

CONTRACT FOR SERVICES OF INDEPENDENT CONTRACTOR
A CONTRACT BETWEEN THE STATE OF NEVADA
ACTING BY AND THROUGH ITS

DEPARTMENT OF CORRECTIONS (NDOC)
P.O. Box 7011, Carson City, NV 89702
Phone: (775) 887-3330 Facsimile: (775) 887-3343

and

MCI WORLDCOM Communications, Inc ("MCI" or "Contractor")
Physical Address: 1945 Old Gallows Road, Vienna VA 22182
Phone: 703-343-6900 Facsimile: 703-343-6902
Federal I.D. Number: 47-0751768

WHEREAS, NRS 284.173 authorizes elective officers, heads of departments, boards, commissions or institutions to engage, subject to the approval of the Board of Examiners, services of persons as independent contractors; and

WHEREAS, it is deemed that the services of Contractor are both necessary and in the best interests of the State of Nevada;

NOW, THEREFORE, in consideration of the aforesaid premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL.** This Contract shall not become effective until and unless approved by the Nevada State Board of Examiners.
2. **DEFINITIONS.** "State" means the State of Nevada and any State agency identified herein, its officers, employees and immune contractors as defined in NRS 41.0307. "Independent Contractor" means a person or entity that performs services and/or provides goods for the State under the terms and conditions set forth in this Contract. "Fiscal year" is defined as the period beginning July 1 and ending June 30 of the following year.
3. **CONTRACT TERM.** This Contract shall be effective from January 1, 2004 subject to Board of Examiners' approval (anticipated to be December 9, 2003) to December 31, 2005, unless sooner terminated by either party as set forth in this Contract.
4. **NOTICE.** Unless otherwise specified, termination shall not be effective until 30 calendar days after a party has served written notice of default. Any discretionary or vested right of renewal notwithstanding, the contract may be terminated upon written notice by mutual consent of both parties or unilaterally by either party without cause upon 180 days notice. All notices or other communications required or permitted to be given under this Contract shall be in writing and shall be deemed to have been duly given if delivered personally in hand, by telephonic facsimile with simultaneous regular mail, or mailed certified mail, return receipt requested, postage prepaid on the date posted, and addressed to the other party at the address specified above.
5. **INCORPORATED DOCUMENTS.** The parties agree that the scope of work shall be specifically described; this Contract incorporates the following attachments in descending order of constructive precedence; a Contractor's Attachment shall not contradict or supersede any State specifications, terms or conditions without written evidence of mutual assent to such change appearing in this Contract:

Attachment A:	State Independent Contractor Screening Form
Attachment B:	Contract Negotiated Items
Attachment C:	Amendment 2 to Request For Proposal #02-07, issued on February 7, 2003
Attachment D:	Amendment 1 to Request For Proposal #02-07, issued on January 21, 2003

Attachment E: State Issued Request for Proposal #02-07, including Scope of Work and State Contract Terms & Conditions, issued on November 15, 2002
Attachment F: MCI Debit Scope of Work
Attachment G: MCI Best and Final Offer, dated May 14, 2003
Attachment H: MCI Supplemental Letter, dated March 20, 2003
Attachment I: MCI (WORLDCOM) Response to Request For Proposal #02-07, dated February 7, 2003 including Commission Proposal

6. CONSIDERATION. The parties agree that based upon mutual promises and other valuable consideration, including but not limited to a revenue stream as set forth in the Attachments, MCI WORLDCOM Communications, Inc. (hereinafter referred to as either "Contractor" or "MCI") will provide the services specified in Paragraph (5) to the Nevada Department of Corrections ("NDOC").

7. ASSENT. The parties agree that the terms and conditions listed on incorporated attachments of this Contract are also specifically a part of this Contract and are limited only by their respective order of precedence and any limitations specified.

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

MCI WORLDCOM Communications, Inc.



