

SERVICE AGREEMENT

THIS AGREEMENT, entered into in East Hartford, Connecticut, hereinafter referred to as the "Agreement" or "contract" is made by and between the **STATE OF CONNECTICUT**, acting by its Department of Information Technology, Contracts and Purchasing Division, hereinafter referred to as the "State" or "Customer," located at 101 East River Drive, East Hartford, CT 06108, and **MCI WORLDCOM Communications, Inc.**, hereinafter referred to as "MCI" or the "Supplier" or "contractor" or "Provider," having its principal place of business at 8521 Leesburg Pike, Vienna, VA 22182.

THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

1. Payment and Installation.

Any applicable nonrecurring charges monthly or quarterly service fees, together with applicable taxes or charges (which will be stated separately on the invoice), are due in accordance with State statutes. Failure to make payment within forty-five (45) days after which services have been rendered and an invoice provided, shall not constitute a default or breach, but rather, shall entitle Provider to receive interest on the amount outstanding after said forty-five (45) days in accordance with the State of Connecticut statutes. Within five (5) days of this Agreement becoming effective upon its approval as to form by the Office of the Attorney General of the State of Connecticut and Provider receipt of a Purchase Order, Provider will provide an estimated service date for services ordered in accordance with the appropriate service descriptions and Service Levels for the ordered services attached hereto. Provider shall install the Services by the estimated service date provided that Provider shall be excused to the extent that (i) Customer has caused or contributed to a delay, or (ii) Provider can reasonably demonstrate to Customer's satisfaction that a local exchange carrier caused a delay and that such delay was beyond the reasonable control of Provider and in the event of the foregoing, the installation date shall be extended to the extent of such delay. Provider shall coordinate with Customer in the event of any unforeseen delay, and, if appropriate, cooperate to develop a mutually agreeable alternative proposal that will satisfy the concerns of both parties. If (i) there is an unexcused delay, (ii) the Services are not installed in accordance with the Service Levels and Purchase Orders, and (iii) the parties are not able to develop a mutually agreeable alternative proposal, Customer may terminate its order. Term and billing will commence on the earlier of the installation date or, in the case of a Customer not ready to accept installation, thirty (30) days after the requested service date.

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

All charges against the Provider, including credits, shall be deducted from current obligations that are due or may become due. In the event that collection is not made in this manner, the Contractor shall pay the State, on demand, the amount of such charges.

2. Term.

This Agreement shall become effective upon its approval as to form by the Attorney General of the State of Connecticut and continue for three years from that date. At the expiration of the initial three

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(3) year term of this Agreement there shall be two (2) single one-year optional extensions. Such optional extensions shall be exercised at the sole discretion of the Customer.

3. Services.

a. MCI will provide to Customer the services ("Services") identified in the Product Schedule to this Agreement.

b. Under FCC regulations, MCI and other carriers may no longer file tariffs governing the services covered by this contract. However, FCC regulations require that all carriers make readily available and post to a carrier's web page a schedule of rates, terms, and conditions subject to which it performs a customer contract. Therefore, because a tariff is not required or is not permitted to be filed, MCI will maintain and update a web page pertaining to the schedule of rates, terms and charges associated with this Contract. Furthermore, MCI will provide the web site URL to the State's Contracting Officer. MCI agrees to notify the State electronically and without charge to the State of any rate-affecting updates, changes or modifications to the information published on the website. The rates, terms, and conditions in MCI's web page shall be subordinate to the rates, terms and conditions set forth in the Contract.

c. Notwithstanding any other provision in this Agreement, no material change may be made to the list of Products on the Product Schedule that alters the nature or scope of the Products or their intended use. Any change in the Products listed in the Product Schedule is conditioned upon the new products being of a similar nature and having a similar use as the defined Products. An update of the Products or the addition of Products that are related to or serve similar functions as the Products is permissible only with the prior written approval of the State.

4. Rates.

Provider agrees to provide the Services at rates not exceeding the rates set forth in Provider's Best and Final Offer (as clarified) submitted in response to RFP #990-A-24-7015. Upon Customer receipt of sixty (60) days' prior written notice, Provider may increase such rates effective July 1 of any Customer fiscal year provided such rate increase is limited to the lesser of five percent (5%) or the Consumer Price Index. Upon any such price increase, Customer may elect to terminate this Agreement, and be relieved of all obligations therefor, upon thirty (30) days written notice to Provider.

To comply with the State's requirement that vendors agree to waive the Federal Universal Service Fund (FUSF) charge, MCI has adjusted its rates to account for the inclusion of such charge. MCI may, upon notice to the State and the State's acceptance of such adjustment, adjust its rates and charges or impose additional rates and charges in order to recover amounts it is required or permitted by governmental or quasi-governmental authorities to collect from or pay to others in support of statutory or regulatory programs ("Governmental Charges"). Examples of such Governmental Charges include, but are not limited to, Federal Regulatory Fee, Primary Interexchange Carrier Charge cost recovery, and compensation payable to payphone service providers for use of their payphones to access MCI's service. In the event the parties cannot agree on a proposed adjustment to such rates and charges, either party may terminate this Agreement without penalty in the thirty (30) days following notice of such adjustment.

