Form No. DMB 234 (Rev. 1/96)
AUTHORITY: Act 431 of 1984
COMPLETION: Required
PENALTY: Contract will not be executed unless form is filed

STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET **December 21, 2011**
PROCUREMENT
P.O. BOX 30026, LANSING, MI 48909
OR
530 W. ALLEGAN, LANSING, MI 48933

NOTICE
OF
CONTRACT NO. 071B2200066
between
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR **Charter Communications Holding Company, LLC** **12405 Powerscourt Dr** **St. Louis, MO 63131** **Email: Chris.Hebert@chartercom.com**	TELEPHONE Chris Hebert **(989) 671-5285** CONTRACTOR NUMBER/MAIL CODE BUYER/CA (517) 335-0462 **Christine Mitchell**
Contract Compliance Inspector: Jim Bowen (517) 241-9076 **Commercial Broadband, Cable TV and Basic Internet – Statewide**	
CONTRACT PERIOD: 5 **yrs. + 4 one-year options** From: **December 9, 2011** To: **December 8, 2016**	
TERMS **N/A**	SHIPMENT **N/A**
F.O.B. **N/A**	SHIPPED FROM **N/A**
ALTERNATE PAYMENT OPTIONS: ☒ P-card ☒ Direct Voucher (DV) ☐ Other	
MINIMUM DELIVERY REQUIREMENTS **N/A**	
MISCELLANEOUS INFORMATION:	

THIS CONTRACT IS EXTENDED TO AUTHORIZED MiDEAL MEMBERS (www.michigan.gov/mideal).

The terms and conditions of this Contract are those of RFP-CM-071I1300248, this Contract Agreement and the vendor's quote dated 9/12/2011. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.

TOTAL ESTIMATED CONTRACT VALUE: $2,875,000.00

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THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the RFP-CM-071I1300248. Orders for delivery will be issued directly by State Departments through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE CONTRACTOR:	**FOR THE STATE:**
Charter Communications Holding Company LLC Firm Name	Signature
Authorized Agent Signature	Jeff Brownlee, Chief Procurement Officer Name/Title
Authorized Agent (Print or Type)	DTMB, Procurement Division
Date	Date

STATE OF MICHIGAN

Department of Technology, Management and Budget

Purchasing Operations

Charter Communications

Contract No. 071B2200066

(Commercial Broadband & Cable TV)

Buyer Name: Christine Mitchell

Telephone Number: (517) 335-0462

E-Mail Address: mitchellc4@michigan.gov

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Article 1 – Statement of Work (SOW)

1.0 Project Identification

1.001 PROJECT REQUEST

The State of Michigan (State), through the Michigan Department of Technology, Management and Budget (DTMB), issues this Contract to provide:

1. Commercial Broadband Services for operation of a Virtual Private Network (VPN).
2. Basic Internet Access service, and/or
3. Cable Television Services.

Contractor may provide Customer Premises Equipment (CPE), together with installation and management services, for demarcation network interface devices required for delivery of services. The State considers a broadband modem as a demarcation network interface device, but a phone, router or key system is not.

The requested services must be made available, to all State Agencies, MiDeal Partners, and State home office users. Any MiDeal participant will work directly with the Contractor for all service and billing related issues.

This Contract has a base contract period of five years, with four, one-year extensions possible. Renewal of the contract will be at the sole discretion of the State and will be based upon the acceptable performance of the selected Contractor(s) as determined by the State.

The information provided in this Contract is based on past usage, and may fluctuate in either direction. The State does not guarantee it will buy any specific item or any total amount. All contracts awarded shall have no minimum guarantees of any business.

This is not an exclusive contract. Where the State is unable to procure through this contract, or has an existing contract for purchase of the services or products, the State reserves the right to purchase services or products through other contracting vehicles.

1.002 BACKGROUND

DTMB was created in part to improve the management of information technology investments. Among other enumerated items, DTMB is leading State efforts to re-engineer the State's information technology infrastructure, and to coordinate development of a unified Executive Branch technology plan, with the goal of achieving the use of common technology across the Executive Branch.

The rapidly changing technology and the increasing availability of commercial broadband services have prompted the State to expand the use of these technologies to State Agencies and their increasingly mobile workforce. The State is seeking higher capacity data network services that are affordable, reliable, and secure.

1.003 State Standards

Vendors are advised that the State has standards and guidelines that have been developed over the years. Vendors are expected to follow these requirements.

Charter Communications understands and will comply.

Enterprise IT Policies, Standards and Procedures:

http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html and http://www.michigan.gov/dmb/0,1607,7-150-56355-107739--,00.html

All software and hardware items provided by the Contractor must run on and be compatible with the DTMB Standard Information Technology Environment. Additionally, the SOM must be able to maintain software and other items produced as the result of the Contract. Therefore, non-standard development tools may not be used unless approved by DTMB. The Contractor must request, in writing, approval to use non-standard software development tools, providing justification for the requested change and all costs associated with any

change. The SOM's Project Manager and DTMB must approve any tools, in writing, before use on any information technology project.

Charter understands.

Enterprise IT Security Policy and Procedures:

http://www.michigan.gov/dmb/0,1607,7-150-9131_9347---,00.html#1300INFSTDSPLNNG and http://www.michigan.gov/cybersecurity

The SOM's security environment includes:

- DTMB Single Login.
- DTMB provided SQL security database.
- Secured Socket Layers.
- SecurID. (SOM Security Standard for external network access and high risk Web systems)

IT Strategic Plan:

http://www.michigan.gov/itstrategicplan

IT eMichigan Web Development Standard Tools:

http://www.michigan.gov/documents/Look_and_Feel_Standards_2006_v3_166408_7.pdf

IT Enterprise Standard Products:
Specific products are identified as Enterprise IT standards for the SOM. All product standards are reviewed, at a minimum, every two years. The currently standard products are found at:
http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html.

The State Unified Information Technology Environment (SUITE):

Includes standards for Project Management Methodology (PMM) that must be followed:
http://www.michigan.gov/suite/0,1607,7-245-46056---,00.html

Industry standards:

1. Institute of Electrical and Electronics Engineers, Inc. (IEEE).
2. Building Industry Consulting Services International, Inc. (BICSI) Specifications.

Any proposed solutions that vary from these standards must be thoroughly explained and documented, including specific variance, potential cost savings, and specific project benefits of the variance.

Project Specific Acronyms/Definitions

CPE	Customer Premises Equipment
Demarcation point	Where the carrier network or network equipment ends and the customer network begins
DOCSIS	Data Over Cable Service Interface Specification
DSL	Digital Subscriber Loop Services
IPSec	IP Security: an encryption standard
ISDN	Integrated Services Digital Network
LAN	Local Area Network
LATA	Local Access and Transport Area: geographic boundary established at the breakup of AT&T to define the boundaries between local exchange and inter-exchange carriers
Inter-LATA	All calls originated and terminated in different LATA's
Intra-LATA	All calls originated and terminated in the same LATA
MAN	Metropolitan Area Network
MPLS	MultiProtocol Label Switching
MiDeal Partners	The Extended Purchasing Partners for the State of Michigan
MTTR	Mean Time To Repair
Reliable	Minimum 99.75% uptime per site

Secure	Meeting or exceeding State of Michigan data network security standards
VPN	Virtual Private Network
WAN	Wide Area Network

1.1 Scope of Work and Deliverables

1.101 IN SCOPE

Contractor will provide the following, including all labor, materials, transportation, equipment and activities for selling, providing, supporting and maintaining the services:

1. Commercial Broadband Services as required for State Agencies.
2. Cable TV Services.
3. Parental controls on Cable TV Services.
4. Services for furnishing, installing, interfacing, operating, monitoring the services.
5. Maintenance and support.
6. Documentation to include service operation and repair manuals updated at least annually.
7. Optionally a managed VPN service.
8. Optionally providing Customer Premise Equipment (CPE) equipment, with price including delivery, installation, maintenance and support services.
9. Optional integration of voice, video, and data services.

1.102 OUT OF SCOPE

Reserved

1.103 ENVIRONMENT

Overview of Existing State Operating Environments

Information regarding the State's information technology architecture and standards may be found at:

http://www.michigan.gov/dmb/0,1607,7-150-56355---,00.html and http://www.michigan.gov/dmb/0,1607,7-150-56355-107739--,00.html.

The physical interface to the CPE router will be 100meg Ethernet full duplex or fiber optic cable as needed for services requested.

The State has a very complex network. The network has different perimeter entry points, and an internal network made up of a large WAN, a large MAN, and 3 hosting centers located in the Lansing metropolitan area. The following describes the Network environment:

- **Vendor Extranet**: This zone allows vendors to connect to the State network via either point-to-point WAN circuits, or Gateway-to-Gateway VPN over the Internet. The State currently allows vendors to place their network equipment on our premises, or they can terminate their connection at our demarcation at an AT&T facility. This zone is separated from the State network with a firewall. This access is application only; remote control access is not allowed.
- **Local Government Extranet**: This zone allows local government entities access to applications on the State network. This is provided by the provisioning of separate WAN circuits on the State WAN cloud. This zone is separated from the State network with a firewall.
- **Lansing Metropolitan Area Network (LMAN)**: This is the State's high-speed backbone network utilized by State employees to access State resources and Internet resources. The backbone is made up of redundant fiber links capable of transporting 10GBPS of traffic. Several State buildings, as well as the State's 3 hosting centers, are also connected to the backbone through a distribution layer network.
- **Agency Internet DMZ**: This zone is for public-facing server access to the Internet. This zone is firewall protected from the Internet, as well as from the LMAN. The state currently has Internet services provided by several ISPs to provide redundancy.

- **State WAN**: This is the remote office connectivity solution for the State. It is made up of a private network managed by AT&T. Connectivity of sites on the WAN are T1 and higher.
- **State Gateway-to-Gateway VPN**: This is an IPSEC VPN service offered by the State to allow remote State offices that do not require the availability/reliability of a dedicated State WAN circuit.
- **Client to Gateway VPN**: Since remote control access is not allowed over the vendor extranet, the State has developed this service as the approved method of access to manage State systems remotely. The service involves the use of the Internet, VPN-client software to provide the encryption over the Internet, and a 2-factor authentication method (SECURID).
- **State Data Communications Network** is composed of the Intranet, a secured, internal network, and an external, unsecured network, which is connected to the Internet. This network is comprised of necessary routing and switching hardware, software, wiring networks, connecting hub hardware, network management systems and the State firewall.
- **Intranet** is the secured, internal network inside the firewall. It includes the core Lansing Metropolitan Area Network (LMAN), a Wide Area Network (WAN) connecting out state locations, and agency local area networks, which are connected to either LMAN or WAN.
- **Unsecured network** is an optical fiber network in greater Lansing, outside the firewall. It radiates from a switched Ethernet hub and is connected to the worldwide Internet.
- **Intranet servers** conform to World Wide Web standards and are connected to the State Intranet, which is the secured, internal network segment located inside the firewall system.
- **Internet servers** conform to World Wide Web standards and are connected to the State unsecured network.

1.104 WORK AND DELIVERABLE

Contractor shall provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

I. Provide Commercial Broadband Services to State agencies and MiDeal partners as requested.

A. State Standard Requirements

Contractor will comply with applicable State-developed standard requirements for information technology projects. Reference section 1.003 (State Standards).

Specific Technical and Business Requirements

1. For VPN, data traffic will be delivered to the State's VPN Gateway in the State's DMZ. Contractor will deliver the data traffic to the State's VPN Gateway in the State's DMZ.
2. Services and equipment must be compliant with all telecommunications industry standards including, at a minimum, Federal Communications Commission (FCC), Michigan Public Services Commission (MPSC), IEEE, and BICSI.
3. Commercial Broadband - The minimum downlink speed is 2Mb and the minimum uplink speed is 1Mb. The preferred minimum uplink is 2Mb. Charter Communications offered speed packages are listed in pricing.
4. Design diagrams for connections requiring Fiber Optic delivery of speeds of 2.0/2.0 mbps or greater will be made available on an individual case basis.
5. Charter Communications will supply a /30 with each modem device for Charter's use to monitor the modem and VPN device if selected. Additional IP blocks are available if requested for an additional fee.
6. Contractor will detail for each identified State site the:
    a. Current data network capacity per location
    b. Expansion capacity

c. Capacity limits
d. Cost of expansion
e. CPE equipment required for each speed and/or type of service

The speed tier packages included in the Contract will be available at any State site that is determined to have High Speed Data service availability.

7. For services provided, Charter Communications currently complies and will continue to comply with FCC Part 76.

8. Consistent throughput - Contractor must provide sufficient capacity in the provider's backbone network facilities and equipment to insure consistent throughput.

   a. Charter Communications will monitor each modem device for the State and provide statistics upon request.

9. Availability – Service will be available monthly with an uptime of greater than 99.75%.

   a. Contractor will monitor and provide for monthly reports on availability for review by the State. Charter Communications will monitor each modem device for the State and provide network availability statistics upon request.

10. Low and consistent latency is required with minimal packet loss.
    a. Latency must be less than or equal to 150 milliseconds.
    b. Packet loss less than or equal to 0.4% per site.
    c. Contractor will monitor and provide latency and packet loss reports monthly for review by the State upon request.

Charter Communications will comply with the requirements stated above however currently does not actively monitor coax connections on a consistent basis.

The Charter Business NOC proactively contacts fiber customers in the event of a "detected" outage. Currently the Charter Business NOC verifies the alarm is valid and then proactively calls the listed "customer contact". Under normal operations, the CBNOC has the alarm verified, a ticket opened, and the customer called within 5 minutes of a detected alarm's presentation. Rarely, in the event of a catastrophic area wide outage, there can be delays in proactive notification contact and timely individual customer updates simply due to unexpected mass volume. Though rare, these catastrophic outages do impact outbound communication with customers simply due to the massive volume.

It is expected in late 2011 to have both an auto-dialer and associated outbound email notifications in place to alert customers of service interruptions and provide updates during a catastrophic outage in a timely manner.

11. Maintenance and Support

    a. For normal Agency business operations, Contractor will provide a Mean Time to Repair (MTTR) of 4 hours or less during the normal business hours of a location.

       Charter Communications will comply with a 4 hour MTTR from the time a trouble ticket is entered through Charter Business 24 hr Contact Center at 1-800-314-7195 (coax) or 1-866-603-3199 (fiber).

    b. For identified critical Agency business locations, for example, Michigan State Police posts will require MTTR of 4 hours on a 7x24x365 basis.

Charter Communications will comply with a 4 hour MTTR from the time a trouble ticket is entered through Charter Business 24 hr Contact Center at 1-800-314-7195 (coax) or 1-866-603-3199 (fiber).

Charter Communications has service locations in both the Upper and Lower Peninsulas of Michigan.

c. A single point of contact must be available for the State trouble calls.

Charter Business 24hr Contact Center number 1-800-314-7195 (coax) or 1-866-603-3199 (fiber).

d. Charter Communications provides a toll free number to a 24/7 contact center which handles business only customers. The Contact Center is staffed to support all issues regarding coax services provided to the State of Michigan. The Contact Center dispatches qualified local Technicians upon Tier two escalations as required.

Charter Business® ("Charter") operates and maintains the Charter Business Network Operations Center ("CB NOC"), which is staffed 24 hours a day, 7 days a week, and 365 days a year to deal with fiber services. The CB NOC provides an escalation list to our customers and service partners to ensure that adequate resources are mobilized quickly and tracked appropriately and that the underlying Service issue is resolved in the shortest possible time.

1. **Charter Communications does not offer an e-mail notification of problem reporting.**

e. Contractor will provide effective procedures for problem resolution, including those related to customer-owned equipment.

In the event customer-owned equipment is causing a direct interference with Charter services being provided, Charter will make commercially reasonable efforts to assist the Customer as applicable.

1. Contractor will provide an escalation procedure for outages that exceed 4 hours.

Charter Communications will supply an escalation list including names, titles and phone numbers.

f. Contractor will perform maintenance on Commercial Broadband Services equipment during the least intrusive times as determined by State site requirements and length and complexity of the maintenance.

12. Option – Customer Premises Equipment – Contractor may provide rental or purchase options for edge devices. If different equipment is required for different speed and/or service, these requirements must be identified. If State ownership of the edge devices impacts service commitments or problem resolution, these impacts must be described.

Charter Communications supplies all CPEs necessary to deliver service to the State and will retain ownership of such to ensure service levels and requirements are met.

13. Order Process and Installation

a. Contractor must provide and identify a single point of contact for new orders.

Charter Communications will supply a list of the Account Team assigned to the State at time of RFP acceptance. The Account Team will consist of one

account manager supported by one major account coordinator, and one account coordinator for each of three Charter Key Market Areas across the state.

b. Any services to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee.

Charter Communications will adopt this safe-guard into the ordering process developed for the State of Michigan.

c. Commercial Broadband Services Orders will be placed through DTMB Telecommunications for their review, approval and coordination.

Charter Communications understands.

d. Contractor must meet agreed upon order processing and installation times pursuant to Service Level Agreements (SLAs) for delivery time frames and network availability.

