensures compliance with the performance standards described in the Table 1 below.

Table 1

#	STANDARD	METHOD OF MEASUREMENT
1	90% of the Service Degraded on one telephone or offender account must be restored within 24 hours of notice to ICS.	Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.*
2	90% of the Service Degraded on more than one telephone or offender account within an institution must be restored within 8 hours of notice to ICS.	Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.*
3	90% of the Service Lost at any one institution or affecting multiple users must be restored within 4 hours of notice to ICS.	Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.*
4	90% of the "Service Request for Change" tickets are to be completed within two (2) business days.	Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.*
5	90% of the "Service Requests for Change" should be accepted with receipt acknowledgement within twenty-four hours of receipt by ICS.	Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.*
6	90% of the all trouble tickets should be accepted with receipt acknowledgement within the first hour.	Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.*
7	The ICS system balances shall match the DOC ICON system balances.	Automated or manual reports requested and/or generated from the OCS shall be reviewed and verified by the ICN to determine the completeness and accuracy of the data and reports derived from the OCS.

17. Monitoring Performance. Each of the performance standards described in the column entitled "Standard" shall be monitored in accordance with the "Method of Measurement" described in Table 1.

18. Review of Performance and Credit Computation. At the end of each month, the ICN shall review ICS's performance under any resulting Contract in light of the relevant Standard and Method of Measurement in Table 1 to determine whether ICS met the performance standards during the previous month.

- If ICS met at least 6 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall pay ICS the entire amount of monthly compensation described in the Contract for that month.
- If ICS met only 5 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall subtract 5% of the amount of monthly compensation described in the Contract from the amount otherwise due to ICS for that month.
- If ICS met only 4 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall subtract 10% of the amount of monthly compensation described in the Contract from the amount otherwise due to ICS for that month.
- If ICS met only 3 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall subtract 15% of the amount of monthly compensation described in the Contract from the amount otherwise due to ICS for that month.

- If ICS meets fewer than 3 of the 7 performance standards described in the column entitled "Standard" in Table 1, for three consecutive months, the ICN shall subtract 20% of the amount of monthly compensation described in the Contract from the amount otherwise due to ICS for each subsequent month in which ICS fails to improve the number of performance standards that it meets. If ICS fails to improve its performance within 60 days of the last day of the month that ICS first met fewer than 4 of the 7 performance standards, the ICN may terminate the Contract without incurring any additional expenses.
- Pursuant to Standard 7, a) If balances between ICS's system and the DOC ICON system, are not accurate, the ICN shall deduct \$500 per daily occurrence; b) Should ICS's system be unable to provide the Financial or Usage report requested or required by the ICN, in real time, in complete and accurate form, ICS shall have 24 hours to provide the requested report to the ICN. Should ICS be unable to provide the report within 24 hours, the ICN shall deduct \$500.00 per day the report is late and or inaccurate.

19. "Service Degraded". For the purpose of applying performance measures and damages, "Service Degraded" shall be defined as, but not limited to: (a) One or more telephones fail to provide dial tone or to make connections; (b) Poor call quality; (c) Poor call recording quality; (d) System is intermittently available; (e) updates, enhancements or replacements are not functioning properly or accurately.

- ICS shall monitor System performance and identify any degraded service performance. ICS shall notify the ICN when it identifies degraded service performance. In addition, the ICN shall notify ICS when it observes degraded service performance that ICS has not reported to the ICN. ICS shall be required to notify ICN when any corrective changes are made to the System.

20. "Service Lost". For the purpose of applying performance measures and damages, "Service lost" shall be defined as, but not limited to: (a) The recording System fails which includes, but is not limited to: fails to record the call, fails to archive the record appropriately and fails to have the call readily available for retrieval; (b) Transactions are not logged onto the accounting system and or effectively downloaded for System integration, which includes inability of the State to audit and reconcile the account system information; and (c) Critical functions of System management and administration cannot be conducted by the management terminals, as determined by the ICN.

- If the System fails to record, archive and have a call available for immediate retrieval, the ICN shall deduct \$500 per occurrence.
- ICS shall monitor system performance and identify any system or functional outages. ICS shall notify the ICN when it identifies any System or functional outages. In addition, the ICN shall notify ICS when it observes any system or functional outages that ICS has not reported to the ICN.

21. "Service Request for Change" shall include, but not be limited to: ICN requests of ICS to input, verify or research data in the System, make repairs, modifications, upgrades or additions to the System equipment, software and functionality.

22. Monitor and Review – Compliance with Standards. The ICN shall monitor successful ICS's compliance with the performance standards listed in Section 16. The resulting contract will be monitored using reports generated by the ICN's internal service desk ticketing software and ICS's automated reports.