Jerry Edgerton Date 4/11/03

Sr. Vice President
Title



Nevada Department of Corrections Date 11/17/03

Assistant Director/Support Services
Title

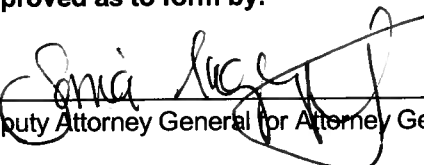


Signature - Board of Examiners

APPROVED BY BOARD OF EXAMINERS:

On 12-9-03
Date

Approved as to form by:



Deputy Attorney General for Attorney General

On 11/12/03
Date

SCREENING TO DETERMINE POTENTIAL STATUS AS EMPLOYEE OR INDEPENDENT CONTRACTOR

The State and Contractor shall evaluate the nature of services and term negotiated in order to determine "independent contractor" status and shall monitor the work relationship throughout the term of the Contract to ensure that the independent contractor relationship remains as such. To assist in determining the appropriate status (employee or independent contractor), Contractor represents as follows:

		Contractor's Initials	
		YES	NO
1.	Does the State have the right to require control of when, where and how the independent contractor is to work?	JAE	
2.	Will the State be providing training to the independent contractor?		JAE
3.	Will the State be furnishing the independent contractor with worker's space, equipment, tools, supplies or travel expenses?		JAE
4.	Are any of the workers who assist the independent contractor in performance of his/her duties employees of the State?		JAE
5.	Does the arrangement with the independent contractor contemplate continuing or recurring work (even if the services are seasonal, part-time, or of short duration)?	JAE	
6.	Will the State incur an employment liability if the independent contractor is terminated for failure to perform?		JAE
7.	Is the independent contractor restricted from offering his/her services to the general public while engaged in this work relationship with the State?		JAE

MCI WORLDCOM Communications, Inc.


By: 

Jerry Edgerton, Sr. Vice President


Date


Department of Corrections - Asst Director/Support Svs


Date


Signature of Deputy Attorney General


Date

CONTRACT NEGOTIATED ITEMS

Unless otherwise outlined below, all exceptions and/or assumptions noted by MCI in its February 7, 2003 response to Request for Proposal #02-07 are withdrawn.

1. **Section 3.4.2 - Patent or Copyright Infringement** is modified to read:

MCI, at its expense, will defend the State from and against any third party claim, action, suit, or proceeding ("Claim") alleging that the MCI transport network or any technology developed by MCI and provided to the State hereunder (individually a "Service" and collectively the "Services"), when used in conformity with all applicable written instructions and documentation, infringes any U.S. patent, U.S. trademark, or U.S. copyright or constitute misappropriation of a trade secret under U.S. law. MCI will indemnify the State for damages finally awarded against the State or agreed to by MCI in settlement of such Claim, and for the State'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. MCI's obligation to defend and indemnify the State on a Claim is contingent upon: (a) the State providing MCI prompt written notice of any Claim; and (b) the State providing MCI, at MCI's expense, all information and assistance requested by MCI to settle, defend, or bring a countersuit in conjunction with any Claim.

Notwithstanding anything to the contrary herein, MCI shall have no obligation to defend or indemnify the State for any Claim arising out of or relating to: (a) designs or specifications provided by the State not expressly accepted or approved in writing by the MCI Program Manager; (b) modifications to any Service or product provided hereunder made by or on behalf of the State not expressly accepted or approved in writing by the MCI Program Manager where but for such modifications there would have been no Claim of infringement or misappropriation; (c) use of any Service or product provided hereunder in combination with any other products or services not expressly accepted or approved in writing by the MCI Program Manager where but for this combination there would have been no Claim of infringement or misappropriation; or (d) transmission of the State supplied content, data, or other information.

If the State'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 the State the right to continue to use the affected Service; or (ii) replace the affected Service with a non-infringing service; or (iii) modify the affected Service so that it becomes non-infringing; or (iv) terminate provision of the affected Service and/or terminate this agreement due to inability to perform and not oppose any resulting claim upon the performance security.

THIS SECTION SETS FORTH THE SOLE AND EXCLUSIVE REMEDY OF THE STATE, AND THE ENTIRE OBLIGATION AND LIABILITY OF CONTRACTOR, AS TO ANY CLAIMS OF INFRINGEMENT OR MISAPPROPRIATION OF THIRD PARTY RIGHTS IN CONNECTION WITH ANY SERVICES, PRODUCTS, OR OTHER DELIVERABLES PROVIDED HEREUNDER.