Charter Communications will institute a clear and simple order process. Charter will also install standard coax installations within 5 business days. Non-standard installations will be agreed upon on a case by case basis. Fiber based installations will be scheduled on a case by case basis with the typical, estimated installation timeframe of 60-120 days.

e. **Charter Communications does not have an on-line system to track orders. The account team coordinators are available during normal business hours to call and request updates**.

f. The State may cancel service by 30-day written notice to the Vendor via fax, email, or postal mail.

Charter Communications understands and will comply.

II. Cable Television Services

A. *Specific Technical and Business Requirements*

1. Contractor will provide basic Cable TV Services offerings.

Charter Communications will provide our Expanded Basic level of service to each site. Channel line-up may vary slightly from one area to another based on head-end channel availability. A copy of a typical channel line-up is attached to this document as Exhibit B.

2. Parental controls must be provided with the Cable TV Services and Pay-Per-View service must be blocked.

Charter Communications will comply with this requirement by placing one Digital Converter Box (DCT) at each location. Additional DCTs for additional televisions will be available at $4/mth each.

3. Contractor must provide and install the drop wiring for each site necessary to provide services.

a. Wiring must be hung neatly in a State-approved location following State Standards.

b. Contractor must supply all ancillary parts, cable ends, installation tools, wire, wire hangers, screws etc. for a complete turnkey distribution system.

Charter Communications understands and will comply.

4. Installation of all equipment shall meet current technical standards applicable to the cable industry and must be in accordance with the latest requirements of the National Electrical Code, EIA/TIA standards, state and local codes, ordinances and regulations of any other governing body having jurisdiction**.**

Charter Communications understands and will comply.

5. Maintenance and Support – Contractor will provide maintenance and support for the Cable TV services

   Contractor shall respond to a service request for assistance within twenty-four (24) normal business hours.

   Charter Communications understands and will comply.

6. Order Process and installation

   Vendor must provide and identify a single point of contact for new orders.

   See Commercial Broadband detail above.

7. Any services to be furnished under this Contract shall be ordered by issuance of written Purchase Orders/Blanket Purchase Order by the State after approval by the Contract Administrator or his/her designee.

   See Commercial Broadband detail above.

8. The State may cancel service by 30-day written notice to the Vendor via fax, email, or postal mail.

   Charter Communications understands and will comply.

III. Basic Internet Access Services

Consumer level access to the Internet from State agencies without VPN.

A. Specific Technical and Business Requirements

Requirements for Basic Internet Access Services are identical to those for Cable TV as listed above.

Charter Communications understands and will comply.

IV. Optional Managed Virtual Private Network Service

A. *Specific Technical and Business Requirements*

1. Contractor's managed VPN services must follow general industry definitions and standards.
2. Contractor will integrate all services with the State's current infrastructure.
3. The State presently manages the IPSec VPN services being used at broadband sites and provides the required remote site routers. VPN services are being used and managed by State personnel.
4. Cable data access services will be provided as part of the managed VPN services.
5. Contractor will provide all equipment and installation required for managed VPN services.

6. At some sites multiple (generally two) VPN connections will be required.
7. Contractor will provide maintenance and support for managed VPN services.
8. Pricing must be provided for basic cable data access services in addition to the optional managed VPN Services.
9. For this option Contractor will provide a head end peering presence in State-specified central office location(s) in the Greater Lansing area and/or other State-designated location(s).

V. Services

A. *Project Plan*

Within five (5) working days of the award of the Contract, the Contractor will work with the State to develop an agreed upon project plan of tasks and schedule, which may include:

1. Contractor's project organizational structure.
2. Contractor's staffing table with names and title of personnel assigned to the project. This must be in agreement with staffing of accepted proposal. Necessary substitutions due to change of employment status and other unforeseen circumstances may only be made with prior approval of the State.
3. The project breakdown showing sub-projects, activities and tasks, and resources required and allocated to each.
4. The Contractor agrees that the approved project plan shall become incorporated as part of the Contract and Scope of Services.
5. The project plan will serve as the State's measurement tool, outlining all tasks, their delivery dates, together with testing periods and implementation dates.

B. *Invoice*

1. Contractor will submit an accurate, single, bill for all sites where the Contractor is providing service by service type (i.e. Commercial Broadband Services and/or Cable TV Services).
2. The invoice must be inclusive of all services, whether provided by Contractor, another carrier or a subcontractor.
3. Contractor will prorate billing for services to the date of installation/disconnect.
4. The invoice must be available with paper and electronic detail of services provided for each site.
   a. Electronic detail must be in an Excel spreadsheet format.
   b. The billing process, billing period, and sample billing report will need to be provided in the bid response. Describe the billing correction, adjustment, resolution process and timing for billing corrections.
5. A single point of contact must be provided for all billing inquiries.
   a. The contact must have knowledge of the State's services.

C. *Location and Work Space*

1. The Contractor will work out of their facility.
2. The State will not provide workspace for the Contractor except in the event required for services under the Contract.

D. *Travel*

1. No travel or expenses will be reimbursed, unless travel is required by the State and approved in advance by the State's Project Manager.

E. *Documentation*

1. Contractor will provide service operation and repair manuals updated at least annually.

F. *Maintenance and Support*

1. The Contractor will provide support to address any problems with services and equipment, during the Agency specified business hours.

2. All maintenance will be performed by qualified personnel.
3. The Contractor will provide backup maintenance resources.
4. The Contractor will provide for escalation of maintenance issues to ensure critical issues are resolved.
5. The Contractor shall respond to the telephone requests for maintenance service, within four hours, for calls made at any time.

Charter Communications provides a toll free number to a 24/7 contact center which handles business only customers. The Contact Center is staffed to support all issues regarding coax services provided to the State of Michigan. The Contact Center dispatches qualified local Technicians upon Tier two escalations as required.

Charter Business® ("Charter") operates and maintains the Charter Business Network Operations Center ("CB NOC"), which is staffed 24 hours a day, 7 days a week, and 365 days a year to deal with fiber services. The CB NOC provides an escalation list to our customers and service partners to ensure that adequate resources are mobilized quickly and tracked appropriately and that the underlying Service issue is resolved in the shortest possible time.

G. Service Levels

Service Level	Service Credit for Non-Compliance
Point of Sale Data Services – end-to-end uptime based on SNMP monitoring, associated CPE uptime; full time proactive monitoring uptime with automated initiation of all repairs, shall meet or exceed 99.75% during site business hours. **Charter Communications will monitor each modem device for the State and provide Network availability statistics upon request.**	Credit of 5% of the monthly pricing for first hour of sub-par service level, with increase of 1% per hour for all subsequent hours/month of sub-par service level
Mean Time to Repair of 4 hours measured by the total number of outage minutes divided by the total number of outage occurrences measured and reported monthly. **Charter Communications will comply with a 4 hour MTTR from the time a trouble ticket is entered through Charter Business 24 hr Contact Center at 1-800-314-7195.** Charter shall not be responsible for MTTR measurement for Service Interruptions that are (a) caused by Customer, or its agents, employees, licensees, or contractors, or a Force Majeure Event, and/or (b) caused by Customer-provided equipment or facilities beyond the demarcation point, and/or (c) due to scheduled maintenance, Additionally, any period of time for which Charter is not granted access, if necessary, to the applicable Customer Service Location to address a Service Interruption shall not be counted against the MTTR measurement.	If the objective is missed more than 3 times in a year, a credit of 1% of the annual cost of the contract will be made by Vendor.
Installation date – The Vendor must meet the agreed upon installation date for a site. Exceptions are force majeure or causes beyond the reasonable control of the Vendor. **Charter Communications will institute a clear and simple order process. Charter will also install standard coax installations within 5 business days.** **Non-standard installations will be agreed upon on a case by case basis. Fiber based installations will be scheduled on a case by case basis with the typical installation timeframe of 60-90 days.**	If the installation date is not met, the Vendor will credit 100% of the installation charges for the site.
Latency and Packet Loss – Vendor must measure latency and packet loss monthly to meet the objectives of average latency not greater than 150 milliseconds and average packet loss not greater than 0.4%. Exceptions are force majeure and other circumstances beyond the control of the Vendor or scheduled service maintenance. **Charter Communications will comply with the requirements stated above however currently does not actively monitor on a**	For any month the objective is not met, the State will receive a credit equal to 1/30th of the monthly recurring charges for the services.

consistent basis.	

1.2 Roles and Responsibilities

1.201 VENDOR STAFF, ROLES, AND RESPONSIBILITIES

The Vendor will provide, and update when changed, an organizational chart indicating lines of authority for personnel involved in performance of this Contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management and indicate who within the firm will have prime responsibility and final authority for the work. The Vendor will identify the functions to be performed by identified individuals, and identify the location of the office to which they report.

The Vendor must have a dedicated account team with experience in the industry. The Vendor will identify a Contract Administrator. The duties of the Contract Administrator shall include, but not be limited to: i) supporting the management of the Contract, ii) facilitating dispute resolution, and iii) advising the State of performance under the terms and conditions of the Contract. The State reserves the right to require a change in the current Contract Administrator if the assigned Contract Administrator is not, in the opinion of the State, adequately serving the needs of the State.

- The Contract Administrator shall be identified as a Key Personnel subject to the State's interview and approval.
- The Contractor shall assign a Customer Service Manager – order and billing management, monthly reports, and performance metrics
- The duties of the Customer Service Manager shall include, but not be limited to: i) overall account management, ii) management of order and billing process, and iii) facilitating SLA compliance including providing monthly performance metrics and reports. The State reserves the right to require a change in the current Customer Service Manager if the assigned Customer Service Manager is not, in the opinion of the State, adequately serving the needs of the State.
- The Customer Service Manager shall be identified as a Key Personnel subject to the State's interview and approval.
- The Contract will provide sufficient qualified staffing to satisfy the deliverables of this Statement of Work.

1.202 STATE STAFF, ROLES, AND RESPONSIBILITIES

State Project Team

Contract Compliance Manager
DTMB will assign a Contract Compliance Manager who will be responsible for the SOM's infrastructure and coordinate with the Contractor in determining the system configuration.

The SOM's Contract Compliance Manager will provide the following services:

- Coordinate the SOM resources necessary for the project.
- Provide acceptance and sign-off of deliverable/milestone and invoices.
- Collect information necessary to monitor Contractors performance against SLA requirements.
- Attend periodic meetings to review Contractor deliverables and metrics.
- Facilitate coordination between various external contractors.
- Facilitate communication between different SOM departments/divisions.
- Escalate outstanding/high priority issues.
- Utilize change control procedures and resolve project related issues.
- Conduct regular and ongoing reviews of the project to confirm that it meets original objectives and requirements.
- Document and archive all important project decisions.
- Make key implementation decisions, as identified by the Contractor's project manager, within 48-hours of their expected decision date.
- Interface with Local Agencies to resolve delivery and change control issues.

Name	Agency/Division	Title	Phone/e-mail
Jim Bowen	DTMB Telecommunications Planning	Wide Area Network (WAN) Transmission Planning Specialist	(517) 241-9076 bowenj@michigan.gov

DTMB Contract Administrator

DTMB will assign a Contract Administrator who will manage post contractual activities which include but are not limited to:

- Negotiating or clarifying contractual provisions.
- Approving amendments to or extensions of the Contract.
- Participating in scheduled reviews of Contract milestones and deliverables.
- Resolving Contract issues between the SOM and Contractor.
- Verifying that all contractual activities are complete prior to contract close out.

Name	Agency/Division	Title	Phone/e-mail
Christine Mitchell	DTMB	Contract Administrator	(517) 335-0462 mitchellc4@michigan.gov

1.203 OTHER ROLES AND RESPONSIBILITIES

1.3 Project Progress

1.301 PROJECT START UP & REVIEW

A. Orientation Meeting

a. Within fifteen (15) business days from execution of the Contract, the Vendor may be required to attend an orientation meeting to discuss the content and procedures of the Contract.
b. The meeting will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Vendor.
c. The State shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

B. Performance Review Meetings

a. DTMB will require the Contractor to attend periodic meetings to review their performance under the Contract.
b. The meetings will be held in Lansing, Michigan, at a date and time mutually acceptable to the State and the Vendor.
c. The State shall bear no cost for the time and travel of the Vendor for attendance at the meeting.

1.302 REPORTS

Contractor will provide:

1. Monthly Status Report that correlates to the invoiced amount.
   a. The Status Report will briefly describe the services, billing, and order activity during the status period.
   b. Monthly Spend by service type and invoice line item
   c. Monthly Spend by agency and in total for the State
2. Monthly report of Service Level Metrics
   a. Issues and concerns affecting specific deliverables and the schedule or any other aspect of the project.)
3. Monthly report of all trouble/problem and escalation/resolution (Mean Time to Repair (MTTR))

Report formats will be agreed upon between the State and Contractor.

1.4 Project Management

1.401 ISSUE MANAGEMENT

An issue is an identified event that if not addressed may affect schedule, scope, quality, or budget.

The Contractor shall maintain an issue log for issues relating to the provision of services under this Contract. The issue management log must be communicated to the State's Program Manager on an agreed upon schedule, with email notifications and updates. The issue log must be updated and must contain the following minimum elements:

- Description of issue
- Issue identification date
- Responsibility for resolving issue.
- Priority for issue resolution (to be mutually agreed upon by the State and the Vendor)
- Resources assigned responsibility for resolution
- Resolution date
- Resolution description

Charter Communications understands & will comply as part of Charter Communications Trouble Ticket System.

1.402 RISK MANAGEMENT

A risk is an unknown circumstance or event that, if it occurs, may have a positive or negative impact on the Contract. Risk management generally involves (1) identification of the risk, (2) assigning a level of priority based on the probability of occurrence and impact to the project, (3) definition of mitigation strategies, and (4) monitoring of risk and mitigation strategy.

1.403 CHANGE MANAGEMENT

Contract change management is defined as the process to communicate, assess, monitor, and control all changes to system resources and processes. The State also employs change management in its administration of the Contract. (See Terms and Conditions, Article 2 and Attachment F Change Management Process for networks)

Vendors who provide products or services prior to the issuance of a Contract Change Notice by the DTMB Purchasing Operations risk non-payment for the out-of-scope/pricing products and/or services.

1.5 Acceptance

1.501 CRITERIA

Upon installation, the Contractor and State will conduct tests to ensure that the equipment and services operate in substantial conformance with the requirements of this RFP for a period of 45 days after installation. All costs associated with testing must be included in Contract price schedule for associated services.

1.502 FINAL ACCEPTANCE

Final acceptance is expressly conditioned upon completion of all delivery of equipment, completion of all tasks in the project plan as approved, delivery of services, and the certification by the State that the deliverables meet the defined requirements.

1.6 Compensation and Payment

1.601 COMPENSATION AND PAYMENT

A. Commercial Broadband Service.

Pricing detail for Commercial Broadband Services, including both one-time and recurring charges are identified in Attachment C. Equipment and managed service costs are separately identified. Pricing is provided for an unmanaged service.

Any managed service proposals are optional. Uplink and downlink speed combinations available are shown and priced.

A service area map (Attachment A) for any/all regions is included in this Contract. A pricing and coverage table is included for each region available for Commercial Broadband Services.

A contract pricing spreadsheet is also included which shows Contractor pricing for all covered service areas regionally by county and city for all Commercial Broadband Services. The pricing in the contract pricing spreadsheet must match the cost model example (Attachment C) pricing provided for evaluation.

Additional pricing spreadsheets are included for higher speeds or other alternatives that the Contract has offered. A description and benefits of alternatives accompanies each additional spreadsheet to aid the State in selecting the best alternative. These alternative services are provided regionally and pricing entered in the spread sheet by county and city. A service area map (Attachment A) is provided for any/all regions included in this Contract for alternative services if offered.

B. Cable TV Services

Monthly pricing detail for Cable TV Services must be provided in printed copy and in Excel spread sheet format. All one-time and recurring charges are identified. Cable TV Services pricing in addition to the basic Cable Service are included in the spreadsheet as add-on pricing. See table in Article 1 Attachment D.

A service area map (Attachment A) is included for any/all regions included in this Contract. The Contract pricing for basic cable services for each region available for Cable TV Services is included in Attachment D. Prices for multiple connections for service, converters, installation, and programming are also identified.

The pricing spread sheet shows pricing regionally by county and city the Contractor proposes for providing Cable TV Services (see Article 1 Attachment D for an example). The pricing in the contract pricing spreadsheet must match the cost model example (Attachment D) pricing provided for evaluation.

C. Basic Internet Services

Monthly pricing detail for Basic Internet Services must be provided in printed copy and in Excel spread sheet format. All one-time and recurring charges are identified. See the table in Article 1 Attachment E. A service area map (Attachment A) is included for any/all regions available for provision of basic cable services. Prices for multiple connections for service and installation are also identified.

A contract pricing spread sheet is provided which shows pricing regionally by county and city the Contractor proposes for providing Basic Internet Services (see Article 1 Attachment E for an example).

D. Payment

Electronic Payment Availability

Public Act 533 of 2004 requires that payments under this contract be processed by electronic funds transfer (EFT). Vendor is required to register to receive payments by EFT at the Contract & Payment Express website (www.cpexpress.state.mi.us).