23. On-Site Personal Computer, Components and Printer.

- The System hardware at each institution and at JFHQ Armory has and it is expected to continue to include, a desktop personal computer (PC) (with keyboard and high speed modem) with an internal CD drive with CD-RW capabilities, a standard floppy disk drive, screen with enhanced color monitor, and a connected printer at each site, all to be supplied by the DOC. A standard recorder, with appropriate connection to the PC, has also been utilized and DOC has also supplied this. The PC with components was to be used for System administration, alarm reporting and real time or delayed call recording and for playback. DOC has targeted a standard of keeping this personal computer operational with a preferable downtime of less than 2 hours per month.
 - The software installed includes software to play calls, both live and post-call, monitor calls, and burn calls to CD/DVD. The System will have the ability to stream audio through the browser, as well as to monitor the status of calls in progress.

24. Optional items the ICN / DOC may consider now or for future use.

- **Biometric System.** To prevent fraud and protect offenders accounts, a biometric method of offender verification in addition to the offender ID number and the last four digits of the offender's Social Security number (if no Social Security number exists, the four digits MM/DD of the offender's birthday will be used) would be desirable.
- **Dual Rating.** The ability to have/provide two rates for local and long distance land line calls and cell phone calls or other complex rating/pricing plans.
- **Three Way Calls.** The current and available procedures and options with which to handle and prevent three way calling.
- **Telezapper Technology.** Telezapper technology may be able to block certain types of calls and the State does not want calls from the Offender Calling System, to be blocked by this technology.
- **Caller ID.** The ability of the System to provide identification to the offender's called party; however the number displayed on the caller ID, will be unable to receive a return call.
- **Flat Rating.** The ability of the System to support a single rate plan for all intrastate calling.
- **Offender Voice Mail boxes.** The ability of the System to provide Offender Voice Mail Boxes. The system can be configured to create a unique voice mail box for each offender. This voice mail box would be created simultaneously with the activation of the offender ID in the system. This voice mail box can be utilized by the facility administration to deliver messages to the inmate. The offender would be able to access their voice mail box after they entered their ID\PIN and the system confirmed that the particular ID\PIN was valid for the phone the offender was using. Upon accessing the system, the offender would be notified they have a message waiting, and the offender would be presented the option to listen to the message now or listen to message later. If offender elects to listen to message now, the system will retrieve and play the message, and the offender would have the option to save or delete the message. If the offender elects to delete the message, the message is removed from the offender's voice mail box but is never deleted from the system and is available to administration to retrieve and play at any time.
 - Voice mail messages are recorded in the same manner as traditional inmate phone calls and stored, along with a call detail record, for the entire contract duration.
 - The System can send voicemail messages facility-wide or to specific offenders, free of charge. Staff can record a voice message, or the message may be typed into The ENFORCER® GUI. Using text-to-speech translation technology, The ENFORCER® converts the typed message into a voice message that is then delivered to the designated voice mailbox(es).
 - The paperless grievance reporting process will completely eliminate the need for the DOC to handle and process paper kites. With the paperless process, inmates can file grievances; make PREA or crime tip reports; or even file complaints about the Inmate Telephone System – all using secure voice mailboxes on any standard inmate telephone.
 - Using the same electronic grievance-filing solution described in the previous response, inmates can report PREA incidents. A designated speed-dial code can be defined for PREA reporting, and an inmate can be allowed to record anonymous messages to this voice mailbox without entering a PIN, facilitating the anonymous reporting capabilities required by PREA. The PREA hotline will be configured to immediately send an email and/or text alert to the PREA officer when a report is filed. All activities pertaining to all inmate calls – whether standard inmate calls, PREA reports, or other grievances – are logged with a date/time stamp and stored as a permanent part of the call detail record. A text Note field is available for entering notes, which also become a permanent part of the call detail record.
 - Alternatively, or in addition to the process described above, a speed-dial code can be configured that allows offenders to directly call the PREA officer. The system will record the entire conversation and attach all related data in a call detail record – both of which will be stored for the entire contract duration.
- **Cell Phone Usage and Blocking.** The System shall have capabilities as it applies to Cell Phone usage and blockage within the correctional institutions.