2. **Section 3.3.3 - Commission Record Audit and Section 3.4.3.3 - Period of Retention** is modified to add the following:

The State agrees that any non-employee of the State or the federal government designated as an "authorized representatives" may be required by MCI to execute a standard non-disclosure agreement with MCI prior to examining, inspecting, copying or auditing MCI's records.

3. **Section 3.4.7 - Limited Liability** is modified to add the following:

In no event shall MCI be liable for any indirect, incidental or consequential damages sustained or incurred in connection with MCI's performance under this Agreement, regardless of the form of action, whether in contract, tort (including negligence), strict liability or otherwise; whether or not such damages are foreseen or unforeseen, except to the extent required under its duty to indemnify the State pursuant to Section 3.4.9, Indemnification, for third party claims against the State.

4. **Section 3.4.9 - Indemnification** is modified to read as follows:

To the fullest extent permitted by law, MCI shall indemnify and save harmless the State of Nevada, its officers, agents and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, resulting from or arising out of any personal injury or any real or tangible property damage resulting from the operations of MCI in its performance of this Agreement; provided that MCI shall have no liability for damages to the State of Nevada, its officers, agents and employees or any other person for any claim arising out of this Agreement, unless such claim results from the intention or negligent misconduct of MCI.

5. **Section 3.4.11.9 - Performance Security**

A performance security in the form of a Letter of Credit in the amount of \$675,000.00 must be provided within 10 days of contract award and will remain in effect throughout the term of the contract. In the event there are any extensions to the contract, the Letter of Credit must be updated to reflect the extension period. At no time during the period of the contract will MCI allow the Letter of Credit to lapse.

6. **Section 3.4.12 - Governmental Obligations** is modified to add the following language:

MCI may adjust its rates and charges or impose additional rates and charges on its customers in order to recover amounts it is required by governmental or quasi-governmental authorities to collect or otherwise pay to others in support of government mandated programs. Examples of such programs include, but are not limited to, the Universal Service Fund, the Carrier Access Charge, and compensation to payphone service providers for the use of their payphones to access MCI service. As the State's prime contractor, MCI will have overall responsibility to the State for performance of all contract requirements, including any contract requirement to be performed by MCI's subcontractor(s), but because its subcontractors act in the capacity as independent contractors, neither the State nor MCI will be responsible for its subcontractors' federal, state and local government obligations. However, MCI will flow the substance of this provision down to its subcontractors to require them to be responsible for all federal, state and local government obligations applicable to their subcontract scope of work.

7. **Section 3.4.15 - Assignment** is modified to read as follows:

Contractor shall neither assign, transfer, nor delegate any rights, obligations, or duties under this contract without the prior written consent of the State, which consent shall not be unreasonably withheld.

8. **Section 3.4.16 - State Ownership of Proprietary Information** is modified to add the following:

- a. The term "MCI Intellectual Property" shall mean all MCI:
 - i. inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions and reexaminations thereof;
 - ii. trademarks, service marks, trade dress, logos, trade names, and corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith;
 - iii. copyrightable works, all copyrights, and all applications, registrations and renewals in connection therewith;
 - iv. mask works and all applications, registrations and renewals in connection therewith;

- v. trade secrets and confidential business information (including ideas, research and development know-how, formulas, composition, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals);
 - vi. computer software (including data and related documentation);
 - vii. other proprietary rights; and
 - viii. copies and tangible embodiments of any of the foregoing (in whatever form or medium).
- b. The term "System" shall mean all MCI provided hardware, software, communications interface, application development, and ongoing service support required to establish a telecommunications network and central database system to support real-time (and batch) electronic transmission from licensing systems, located throughout the State, to the central database.

Acknowledgment of Proprietary Materials; Limitations on Use. The State acknowledges that the System, including any incorporated MCI Intellectual Property, is the property of MCI and that MCI holds all intellectual property rights therein. The State further acknowledges that the State shall treat the System in confidence and shall not use, copy, disclose, nor permit any State Personnel to use, copy or disclose the same for any purpose that is not specifically authorized under this Agreement.

9. **Section 3.4.19 - Federal Funding** is deleted as inapplicable to a concession-type contract.

10. **Section 3.4.20 - Warranties** - is modified to add the following:

Except as specifically set forth in this contract and its attachments, MCI makes no representation or warranty, express or implied, as to the merchantability, fitness for any particular purpose or otherwise with respect to the MCI services provided under this Agreement.