1.7 Additional Terms and Conditions Specific to this SOW

1.701 ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THIS SOW

1. The State has a goal of achieving higher participation by small, Michigan-based businesses in State-awarded contracts. Consideration may also be given to a Vendor with proactive practices for hiring and retaining underrepresented groups or who recruit to retain or increase the number of information technology professionals in Michigan. Additionally, pursuant to the Public Act 91 of 2005, the State affords an all-else-equal preference for businesses owned by qualified disabled veterans.

2. Added Value
   - **Develops custom networking solutions**
   - **Will tailor a solution to meet specific needs.**
   - **Charter Communications® has obtained Metro Ethernet Forum (MEF) Certification, an organization committed to developing technical specifications and implementation agreements to promote interoperability and deployment of Carrier Ethernet worldwide.**

   Charter Business owns and operates its own network:
   - **Service can be provisioned and activated more quickly because facilities based provider with a single point of contact.**
   - **Can manage that network down to the very last mile.**

   Network design is different from that of traditional telecommunications companies:
   - **Can provide a redundant path.**
   - **If all locations are within the serviceable territory, Charter Business owns both the long-haul and local loops––offering this less expensively than the combined price of two separate local-loop companies and a long-haul company.**
   - **Enough capacity to meet immediate requirements and include room for growth.**

   Technology allows scalable service:
   - **Fiber internet from 2Mbps up to 1Gbps and optical Ethernet from 10Mbps to 1Gbps.**
   - **Can change bandwidth quickly and easily, usually without any additional construction or even a site visit.**
   - **Utilize a single fiber connection for data, internet, voice communications and/or video, eliminating the need to maintain multiple networks or manage multiple vendors.**

3. *The State must be able to migrate to an improved level/type of service offered by the same provider, without early cancellation fees or penalties for the discontinued service.*

   Charter Communications understands and will comply.

Article 2, Terms and Conditions

Charter agrees to the terms and conditions as stated in their RFP response as incorporated herein.

2.000 Contract Structure and Term

2.001 CONTRACT TERM

This Contract is for a period of **five years** beginning December, 2011 through December, 2016). All outstanding Purchase Orders must also expire upon the termination for any of the reasons listed in **Section 2.150** of the Contract, unless otherwise extended under the Contract. Absent an early termination for any reason, Purchase Orders issued but not expired, by the end of the Contract's stated term, shall remain in effect for the balance of the fiscal year for which they were issued.

Charter understands.

2.002 OPTIONS TO RENEW

This Contract may be renewed in writing by mutual agreement of the parties not less than 30 days before its expiration. The Contract may be renewed for up to **four additional one-year** periods.

Charter understands.

2.003 LEGAL EFFECT

Contractor accepts this Contract by signing two copies of the Contract and returning them to the Purchasing Operations. The Contractor shall not proceed with the performance of the work to be done under the Contract, including the purchase of necessary materials, until both parties have signed the Contract to show acceptance of its terms, and the Contractor receives a contract release/purchase order that authorizes and defines specific performance requirements.

Except as otherwise agreed in writing by the parties, the State shall not be liable for costs incurred by Contractor or payment under this Contract, until Contractor is notified in writing that this Contract or Change Order has been approved by the State Administrative Board (if required), signed by all the parties and a Purchase Order against the Contract has been issued.

Charter understands.

2.004 ATTACHMENTS & EXHIBITS

All Attachments and Exhibits affixed to any and all Statement(s) of Work, or appended to or referencing this Contract, are incorporated in their entirety and form part of this Contract.

Charter understands.

2.005 ORDERING

The State must issue an approved written Purchase Order, Blanket Purchase Order, Direct Voucher or Procurement Card Order to order any Services/Deliverables under this Contract. All orders are subject to the terms and conditions of this Contract. No additional terms and conditions contained on either a Purchase Order or Blanket Purchase Order apply unless they are specifically contained in that Purchase Order or Blanket Purchase Order's accompanying Statement of Work. Exact quantities to be purchased are unknown; however, the Contractor will be required to furnish all such materials and services as may be ordered during the Contract period. Quantities specified, if any, are estimates based on prior purchases, and the State is not obligated to purchase in these or any other quantities.

Charter understands.

2.006 ORDER OF PRECEDENCE

The Contract, including any Statements of Work and Exhibits, to the extent not contrary to the Contract, each of which is incorporated for all purposes, constitutes the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements, whether written or oral, with respect to the subject matter and as additional terms and conditions on the purchase order must apply as limited by **Section 2.005.**

In the event of any inconsistency between the terms of the Contract and a Statement of Work, the terms of the Statement of Work shall take precedence (as to that Statement of Work only); provided, however, that a Statement of Work may not modify or amend the terms of the Contract. The Contract may be modified or amended only by a formal Contract amendment.

Charter understands.

2.007 HEADINGS

Captions and headings used in the Contract are for information and organization purposes. Captions and headings, including inaccurate references, do not, in any way, define or limit the requirements or terms and conditions of the Contract.

Charter understands.

2.008 FORM, FUNCTION & UTILITY

If the Contract is for use of more than one State agency and if the Deliverable/Service does not the meet the form, function, and utility required by that State agency, that agency may, subject to State purchasing policies, procure the Deliverable/Service from another source.

Charter understands.

2.009 REFORMATION AND SEVERABILITY

Each provision of the Contract is severable from all other provisions of the Contract and, if one or more of the provisions of the Contract is declared invalid, the remaining provisions of the Contract remain in full force and effect.

Charter understands.

2.010 Consents and Approvals

Except as expressly provided otherwise in the Contract, if either party requires the consent or approval of the other party for the taking of any action under the Contract, the consent or approval must be in writing and must not be unreasonably withheld or delayed.

2.011 NO WAIVER OF DEFAULT

If a party fails to insist upon strict adherence to any term of the Contract then the party has not waived the right to later insist upon strict adherence to that term, or any other term, of the Contract.

Charter understands.

2.012 SURVIVAL

Any provisions of the Contract that impose continuing obligations on the parties, including without limitation the parties' respective warranty, indemnity and confidentiality obligations, survive the expiration or termination of the Contract for any reason. Specific references to survival in the Contract are solely for identification purposes and not meant to limit or prevent the survival of any other section

Charter understands.

2.020 Contract Administration

2.021 ISSUING OFFICE

This Contract is issued by the Department of Technology, Management and Budget, Purchasing Operations for the Telecommunications Division (collectively, including all other relevant State of Michigan departments and agencies, the "State"). Purchasing Operations is the sole point of contact in the State with regard to all procurement and contractual matters relating to the Contract. The Purchasing Operations Contract Administrator for this Contract is:

Christine Mitchell, CPPB

Buyer Specialist

Purchasing Operations

Department of Technology, Management and Budget

Mason Bldg, 2nd Floor

PO Box 30026

Lansing, MI 48909

Email: mitchellc4@michigan.gov

Phone: (517) 335-0462

2.022 CONTRACT COMPLIANCE INSPECTOR

The Director of Purchasing Operations directs the person named below, or his or her designee, to monitor and coordinate the activities for the Contract on a day-to-day basis during its term. **Monitoring Contract activities does not imply the authority to change, modify, clarify, amend, or otherwise alter the prices, terms, conditions and specifications of the Contract. Purchasing Operations is the only State office authorized to change, modify, amend, alter or clarify the prices, specifications, terms and conditions of this Contract.** The Contract Compliance Inspector for this Contract is:

Jim Bowen

Wide Area Network Transmission Planning Specialist

DTMB Telecommunications Planning

608 W. Allegan

Lansing, MI 48933

Email: bowenj@michigan.gov

Phone: (517) 241-9076

Fax: 513 373-0303

2.023 PROJECT MANAGER

Reserved

Charter understands.

2.024 CHANGE REQUESTS

The State reserves the right to request from time to time any changes to the requirements and specifications of the Contract and the work to be performed by the Contractor under the Contract. During the course of ordinary business, it may become necessary for the State to discontinue certain business practices or create Additional Services/Deliverables. At a minimum, to the extent applicable, Contractor shall provide a detailed outline of all work to be done, including tasks necessary to accomplish the Additional Services/Deliverables, timeframes, listing of key personnel assigned, estimated hours for each individual per task, and a complete and detailed cost justification.

If the State requests or directs the Contractor to perform any Services/Deliverables that are outside the scope of the Contractor's responsibilities under the Contract ("New Work"), the Contractor must notify the State promptly before commencing performance of the requested activities it believes are New Work. If the Contractor fails to notify the State before commencing performance of the requested activities, any such activities performed before the Contractor gives notice shall be conclusively considered to be in-scope Services/Deliverables and not New Work.

If the State requests or directs the Contractor to perform any services or provide deliverables that are consistent with and similar to the Services/Deliverables being provided by the Contractor under the Contract, but which the Contractor reasonably and in good faith believes are not included within the Statements of Work, then before performing such Services or providing such Deliverables, the Contractor shall notify the State in writing that it considers the Services or Deliverables to be an Additional Service/Deliverable for which the Contractor should receive additional compensation. If the Contractor does not so notify the State, the Contractor shall have no right to claim thereafter that it is entitled to additional compensation for performing that Service or providing that Deliverable. If the Contractor does so notify the State, then such a Service or Deliverable shall be governed by the Change Request procedure in this Section.

In the event prices or service levels are not acceptable to the State, the Additional Services or New Work shall be subject to competitive bidding based upon the specifications.

(1) Change Request at State Request

If the State requires Contractor to perform New Work, Additional Services or make changes to the Services that would affect the Contract completion schedule or the amount of compensation due Contractor (a "Change"), the State shall submit a written request for Contractor to furnish a proposal for carrying out the requested Change (a "Change Request").

(2) Contractor Recommendation for Change Requests:

Contractor shall be entitled to propose a Change to the State, on its own initiative, should Contractor believe the proposed Change would benefit the Contract.

(3) Upon receipt of a Change Request or on its own initiative, Contractor shall examine the implications of the requested Change on the technical specifications, Contract schedule and price of the Deliverables and Services and shall submit to the State without undue delay a written proposal for carrying out the Change. Contractor's proposal shall include any associated changes in the technical specifications, Contract schedule and price and method of pricing of the Services. If the Change is to be performed on a time and materials basis, the Amendment Labor Rates shall apply to the provision of such Services. If Contractor provides a written proposal and should Contractor be of the opinion that a requested Change is not to be recommended, it shall communicate its opinion to the State but shall nevertheless carry out the Change as specified in the written proposal if the State directs it to do so.

(4) By giving Contractor written notice within a reasonable time, the State shall be entitled to accept a Contractor proposal for Change, to reject it, or to reach another agreement with Contractor. Should the parties agree on carrying out a Change, a written Contract Change Notice must be prepared and issued under this Contract, describing the Change and its effects on the Services and any affected components of this Contract (a "Contract Change Notice").

(5) No proposed Change shall be performed until the proposed Change has been specified in a duly executed Contract Change Notice issued by the Department of Technology, Management and Budget, Purchasing Operations.

(6) If the State requests or directs the Contractor to perform any activities that Contractor believes constitute a Change, the Contractor must notify the State that it believes the requested activities are a Change before beginning to work on the requested activities. If the Contractor fails to notify the State before beginning to work on the requested activities, then the Contractor waives any right to assert any claim for additional compensation or time for performing the requested activities. If the Contractor commences performing work outside the scope of this Contract and then ceases performing that work, the Contractor must, at the request of the State, retract any out-of-scope work that would adversely affect the Contract.

Change Requests for Individual Purchase Orders:

Charges for Change Requests. Any charges associated with Service and Equipment installations, additions, modifications, substitutions, upgrades, reconfigurations, rebuilds or relocations at a site and requested by State subsequent to executing a Service Order for that site, are the sole financial responsibility of State. Charter shall notify State, in writing, of any additional One-Time Charges and/or adjustments to Monthly Service Fees associated with or applicable to such State change requests prior to making any such additions or modifications. State's failure to accept such additional charges within ten (10) days of receiving such notice shall be deemed a rejection by State of such charges. Should State not accept such additional charges in the specified time frame, Charter shall have no obligation to make the changes, modifications, etc. giving rise to such additional charges. Upon State's acceptance of changes, State shall be assessed such additional One-Time Charges and/or adjusted Monthly Service Fees beginning on the State's next and/or subsequent invoice(s).

2.025 NOTICES

Any notice given to a party under the Contract must be deemed effective, if addressed to the party as addressed below, upon: (i) delivery, if hand delivered; (ii) receipt of a confirmed transmission by facsimile if a copy of the notice is sent by another means specified in this Section; (iii) the third Business Day after being sent by U.S. mail, postage pre-paid, return receipt requested; or (iv) the next Business Day after being sent by a nationally recognized overnight express courier with a reliable tracking system.

State:
State of Michigan
Purchasing Operations
Attention: Christine Mitchell
PO Box 30026
530 West Allegan
Lansing, Michigan 48909

Contractor:
Charter Communications
12405 Powerscourt Drive
St. Louis, MO 63131
Attention: Legal Department

Either party may change its address where notices are to be sent by giving notice according to this Section.

2.026 BINDING COMMITMENTS

Representatives of Contractor must have the authority to make binding commitments on Contractor's behalf within the bounds set forth in the Contract. Contractor may change the representatives from time to time upon giving written notice.

Charter understands.

2.027 RELATIONSHIP OF THE PARTIES

The relationship between the State and Contractor is that of client and independent contractor. No agent, employee, or servant of Contractor or any of its Subcontractors shall be deemed to be an employee, agent or servant of the State for any reason. Contractor shall be solely and entirely responsible for its acts and the acts of its agents, employees, servants and Subcontractors during the performance of the Contract.

Charter understands.

2.028 COVENANT OF GOOD FAITH

Each party shall act reasonably and in good faith. Unless stated otherwise in the Contract, the parties shall not unreasonably delay, condition or withhold the giving of any consent, decision or approval that is either requested or reasonably required of them in order for the other party to perform its responsibilities under the Contract.

Charter understands.

2.029 ASSIGNMENTS

Neither party may assign the Contract, or assign or delegate any of its duties or obligations under the Contract, to any other party (whether by operation of law or otherwise), without the prior written consent of the other party; provided, however, that the State may assign the Contract to any other State agency, department, division or department without the prior consent of Contractor and Contractor may assign the Contract to an affiliate so long as the affiliate is adequately capitalized and can provide adequate assurances that the affiliate can perform the Contract. The State may withhold consent from proposed assignments, subcontracts, or novations when the transfer of responsibility would operate to decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

Contractor may not, without the prior written approval of the State, assign its right to receive payments due under the Contract. If the State permits an assignment, the Contractor is not relieved of its responsibility to perform any of its contractual duties and the requirement under the Contract that all payments must be made to one entity continues.

If the Contractor intends to assign the contract or any of the Contractor's rights or duties under the Contract, the Contractor must notify the State in writing at least 90 days before the assignment. The Contractor also must provide the State with adequate information about the assignee within a reasonable amount of time before the assignment for the State to determine whether to approve the assignment.

Upon execution of an authorized Contract Change Notice by the Department of Technology, Management & Budget, Procurement; Charter may assign this Agreement and the associated executed Service Order(s) to affiliates controlling, controlled by or under common control with Charter.

2.030 General Provisions

2.031 MEDIA RELEASES

News releases (including promotional literature and commercial advertisements) pertaining to the RFP and Contract or project to which it relates shall not be made without prior written State approval, and then only in accordance with the explicit written instructions from the State. No results of the activities associated with the RFP and Contract are to be released without prior written approval of the State and then only to persons designated.

Charter understands.

2.032 CONTRACT DISTRIBUTION

Purchasing Operations retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by Purchasing Operations.

Charter understands.

2.033 PERMITS

Contractor must obtain and pay any associated costs for all required governmental permits, licenses and approvals for the delivery, installation and performance of the Services. The State shall pay for all costs and expenses incurred in obtaining and maintaining any necessary easements or right of way.

Charter understands.

2.034 WEBSITE INCORPORATION

The State is not bound by any content on the Contractor's website, even if the Contractor's documentation specifically referenced that content and attempts to incorporate it into any other communication, unless the State has actual knowledge of the content and has expressly agreed to be bound by it in a writing that has been manually signed by an authorized representative of the State.

Acceptable Use Policy. State agrees to comply with the terms of Charter's Acceptable Use Policy ("AUP"), found at www.charter-business.com (or the applicable successor URL) and that policy is incorporated by reference into this Agreement. State represents and warrants that State has read the AUP and agrees to be bound by its terms as they may from time to time be amended, revised, replaced, supplemented or otherwise changed. State expressly understands and agrees that the AUP may be updated or modified from time to time by Charter, with or without notice to State. Charter may discontinue or disconnect Services immediately for any violation of the Charter AUP with or without notice to State. In the event a modification of the AUP has an adverse and material effect on State's use of Service(s), State shall notify Charter in writing of such effect and if Charter does not resolve the issue within thirty (30) days of receipt of such notice, then State may terminate the affected Service(s) without liability upon thirty (30) days' written notice to Charter.