All charges are exclusive of applicable taxes, tax-like charges, and tax-related, which Customer agrees to pay. If Customer provides MCI with a duly authorized exemption certificate, MCI will exempt Customer in accordance with law, effective on the date MCI receives the exemption certificate.

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5. Reports To The Auditors Of Public Accounts.

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

6. Service Levels

MCI Service Levels are attached to this Agreement in the Product Schedule and are incorporated herein.

7. Provision of Equipment Space, Conduit, Electrical Power.

Customer shall timely provide the necessary equipment space, conduit, electrical power and environmental conditions required to terminate and maintain the facilities used to provide Services on all applicable premises without charge or cost to Provider, assure Provider a safe place to work.

8. Equipment.

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

9. Governmental Authorizations.

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

10. Default And Remedies.

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a. In the event either party fails to comply with any material provision of the resulting contract, then the other party may terminate the contract upon notice to the other party after giving the non-complying party at least thirty (30) days' prior written notice of the non-compliance and an opportunity to cure, if the non-compliance remains uncured after such period.

b. Neither party will be in non-compliance or breach of the contract, or otherwise liable for any loss or damages, due to any delay or failure of performance, wholly or in part, if such delay or failure of performance, results from causes beyond the reasonable control and without the negligence or other fault of the affected party or such party's subcontractors or agents (collectively, "force majeure"), including but not limited to, acts of God, fire, flood, explosion, vandalism, storm, criminal acts of third parties or other similar occurrences; any law, order, regulation or request of the United States Government or of any government having jurisdiction or of any agency, commission, court or other instrumentality of any one or more of such governments; national emergencies; cable cuts; riots; wars; strikes, lockouts, work stoppages or other such labor difficulties; acts or omissions of the local exchange company, the other party, or of third party beyond reasonable control of the affected party. Any delay or failure resulting from force majeure shall extend performance accordingly or excuse performance by the affected party, in whole or in part, as may be reasonable.

11. Language Required Pursuant To CGS 4d-44

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

Sec. 4d-44. Each contract, subcontract or amendment to a contract or subcontract shall include provisions ensuring continuity of state agency information system and telecommunication system facilities, equipment and services, in the event that work under such contract, subcontract or amendment is transferred back to the state or transferred to a different contractor, upon the expiration or termination of the contract, subcontract or amendment or upon the default of the contractor or subcontractor. Such provisions shall include, but not be limited to, (1) procedures for the orderly transfer to the state of (A) such facilities and equipment, (B) all software created or modified pursuant to the contract, subcontract or amendment, and (C) all public records, as defined in section 4d-33, which the contractor or subcontractor possesses or creates pursuant to such contract, subcontract or amendment, and (2) procedures for granting former state employees who were hired by such contractor or subcontractor the opportunity for reemployment with the state.

The parties agree to enter into an amendment to this Agreement in order to comply with the provisions of Section 4d-44.

12. Limitations Of Liability.

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

(i) FOR BODILY INJURY OR DEATH TO ANY PERSON, OR REAL OR TANGIBLE PROPERTY DAMAGE, NEGLIGENTLY CAUSED BY PROVIDER, OR DAMAGES ARISING FROM

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THE WILLFUL MISCONDUCT OF PROVIDER, THE OTHER PARTY'S RIGHT TO PROVEN DIRECT DAMAGES;

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

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

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

d. Customer's use of MCI's network or any Service must comply with MCI's current Acceptable Use Policy ("Policy"). The Policy is attached to this Contract as Attachment B and is incorporated herein. Customer is responsible to insure that each user of the Services adheres to the Policy. MCI may revise this Policy upon notice to the State and the State's acceptance of such revisions. In the event the parties cannot agree on a proposed material change to the Policy, either party may terminate this Agreement without penalty in the thirty (30) days following notice of such change. MCI reserves the right to suspend or terminate a Service or terminate this Agreement effective upon notice for a violation of the Policy.