11. **Section 3.4.22 - Governing Law** is modified to read:

The contract and the rights and obligations of the parties hereto shall be governed by, and construed according to, the laws of the State of Nevada. Contractor consents to the jurisdiction of the Nevada State district courts for enforcement of the contract.

MCI, in conducting its business in the manner set forth in its proposal, is subject to the Communications Act of 1934, as amended, and as interpreted and applied by the Federal Communications Commission. The Agreement, including all matters relating to the validity,

construction, performance and enforcement thereof, shall be governed by the laws of the State of Nevada without giving reference to its principles of conflicts of law, except to the extent the Communications Act of 1934, as amended, FCC rules or regulations, or any other applicable federal law applies. The parties hereby irrevocably submit to the jurisdiction of the State and federal courts of the State of Nevada for all matters relating to the validity, construction, performance and enforcement of this contract.

MCI will provide the services proposed pursuant to its applicable tariffs which are incorporated herein by reference and made a part hereof. In the event that any pricing proposed pursuant to this contract requires a tariff filing, such pricing shall not be effective until the appropriate FCC or PUCN approval has been obtained.

Service will be provided pursuant to this Agreement, as supplemented by any non-inconsistent product descriptions, definitions, prices and other terms and conditions contained in MCI's "Service Publication and Price Guide" ("Guide"). This Guide shall be deemed to be incorporated herein by reference, will be maintained on MCI's Internet web-site (http://global.mci.com/publications/service_guide/) accessible by, and available to, Customer at all times, and may be modified by MCI from time to time and thereby affect the service furnished to customer.

12. The State and MCI agree that the requirement in Section 5.3.8.2 of Attachment E, which prohibits contact with a live operator is waived for international calls.
13. The State and MCI agree to the following definitions as they pertain to Section 3.3.1 - Commission Payments and Standards:

"Commissionable Revenue" is the gross revenue from Operator Service Calls generated by the telephones covered under this Agreement handled by MCI Operator Services or noncoin-sent paid calls generated by premises or inmate telephones handled by MCI's Operator Services and carried on the MCI network, excluding (i) taxes; (ii) credits; (iii) any amount MCI collects or otherwise pays to third parties in support of programs mandated by governmental or quasi-governmental authorities, such as the Universal Service Fund and the Primary Interexchange Carrier Charge; (iv) any amount MCI pays to payphone service providers pursuant to Section 276 of the Telecommunications Act of 1996 ("Section 276") and the regulations implementing Section 276; and (v) any costs incurred by MCI in connection with such compensation requirements in support of programs mandated by governmental or quasi-governmental authorities, including without limitation those of Section 276.

14. **Section 3.3.2.6 - Billing Rates**

The State and MCI mutually agree that MCI's Maximum Security federal and state Tariff(s) and their successors are incorporated herein by reference and shall have precedence over all other documents. In the event that any pricing proposed pursuant to this contract

requires a tariff filing, such pricing shall not be effective until the appropriate FCC or PUCN approval has been obtained.

15. Section 5.3.16 - Debit Platform

The State and MCI mutually agree that MCI will begin implementation of its Debit solution on January 12, 2004. The MCI Debit solution is defined in Attachment F. Within ten (10) business days after receipt of a fully executed contract, MCI will provide a debit system schedule. NDOC will provide its approval or feedback, as applicable, within ten (10) days thereafter.

16. Section 5.12 - Performance Standards

Pursuant to Section 5.12.2 of Attachment E to this Contract, the State and MCI mutually agree to the following performance standards. If the performance standard is not met, MCI will compensate NDOC based on the average system revenue per inmate telephone for the preceding 12-month period adjusted to reflect actual hours of service lost of affected payphone(s).