- **Dual Commissary Accounts.** The ENFORCER® does not track commissary accounts per se, but it has the ability if configured to play commissary balances to offenders upon their request through the IVR. Multiple balances can be played based on the information given to The ENFORCER® through the commissary balance interface.
- **Convergence of Voice and Data Networks.** The System capabilities to terminate local to local traffic.
- Attachment of an offender call recording to an e-mail. The ability to email recordings to any recipient simply by pressing the email icon on the call detail screen. There is a configuration parameter which will allow the Agency to require that all recordings emailed are encrypted when emailed out. This option will require the recipient to use a proprietary ICSolutions call player to play the encrypted recording. A link will be added to the email directing the user to a URL which will allow them to download and install the ICS player. Unencrypted recordings are playable by any player which has the Ogg Vorbis codec.
- Capabilities to enable offender calls to Skype and/or Google Voice. Using the proposed OCS, offenders may call any valid telephone number, whether it is a Google Voice number, a VoIP number, a cell phone, or a traditional landline telephone.
- **Video Calling.** The ability of the System to provide and support Video calling over the Internet via Web browser.
- **IP Phones.** The ability of the System to integrate and support VOIP phones, when integrated with analog phones. ICS will work with the ICN to integrate any requested analog inmate phone over an IP transport utilizing, but not limited to, an analog converter over SIP, VOIP using G.711, G.722, G.729.

SCHEDULE B Pricing & Fees

Upon the execution of the Agreement the State chooses to utilize Cost Option 1C:

1C) \$35,500.00 Fixed Monthly Lease, with Investigator™ Voice Print, No Site Administrator. The monthly cost includes all aspects of the systems and services provided to the ICN (hardware, software, support, warranty and repair) with the exception of Investigator™ Pre-Call Voice Verification. Voice Verification (Voice Print) matches the inmate PIN entered prior to the call with the inmate voice print on file, preventing PIN theft and fraud. The cost of this additional service is outlined below:

- \$0.03 per call for Investigator™ Voice Print.

Cost Options. Within its RFP response, ICS provided the following monthly cost options for the State's consideration. (Note: any variable fee costs were originally quoted based upon 50,000 calls or 75,000 minutes)

1. Option #1 (A-F): Option #1 features a fixed monthly lease, an optional full-time site administrator, and optional Investigator™ Pre-Call Voice Print or Investigator Pro™ Continuous Voice Identification.

1A) \$34,000 Fixed Monthly Lease, Standard ENFORCER® System Functionality, No Site Administrator. The monthly cost includes all fees and services associated with the operation of The ENFORCER® system. These fees and services include hardware, software, support, warranty and repair.

1B) \$38,425.00 Fixed Monthly Lease, with Full-Time Site Administrator. The monthly cost includes all aspects of the systems and services provided to the ICN (hardware, software, support, warranty and repair), with the exception of the full-time Site Administrator. The cost of this additional site administrator service is outlined below.

- Administration: \$4,425.00 per month

1C) \$35,500.00 Fixed Monthly Lease, with Investigator™ Voice Print, No Site Administrator. The monthly cost includes all aspects of the systems and services provided to the ICN (hardware, software, support, warranty and repair) with the exception of Investigator™ Pre-Call Voice Verification. Voice Verification (Voice Print) matches the inmate PIN entered prior to the call with the inmate voice print on file, preventing PIN theft and fraud. The cost of this additional service is outlined below:

- \$0.03 per call for Investigator™ Voice Print.

1D) \$39,925.00 Fixed Monthly Lease, with Investigator™ Voice Print & Full-Time Site Administrator. The monthly cost includes all aspects of the systems and services provided to the ICN (hardware, software, support, warranty and repair), with the exception of the full-time Site Administrator and Investigator™ Pre-Call Voice Verification. Voice Verification (Voice Print) matches the inmate PIN entered prior to the call with the inmate voice print on file, preventing PIN theft and fraud. The cost of these additional services has been outlined below.

- Per call Fees: \$0.03 per call for Investigator™ Voice Print
- Administration: \$4,425.00 per month

1E) \$46,500.00 Fixed Monthly Lease, with Investigator Pro™ Continuous Voice Identification, No Site Administrator. The monthly cost includes all aspects of the systems and services provided to the ICN (hardware, software, support, warranty and repair) with the exception of Investigator Pro™ Continuous Voice Identification. Investigator Pro™ not only matches the inmate PIN entered prior to the call with the inmate voice print on file, preventing PIN theft and fraud, but will *identify* every inmate voice that appears on the call *throughout the entire call duration*. The cost of this additional service is outlined below:

- Per call Fees: \$0.25 per call for Investigator Pro™

1F) \$50,925.00 Fixed Monthly Lease, with Investigator Pro™ Continuous Voice Identification & Full-Time Site Administrator. The monthly cost includes all aspects of the systems and services provided to the ICN (hardware, software, support, warranty and repair) with the exception of the full-time Site Administrator and Investigator Pro™ Continuous Voice Identification. Investigator Pro™ not only matches the inmate PIN entered prior to the call with the inmate voice print on file, preventing PIN theft and fraud, but will *identify* every inmate voice that appears on the call *throughout the entire call duration*. The cost of these additional services has been outlined below.