2.035 FUTURE BIDDING PRECLUSION

Contractor acknowledges that, to the extent this Contract involves the creation, research, investigation or generation of a future RFP; it may be precluded from bidding on the subsequent RFP. The State reserves the right to disqualify any Bidder if the State determines that the Bidder has used its position (whether as an incumbent Contractor, or as a Contractor hired to assist with the RFP development, or as a Vendor offering free assistance) to gain a competitive advantage on the RFP.

Charter understands.

2.036 FREEDOM OF INFORMATION

All information in any proposal submitted to the State by Contractor and this Contract is subject to the provisions of the Michigan Freedom of Information Act, 1976 Public Act No. 442, as amended, MCL 15.231, et seq (the "FOIA").

Charter requests that only that information required by law be disclosed.

2.037 DISASTER RECOVERY

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as so mandated by Federal disaster response requirements, Contractor personnel dedicated to providing Services/Deliverables under this Contract shall provide the State with priority service for repair and work around in the event of a natural or man-made disaster.

Charter understands.

2.040 Financial Provisions

2.041 FIXED PRICES FOR SERVICES/DELIVERABLES

Each Statement of Work or Purchase Order issued under this Contract shall specify (or indicate by reference to the appropriate Contract Exhibit) the firm, fixed prices for all Services/Deliverables, and the associated payment milestones and payment amounts. The State may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor shall show verification of measurable progress at the time of requesting progress payments.

Charter's pricing is fixed throughout the Initial Service Period subject to applicable taxes. A copy of the State's tax exemption document has been provided to Charter to certify tax-exempt status. Tax-exempt status shall not relieve State of its obligation to pay any applicable franchise fees in addition to any surcharges that may be imposed to the extent that they are identified and included in this Contract agreement.

2.042 ADJUSTMENTS FOR REDUCTIONS IN SCOPE OF SERVICES/DELIVERABLES

If the scope of the Services/Deliverables under any Statement of Work issued under this Contract is subsequently reduced by the State, the parties shall negotiate an equitable reduction in Contractor's charges under such Statement of Work commensurate with the reduction in scope.

Charter understands.

2.043 SERVICES/DELIVERABLES COVERED

The State shall not be obligated to pay any amounts in addition to the charges specified in this Contract for all Services/Deliverables to be provided by Contractor and its Subcontractors, if any, under this Contract.

Charter understands.

2.044 INVOICING AND PAYMENT – IN GENERAL

(a) Each Statement of Work issued under this Contract shall list (or indicate by reference to the appropriate Contract Exhibit) the prices for all Services/Deliverables, equipment and commodities to be provided, and the associated payment milestones and payment amounts.

(b) Each Contractor invoice shall show details as to charges by Service/Deliverable component and location at a level of detail reasonably necessary to satisfy the State's accounting and charge-back requirements. Invoices for Services performed on a time and materials basis shall show, for each individual, the number of hours of Services performed during the billing period, the billable skill/labor category for such person and the applicable hourly billing rate. Prompt payment by the State is contingent on the Contractor's invoices showing the amount owed by the State minus any holdback amount to be retained by the State in accordance with **Section 1.600**.

(c) Correct invoices shall be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 Public Act No. 279, MCL 17.51 et seq., within 45 days after receipt, provided the State determines that the invoice was properly rendered.

(d) All invoices should reflect actual work done. The statement should show payment amount and should reflect actual work done by the payment dates, less any penalty cost charges accrued by those dates. As a general policy, statements shall be forwarded to the designated representative by the 15th day of the following month.

The Government may make progress payments to the Contractor when requested as work progresses, but not more frequently than monthly, in amounts approved by the Contract Administrator, after negotiation. Contractor must show verification of measurable progress at the time of requesting progress payments.

Charter understands.

2.045 PRO-RATION

To the extent there are Services that are to be paid for on a monthly basis, the cost of such Services shall be pro-rated for any partial month.

Charter understands.

2.046 ANTITRUST ASSIGNMENT

The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

Charter understands.

2.047 FINAL PAYMENT

The making of final payment by the State to Contractor does not constitute a waiver by either party of any rights or other claims as to the other party's continuing obligations under the Contract, nor shall it constitute a waiver of any claims by one party against the other arising from unsettled claims or failure by a party to comply with this Contract, including claims for Services and Deliverables not reasonably known until after acceptance to be defective or substandard. Contractor's acceptance of final payment by the State under this Contract shall constitute a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still unsettled.

Charter understands.

2.048 ELECTRONIC PAYMENT REQUIREMENT

Electronic transfer of funds is required for payments on State Contracts. Contractors are required to register with the State electronically at http://www.cpexpress.state.mi.us. As stated in Public Act 431 of 1984, all contracts that the State enters into for the purchase of goods and services shall provide that payment shall be made by electronic fund transfer (EFT).

Charter understands.

2.050 Taxes

2.051 EMPLOYMENT TAXES

Contractor shall collect and pay all applicable federal, state, and local employment taxes, including the taxes.

2.052 SALES AND USE TAXES

Contractor shall register and remit sales and use taxes on taxable sales of tangible personal property or services delivered into the State. Contractors that lack sufficient presence in Michigan to be required to register and pay tax must do so as a volunteer. This requirement extends to: (1) all members of any controlled group as defined in § 1563(a) of the Internal Revenue Code and applicable regulations of which the company is a member, and (2) all organizations under common control as defined in § 414(c) of the Internal Revenue Code and applicable regulations of which the company is a member that make sales at retail for delivery into the State are registered with the State for the collection and remittance of sales and use taxes. In applying treasury regulations defining "two or more trades or businesses under common control" the term "organization" means sole proprietorship, a partnership (as defined in § 701(a) (2) of the Internal Revenue Code), a trust, an estate, a corporation, or a limited liability company.

Charter's pricing is fixed throughout the Initial Service Period subject to applicable taxes. A copy of the State's tax exemption document has been provided to Charter to certify tax-exempt status.

2.060 Contract Management

2.061 CONTRACTOR PERSONNEL QUALIFICATIONS

All persons assigned by Contractor to the performance of Services under this Contract must be employees of Contractor or its majority-owned (directly or indirectly, at any tier) subsidiaries (or a State-approved Subcontractor) and must be fully qualified to perform the work assigned to them. Contractor must include a similar provision in any subcontract entered into with a Subcontractor. For the purposes of this Contract, independent contractors engaged by Contractor solely in a staff augmentation role must be treated by the State as if they were employees of Contractor for this Contract only; however, the State understands that the relationship between Contractor and Subcontractor is an independent contractor relationship.

Charter understands.

2.062 CONTRACTOR KEY PERSONNEL

(a) The Contractor must provide the Contract Compliance Inspector with the names of the Key Personnel.

(b) Key Personnel must be dedicated as defined in the Statement of Work to the Project for its duration in the applicable Statement of Work with respect to other individuals designated as Key Personnel for that Statement of Work.

(c) The State shall have the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor shall notify the State of the proposed assignment, shall introduce the individual to the appropriate State representatives, and shall provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State shall provide a written explanation including reasonable detail outlining the reasons for the rejection.

(d) Contractor must not remove any Key Personnel from their assigned roles on the Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). Unauthorized Removals does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, and resignation or for cause termination of the Key Personnel's employment. Unauthorized Removals does not include replacing Key Personnel because of promotions or other job movements allowed by Contractor personnel policies or Collective Bargaining Agreement(s) as long as the State receives prior written notice before shadowing occurs and Contractor provides 30 days of shadowing unless parties agree to a different time period. The Contractor with the State must review any Key Personnel replacements, and appropriate transition planning will be established. Any Unauthorized Removal may be considered by the State to be a material breach of the Contract, in respect of which the State may elect to exercise its termination and cancellation rights.

(e) The Contractor must notify the Contract Compliance Inspector and the Contract Administrator at least 10 business days before redeploying non-Key Personnel, who are dedicated to primarily to the Project, to other projects. If the State does not object to the redeployment by its scheduled date, the Contractor may then redeploy the non-Key Personnel.

Charter understands.

2.063 RE-ASSIGNMENT OF PERSONNEL AT THE STATE'S REQUEST

The State reserves the right to require the removal from the Project of Contractor personnel found, in the judgment of the State, to be unacceptable. The State's request must be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request must be based on legitimate, good faith reasons. Replacement personnel for the removed person must be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed personnel, the State agrees to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any incident with removed personnel results in delay not reasonably anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Service shall not be counted for a time as agreed to by the parties.

Charter understands.

2.064 CONTRACTOR PERSONNEL LOCATION

All staff assigned by Contractor to work on the Contract shall perform their duties either primarily at Contractor's offices and facilities or at State facilities. Without limiting the generality of the foregoing, Key Personnel shall, at a minimum, spend at least the amount of time on-site at State facilities as indicated in the applicable Statement of Work. Subject to availability, selected Contractor personnel may be assigned office space to be shared with State personnel.

Charter understands.

2.065 CONTRACTOR IDENTIFICATION

Contractor employees must be clearly identifiable while on State property by wearing a State-issued badge, as required. Contractor employees are required to clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

Charter understands.

2.066 COOPERATION WITH THIRD PARTIES

Contractor agrees to cause its personnel and the personnel of any Subcontractors to cooperate with the State and its agents and other contractors including the State's Quality Assurance personnel. As reasonably requested by the State in writing, the Contractor shall provide to the State's agents and other contractors reasonable access to Contractor's Project personnel, systems and facilities to the extent the access relates to activities specifically associated with this Contract and shall not interfere or jeopardize the safety or operation of the systems or facilities. The State acknowledges that Contractor's time schedule for the Contract is very specific and agrees not to unnecessarily or unreasonably interfere with, delay or otherwise impeded Contractor's performance under this Contract with the requests for access.

Charter understands.

2.067 CONTRACT MANAGEMENT RESPONSIBILITIES

Contractor shall be responsible for all acts and omissions of its employees, as well as the acts and omissions of any other personnel furnished by Contractor to perform the Services. Contractor shall have overall responsibility for managing and successfully performing and completing the Services/Deliverables, subject to the overall direction and supervision of the State and with the participation and support of the State as specified in this Contract. Contractor's duties shall include monitoring and reporting the State's performance of its participation and support responsibilities (as well as Contractor's own responsibilities) and providing timely notice to the State in Contractor's reasonable opinion if the State's failure to perform its responsibilities in accordance with the Project Plan is likely to delay the timely achievement of any Contract tasks.

The Contractor shall provide the Services/Deliverables directly or through its affiliates, subsidiaries, subcontractors or resellers. Regardless of the entity providing the Service/Deliverable, the Contractor shall act as a single point of contact coordinating these entities to meet the State's need for Services/Deliverables.

Nothing in this Contract, however, shall be construed to authorize or require any party to violate any applicable law or regulation in its performance of this Contract.

Charter agrees, to be responsible for claims to the full extent that such arise directly from (1) Charter's failure to comply with applicable law, (2) physical damage to personal or real property caused by the negligent or willful misconduct of Charter, its employees or contractors, at the Site(s) during the installation or maintenance of the Equipment, and/or (3) third party claims that any of the Charter-owned or controlled equipment, facilities, and/or system used to deliver the Services infringes upon the intellectual property rights of such third party.

Charter understands.

2.068 CONTRACTOR RETURN OF STATE EQUIPMENT/RESOURCES

The Contractor shall return to the State any State-furnished equipment, facilities and other resources when no longer required for the Contract in the same condition as when provided by the State, reasonable wear and tear excepted.

Charter understands.

2.070 Subcontracting by Contractor

2.071 CONTRACTOR FULL RESPONSIBILITY

Contractor shall have full responsibility for the successful performance and completion of all of the Services and Deliverables. The State shall consider Contractor to be the sole point of contact with regard to all contractual matters under this Contract, including payment of any and all charges for Services and Deliverables.

Charter understands.

2.072 STATE CONSENT TO DELEGATION

Contractor shall not delegate any duties under this Contract to a Subcontractor unless the Department of Technology, Management and Budget, Purchasing Operations has given written consent to such delegation. The State shall have the right of prior written approval of all Subcontractors and to require Contractor to replace any Subcontractors found, in the reasonable judgment of the State, to be unacceptable. The State's request shall be written with reasonable detail outlining the reasons for the removal request. Additionally, the State's request shall be based on legitimate, good faith reasons. Replacement Subcontractor(s) for the removed Subcontractor shall be fully qualified for the position. If the State exercises this right, and the Contractor cannot immediately replace the removed Subcontractor, the State shall agree to an equitable adjustment in schedule or other terms that may be affected by the State's required removal. If any such incident with a removed Subcontractor results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLA for the affected Work shall not be counted for a time agreed upon by the parties.

Charter understands.

2.073 SUBCONTRACTOR BOUND TO CONTRACT

In any subcontracts entered into by Contractor for the performance of the Services, Contractor shall require the Subcontractor, to the extent of the Services to be performed by the Subcontractor, to be bound to Contractor by the terms of this Contract and to assume toward Contractor all of the obligations and responsibilities that Contractor, by this Contract, assumes toward the State. The State reserves the right to receive copies of and review all subcontracts, although Contractor may delete or mask any proprietary information, including pricing, contained in such contracts before providing them to the State. The management of any Subcontractor shall be the responsibility of Contractor, and Contractor shall remain responsible for the performance of its

Subcontractors to the same extent as if Contractor had not subcontracted such performance. Contractor shall make all payments to Subcontractors or suppliers of Contractor. Except as otherwise agreed in writing by the State and Contractor, the State shall not be obligated to direct payments for the Services other than to Contractor. The State's written approval of any Subcontractor engaged by Contractor to perform any obligation under this Contract shall not relieve Contractor of any obligations or performance required under this Contract. A list of the Subcontractors, if any, approved by the State as of the execution of this Contract, together with a copy of the applicable subcontract is attached.

Charter understands.

2.074 FLOW DOWN

Except where specifically approved in writing by the State on a case-by-case basis, Contractor shall flow down the obligations in **Sections 2.031, 2.060, 2.100, 2.110, 2.120, 2.130, and 2.200** in all of its agreements with any Subcontractors.

Charter agrees to to flowdown to any subcontractor the confidentiality obligations between Charter and the State and instruct such subcontractor to make available to the State any records directly related to this Agreement. Charter also agrees to flowdown all Federal & State contract requirements as applicable.

2.075 COMPETITIVE SELECTION

The Contractor shall select subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of the Contract.

Charter understands.

2.080 State Responsibilities

2.081 EQUIPMENT

The State shall provide only the equipment and resources identified in the Statement of Work and other Contract Exhibits.

Charter understands.

2.082 FACILITIES

The State must designate space as long as it is available and as provided in the Statement of Work, to house the Contractor's personnel whom the parties agree will perform the Services/Deliverables at State facilities (collectively, the "State Facilities"). The Contractor shall have reasonable access to, and unless agreed otherwise by the parties in writing must observe and comply with all rules and regulations relating to each of the State Facilities (including hours of operation) used by the Contractor in the course of providing the Services. Contractor agrees that it shall not, without the prior written consent of the State, use any State Facilities or access any State information systems provided for the Contractor's use, or to which the Contractor otherwise gains access in the course of performing the Services, for any purpose other than providing the Services to the State.

Charter understands.

2.090 Security

2.091 BACKGROUND CHECKS

On a case-by-case basis, the State may investigate the Contractor's personnel before they may have access to State facilities and systems. The scope of the background check is at the discretion of the State and the results shall be used to determine Contractor personnel eligibility for working within State facilities and systems. The investigations shall include Michigan State Police Background checks (ICHAT) and may include the National Crime Information Center (NCIC) Finger Prints. Proposed Contractor personnel may be required to complete and submit an RI-8 Fingerprint Card for the NCIC Finger Print Check. Any request for background checks shall be initiated by the State and shall be reasonably related to the type of work requested.

All Contractor personnel shall also be expected to comply with the State's security and acceptable use policies for State IT equipment and resources. See http://www.michigan.gov/dit. Furthermore, Contractor personnel shall be expected to agree to the State's security and acceptable use policies before the Contractor personnel shall be accepted as a resource to perform work for the State. It is expected the Contractor shall present these documents to the prospective employee before the Contractor presents the individual to the State as a proposed resource. Contractor staff shall be expected to comply with all Physical Security procedures in place within the facilities where they are working.

Charter Communications performs criminal background checks for each new employee that performs work at customer sites. Charter confirms that none of the Charter employees that will perform work for State was found to be a registered sex offender at the time of hire. In the event extended background checks are required by the State, Charter agrees to evaluate each request and comply with all security laws as applicable.

2.092 SECURITY BREACH NOTIFICATION

If the Contractor breaches this Section, the Contractor must (i) promptly cure any deficiencies and (ii) comply with any applicable federal and state laws and regulations pertaining to unauthorized disclosures. Contractor and the State shall cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized use or disclosure. Contractor must report to the State in writing any use or disclosure of Confidential Information, whether suspected or actual, other than as provided for by the Contract within 10 days of becoming aware of the use or disclosure or the shorter time period as is reasonable under the circumstances.

Charter agrees to comply with all federal and state laws and regulations pertaining to confidential information.

2.093 PCI DATA SECURITY REQUIREMENTS

Contractors with access to credit/debit card cardholder data must adhere to the Payment Card Industry (PCI) Data Security requirements. Contractor agrees that they are responsible for security of cardholder data in their possession. Contractor agrees that data can ONLY be used for assisting the State in completing a transaction, supporting a loyalty program, supporting the State, providing fraud control services, or for other uses specifically required by law.