13. Intellectual Property Indemnity.

a. MCI, at its expense, will defend Customer from and against any third party claim, action, suit, or proceeding ("Claim") alleging that the MCI transport network or any technology developed and provided by MCI to Customer hereunder (individually a "Service" and collectively the "Services"), when used in conformity with all applicable written instructions and documentation, infringes any patent, trademark, or copyright or constitutes misappropriation of a trade secret. MCI will indemnify Customer for damages finally awarded against Customer or agreed to by MCI in settlement of such Claim, and for Customer's reasonable costs incurred as a result of such Claim. MCI shall have the exclusive right to defend, countersue, or settle any such Claim and to collect all damages, costs, fees, and other charges awarded from any such Claim except such as may be awarded or reimbursable to the State. MCI's obligation to defend and indemnify Customer is contingent upon (a) Customer providing MCI prompt written notice of any Claim; and (b) Customer providing MCI, at

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MCI's expense, all information and assistance requested by MCI to settle, defend, or bring a countersuit in conjunction with any Claim.

b. Notwithstanding anything to the contrary herein, MCI shall have no obligation to defend or indemnify Customer for any Claim arising out of or relating to (a) designs or specifications provided by Customer, (b) use of any service or product provided hereunder other than in conformance with the applicable written instructions and documentation provided by MCI; (c) modifications to any service or product provided hereunder made by or on behalf of Customer where but for such modifications there would have been no claim of infringement or misappropriation, (d) use of any service or product provided hereunder in combination with any other products or services where but for this combination there would have been no claim of infringement or misappropriation, or (e) transmission of Customer supplied content, data, or other information.

c. If Customer's indemnified use of any Service is enjoined or otherwise prohibited, or if MCI reasonably believes that there exists a threat of the same, MCI shall have the right, in its sole discretion and at its expense, in addition to its indemnification obligations above, to: (i) obtain for Customer the right to continue to use the affected Service; (ii) replace the affected Service with a non-infringing service; (iii) modify the affected Service so that it becomes non-infringing; or (iv) terminate provision of the affected Service and/or terminate this Agreement, provided that in no event shall Customer incur any early termination charges for such termination.

14. Credit For Service Interruption.

Credits for Service interruptions are outlined in the Service Levels of the Product Schedule to this Contract.

15. Miscellaneous.

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

ANY AND ALL WARRANTIES REGARDING THE SERVICES PROVIDED PURSUANT TO THIS AGREEMENT SHALL BE LIMITED TO THOSE EXPRESSLY STATED IN THIS AGREEMENT.

16. Nondiscrimination And Affirmative Action Provisions.

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

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

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able initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

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

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

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

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

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

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

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

17. Nondiscrimination Provisions Regarding Sexual Orientation.

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

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

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

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

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18. Executive Order No. Three.

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

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

19. Executive Order No. Sixteen.

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

20. Executive Order No. Seventeen.

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

21. Workers' Compensation.

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

22. Approval Of Agreement.

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

23. Applicable Law. Jurisdiction.

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

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

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

24. Language Required Pursuant To C.G.S. §1-200 And §1-218.

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

25. No Resale.

Customer is not permitted to resell the Internet Services.

26. No Third Party Rights.

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

27. Annual Rebate.

The annual two percent (2%) rebate credited to DOIT shall be based upon revenue as follows: revenue collected by MCI from services under this Agreement provided and billed by MCI, excluding: (i) amounts billed, but not paid; (ii) taxes; (iii) credits; (iv) revenue for commissioned services,

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including revenue related to the inmate phone system; (v) amounts MCI collects or otherwise pays to third parties in support of regulatory programs. This category includes the Universal Service Fund, the State 911 charge, the Connecticut Service Fund, and the Carrier Cost Recovery Charge. If some future regulatory development establishes a new charge, MCI and the State will mutually determine the exemption of such charges from the annual rebate at that time; and (vi) amounts MCI pays to payphone service providers pursuant to Section 276 of the Telecommunications Act of 1996 ("Section 276") and the regulations implementing Section 276.

The annual rebate payment shall be calculated for the period July 1st through June 30th for each year the contract is in effect, including any contract extensions. The Provider shall make the annual rebate payment to Customer no later than August 15th of each year.

The first rebate payment shall be prorated, from the start of contract through the first June 30th, with payment due by August 15th. The final rebate payment to Customer shall be made no later than six weeks from the date of contract termination or expiration.

The Provider shall provide a semi-annual summary report to Customer identifying rebate period, billed entity, total billed, rebate due/paid, and all new users of the State contract. The State reserves the right to audit the calculation of such rebate and at its sole discretion issue an invoice for any difference in calculation that shall be paid immediately by the Provider.

28. Inmate Phone Services

Commissions for Inmate Phone Services shall be based upon revenue as follows: "Commissionable Revenue" is the revenue from Operator Service Calls generated by the telephones covered under this Agreement handled by MCI Operator Services and carried on the MCI network, excluding: (i) amounts billed, but not paid; (ii) taxes; (iii) credits; and (iv) amounts MCI otherwise pays to third parties in support of regulatory programs. The latter category includes the Universal Service Fund, the State 911 charge, the State Universal Service Fund, and the Carrier Cost Recovery Charge. If some future regulatory development establishes a new charge, MCI and the State will mutually determine the exemption of such charge from Commissionable Revenue at that time.