- Per call Fees: \$0.25 per call for Investigator Pro™
- Administration: \$4,425.00

2. Option #2 (A-B): Option #2 features only a per call fee with no fixed monthly cost, and an optional full-time Site Administrator.

2A) \$0.65 per call charge. Per Call Fee Only, Standard ENFORCER® System Functionality, No Site Administrator. With Option #2A, there is no fixed monthly cost.

2B) \$0.65 per call charge. Per Call Fee Only, with Full-Time Site Administrator. With this option there is not fixed monthly cost other than the \$4,425.00 for the site administrator.

3. Option #3 (A-B): Option #3 features only a per minute fee with no fixed monthly cost, and an optional full-time Site Administrator.

3A) \$0.044 per minute charge. Per Minute Fee Only, Standard ENFORCER® System Functionality, No Site Administrator. With Option #3A, there is no fixed monthly cost.

3B) \$0.044 per minute charge. Per minute Fee Only, with Full-Time Site Administrator. With this option there is not fixed monthly cost other than the \$4,425.00 for the site administrator.

SCHEDULE C
ICN Maintenance and Support Contacts and On Call Procedures

1. Points of Contact. The Parties agree to provide points of contact for purposes of efficient management of this Agreement, in accordance with the following.

1.1 The ICN's primary point of contact for ICS is the ICN Network Operations Center NOC: Phone 1-800-572-3940 or 515-725-4400.

1.2. ICS's Primary & Escalation Contact Information

Initial Report

Help Desk Technician - Open Ticket & Gather Information
Toll free: 866-228-4031, Email: icssupport@icsolutions.com

Level One

Geoff Larkin - Technical Support Manager
Direct: 210-477-7355, Cell: 210-268-5663
email: glarkin@icsolutions.com

Level Two

George Langdin - Manager of Technical Services
Direct: 210-477-7320, Cell: 408-460-1501
email: glangdin@icsolutions.com

Level Three

John Goetsch - Vice President Technology
Direct: 210-581-8105, Cell: 408-314-8072
email: jgoetsch@icsolutions.com

Level Four

Brendan Philbin - Vice President Business Development
Direct: 210-581-8102, Cell: 408-838-1157
email: bphilbin@icsolutions.com

Level Five

Tim McAteer - President & General Manager
Direct: 210-572-9570, Cell: 314-504-2254
email: tmcateer@icsolutions.com

1.3 The Parties shall provide notice of any change in the respective point(s) of contact within 15 working days by notification via written media.

1.4 Requests for service and information sent by ICS employees who are not specified point(s) of contact and/or received by ICN employees who are not specified point(s) of contact in Section 1.2 will be verified by the proper contacts of both parties before action is taken.

2. Trouble Reporting and Resolution. The ICN shall provide for the following trouble reporting and resolution procedures:

2.1 The ICN network is monitored 24 hours per day, 7 days per week, utilizing a centralized control center for real-time status and alarm conditions. The ICN network operations and maintenance are applicable to all services delivered by the ICN. The ICN Service Desk, formerly known as the NOC, is the point of contact for trouble reporting. Call locally 515-725-4400 or toll free 1-800-572-3940. Phones are answered 24 hours per day. Following are service standards relative to operations and management of the network.

2.1.1 Network Surveillance. The ICN shall observe, monitor, analyze and report on all operations of the ICN Network. The ICN will identify network failures, troubles or degradation of service on the ICN fiber. The ICN will monitor the fiber path, but not ICS traffic. The ICN will notify ICS point(s) of contact of ICN network failures, troubles or degradation of service. Locate and dispatch technicians when the ICN network experiences failures, troubles, or equipment degradation. Troubles and adverse network conditions are reported to the ICN Maintenance Supervisor for escalation or assistance in trouble shooting the problem that has been identified.

2.1.1.1 Trouble Ticketing and Escalation Follow-up. Trouble tickets are opened within 10 minutes of any trouble reported by ICS, staff, or ICSs. Troubles generated by network surveillance are opened within 20 minutes on major alarms or daily thresholds.

2.1.1.2 All network outages (i.e., fiber cuts) and platform outages (i.e., video platform, internet and firewall) will follow current ICN Standard Procedures for escalation and resolution.