Contractor agrees to provide business continuity in the event of a major disruption, disaster or failure.

The Contractor shall contact the Department of Technology, Management and Budget, Financial Services immediately to advise them of any breaches in security where card data has been compromised. In the event of a security intrusion, the Contractor agrees the Payment Card Industry representative, or a Payment Card Industry approved third party, shall be provided with full cooperation and access to conduct a thorough security review. The review will validate compliance with the Payment Card Industry Data Security Standard for protecting cardholder data. Contractor agrees to properly dispose sensitive cardholder data when no longer needed. The Contractor shall continue to treat cardholder data as confidential upon contract termination.

The Contractor shall provide the Department of Technology, Management and Budget, Financial Services documentation showing PCI Data Security certification has been achieved. The Contractor shall advise the Department of Technology, Management and Budget, Financial Services of all failures to comply with the PCI

Data Security Requirements. Failures include, but are not limited to system scans and self-assessment questionnaires. The Contractor shall provide a time line for corrective action.

Charter represents that it is compliant with federal standards for the purpose of taking credit card payments from the State for Charter services.

2.100 Confidentiality

2.101 CONFIDENTIALITY

Contractor and the State each acknowledge that the other possesses and shall continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of Contractor must mean all non-public proprietary information of Contractor (other than Confidential Information of the State as defined below), which is marked confidential, restricted, proprietary, or with a similar designation. "Confidential Information" of the State must mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State under applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to Contractor by the State under its performance under this Contract, is marked as confidential, proprietary or with a similar designation by the State. "Confidential Information" excludes any information (including this Contract) that is publicly available under the Michigan FOIA.

Charter understands.

2.102 PROTECTION AND DESTRUCTION OF CONFIDENTIAL INFORMATION

The State and Contractor shall each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither Contractor nor the State shall (i) make any use of the Confidential Information of the other except as contemplated by this Contract, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party shall limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Contract, (B) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's scope of responsibility, and (C) Contractor obligates the Subcontractor in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment that the employee has been advised of Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to Contractor or Subcontractor, as the case may be, to protect the Confidential Information from unauthorized use or disclosure.

Promptly upon termination or cancellation of the Contract for any reason, Contractor must certify to the State that Contractor has destroyed all State Confidential Information.

Charter understands.

2.103 EXCLUSIONS

Notwithstanding the foregoing, the provisions in this Section shall not apply to any particular information which the State or Contractor can demonstrate (i) was, at the time of disclosure to it, in the public domain; (ii) after disclosure to it, is published or otherwise becomes part of the public domain through no fault of the receiving party; (iii) was in the possession of the receiving party at the time of disclosure to it without an obligation of confidentiality; (iv) was received after disclosure to it from a third party who had a lawful right to disclose the information to it without any obligation to restrict its further disclosure; or (v) was independently developed by the receiving party without reference to Confidential Information of the furnishing party. Further, the provisions

of this Section shall not apply to any particular Confidential Information to the extent the receiving party is required by law to disclose the Confidential Information, provided that the receiving party (i) promptly provides the furnishing party with notice of the legal request, and (ii) assists the furnishing party in resisting or limiting the scope of the disclosure as reasonably requested by the furnishing party.

Charter understands.

2.104 NO IMPLIED RIGHTS

Nothing contained in this Section must be construed as obligating a party to disclose any particular Confidential Information to the other party, or as granting to or conferring on a party, expressly or impliedly, any right or license to the Confidential Information of the other party.

Charter understands.

2.105 RESPECTIVE OBLIGATIONS

The parties' respective obligations under this Section must survive the termination or expiration of this Contract for any reason.

2.110 Records and Inspections

2.111 INSPECTION OF WORK PERFORMED

The State's authorized representatives shall at all reasonable times and with 10 days prior written request, have the right to enter Contractor's premises, or any other places, where the Services are being performed, and shall have access, upon reasonable request, to interim drafts of Deliverables or work-in-progress. Upon 10 Days prior written notice and at all reasonable times, the State's representatives shall be allowed to inspect, monitor, or otherwise evaluate the work being performed and to the extent that the access will not reasonably interfere or jeopardize the safety or operation of the systems or facilities. Contractor shall provide all reasonable facilities and assistance for the State's representatives.

Charter understands.

2.112 EXAMINATION OF RECORDS

For seven years after the Contractor provides any work under this Contract (the "Audit Period"), the State may examine and copy any of Contractor's books, records, documents and papers pertinent to establishing Contractor's compliance with the Contract and with applicable laws and rules. The State shall notify the Contractor 20 days before examining the Contractor's books and records. The State does not have the right to review any information deemed confidential by the Contractor to the extent access would require the confidential information to become publicly available. This provision also applies to the books, records, accounts, documents and papers, in print or electronic form, of any parent, affiliated or subsidiary organization of Contractor, or any Subcontractor of Contractor performing services in connection with the Contract.

For a period of no less than three (3) years after final payment, Charter agrees to keep records and documents sufficient to verify Charter's compliance to the pricing, terms, and conditions, of this Agreement and the accuracy of any invoice issued by Charter under this agreement. State shall have the right to inspect, examine, reproduce and audit all such records and documents at State's cost, and Charter shall provide reasonable cooperation assistance with any audit conducted by the State or its authorized representative. Audits will be conducted upon thirty (30) days prior written notice to Charter, no more than once per year, and during Charter's normal business operations.

2.113 RETENTION OF RECORDS

Contractor shall maintain at least until the end of the Audit Period all pertinent financial and accounting records (including time sheets and payroll records, and information pertaining to the Contract and to the Services, equipment, and commodities provided under the Contract) pertaining to the Contract according to generally

accepted accounting principles and other procedures specified in this Section. Financial and accounting records shall be made available, upon request, to the State at any time during the Audit Period. If an audit, litigation, or other action involving Contractor's records is initiated before the end of the Audit Period, the records shall be retained until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

For a period of no less than three (3) years after final payment, Charter agrees to keep records and documents sufficient to verify Charter's compliance to the pricing, terms, and conditions, of this Agreement and the accuracy of any invoice issued by Charter under this agreement. State shall have the right to inspect, examine, reproduce and audit all such records and documents at State's cost, and Charter shall provide reasonable cooperation assistance with any audit conducted by the State or its authorized representative. Audits will be conducted upon thirty (30) days prior written notice to Charter, no more than once per year, and during Charter's normal business operations.

2.114 AUDIT RESOLUTION

If necessary, the Contractor and the State shall meet to review each audit report promptly after issuance. The Contractor shall respond to each audit report in writing within 30 days from receipt of the report, unless a shorter response time is specified in the report. The Contractor and the State shall develop, agree upon and monitor an action plan to promptly address and resolve any deficiencies, concerns, and/or recommendations in the audit report.

Charter understands.

2.115 ERRORS

If the audit demonstrates any errors in the documents provided to the State, then the amount in error shall be reflected as a credit or debit on the next invoice and in subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried for more than four invoices. If a balance remains after four invoices, then the remaining amount shall be due as a payment or refund within 45 days of the last quarterly invoice that the balance appeared on or termination of the contract, whichever is earlier.

In addition to other available remedies, the difference between the payment received and the correct payment amount is greater than 10%, then the Contractor shall pay all of the reasonable costs of the audit.

In the event Charter agrees with the audit results, Charter agrees to this provision. In the event Charter disagrees with the audit results, written documentation sufficient to support the position in question will be presented to the State auditor's for consideration and mutual agreement.

2.120 Warranties

2.121 WARRANTIES AND REPRESENTATIONS

The Contractor represents and warrants:

(a) It is capable in all respects of fulfilling and must fulfill all of its obligations under this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workman-like manner and must meet the performance and operational standards required under this Contract.

(b) The Contract Appendices, Attachments and Exhibits identify the equipment and software and services necessary for the Deliverable(s) to perform and Services to operate in compliance with the Contract's requirements and other standards of performance.

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by Contractor under this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any and all Deliverables. None of the Deliverables provided by Contractor to the State under neither this Contract, nor their use by the State shall infringe the patent, copyright, trade secret, or other proprietary rights of any third party.

(d) If, under this Contract, Contractor procures any equipment, software or other Deliverable for the State (including equipment, software and other Deliverables manufactured, re-marketed or otherwise sold by Contractor under Contractor's name), then in addition to Contractor's other responsibilities with respect to the items in this Contract, Contractor must assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable.

(e) The contract signatory has the power and authority, including any necessary corporate authorizations, necessary to enter into this Contract, on behalf of Contractor.

(f) It is qualified and registered to transact business in all locations where required.

(g) Neither the Contractor nor any Affiliates, nor any employee of either, has, must have, or must acquire, any contractual, financial, business, or other interest, direct or indirect, that would conflict in any manner or degree with Contractor's performance of its duties and responsibilities to the State under this Contract or otherwise create an appearance of impropriety with respect to the award or performance of this Agreement. Contractor must notify the State about the nature of the conflict or appearance of impropriety within two days of learning about it.

(h) Neither Contractor nor any Affiliates, nor any employee of either has accepted or must accept anything of value based on an understanding that the actions of the Contractor or Affiliates or employee on behalf of the State would be influenced. Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither Contractor nor any Affiliates, nor any employee of either has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Contractor or the Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The prices proposed by Contractor were arrived at independently, without consultation, communication, or agreement with any other Bidder for the purpose of restricting competition; the prices quoted were not knowingly disclosed by Contractor to any other Bidder; and no attempt was made by Contractor to induce any other person to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by Contractor to the State as part of its response to the RFP or otherwise in connection with the award of this Contract fairly and accurately represent the business, properties, financial condition, and results of operations of Contractor as of the respective dates, or for the respective periods, covered by the financial statements, reports, other information. Since the respective dates or periods covered by the financial statements, reports, or other information, there have been no material adverse changes in the business, properties, financial condition, or results of operations of Contractor.

(l) All written information furnished to the State by or for the Contractor in connection with this Contract, including its bid, is true, accurate, and complete, and contains no untrue statement of material fact or omits any material fact necessary to make the information not misleading.

(m) It is not in material default or breach of any other contract or agreement that it may have with the State or any of its departments, commissions, boards, or agencies. Contractor further represents and warrants that it has not been a party to any contract with the State or any of its departments that was terminated by the State or the department within the previous five years for the reason that Contractor failed to perform or otherwise breached an obligation of the contract.

(n) If any of the certifications, representations, or disclosures made in the Contractor's original bid response change after contract award, the Contractor is required to report those changes immediately to the Department of Technology, Management and Budget, Purchasing Operations.

In response to Section 2.121, WARRANTIES AND RESPRESENTATIONS, Charter represents to the best of its knowledge, that Charter agrees with statements (a) through (n).

2.122 WARRANTY OF MERCHANTABILITY

Goods provided by Contractor under this agreement shall be merchantable. All goods provided under this Contract shall be of good quality within the description given by the State, shall be fit for their ordinary purpose, shall be adequately contained and packaged within the description given by the State, shall conform to the agreed upon specifications, and shall conform to the affirmations of fact made by the Contractor or on the container or label.

This is Not Applicable to providing the State, Charter services.

2.123 WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE

When the Contractor has reason to know or knows any particular purpose for which the goods are required, and the State is relying on the Contractor's skill or judgment to select or furnish suitable goods, there is a warranty that the goods are fit for such purpose.

This is Not Applicable to providing the State, Charter services.

2.124 WARRANTY OF TITLE

Contractor shall, in providing goods to the State, convey good title in those goods, whose transfer is right and lawful. All goods provided by Contractor shall be delivered free from any security interest, lien, or encumbrance of which the State, at the time of contracting, has no knowledge. Goods provided by Contractor, under this Contract, shall be delivered free of any rightful claim of any third person by of infringement or the like.

Charter understands.

2.125 EQUIPMENT WARRANTY

To the extent Contractor is responsible under this Contract for maintaining equipment/system(s), Contractor represents and warrants that it shall maintain the equipment/system(s) in good operating condition and shall undertake all repairs and preventive maintenance according to the applicable manufacturer's recommendations for the period specified in this Contract.

The Contractor represents and warrants that the equipment/system(s) are in good operating condition and operates and performs to the requirements and other standards of performance contained in this Contract, when installed, at the time of Final Acceptance by the State, and for a period of (1) one year commencing upon the first day following Final Acceptance.

Within two (2) business days of notification from the State, the Contractor must adjust, repair or replace all equipment that is defective or not performing in compliance with the Contract. The Contractor must assume all costs for replacing parts or units and their installation including transportation and delivery fees, if any.

Charter shall endeavor to adjust, repair or replace defective equipment within two (2) business days.

The Contractor must provide a toll-free telephone number to allow the State to report equipment failures and problems to be remedied by the Contractor.

The Contractor agrees that all warranty service it provides under this Contract must be performed by Original Equipment Manufacturer (OEM) trained, certified and authorized technicians.

The Contractor is the sole point of contact for warranty service. The Contractor warrants that it shall pass through to the State any warranties obtained or available from the original equipment manufacturer, including any replacement, upgraded, or additional equipment warranties.

Charter understands.

2.126 EQUIPMENT TO BE NEW

If applicable, all equipment provided under this Contract by Contractor shall be new where Contractor has knowledge regarding whether the equipment is new or assembled from new or serviceable used parts that are like new in performance or has the option of selecting one or the other. Equipment that is assembled from new

or serviceable used parts that are like new in performance is acceptable where Contractor does not have knowledge or the ability to select one or other, unless specifically agreed otherwise in writing by the State.

Charter understands.

2.127 PROHIBITED PRODUCTS

The State will not accept salvage, distressed, outdated or discontinued merchandise. Shipping of such merchandise to any State agency, as a result of an order placed against the Contract, shall be considered default by the Contractor of the terms and conditions of the Contract and may result in cancellation of the Contract by the State. The brand and product number offered for all items shall remain consistent for the term of the Contract, unless Purchasing Operations has approved a change order pursuant to **Section 2.024**.

Charter understands.

2.128 CONSEQUENCES FOR BREACH

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in this section, the breach may be considered as a default in the performance of a material obligation of this Contract.

In response to Sections 2.122 through 2.128

(a) Limited Warranty. At all times during the Service Period, Charter warrants that it will use commercially reasonable efforts in keeping with industry standards to cause the Services to be available to the State.

THE FOREGOING LIMITED WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL EXPRESS AND IMPLIED WARRANTIES WHATSOEVER.

EXCEPT AS OTHERWISE STATED IN THIS CONTRACT, CHARTER MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY SERVICE PROVISIONED HEREUNDER AND SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS.

WITHOUT LIMITING ANY EXPRESS PROVISIONS PROVIDED FOR ELSEWHERE IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES (INCLUDING WITHOUT LIMITATION, LOST BUSINESS, REVENUE, PROFITS, OR GOODWILL) ARISING IN CONNECTION WITH THIS AGREEMENT OR THE PROVISION OF SERVICES HEREUNDER (INCLUDING ANY SERVICE IMPLEMENTATION DELAYS AND/OR FAILURES), UNDER ANY THEORY OF TORT, CONTRACT, WARRANTY, STRICT LIABILITY OR NEGLIGENCE, EVEN IF THE PARTY HAS BEEN ADVISED, KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

THE FOREGOING LIMITATIONS APPLIES TO ALL CAUSES OF ACTIONS AND CLAIMS, INCLUDING WITHOUT LIMITATION, BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, STRICT LIABILITY, MISREPRESENTATION AND OTHER TORTS.

Any warranty claim by State must be made within thirty (30) days after the applicable Services have been performed. Charter's obligation and State's remedy, with respect to any breach of the limited warranty set forth herein, shall be a prorated refund of the fees paid by State based on the period of time when the Services are out of compliance with this limited warranty provision.

(b) Content. State acknowledges that any content that State may access or transmit through any Service is provided by independent content providers, over which Charter does not exercise and disclaims any control. Charter neither previews content nor exercises editorial control; does not endorse any opinions or information accessed through any Service; and assumes no responsibility for content. Charter specifically disclaims any responsibility for the accuracy or

quality of the information obtained using the Service. Such content or programs may include, without limitation, programs or content of an infringing, abusive, profane or sexually offensive nature. State and their authorized users accessing other parties' content through State's facilities do so at State's own risk, and Charter assumes no liability whatsoever for any claims, losses, actions, damages, suits or proceedings arising out of or otherwise relating to such content.

(c) Damage, Loss or Destruction of Software Files and/or Data. State agrees that the State uses the Services and Equipment supplied by Charter at its sole risk. Charter does not manufacture the Equipment, and the Services and Equipment are provided on an "as is basis" without warranties of any kind.

Charter assumes no responsibility whatsoever for any damage to or loss or destruction of any of State's hardware, software, files, data or peripherals which may result from State's use of any Service. Charter does not warrant that data or files sent by or to State will be transmitted in uncorrupted form or within a reasonable period of time.