Feature or Capability	Performance Standard
Telephone Service	MCI will ensure a 99.9% reliability for all telephone services transported over its network facilities
Administrative Operator Access (see Section 5.11.3 of Attachment I)	NDOC personnel will have 24-hour, 7 days a week access to a live operator at all times.
Calling Restrictions:	
Access by PIN	98% up time
Outgoing Call	98% up time
Collect Calling	98% up time
Call Duration	98% up time
Time of Day	98% up time
Day of Week	98% up time
Approved Numbers	98% up time
Back-up Power	The UPS system will provide 30 minutes of back-up power for all LAZERPHONE Equipment
Emergency Disconnect	98% up time
Network Administration:	

Feature or Capability	Performance Standard
(see Section 5.3.6 of Attachment I)	
Central	99.9% reliability
Remote	99.9% reliability
System Database (see Section 5.3.7 of Attachment I)	99.9% reliability
Automated Operator:	
Contact with Director Operator	98% up time
Multilingual Synthesizer	98% up time
Error Prompts	98% up time
Call Branding	98% up time
Call Blocking	98% up time
Three-Way Supervision	85%
Answer Supervision	98% up time
Free Calls	98% up time
Call Monitoring and Recording	98% up time
Hot Number Tracking	98% up time
System Reports: (See Section 5.4.1 of Attachment I)	
Central Site Access	98% up time
Remote Site Access	98% up time

17. **Section 9.1- Commission Rates**

MCI will pay commission rates as set forth in Attachment G, Best and Final Offer for all levels of service, including intrastate, interstate, international and debit platform calls.

In connection with its sole liability for fraud and collections, MCI may from time to time impose, through its applicable tariff(s), certain payment and billing requirements on parties who desire to accept collect calls from Nevada inmates, which may include but not be limited to, blocking collect calls to such parties who fail or refuse to comply with MCI's tariffed requirements.

With respect to commissions to be paid on international collect calls made by Nevada inmates from phones PICed to MCI under this Contract, Nevada understands and agrees

that (a) MCI does not bill collect call recipients in the terminating foreign countries, but instead the foreign telephone companies bill and collect from the collect call recipients in their respective countries, in the currencies of that country, and (b) MCI has settlement agreements with most foreign telephone companies for handling of international collect calls such that, at the end of a billing cycle, MCI sends billing records to the foreign telephone companies and collects a settlement payment, which is calculated based upon settlement rates that are negotiated between the foreign telephone company and MCI, and the monies paid to MCI based upon the negotiated settlement rates is the only revenue received by MCI for these call types. Accordingly, although MCI will pay the State commissions on international collect calls, this percentage will be calculated on a monthly basis against the settlement revenues received by MCI from the foreign telephone companies. The State further understands and agrees that settlement rates are negotiated periodically and are subject to change. The settlement rates in effect as of the date of MCI's proposal are included in the MCI proposal, Attachment I to this Contract. MCI will exercise reasonable efforts to notify the State of any further changes in such settlement rates during the term of this Contract.

AMENDMENT #1 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Department Of Corrections (NDOC)

5500 Snyder Avenue
Carson City, NV 89701
Phone (775) 887-3347
Facsimile (775) 887-3343

And

MCI WORLDCOM Communications, Inc ("MCI" or "Contractor")
1945 Old Gallows Road,
Vienna, VA 22182
Phone (703) 343-6900
Facsimile (703) 343-6902
Federal I.D. Number: 47-0751768

1. **AMENDMENTS.** All provisions of the original contract dated December 9, 2003, attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

- a.) **Incorporated Documents**
Attachment E - State issued Request for Proposal #02-07, including Scope of Work and State Contract Terms & Conditions, issued November 15, 2002

Original Language

- 3.3.1.5 By the first of every month thereafter, beginning August 1, 2003, a \$180,000 prepayment of the commission will be made. By the 15th of each month, the prior month's commission is due less the prepayment.
- 3.3.1.6 If the contractor is five (5) days delinquent in the payment of commissions (prepayment or final monthly payment), liquidated damages will be assessed each day at the rate of one and one-half (1½) percentage on the commission payment outstanding.

Amended Language

3.3.1.5 Beginning on May 1, 2004, and on the first day of each calendar month thereafter, Contractor will pay (a) a prepayment of \$200,000 against commissions for that month, plus (b) an amount equal to total commissions payable for the month two months' prior minus the commission prepayment for that earlier month.

For any month when the total commissions due for the month two months' prior is less than the commission prepayment for that month, then the Contractor may deduct an equal amount from the commission prepayment currently due.

3.3.1.6 If the contractor is five (5) days delinquent in the payment of commissions (prepayment or total commissions per month less prepayment), liquidated damages may be assessed by NDOC each day beginning with the first day after initial payment due date at the rate of one percent (1%) a month (12% annual), on the commission payment outstanding.