2.2 Scheduled Maintenance Activities. Unless expressly stated elsewhere in this Agreement, all Parties whose internet traffic may be impaired or affected during the scheduled maintenance will be notified 4 business days before a routine Change (scheduled maintenance window) will take place. In the event that an "Emergency Change" is required, the ICN will give ICS as much advanced notice as possible. An emergency Change is defined as repair work that is required to restore service that is not performing to engineered standards. If the scheduled maintenance day or time needs to be altered for ICS, every effort will be made to accommodate the request. The ICN will provide notification of scheduled maintenance activities to ICS points of contact as Changes are scheduled. ICS must provide the ICN with valid contact names and telephone numbers for daytime and after-hours contact. ICS must also submit their point of contact information for the ICN to add to the ICN Contacts Database. Routine Changes are scheduled to be worked between the hours of midnight and 6:00 AM and is not restricted to any one day of the week or weekend. The ICN will make every effort to assure that the least amount of disruption of service to our customers as the result of maintenance work being performed. The ICN also reserves the right to perform network maintenance as required for the common good of all users of the ICN network. Any maintenance activity that affects only one ICN customer will be scheduled and approved by the affected customer. All other maintenance work will be performed by the ICN within its own discretion, within the timeframes stated within this section and within the notification guidelines also stated in this section, including the guidelines related to emergency maintenance.

2.3 Cable Locates. When any contractor or citizen of Iowa begins any type of excavating, they are required to inform the Iowa One Call Center (IOC). IOC will determine the location and call all utilities that may be affected. Based on the IOC notification, the ICN will dispatch from the locate desk maintenance personnel to the affected site. Such maintenance personnel will verbally clear the situation, physically mark the location, and/or stand by the construction site during digging. Measures to be used are determined by the proximity of the proposed digging to ICN cable. This service relates to ICN owned fiber only and is not provided for customer owned or leased fiber/circuits.

2.4 Notification of Service Impairments. If service disruptions or degradation of service of any type is detected through network surveillance, the ICN Service Desk will notify ICS point of contact or ICS Help Desk via phone or via written media, including electronic mail, on the disruption as soon as identified and affected customers are determined. The ICN Service Desk will give updates on reported or detected service disruptions or degradation as follows:

2.4.1 Customer updates will be given as requested for Network Outages (including fiber cuts) and Platform Outages (i.e. Internet) during the standard business hours of 8:00 AM until 5:00 PM Monday thru Friday. The customer can request continued updates for after hours if a contact name and telephone number is provided.

2.4.2 ICS is required to notify the ICN Service Desk at 515-725-4400 or 800-572-3940, of any planned outages that will impact the ICN and its ability to provide service to ICS or other authorized users. This notification must be provided at least 5 business days before the work is to be done unless it is an emergency.

2.4.3 24x7 access to ICS buildings, building demarcation points, communication closets, equipment rooms, and other locations where ICN delivers either ICN or LEC services is required to be provided by ICS to ICN technicians to insure service guarantees and response times to repair. Access may be arranged via ICS contacts listed within this Contract. Advance notice will be required for escorted access. If 24 x 7 access is not available to ICN technicians, ICN service guarantees and response times to repair will not be honored. Escorted Access will be provided to the ICN on a 24 x 7 basis. If ICN access to ICS facilities is necessary due to a ICS request or requirement, the ICN shall not be charged an escort fee.

2.5 Due to the urgent nature, trouble calls shall be made to the ICN Service Desk via telephone:

2.5.1 Local (within Des Moines calling region) at 515-725-4400.

2.5.2 Outside Des Moines calling region at 1-800-572-3940.

2.6 Customer Requested Escalations:

2.6.1 Other ICN inquiries, including but not limited to billing, account history, status of service installation, and existing services in production, are to be addressed to ICN Customer Service and Support (CSS) Phone 1-877-426-4692.

2.6.2 The ICN shall provide for trouble and inquiry resolution as follows: The ICN shall respond within 1 business day of an ICS escalation request with updates, plans and/or resolutions followed by written or electronic confirmation of the updates, plans and/or resolutions within 3 business days.

2.6.3 Other inquiries, as noted in 2.7.1 above, within 3 business days after receipt of the inquiry by the ICN, the ICN and ICS shall mutually agree to a upon the path to the inquiry resolution.

2.7 ICS and the ICN will conduct periodic review of problems and develop procedures for outage and problem discussion and service improvement efforts. Examples include but are not limited to: chronic and recurring problems and major outages.

**SCHEDULE D
INSTALLATION AND IMPLIMENTATION SCHEDULE**

See attached documents:

Excel spreadsheet labeled "Schedule D – Installation & Implementation Plan"

PDF labeled "IOWA_DIAGRAM-2013-08-03"