(d) Unauthorized Access. If State chooses to run or offer access to applications from its equipment that permits others to gain access through the Network, State must take appropriate security measures. Failing to do so may cause immediate Termination of State's Service by Charter without liability for Charter. Charter is not responsible for and assumes no liability for any damages resulting from the use of such applications, and the State shall be liable, to the extent not prohibited by law for any claims, losses, or damages arising from such use. Charter is not responsible and assumes no liability for losses, claims, damages, expenses, liability, or costs resulting from others accessing the State's computers, its internal network and/or the Network through State's equipment, and the State shall be liable, to the extent not prohibited by law for such claims, losses, or damages to the full extent arising from such access.

(e) Force Majeure Event. State agrees that Charter shall not be liable for any inconvenience, loss, liability or damage resulting from any failure or interruption of Services, directly or indirectly caused by circumstances beyond Charter's control, including but not limited to denial of use of poles or other facilities of a utility company, labor disputes, acts of war or terrorism, criminal, illegal or unlawful acts, natural causes, mechanical or power failures, or any order, law or ordinance in any way restricting the operation of the Services.

2.130 Insurance

2.131 LIABILITY INSURANCE

The Contractor must provide proof of the minimum levels of insurance coverage as indicated below. The insurance must protect the State from claims that may arise out of or result from the Contractor's performance of services under the terms of this Contract, whether the services are performed by the Contractor, or by any subcontractor, or by anyone directly or indirectly employed by any of them, or by anyone for whose acts they may be liable.

The Contractor waives all rights against the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents for recovery of damages to the extent these damages are covered by the insurance policies the Contractor is required to maintain under this Contract.

All insurance coverage provided relative to this Contract/Purchase Order is PRIMARY and NON-CONTRIBUTING to any comparable liability insurance (including self-insurances) carried by the State.

The insurance must be written for not less than any minimum coverage specified in this Contract or required by law, whichever is greater.

The insurers selected by Contractor must have an A.M. Best rating of A or better, or as otherwise approved in writing by the State, or if the ratings are no longer available, with a comparable rating from a recognized insurance rating agency. All policies of insurance required in this Contract must be issued by companies that have been approved to do business in the State.

See www.michigan.gov/dleg.

Where specific limits are shown, they are the minimum acceptable limits. If Contractor's policy contains higher limits, the State must be entitled to coverage to the extent of the higher limits.

The Contractor is required to pay for and provide the type and amount of insurance checked ☑ below:

☑ 1. Commercial General Liability with the following minimum coverage:
$2,000,000 General Aggregate Limit other than Products/Completed Operations
$2,000,000 Products/Completed Operations Aggregate Limit
$1,000,000 Personal & Advertising Injury Limit
$1,000,000 Each Occurrence Limit

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

☑ 2. If a motor vehicle is used to provide services or products under this Contract, the Contractor must have vehicle liability insurance on any auto including owned, hired and non-owned vehicles used in Contractor's business for bodily injury and property damage as required by law.

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees and agents as ADDITIONAL INSUREDS on the vehicle liability certificate. The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company.

☑ 3. Workers' compensation coverage must be provided according to applicable laws governing the employees and employers work activities in the state of the Contractor's domicile. If a self-insurer provides the applicable coverage, proof must be provided of approved self-insured authority by the jurisdiction of domicile. For employees working outside of the state of qualification, Contractor must provide appropriate certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Any certificates of insurance received must also provide a list of states where the coverage is applicable.

The Contractor also agrees to provide evidence that insurance policies contain a waiver of subrogation by the insurance company. This provision must not be applicable where prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

☑ 4. Employers liability insurance with the following minimum limits:
$100,000 each accident
$100,000 each employee by disease
$500,000 aggregate disease

☐ 5. Employee Fidelity, including Computer Crimes, insurance naming the State as a loss payee, providing coverage for direct loss to the State and any legal liability of the State arising out of or related to fraudulent or dishonest acts committed by the employees of Contractor or its Subcontractors, acting alone or in collusion with others, in a minimum amount of one million dollars ($1,000,000.00) with a maximum deductible of fifty thousand dollars ($50,000.00).

☐ 6. Umbrella or Excess Liability Insurance in a minimum amount of ten million dollars ($10,000,000.00), which must apply, at a minimum, to the insurance required in Subsection 1 (Commercial General Liability) above.

☐ 7. Professional Liability (Errors and Omissions) Insurance with the following minimum coverage: three million dollars ($3,000,000.00) each occurrence and three million dollars ($3,000,000.00) annual aggregate.

☐ 8. Fire and Personal Property Insurance covering against any loss or damage to the office space used by Contractor for any reason under this Contract, and the equipment, software and other contents of the office space, including without limitation, those contents used by Contractor to provide the Services to the State, up to its replacement value, where the office space and its contents are under the care, custody and control of Contractor. The policy must cover all risks of direct physical loss or damage, including without limitation, flood and earthquake coverage and coverage for computer hardware and software. The State must be endorsed on the policy as a loss payee as its interests appear.

2.132 SUBCONTRACTOR INSURANCE COVERAGE

Except where the State has approved in writing a Contractor subcontract with other insurance provisions, Contractor must require all of its Subcontractors under this Contract to purchase and maintain the insurance coverage as described in this Section for the Contractor in connection with the performance of work by those Subcontractors. Alternatively, Contractor may include any Subcontractors under Contractor's insurance on the coverage required in this Section. Subcontractor(s) must fully comply with the insurance coverage required in this Section. Failure of Subcontractor(s) to comply with insurance requirements does not limit Contractor's liability or responsibility.

2.133 CERTIFICATES OF INSURANCE AND OTHER REQUIREMENTS

Contractor must furnish to MDTMB Purchasing Operations, certificate(s) of insurance verifying insurance coverage or providing satisfactory evidence of self-insurance as required in this Section (the "Certificates"). The Certificate must be on the standard "accord" form or equivalent. **The Contract Number or the Purchase Order Number must be shown on the Certificate of Insurance to Assure Correct Filing.** All Certificate(s) are to be prepared and submitted by the Insurance Provider. All Certificate(s) must contain a provision indicating that coverage afforded under the policies SHALL NOT BE CANCELLED, MATERIALLY CHANGED, OR NOT RENEWED without 30 days prior written notice, except for 10 days for non-payment of premium, having been given to the Director of Purchasing Operations, Department of Technology, Management and Budget. The notice must include the Contract or Purchase Order number affected. Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must provide evidence that the State and its agents, officers and employees are listed as additional insured under each commercial general liability and commercial automobile liability policy. In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

The Contractor must maintain all required insurance coverage throughout the term of the Contract and any extensions and, in the case of claims-made Commercial General Liability policies, must secure tail coverage for at least three years following the expiration or termination for any reason of this Contract. The minimum limits of coverage specified above are not intended, and must not be construed; to limit any liability or indemnity of Contractor under this Contract to any indemnified party or other persons. Contractor is responsible for all deductibles with regard to the insurance. If the Contractor fails to pay any premium for required insurance as specified in this Contract, or if any insurer cancels or significantly reduces any required insurance as specified in this Contract without the State's written consent, then the State may, after the State has given the Contractor at least 30 days written notice, pay the premium or procure similar insurance coverage from another company or companies. The State may deduct any part of the cost from any payment due the Contractor, or the Contractor must pay that cost upon demand by the State.

Upon award, Charter will provide applicable Certificates of Insurance.

2.140 Indemnification

2.141 GENERAL INDEMNIFICATION

To the extent permitted by law, the Contractor must indemnify, defend and hold harmless the State from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor or any of its subcontractors, or by anyone else for whose acts any of them may be liable.

Charter understands.

2.142 CODE INDEMNIFICATION
To the extent permitted by law, the Contractor shall indemnify, defend and hold harmless the State from any claim, loss, or expense arising from Contractor's breach of the No Surreptitious Code Warranty.

Charter understands.

2.143 EMPLOYEE INDEMNIFICATION
In any claims against the State of Michigan, its departments, divisions, agencies, sections, commissions, officers, employees and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation under the Contract must not be limited in any way by the amount or type of damages, compensation or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefit acts or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

Charter understands.

2.144 PATENT/COPYRIGHT INFRINGEMENT INDEMNIFICATION
To the extent permitted by law, the Contractor must indemnify, defend and hold harmless the State from and against all losses, liabilities, damages (including taxes), and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties) incurred in connection with any action or proceeding threatened or brought against the State to the extent that the action or proceeding is based on a claim that any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or the operation of the equipment, software, commodity or service, or the use or reproduction of any documentation provided with the equipment, software, commodity or service infringes any United States patent, copyright, trademark or trade secret of any person or entity, which is enforceable under the laws of the United States.

In addition, should the equipment, software, commodity, or service, or its operation, become or in the State's or Contractor's opinion be likely to become the subject of a claim of infringement, the Contractor must at the Contractor's sole expense (i) procure for the State the right to continue using the equipment, software, commodity or service or, if the option is not reasonably available to the Contractor, (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if the option is not reasonably available to Contractor, (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

Notwithstanding the foregoing, the Contractor has no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any claim based upon (i) equipment developed based on written specifications of the State; (ii) use of the equipment in a configuration other than implemented or approved in writing by the Contractor, including, but not limited to, any modification of the equipment by the State; or (iii) the combination, operation, or use of the equipment with equipment or software not supplied by the Contractor under this Contract.

Charter understands.

2.145 CONTINUATION OF INDEMNIFICATION OBLIGATIONS
The Contractor's duty to indemnify under this Section continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

Charter understands.

2.146 INDEMNIFICATION PROCEDURES

The procedures set forth below must apply to all indemnity obligations under this Contract.

(a) After the State receives notice of the action or proceeding involving a claim for which it shall seek indemnification, the State must promptly notify Contractor of the claim in writing and take or assist Contractor in taking, as the case may be, any reasonable action to avoid the imposition of a default judgment against Contractor. No failure to notify the Contractor relieves the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the failure. Within 10 days following receipt of written notice from the State relating to any claim, the Contractor must notify the State in writing whether Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying Contractor of a claim and before the State receiving Contractor's Notice of Election, the State is entitled to defend against the claim, at the Contractor's expense, and the Contractor will be responsible for any reasonable costs incurred by the State in defending against the claim during that period.

(b) If Contractor delivers a Notice of Election relating to any claim: (i) the State is entitled to participate in the defense of the claim and to employ counsel at its own expense to assist in the handling of the claim and to monitor and advise the State about the status and progress of the defense; (ii) the Contractor must, at the request of the State, demonstrate to the reasonable satisfaction of the State, the Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) the Contractor must periodically advise the State about the status and progress of the defense and must obtain the prior written approval of the State before entering into any settlement of the claim or ceasing to defend against the claim and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State has the right, at its own expense, to control the defense of that portion of the claim involving the principles of Michigan governmental or public law. But the State may retain control of the defense and settlement of a claim by notifying the Contractor in writing within 10 days after the State's receipt of Contractor's information requested by the State under clause (ii) of this paragraph if the State determines that the Contractor has failed to demonstrate to the reasonable satisfaction of the State the Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State under this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If Contractor does not deliver a Notice of Election relating to any claim of which it is notified by the State as provided above, the State may defend the claim in the manner as it may deem appropriate, at the cost and expense of Contractor. If it is determined that the claim was one against which Contractor was required to indemnify the State, upon request of the State, Contractor must promptly reimburse the State for all the reasonable costs and expenses.

Charter understands.

2.150 Termination/Cancellation

2.151 NOTICE AND RIGHT TO CURE

If the Contractor breaches the contract, and the State in its sole discretion determines that the breach is curable, then the State shall provide the Contractor with written notice of the breach and a time period (not less than 30 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the State determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

2.152 TERMINATION FOR CAUSE

(a) The State may terminate this contract, for cause, by notifying the Contractor in writing, if the Contractor (i) breaches any of its material duties or obligations under this Contract (including a Chronic Failure to meet any particular SLA), or (ii) fails to cure a breach within the time period specified in the written notice of breach provided by the State

(b) If this Contract is terminated for cause, the Contractor must pay all costs incurred by the State in terminating this Contract, including but not limited to, State administrative costs, reasonable attorneys' fees and court costs, and any reasonable additional costs the State may incur to procure the Services/Deliverables required by this Contract from other sources. Re-procurement costs are not consequential, indirect or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Service/Deliverables provided under this Contract.

In the event this Agreement is terminated due to material breach by Charter, and correction of the documented breach is not completed satisfactorily in accordance with the right to cure letter and within the required time frames; Charter agrees to reasonably cooperate with the transition of service activities as applicable.

(c) If the State chooses to partially terminate this Contract for cause, charges payable under this Contract shall be equitably adjusted to reflect those Services/Deliverables that are terminated and the State must pay for all Services/Deliverables for which Final Acceptance has been granted provided up to the termination date. Services and related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.

(d) If the State terminates this Contract for cause under this Section, and it is determined, for any reason, that Contractor was not in breach of contract under the provisions of this section, that termination for cause must be deemed to have been a termination for convenience, effective as of the same date, and the rights and obligations of the parties must be limited to that otherwise provided in this Contract for a termination for convenience.

Charter understands.

2.153 TERMINATION FOR CONVENIENCE

The State may terminate this Contract for its convenience, in whole or part, if the State determines that a termination is in the State's best interest. Reasons for the termination must be left to the sole discretion of the State and may include, but not necessarily be limited to (a) the State no longer needs the Services or products specified in the Contract, (b) relocation of office, program changes, changes in laws, rules, or regulations make implementation of the Services no longer practical or feasible, (c) unacceptable prices for Additional Services or New Work requested by the State, or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience, in whole or in part, by giving Contractor written notice at least 30 days before the date of termination. If the State chooses to terminate this Contract in part, the charges payable under this Contract must be equitably adjusted to reflect those Services/Deliverables that are terminated. Services and related provisions of this Contract that are terminated for convenience must cease on the effective date of the termination.

Charter understands.

2.154 TERMINATION FOR NON-APPROPRIATION

(a) Contractor acknowledges that, if this Contract extends for several fiscal years, continuation of this Contract is subject to appropriation or availability of funds for this Contract. If funds to enable the State to effect continued payment under this Contract are not appropriated or otherwise made available, the State must terminate this Contract and all affected Statements of Work, in whole or in part, at the end of the last period for which funds have been appropriated or otherwise made available by giving written notice of termination to Contractor. The State must give Contractor at least 30 days advance written notice of termination for non-appropriation or unavailability (or the time as is available if the State receives notice of the final decision less than 30 days before the funding cutoff).

(b) If funding for the Contract is reduced by law, or funds to pay Contractor for the agreed-to level of the Services or production of Deliverables to be provided by Contractor are not appropriated or otherwise unavailable, the State may, upon 30 days written notice to Contractor, reduce the level of the Services or change the production of Deliverables in the manner and for the periods of time as the State may elect. The charges payable under this Contract shall be equitably adjusted to reflect any equipment, services or commodities not provided by reason of the reduction.

(c) If the State terminates this Contract, eliminates certain Deliverables, or reduces the level of Services to be provided by Contractor under this Section, the State must pay Contractor for all Work-in-Process performed through the effective date of the termination or reduction in level, as the case may be and as determined by the State, to the extent funds are available. This Section shall not preclude Contractor from reducing or stopping Services/Deliverables or raising against the State in a court of competent jurisdiction, any claim for a shortfall in payment for Services performed or Deliverables finally accepted before the effective date of termination.

Charter understands.

2.155 TERMINATION FOR CRIMINAL CONVICTION

The State may terminate this Contract immediately and without further liability or penalty in the event Contractor, an officer of Contractor, or an owner of a 25% or greater share of Contractor is convicted of a criminal offense related to a State, public or private Contract or subcontract.

Charter understands.

2.156 TERMINATION FOR APPROVALS RESCINDED

The State may terminate this Contract if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services under Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. In that case, the State shall pay the Contractor for only the work completed to that point under the Contract. Termination may be in whole or in part and may be immediate as of the date of the written notice to Contractor or may be effective as of the date stated in the written notice.

Charter understands.

2.157 RIGHTS AND OBLIGATIONS UPON TERMINATION

(a) If the State terminates this Contract for any reason, the Contractor must (a) stop all work as specified in the notice of termination, (b) take any action that may be necessary, or that the State may direct, for preservation and protection of Deliverables or other property derived or resulting from this Contract that may be in Contractor's possession, (c) return all materials and property provided directly or indirectly to Contractor by any entity, agent or employee of the State, (d) transfer title in, and deliver to, the State, unless otherwise directed, all Deliverables intended to be transferred to the State at the termination of the Contract and which are resulting from the Contract (which must be provided to the State on an "As-Is" basis except to the extent the amounts paid by the State in respect of the items included compensation to Contractor for the provision of warranty services in respect of the materials), and (e) take any action to mitigate and limit any potential damages, or requests for Contractor adjustment or termination settlement costs, to the maximum practical extent, including terminating or limiting as otherwise applicable those subcontracts and outstanding orders for material and supplies resulting from the terminated Contract.