NDOC must provide contractor with written notice of any assessment of liquidated damages within thirty (30) days after the first day for which NDOC could assess liquidated damages. Failure to provide such notice shall be deemed a waiver of the right to assess liquidated damages for that delinquency. Contractor shall pay any timely assessment of liquidated damages with the next monthly payment due, or within thirty (30) days after receipt of NDOC's notice, whichever is greater.

NDOC waives the right to assess any liquidated damages for prepayment or final monthly payments made by the Contractor prior to April 1, 2004.

2. INCORPORATED DOCUMENTS. Exhibit A is attached hereto, incorporated by reference herein and made a part of this amended contract.

3. REQUIRED APPROVAL. This amendment to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

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AMENDMENT #2 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Department Of Corrections (NDOC)

5500 Snyder Avenue
Carson City, NV 89701
Phone (775) 887-3347
Facsimile (775) 887-3343

And

MCI WORLDCOM Communications, Inc ("MCI" or "Contractor")
1945 Old Gallows Road,
Vienna, VA 22182
Phone (703) 343-6900
Facsimile (703) 343-6902
Federal I.D. Number: 47-0751768

1. AMENDMENTS. All provisions of the original contract dated December 9, 2003, as amended by Amendment No. 1 dated April 13, 2004, attached hereto together as Exhibit A, remain in full force and effect with the exception of the following:

A. The MCI Debit Scope of Work, Attachment F (Version 1.4), is being stricken from the original contract and is being replaced with Attachment F (Version 1.7).

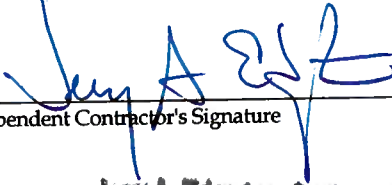
2. INCORPORATED DOCUMENTS. Exhibit A and Attachment F (Version 1.7) are attached hereto, incorporated by reference herein and made a part of this amended contract.

3. REQUIRED APPROVAL. This Amendment No. 2 to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

MCI Communications Services, Inc.


Independent Contractor's Signature

Jerry A. Edgerton, Senior V.P.

Title

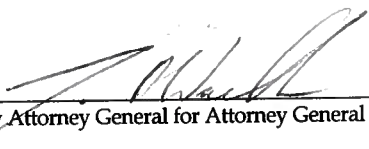
On 6/28/05

NEVADA DEPARTMENT OF CORRECTIONS


Darrel Rexwinkel, Deputy Director Support Services

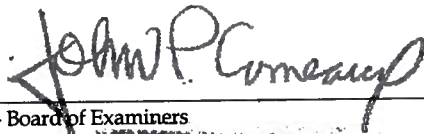
On 11/2/05

Approved as to form by:


Deputy Attorney General for Attorney General

On 11/1/05

APPROVED BY BOARD OF EXAMINERS


Signature - Board of Examiners

On 12-12-05

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

MCI WORLDCOM Communications, Inc.

Jerry A. Edgerton 3/10/04
Independent Contractor's Signature Date
Jerry A. Edgerton, Senior V.P.

Title

NEVADA DEPARTMENT OF CORRECTIONS

Darrel Rexwinkel 3/23/04
Darrel Rexwinkel Date
Assistant Director, Support Services

Title

APPROVED BY BOARD OF EXAMINERS

John P. Corns
Signature - Board of Examiners
On 4-13-04

Approved as to form by:

Shane O.
Deputy Attorney General for Attorney General
On 3/22/04

AMENDMENT #2 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Department Of Corrections (NDOC)

5500 Snyder Avenue
Carson City, NV 89701
Phone (775) 887-3347
Facsimile (775) 887-3343

And

MCI WORLDCOM Communications, Inc ("MCI" or "Contractor")
1945 Old Gallows Road,
Vienna, VA 22182
Phone (703) 343-6900
Facsimile (703) 343-6902
Federal I.D. Number: 47-0751768

1. AMENDMENTS. All provisions of the original contract dated December 9, 2003, as amended by Amendment No. 1 dated April 13, 2004, attached hereto together as Exhibit A, remain in full force and effect with the exception of the following:

5. Incorporated Documents

Attachment F - MCI Debit Scope of Work

The MCI Debit Scope of Work (Version 1.4) attached to the original Contract as Attachment F is hereby deleted and replaced with the MCI Debit Scope of Work (Version 1.6)(03-08-05) attached to this Amendment No. 2.