29. Entirety Of Agreement.

a. This Agreement, including the SIGNATURE PAGE OF AGREEMENT and documents incorporated herein by reference, contains the complete and exclusive statement of the terms and conditions agreed to by the parties hereto and shall not be altered, amended, or modified except in writing executed by an authorized representative of each party.

b. Failure of a party to insist upon strict adherence to any term of this Agreement will not be considered a waiver or deprive the party of the right thereafter to insist upon strict adherence to that term or any other.

c. Each provision of this Agreement is severable from all other provisions and any provision deemed invalid does not negate the remainder of the Agreement.

d. This Agreement shall be governed and construed in accordance with the laws of the State of Connecticut.

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

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- 2. This Agreement.
- 3. MCI's Clarifications dated 5/6/03
- 4. MCI's Best and Final Offer dated 11/20/02
- 3. MCI's original proposal dated 1/20/01
- 4. RFP #990-A-24-7015 dated 10/6/00

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SERVICE AGREEMENT

Reference No.B-03-013

Page 13 of 13

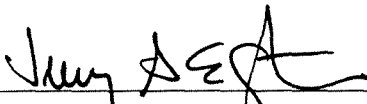
SIGNATURE PAGE OF AGREEMENT

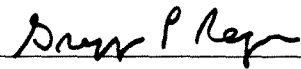
This Agreement is entered into by authority of Sections 4d-2, 4d-5 and 4d-8 of the General Statutes.

MCI WORLDCOM Communications, Inc.

STATE OF CONNECTICUT

APPROVED:

BY: 

BY: 

NAME: Jerry A. Edgerton, Senior V.P.

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

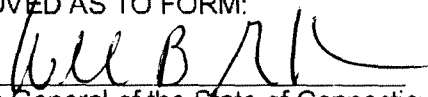
TITLE: _____

DATE: 6/9/03

DATE: 6/16/03

SEAL

APPROVED AS TO FORM:


Attorney General of the State of Connecticut
Assoc. Atty. General

DATE: 7/8/03

**AMENDMENT TO
SERVICE AGREEMENT
Reference No. B-03-013**

Amendment entered into, between MCI WORLDCOM Communications, Inc., (MCI), with a principal place of business at 22001 Loudoun County Parkway, Ashburn, Virginia 20147, acting by Jerry Edgerton, its Sr. Vice President, and the Connecticut Department of Information Technology (DOIT), with a principal place of business at 101 East River Drive, acting by Gregg P. Regan its Chief Information Officer, pursuant to Conn. Gen Stat. §4d-2, §4d-5 & §4d-8.

Whereas, MCI and DOIT entered into a Service Agreement #B-03-013, dated July 8, 2003, (the Agreement); and

Whereas, MCI and DOIT wish to modify certain terms of the Agreement.

NOW, THEREFORE, in consideration of these presents and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. Section 27 of the Agreement is hereby deleted in its entirety.

2. Section 28 of the Agreement is hereby deleted in its entirety.

3. Should the terms and conditions of this Amendment conflict with the terms and conditions of the Agreement, the terms and conditions of this Amendment shall control and prevail. In all other respects, the Agreement remains in full force and effect.

4. This Amendment includes the SIGNATURE PAGE OF AMENDMENT and shall become effective upon approval by the Office of the State Attorney General.

5. This Amendment contains the complete and exclusive statement of the terms and conditions agreed to by the parties and shall not be altered, amended, or modified except in writing executed by an authorized representative of each party.

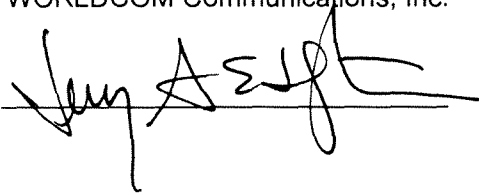
SIGNATURE PAGE OF AMENDMENT

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed and delivered by their duly authorized representatives as of the date first written above.

STATE OF CONNECTICUT

MCI WORLDCOM Communications, Inc.

BY:



NAME:

JERRY A. EDGERTON

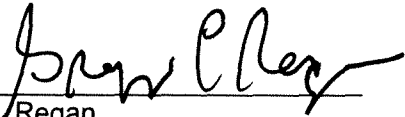
TITLE:

SENIOR VP

DATE:

7/25/03

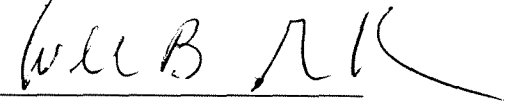
BY:


Gregg P. Regan
Chief Information Officer
Department of Information Technology,
duly authorized

DATE:

7/30/03

APPROVED AS TO FORM:


Assoc Attorney General of the
State of Connecticut

DATE:

9/11/03