(b) If the State terminates this Contract before its expiration for its own convenience, the State must pay Contractor for all charges due for Services provided before the date of termination and, if applicable, as a separate item of payment under this Contract, for Work In Process, on a percentage of completion basis at the level of completion determined by the State. All completed or partially completed Deliverables prepared by Contractor under this Contract, at the option of the State, becomes the State's property, and Contractor is entitled to receive equitable fair compensation for the Deliverables. Regardless of the basis for the termination, the State is not obligated to pay, or otherwise compensate, Contractor for any lost expected future profits, costs or expenses incurred with respect to Services not actually performed for the State.

(c) Upon a good faith termination, the State may assume, at its option, any subcontracts and agreements for services and deliverables provided under this Contract, and may further pursue completion of the Services/Deliverables under this Contract by replacement contract or otherwise as the State may in its sole judgment deem expedient.

Charter understands.

2.158 RESERVATION OF RIGHTS
Any termination of this Contract or any Statement of Work issued under it by a party must be with full reservation of, and without prejudice to, any rights or remedies otherwise available to the party with respect to any claims arising before or as a result of the termination.

Charter understands.

2.160 Termination by Contractor

2.161 TERMINATION BY CONTRACTOR
If the State breaches the Contract, and the Contractor in its sole discretion determines that the breach is curable, then the Contractor will provide the State with written notice of the breach and a time period (not less than 30 days) to cure the breach. The Notice of Breach and opportunity to cure is inapplicable for successive and repeated breaches.

The Contractor may terminate this Contract if the State (i) materially breaches its obligation to pay the Contractor undisputed amounts due and owing under this Contract, (ii) breaches its other obligations under this Contract to an extent that makes it impossible or commercially impractical for the Contractor to perform the Services, or (iii) does not cure the breach within the time period specified in a written notice of breach. But the Contractor must discharge its obligations under **Section 2.160** before it terminates the Contract.

Charter understands.

2.170 Transition Responsibilities

2.171 CONTRACTOR TRANSITION RESPONSIBILITIES
If the State terminates this contract, for convenience or cause, or if the Contract is otherwise dissolved, voided, rescinded, nullified, expires or rendered unenforceable, the Contractor shall comply with direction provided by the State to assist in the orderly transition of equipment, services, software, leases, etc. to the State or a third party designated by the State. If this Contract expires or terminates, the Contractor agrees to make all reasonable efforts to effect an orderly transition of services within a reasonable period of time that in no event will exceed 60 business days. These efforts must include, but are not limited to, those listed in **Section 2.150.**

Charter understands.

2.172 CONTRACTOR PERSONNEL TRANSITION
The Contractor shall work with the State, or a specified third party, to develop a transition plan setting forth the specific tasks and schedule to be accomplished by the parties, to effect an orderly transition. The Contractor must allow as many personnel as practicable to remain on the job to help the State, or a specified third party, maintain the continuity and consistency of the services required by this Contract. In addition, during or following the transition period, in the event the State requires the Services of the Contractor's subcontractors or vendors, as necessary to meet its needs, Contractor agrees to reasonably, and with good-faith, work with the State to use the Services of Contractor's subcontractors or vendors. Contractor will notify all of Contractor's subcontractors of procedures to be followed during transition.

Charter understands.

2.173 CONTRACTOR INFORMATION TRANSITION
The Contractor shall provide reasonable detailed specifications for all Services/Deliverables needed by the State, or specified third party, to properly provide the Services/Deliverables required under this Contract. The

Contractor will provide the State with asset management data generated from the inception of this Contract through the date on which this Contractor is terminated in a comma-delineated format unless otherwise requested by the State. The Contractor will deliver to the State any remaining owed reports and documentation still in Contractor's possession subject to appropriate payment by the State.

Charter understands.

2.174 CONTRACTOR SOFTWARE TRANSITION

The Contractor shall reasonably assist the State in the acquisition of any Contractor software required to perform the Services/use the Deliverables under this Contract. This must include any documentation being used by the Contractor to perform the Services under this Contract. If the State transfers any software licenses to the Contractor, those licenses must, upon expiration of the Contract, transfer back to the State at their current revision level. Upon notification by the State, Contractor may be required to freeze all non-critical changes to Deliverables/Services.

Charter does not agree to transfer software to the State.

2.175 TRANSITION PAYMENTS

If the transition results from a termination for any reason, the termination provisions of this Contract must govern reimbursement. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e. costs incurred within the agreed period after contract expiration that result from transition operations) at the rates agreed upon by the State. The Contractor will prepare an accurate accounting from which the State and Contractor may reconcile all outstanding accounts.

Charter understands.

2.176 STATE TRANSITION RESPONSIBILITIES

In the event that this Contract is terminated, dissolved, voided, rescinded, nullified, or otherwise rendered unenforceable, the State agrees to reconcile all accounts between the State and the Contractor, complete any pending post-project reviews and perform any others obligations upon which the State and the Contractor agree.

(a) Reconciling all accounts between the State and the Contractor;

(b) Completing any pending post-project reviews.

Charter understands.

2.180 Stop Work

2.181 STOP WORK ORDERS

The State may, at any time, by written Stop Work Order to Contractor, require that Contractor stop all, or any part, of the work called for by the Contract for a period of up to 90 calendar days after the Stop Work Order is delivered to Contractor, and for any further period to which the parties may agree. The Stop Work Order must be identified as a Stop Work Order and must indicate that it is issued under this **Section**. Upon receipt of the stop work order, Contractor must immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the work covered by the Stop Work Order during the period of work stoppage. Within the period of the stop work order, the State must either: (a) cancel the stop work order; or (b) terminate the work covered by the Stop Work Order as provided in **Section 2.182**.

Charter understands.

2.182 CANCELLATION OR EXPIRATION OF STOP WORK ORDER

The Contractor shall resume work if the State cancels a Stop Work Order or if it expires. The parties shall agree upon an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if: (a) the Stop Work Order results in an increase in the time required for, or in Contractor's costs properly allocable to, the performance of any part of the Contract; and (b) Contractor

asserts its right to an equitable adjustment within 30 calendar days after the end of the period of work stoppage; provided that, if the State decides the facts justify the action, the State may receive and act upon a Contractor proposal submitted at any time before final payment under the Contract. Any adjustment will conform to the requirements of **Section 2.024**.

Charter understands.

2.183 ALLOWANCE OF CONTRACTOR COSTS

If the Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated for reasons other than material breach, the termination shall be deemed to be a termination for convenience under **Section 2.153**, and the State shall pay reasonable costs resulting from the Stop Work Order in arriving at the termination settlement. For the avoidance of doubt, the State shall not be liable to Contractor for loss of profits because of a Stop Work Order issued under this Section**.**

Charter understands.

2.190 Dispute Resolution

2.191 IN GENERAL

Any claim, counterclaim, or dispute between the State and Contractor arising out of or relating to the Contract or any Statement of Work must be resolved as follows. For all Contractor claims seeking an increase in the amounts payable to Contractor under the Contract, or the time for Contractor's performance, Contractor must submit a letter, together with all data supporting the claims, executed by Contractor's Contract Administrator or the Contract Administrator's designee certifying that (a) the claim is made in good faith, (b) the amount claimed accurately reflects the adjustments in the amounts payable to Contractor or the time for Contractor's performance for which Contractor believes the State is liable and covers all costs of every type to which Contractor is entitled from the occurrence of the claimed event, and (c) the claim and the supporting data are current and complete to Contractor's best knowledge and belief.

Charter understands.

2.192 INFORMAL DISPUTE RESOLUTION

(a) All disputes between the parties shall be resolved under the Contract Management procedures in this Contract. If the parties are unable to resolve any dispute after compliance with the processes, the parties must meet with the Director of Purchasing Operations, DTMB, or designee, to resolve the dispute without the need for formal legal proceedings, as follows:

(1) The representatives of Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information with respect to the matter at issue which the parties believe to be appropriate and germane in connection with its resolution. The representatives shall discuss the problem and negotiate in good faith in an effort to resolve the dispute without the necessity of any formal proceeding.

(2) During the course of negotiations, all reasonable requests made by one party to another for non-privileged information reasonably related to the Contract shall be honored in order that each of the parties may be fully advised of the other's position.

(3) The specific format for the discussions shall be left to the discretion of the designated State and Contractor representatives, but may include the preparation of agreed upon statements of fact or written statements of position.

(4) Following the completion of this process within 60 calendar days, the Director of Purchasing Operations, DTMB, or designee, shall issue a written opinion regarding the issue(s) in dispute within 30 calendar days. The opinion regarding the dispute must be considered the State's final action and the exhaustion of administrative remedies.

(b) This Section shall not be construed to prevent either party from instituting, and a party is authorized to institute, formal proceedings earlier to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or under Section 2.193.

(c) The State shall not mediate disputes between the Contractor and any other entity, except state agencies, concerning responsibility for performance of work under the Contract.

Charter understands.

2.193 INJUNCTIVE RELIEF
The only circumstance in which disputes between the State and Contractor shall not be subject to the provisions of **Section 2.192** is where a party makes a good faith determination that a breach of the terms of the Contract by the other party is that the damages to the party resulting from the breach shall be so immediate, so large or severe and so incapable of adequate redress after the fact that a temporary restraining order or other immediate injunctive relief is the only adequate remedy.

Charter understands.

2.194 CONTINUED PERFORMANCE
Each party agrees to continue performing its obligations under the Contract while a dispute is being resolved except to the extent the issue in dispute precludes performance (dispute over payment must not be deemed to preclude performance) and without limiting either party's right to terminate the Contract as provided in **Section 2.150**, as the case may be.

Charter understands.

2.200 Federal and State Contract Requirements

2.201 NONDISCRIMINATION
In the performance of the Contract, Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, and marital status, physical or mental disability. Contractor further agrees that every subcontract entered into for the performance of this Contract or any purchase order resulting from this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required under the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., and any breach of this provision may be regarded as a material breach of the Contract.

Charter agrees to comply with all Nondiscrimination laws.

2.202 UNFAIR LABOR PRACTICES
Under 1980 PA 278, MCL 423.321, et seq., the State shall not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under section 2 of the Act. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, shall not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under section 4 of 1980 PA 278, MCL 423.324, the State may void any Contract if, after award of the Contract, the name of Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of Contractor appears in the register.

Charter understands.

2.203 WORKPLACE SAFETY AND DISCRIMINATORY HARASSMENT
In performing Services for the State, the Contractor shall comply with the Department of Civil Services Rule 2-20 regarding Workplace Safety and Rule 1-8.3 regarding Discriminatory Harassment. In addition, the Contractor shall comply with Civil Service regulations and any applicable agency rules provided to the Contractor. For Civil Service Rules, see http://www.mi.gov/mdcs/0,1607,7-147-6877---,00.html.

Charter agrees to comply with all laws as applicable.

2.204 PREVAILING WAGE

Wages rates and fringe benefits to be paid each class of individuals employed by the Contractor, its subcontractors, their subcontractors, and all persons involved with the performance of this Contract in privity of contract with the Contractor shall not be less than the wage rates and fringe benefits established by the Michigan Department of Labor and Economic Development, Wage and Hour Bureau, schedule of occupational classification and wage rates and fringe benefits for the local where the work is to be performed. The term Contractor shall include all general contractors, prime contractors, project managers, trade contractors, and all of their contractors or subcontractors and persons in privity of contract with them.

The Contractor, its subcontractors, their subcontractors and all persons involved with the performance of this contract in privity of contract with the Contractor shall keep posted on the work site, in a conspicuous place, a copy of all wage rates and fringe benefits as prescribed in the Contract. Contractor shall also post, in a conspicuous place, the address and telephone number of the Michigan Department of Labor and Economic Development, the agency responsible for enforcement of the wage rates and fringe benefits. Contractor shall keep an accurate record showing the name and occupation of the actual wage and benefits paid to each individual employed in connection with this contract. This record shall be available to the State upon request for reasonable inspection.

If any trade is omitted from the list of wage rates and fringe benefits to be paid to each class of individuals by the Contractor, it is understood that the trades omitted shall also be paid not less than the wage rate and fringe benefits prevailing in the local where the work is to be performed.

Charter understands.

2.210 Governing Law

2.211 GOVERNING LAW

The Contract shall in all respects be governed by, and construed according to, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of any other jurisdiction to the extent not inconsistent with, or pre-empted by federal law.

Charter understands.

2.212 COMPLIANCE WITH LAWS

Contractor shall comply with all applicable state, federal and local laws and ordinances in providing the Services/Deliverables.

Charter understands.

2.213 JURISDICTION

Any dispute arising from the Contract shall be resolved in the State of Michigan. With respect to any claim between the parties, Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections it may have to the jurisdiction on the grounds of lack of personal jurisdiction of the court or the laying of venue of the court or on the basis of forum non conveniens or otherwise. Contractor agrees to appoint agents in the State of Michigan to receive service of process.

Charter understands.

2.220 Limitation of Liability

2.221 LIMITATION OF LIABILITY

Neither the Contractor nor the State shall be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does not apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on this Contract.

The State's liability for damages to the Contractor is limited to the value of the work performed by the Contractor up to the point the damages occurred.

Charter understands.

2.230 Disclosure Responsibilities

2.231 DISCLOSURE OF LITIGATION

Contractor shall disclose any material criminal litigation, investigations or proceedings involving the Contractor (and each Subcontractor) or any of its officers or directors or any litigation, investigations or proceedings under the Sarbanes-Oxley Act. In addition, each Contractor (and each Subcontractor) shall notify the State of any material civil litigation, arbitration or proceeding which arises during the term of the Contract and extensions, to which Contractor (or, to the extent Contractor is aware, any Subcontractor) is a party, and which involves: (i) disputes that might reasonably be expected to adversely affect the viability or financial stability of Contractor or any Subcontractor; or (ii) a claim or written allegation of fraud against Contractor or, to the extent Contractor is aware, any Subcontractor by a governmental or public entity arising out of their business dealings with governmental or public entities. The Contractor shall disclose in writing to the Contract Administrator any litigation, investigation, arbitration or other proceeding (collectively, "Proceeding") within 30 days of its occurrence. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated. Information provided to the State from Contractor's publicly filed documents referencing its material litigation shall be deemed to satisfy the requirements of this Section.

If any Proceeding disclosed to the State under this Section, or of which the State otherwise becomes aware, during the term of this Contract would cause a reasonable party to be concerned about:

(a) The ability of Contractor (or a Subcontractor) to continue to perform this Contract according to its terms and conditions, or

(b) Whether Contractor (or a Subcontractor) in performing Services for the State is engaged in conduct which is similar in nature to conduct alleged in the Proceeding, which conduct would constitute a breach of this Contract or a violation of Michigan law, regulations or public policy, then the Contractor must provide the State all reasonable assurances requested by the State to demonstrate that:

(1) Contractor and its Subcontractors will be able to continue to perform this Contract and any Statements of Work according to its terms and conditions, and

(2) Contractor and its Subcontractors have not and will not engage in conduct in performing the Services which is similar in nature to the conduct alleged in the Proceeding.

(c) Contractor shall make the following notifications in writing:

(1) Within 30 days of Contractor becoming aware that a change in its ownership or officers has occurred, or is certain to occur, or a change that could result in changes in the valuation of its capitalized assets in the accounting records, Contractor must notify MDTMB Purchasing Operations.

(2) Contractor shall also notify MDTMB Purchasing Operations within 30 days whenever changes to asset valuations or any other cost changes have occurred or are certain to occur as a result of a change in ownership or officers.

(3) Contractor shall also notify MDTMB Purchase Operations within 30 days whenever changes to company affiliations occur.

Charter understands.

2.232 CALL CENTER DISCLOSURE

Contractor and/or all subcontractors involved in the performance of this Contract providing call or contact center services to the State shall disclose the location of its call or contact center services to inbound callers if outside of Michigan. Failure to disclose this information is a material breach of this Contract.

Charter understands.

2.233 BANKRUPTCY

The State may, without prejudice to any other right or remedy, terminate this Contract, in whole or in part, and, at its option, may take possession of the "Work in Process" and finish the Works in Process by whatever appropriate method the State may deem expedient if:

(a) The Contractor files for protection under the bankruptcy laws;

(b) An involuntary petition is filed against the Contractor and not removed within 30 days;

(c) The Contractor becomes insolvent or if a receiver is appointed due to the Contractor's insolvency;

(d) The Contractor makes a general assignment for the benefit of creditors; or

(e) The Contractor or its affiliates are unable to provide reasonable assurances that the Contractor or its affiliates can deliver the services under this Contract.

Contractor will fix appropriate notices or labels on the Work in Process to indicate ownership by the State. To the extent reasonably possible, materials and Work in Process shall be stored separately from other stock and marked conspicuously with labels indicating ownership by the State.

Charter understands.

2.240 Performance

2.241 TIME OF PERFORMANCE

(a) Contractor shall use commercially reasonable efforts to provide the resources necessary to complete all Services and Deliverables according to the time schedules contained in the Statements of Work and other Exhibits governing the work, and with professional quality.

(b) Without limiting the generality of **Section 2.241,** Contractor shall notify the State in a timely manner upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion of any Deliverables/Services on the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.