2. INCORPORATED DOCUMENTS. Exhibit A is attached hereto, incorporated by reference herein and made a part of this amended contract.

3. REQUIRED APPROVAL. This Amendment No. 2 to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

MCI WORLDCOM Communications, Inc.

NEVADA DEPARTMENT OF CORRECTIONS

Independent Contractor's Signature

Date

Darrel Rexwinkel

Date

Title

Assistant Director, Support Services

Title

APPROVED BY BOARD OF EXAMINERS

Approved as to form by:

Signature - Board of Examiners

Deputy Attorney General for Attorney General

On _____

On _____

Attachment F

MCI Debit Scope of Work



MAXIMUM SECURITY DEBIT CALL SYSTEM FOR NEVADA DEPARTMENT OF CORRECTIONS UTILIZING AUTHORIZATION NUMBERS

This document describes the Debit Call system that MCI supports as its debit offering on the LazerPhone system. To use the debit call system, the inmates must use pin numbers to make calls to a number allowed by the facility for that inmate. Call usage and surcharge rates will be adjusted at the time the call is placed to allow for all applicable taxes.

This application allows inmates to prepay for phone calls to any number that is allowed by the facility for that inmate. The inmate will deposit money in specified dollar amounts in an account managed by the NDOC. The funds in the account will only be used to place future inmate debit calls on the LazerPhone system.

MCI has an account set up for each inmate from which the inmate can make calls reflective of the amount pre-paid by the inmate. MCI will decrement the inmate's debit call account for that inmate. By using rates adjusted in real-time for the applicable taxes, the total cost of the call including applicable Taxes and Governmental Charges (e.g., Federal Universal Service Fee ("FUSF")) as set forth in MCI's Guide or tariff(s) will be decremented from the inmate's account at the conclusion of each call.

At the end of the month, MCI will invoice the State for the total cost of all debit calls "completed."

MCI will *electronically transmit* [send a] commissions [check] *for debit calls* to the State *separate from the pre-payment and settlement for prior months commissions called for* in *Amendment #1 to the current* [accordance with the] Contract. *Debit Call commissions will be handled the same as the settlement for prior months commissions and all parts of Amendment # 1 will apply.*

Procedures and specifications of the Debit Call System will be produced and followed as mutually agreed upon by the Nevada Department of Corrections (NDOC) and MCI WORLDCOM Communications, Inc. ("MCI" or "Contractor").

AMENDMENT #3 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Department Of Corrections (NDOC)
5500 Snyder Avenue
Carson City, NV 89701
Phone (775) 887-3347 / Facsimile (775) 887-3225

And

MCI Communications Services, Inc.
f/k/a MCI WORLDCOM Communications, Inc
("MCI" or "Contractor")
1945 Old Gallows Road,
Vienna, VA 22182
Phone (703) 343-6900 / Facsimile (703) 343-6902
Federal I.D. Number: 47-0751768

1. AMENDMENTS. All provisions of the original contract dated December 9, 2003, as amended by Amendment No. 1 dated April 13, 2004, and Amendment No. 2 dated May 23, 2005 (collectively, the "contract") remain in full force and effect with the exception of the following:


- A. MCI changed its name on June 1, 2005, effective September 1, 2005. References in the Contract to MCI WORLDCOM Communications, Inc. shall mean MCI Communications Services Inc.
- B. The Contract term is extended by two years, and shall run through and including December 31, 2007.
- C. In support of Nevada Department of Corrections wireless phones, MCI will provide new wireless phones not to exceed 5, wireless replacement phones not to exceed 95, and associated wireless phone replacement batteries not to exceed 25.
- D. Add Casa Grande Transitional Housing and Southern Nevada Correctional Center to the Contract effective upon mutual agreement between MCI and NDOC.

2. REQUIRED APPROVAL. This Amendment No. 3 to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.


MCI WORLDCOM Communications, Inc.

 5/12/05
Independent Contractor's Signature Date
Jerry A. Edgerton, Senior V.P.
Title


APPROVED BY BOARD OF EXAMINERS


Signature - Board of Examiners
On 5-23-05

NEVADA DEPARTMENT OF CORRECTIONS

 5/5/05
Lorraine H. Bagwell Date
Chief of Fiscal Services
Title

Approved as to form by:


Deputy Attorney General for Attorney General
On 5/12/05

AMENDMENT #2

Attachment F
MCI Debit Scope of Work



**MAXIMUM SECURITY
DEBIT CALL SYSTEM
FOR NEVADA DEPARTMENT OF CORRECTIONS
UTILIZING AUTHORIZATION NUMBERS**

Version 1.7

This document generally describes the Debit Call System that MCI supports as its debit offering on the LazerPhone system. To use the Debit Call System, the inmates must use pin numbers to make calls to a number allowed by the facility for that inmate, as well as accessing the attorney number database. Call usage and surcharge rates will be adjusted at the time the call is placed to allow for all applicable taxes.

This Debit Call System allows inmates to prepay for phone calls to any number that is allowed by the facility for that inmate or that is in the attorney number database. The inmate will deposit money in specified dollar amounts in an account managed by the NDOC. The funds in the account will only be used to place future inmate debit calls on the LazerPhone system.

MCI will set up an account set up for each inmate using the Debit Call System from which the inmate can make calls reflective of the debit amount purchased by the inmate. By using rates adjusted in real-time for the applicable taxes, the total cost of the call including then applicable Taxes and Governmental Charges (e.g., Federal Universal Service Fee ("FUSF")) as set forth in MCI's Guide or tariff(s) will be decremented from the inmate's account at the conclusion of each call.

At the end of each month, MCI will produce a debit call report and electronically transmit the data to NDOC.

By the 15th calendar day of each month, MCI will produce and electronically transmit an invoice to NDOC based on the debit call report. This invoice will be for the total inmate cost of all Debit Calls completed in the preceding month (e.g., by June 15, 2005, MCI will produce the invoice for inmate Debit Calls completed in May 2005). NDOC will pay the full invoice amount to MCI within thirty (30) calendar days after receipt of invoice.

MCI will send commission payments to NDOC in accordance with the original Contract and Amendment #1.

Additional detailed procedures and specifications of the Debit Call System will be mutually agreed upon, in writing, by NDOC and MCI.

AMENDMENT #2 TO CONTRACT

Between the State of Nevada
Acting By and Through Its

Nevada Department Of Corrections (NDOC)

5500 Snyder Avenue
Carson City, NV 89701
Phone (775) 887-3347
Facsimile (775) 887-3343

And

MCI WORLDCOM Communications, Inc ("MCI" or "Contractor")
1945 Old Gallows Road,
Vienna, VA 22182
Phone (703) 343-6900
Facsimile (703) 343-6902
Federal I.D. Number: 47-0751768

1. AMENDMENTS. All provisions of the original contract dated December 9, 2003, as amended by Amendment No. 1 dated April 13, 2004, attached hereto together as Exhibit A, remain in full force and effect with the exception of the following:

A. The MCI Debit Scope of Work, Attachment F (Version 1.4), is being stricken from the original contract and is being replaced with Attachment F (Version 1.7).

2. INCORPORATED DOCUMENTS. Exhibit A and Attachment F (Version 1.7) are attached hereto, incorporated by reference herein and made a part of this amended contract.

3. REQUIRED APPROVAL. This Amendment No. 2 to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

MCI WORLDCOM Communications, Inc.

NEVADA DEPARTMENT OF CORRECTIONS

Independent Contractor's Signature Date

Title

Lorraine H. Bagwell Date

Chief of Fiscal Services
Title

APPROVED BY BOARD OF EXAMINERS

Approved as to form by:

Signature - Board of Examiners

Deputy Attorney General for Attorney General

On _____

On _____

AMENDMENT #2

Attachment F
MCI Debit Scope of Work



MAXIMUM SECURITY
DEBIT CALL SYSTEM
FOR NEVADA DEPARTMENT OF CORRECTIONS
UTILIZING AUTHORIZATION NUMBERS

Version 1.7

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MCI will send commission payments to NDOC in accordance with the original Contract and Amendment #1.

Additional detailed procedures and specifications of the Debit Call System will be mutually agreed upon, in writing, by NDOC and MCI.