(c) If the Contractor believes that a delay in performance by the State has caused or will cause the Contractor to be unable to perform its obligations according to specified Contract time periods, the Contractor must notify the State in a timely manner and must use commercially reasonable efforts to perform its obligations according to the Contract time periods notwithstanding the State's failure. Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

Charter understands. State agrees that Charter shall not be liable for any inconvenience, loss, liability or damage resulting from any failure or interruption of Services, directly or indirectly caused by circumstances beyond Charter's control, including but not limited to denial of use of poles or other facilities of a utility company, labor disputes, acts of war or terrorism, criminal, illegal or unlawful acts, natural causes, mechanical or power failures, or any order, law or ordinance in any way restricting the operation of the Services.

2.242 SERVICE LEVEL AGREEMENT (SLA)

(a) SLAs will be completed with the following operational considerations:

(1) SLAs will not be calculated for individual Incidents where any event of Excusable Failure has been determined; Incident means any interruption in Services.

(2) SLAs will not be calculated for individual Incidents where loss of service is planned and where the State has received prior notification or coordination.

(3) SLAs will not apply if the applicable Incident could have been prevented through planning proposed by Contractor and not implemented at the request of the State. To invoke this consideration, complete documentation relevant to the denied planning proposal must be presented to substantiate the proposal.

(4) Time period measurements will be based on the time Incidents are received by the Contractor and the time that the State receives notification of resolution based on 24x7x365 time period, except that the time period measurement will be suspended based on the following:

(i) Time period(s) will not apply where Contractor does not have access to a physical State Location and where access to the State Location is necessary for problem identification and resolution.

(ii) Time period(s) will not apply where Contractor needs to obtain timely and accurate information or appropriate feedback and is unable to obtain timely and accurate information or appropriate feedback from the State.

(b) Chronic Failure for any Service(s) will be defined as three unscheduled outage(s) or interruption(s) on any individual Service for the same reason or cause or if the same reason or cause was reasonably discoverable in the first instance over a rolling 30 day period. Chronic Failure will result in the State's option to terminate the effected individual Service(s) and procure them from a different vendor for the chronic location(s) with Contractor to pay the difference in charges for up to three additional months. The termination of the Service will not affect any tiered pricing levels.

(c) Root Cause Analysis will be performed on any Business Critical outage(s) or outage(s) on Services when requested by the Contract Administrator. Contractor will provide its analysis within two weeks of outage(s) and provide a recommendation for resolution.

(d) All decimals must be rounded to two decimal places with five and greater rounding up and four and less rounding down unless otherwise specified.

Charter's attached Service Level Agreement outlines specific metrics for SLAs.

2.243 LIQUIDATED DAMAGES

The parties acknowledge that late or improper completion of the Work will cause loss and damage to the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result. Therefore, Contractor and the State agree that if there is late or improper completion of the Work and the State does not elect to exercise its rights under **Section 2.152**, the State is entitled to collect liquidated damages in the amounts as outlined here below until Contractor remedies the late or improper completion of the Work:

In the event Charter does not deliver the Service ordered hereunder for this Service Location on or before the negotiated timeframe, and such delay is the sole fault of Charter, State will be entitled to a delay credit in an amount equal to $200.00 per day until the Service is delivered. Total credits shall not exceed an amount equal to one month's Monthly Service Fee applicable to the Service hereunder.

Charter shall not be responsible for failure to meet the Delivery Date to the extent such delay was caused by State, its agents, employees, contractors, and/or a Force Majeure Event. The credits above shall continue to escalate until either the Service is accepted pursuant to this Agreement. In no event shall any credit for a failure to meet a Delivery Date exceed the amount of one-month's Monthly Service Fee.

2.244 EXCUSABLE FAILURE

Neither party will be liable for any default, damage or delay in the performance of its obligations under the Contract to the extent the default, damage or delay is caused by government regulations or requirements (executive, legislative, judicial, military or otherwise), power failure, electrical surges or current fluctuations, lightning, earthquake, war, water or other forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, or acts or omissions of common carriers, fire; riots, civil disorders; strikes or other labor disputes, embargoes; injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused); or any other cause beyond the reasonable control of a party; provided the non-performing party and its Subcontractors are without fault in causing the default or delay, and the default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaround plans or other means, including disaster recovery plans.

If a party does not perform its contractual obligations for any of the reasons listed above, the non-performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. But the party must use commercially reasonable efforts to recommence performance whenever and to whatever extent possible without delay. A party must promptly notify the other party in writing immediately after the excusable failure occurs, and also when it abates or ends.

If any of the above-enumerated circumstances substantially prevent, hinder, or delay the Contractor's performance of the Services/provision of Deliverables for more than 10 Business Days, and the State determines that performance is not likely to be resumed within a period of time that is satisfactory to the State in its reasonable discretion, then at the State's option: (a) the State may procure the affected Services/Deliverables from an alternate source, and the State is not be liable for payment for the unperformed Services/ Deliverables not provided under the Contract for so long as the delay in performance continues; (b) the State may terminate any portion of the Contract so affected and the charges payable will be equitably adjusted to reflect those Services/Deliverables terminated; or (c) the State may terminate the affected Statement of Work without liability to Contractor as of a date specified by the State in a written notice of termination to the Contractor, except to the extent that the State must pay for Services/Deliverables provided through the date of termination.

The Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure occurrence or to payments for Services not rendered/Deliverables not provided as a result of the Excusable Failure condition. Defaults or delays in performance by Contractor which are caused by acts or omissions of its Subcontractors will not relieve Contractor of its obligations under the Contract except to the extent that a Subcontractor is itself subject to an Excusable Failure condition described above and Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaround plans or other means.

Charter understands.

2.250 Approval of Deliverables

2.251 DELIVERY OF DELIVERABLES

A list of the Deliverables to be prepared and delivered by Contractor including, for each Deliverable, the scheduled delivery date and a designation of whether the Deliverable is a document ("Written Deliverable") or a Custom Software Deliverable is attached, if applicable. All Deliverables shall be completed and delivered for State review and written approval and, where applicable, installed in accordance with the State-approved delivery schedule and any other applicable terms and conditions of this Contract.

Prior to delivering any Deliverable to the State, Contractor will first perform all required quality assurance activities, and, in the case of Custom Software Deliverables, System Testing to verify that the Deliverable is complete and in conformance with its specifications. Before delivering a Deliverable to the State, Contractor shall certify to the State that (1) it has performed such quality assurance activities, (2) it has performed any applicable testing, (3) it has corrected all material deficiencies discovered during such quality assurance activities and testing, (4) the Deliverable is in a suitable state of readiness for the State's review and approval, and (5) the Deliverable/Service has all Critical Security patches/updates applied.

Charter will ensure all services installed are fully functional and ready for use.

In discharging its obligations under this Section, Contractor shall be at all times (except where the parties agree otherwise in writing) in compliance with Level 3 of the Software Engineering Institute's Capability Maturity Model for Software ("CMM Level 3") or its equivalent.

This is Not Applicable to providing the State, Charter services.

2.252 CONTRACTOR SYSTEM TESTING

Contractor will be responsible for System Testing each Custom Software Deliverable in Contractor's development environment prior to turning over the Custom Software Deliverable to the State for User Acceptance Testing and approval. Contractor's System Testing shall include the following, at a minimum, plus any other testing required by CMM Level 3 or Contractor's system development methodology:

Contractor will be responsible for performing Unit Testing and incremental Integration Testing of the components of each Custom Software Deliverable.

Contractor's System Testing will also include Integration Testing of each Custom Software Deliverable to ensure proper inter-operation with all prior software Deliverables, interfaces and other components that are intended to inter-operate with such Custom Software Deliverable, and will include Regression Testing, volume and stress testing to ensure that the Custom Software Deliverables are able to meet the State's projected growth in the number and size of transactions to be processed by the Application and number of users, as such projections are set forth in the applicable Statement of Work.

Contractor's System Testing will also include Business Function Testing and Technical Testing of each Application in a simulated production environment. Business Function Testing will include testing of full work streams that flow through the Application as the Application will be incorporated within the State's computing environment. The State shall participate in and provide support for the Business Function Testing to the extent reasonably requested by Contractor. Within ten (10) days before the commencement of Business Function Testing pursuant to this Section, Contractor shall provide the State for State review and written approval Contractor's test plan for Business Function Testing.

Within five (5) Business Days following the completion of System Testing pursuant to this **Section**, Contractor shall provide to the State a testing matrix establishing that testing for each condition identified in the System Testing plans has been conducted and successfully concluded. To the extent that testing occurs on State premises, the State shall be entitled to observe or otherwise participate in testing under this Section as the State may elect.

This is <u>Not Applicable</u> to providing the State, Charter services.

2.253 APPROVAL OF DELIVERABLES, IN GENERAL

All Deliverables (Written Deliverables and Custom Software Deliverables) require formal written approval by the State, in accordance with the following procedures. Formal approval by the State requires that the Deliverable be confirmed in writing by the State to meet its specifications, which, in the case of Custom Software Deliverables, will include the successful completion of State User Acceptance Testing, to be led by the State with the support and assistance of Contractor. The parties acknowledge that the approval process set forth herein will be facilitated by ongoing consultation between the parties, visibility of interim and intermediate Deliverables and collaboration on key decisions.

The State's obligation to comply with any State Review Period is conditioned on the timely delivery of Deliverables being reviewed. If Contractor fails to provide a Deliverable to the State in a timely manner, the State will nevertheless use commercially reasonable efforts to complete its review or testing within the applicable State Review Period.

Before commencement of its review or testing of a Deliverable, the State may inspect the Deliverable to confirm that all components of the Deliverable (e.g., software, associated documentation, and other materials) have been delivered. If the State determines that the Deliverable is incomplete, the State may refuse delivery of the Deliverable without performing any further inspection or testing of the Deliverable. Otherwise, the review period will be deemed to have started on the day the State receives the Deliverable and the applicable certification by Contractor in accordance with this Section.

The State will approve in writing a Deliverable upon confirming that it conforms to and, in the case of a Custom Software Deliverable, performs in accordance with, its specifications without material deficiency. The State may, but shall not be required to, conditionally approve in writing a Deliverable that contains material deficiencies if the State elects to permit Contractor to rectify them post-approval. In any case, Contractor will be responsible for working diligently to correct within a reasonable time at Contractor's expense all deficiencies in the Deliverable that remain outstanding at the time of State approval.

If, after three (3) opportunities (the original and two repeat efforts), Contractor is unable to correct all deficiencies preventing State approval of a Deliverable, the State may: (i) demand that Contractor cure the failure and give Contractor additional time to cure the failure at the sole expense of Contractor; or (ii) keep this Contract in force and do, either itself or through other parties, whatever Contractor has failed to do, in which

event Contractor shall bear any excess expenditure incurred by the State in so doing beyond the contract price for such Deliverable and will pay the State an additional sum equal to ten percent (10%) of such excess expenditure to cover the State's general expenses without the need to furnish proof in substantiation of such general expenses; or (iii) terminate this Contract for default, either in whole or in part by notice to Contractor (and without the need to afford Contractor any further opportunity to cure). Notwithstanding the foregoing, the State shall not use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

The State, at any time and in its own discretion, may halt the UAT or approval process if such process reveals deficiencies in or problems with a Deliverable in a sufficient quantity or of a sufficient severity as to make the continuation of such process unproductive or unworkable. In such case, the State may return the applicable Deliverable to Contractor for correction and re-delivery prior to resuming the review or UAT process and, in that event, Contractor will correct the deficiencies in such Deliverable in accordance with the Contract, as the case may be.

Approval in writing of a Deliverable by the State shall be provisional; that is, such approval shall not preclude the State from later identifying deficiencies in, and declining to accept, a subsequent Deliverable based on or which incorporates or inter-operates with an approved Deliverable, to the extent that the results of subsequent review or testing indicate the existence of deficiencies in the subsequent Deliverable, or if the Application of which the subsequent Deliverable is a component otherwise fails to be accepted pursuant to **Section 2.080**.

Charter understands.

2.254 PROCESS FOR APPROVAL OF WRITTEN DELIVERABLES

The State Review Period for Written Deliverables will be the number of days set forth in the applicable Statement of Work following delivery of the final version of the Written Deliverable (failing which the State Review Period, by default, shall be five (5) Business Days for Written Deliverables of one hundred (100) pages or less and ten (10) Business Days for Written Deliverables of more than one hundred (100) pages). The duration of the State Review Periods will be doubled if the State has not had an opportunity to review an interim draft of the Written Deliverable prior to its submission to the State. The State agrees to notify Contractor in writing by the end of the State Review Period either stating that the Written Deliverable is approved in the form delivered by Contractor or describing any deficiencies that shall be corrected prior to approval of the Written Deliverable (or at the State's election, subsequent to approval of the Written Deliverable). If the State delivers to Contractor a notice of deficiencies, Contractor will correct the described deficiencies and within five (5) Business Days resubmit the Deliverable in a form that shows all revisions made to the original version delivered to the State. Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Written Deliverable from Contractor, the State will have a reasonable additional period of time, not to exceed the length of the original State Review Period, to review the corrected Written Deliverable to confirm that the identified deficiencies have been corrected.

Charter understands.

2.255 PROCESS FOR APPROVAL OF CUSTOM SOFTWARE DELIVERABLES

The State will conduct UAT of each Custom Software Deliverable in accordance with the following procedures to determine whether it meets the criteria for State approval – i.e., whether it conforms to and performs in accordance with its specifications without material deficiencies.

Within thirty (30) days (or such other number of days as the parties may agree to in writing) prior to Contractor's delivery of any Custom Software Deliverable to the State for approval, Contractor shall provide to the State a set of proposed test plans, including test cases, scripts, data and expected outcomes, for the State's use (which the State may supplement in its own discretion) in conducting UAT of the Custom Software Deliverable. Contractor, upon request by the State, shall provide the State with reasonable assistance and support during the UAT process.

For the Custom Software Deliverables listed in an attachment, the State Review Period for conducting UAT will be as indicated in the attachment. For any other Custom Software Deliverables not listed in an attachment, the State Review Period shall be the number of days agreed in writing by the parties (failing which it shall be forty-

five (45) days by default). The State Review Period for each Custom Software Deliverable will begin when Contractor has delivered the Custom Software Deliverable to the State accompanied by the certification required by this **Section** and the State's inspection of the Deliverable has confirmed that all components of it have been delivered.

The State's UAT will consist of executing test scripts from the proposed testing submitted by Contractor, but may also include any additional testing deemed appropriate by the State. If the State determines during the UAT that the Custom Software Deliverable contains any deficiencies, the State will notify Contractor of the deficiency by making an entry in an incident reporting system available to both Contractor and the State. Contractor will modify promptly the Custom Software Deliverable to correct the reported deficiencies, conduct appropriate System Testing (including, where applicable, Regression Testing) to confirm the proper correction of the deficiencies and re-deliver the corrected version to the State for re-testing in UAT. Contractor will coordinate the re-delivery of corrected versions of Custom Software Deliverables with the State so as not to disrupt the State's UAT process. The State will promptly re-test the corrected version of the Software Deliverable after receiving it from Contractor.

Within two (2) business days (unless faulty gear causing an "emergency" situation) after the end of the State Review Period, the State will give Contractor a written notice indicating the State's approval or rejection of the Custom Software Deliverable according to the criteria and process set out in this **Section**.

Charter understands.

2.256 FINAL ACCEPTANCE

"Final Acceptance" shall be considered to occur when the Custom Software Deliverable to be delivered has been approved by the State and has been operating in production without any material deficiency for fourteen (14) consecutive days. If the State elects to defer putting a Custom Software Deliverable into live production for its own reasons, not based on concerns about outstanding material deficiencies in the Deliverable, the State shall nevertheless grant Final Acceptance of the Project.

Charter understands.

2.260 Ownership

2.261 OWNERSHIP OF WORK PRODUCT BY STATE

The State owns all Deliverables, as they are work made for hire by the Contractor for the State. The State owns all United States and international copyrights, trademarks, patents or other proprietary rights in the Deliverables.

Charter understands.

2.262 VESTING OF RIGHTS

With the sole exception of any preexisting licensed works identified in the SOW, the Contractor assigns, and upon creation of each Deliverable automatically assigns, to the State, ownership of all United States and international copyrights, trademarks, patents, or other proprietary rights in each and every Deliverable, whether or not registered by the Contractor, insofar as any the Deliverable, by operation of law, may not be considered work made for hire by the Contractor for the State. From time to time upon the State's request, the Contractor must confirm the assignment by execution and delivery of the assignments, confirmations of assignment, or other written instruments as the State may request. The State may obtain and hold in its own name all copyright, trademark, and patent registrations and other evidence of rights that may be available for Deliverables.

This is Not Applicable to providing the State, Charter services.

2.263 RIGHTS IN DATA

The State is the owner of all data made available by the State to the Contractor or its agents, Subcontractors or representatives under the Contract. The Contractor will not use the State's data for any purpose other than providing the Services, nor will any part of the State's data be disclosed, sold, assigned, leased or otherwise disposed of to the general public or to specific third parties or commercially exploited by or on behalf of the

Contractor. No employees of the Contractor, other than those on a strictly need-to-know basis, have access to the State's data. Contractor will not possess or assert any lien or other right against the State's data. Without limiting the generality of this Section, the Contractor must only use personally identifiable information as strictly necessary to provide the Services and must disclose the information only to its employees who have a strict need-to-know the information. The Contractor must comply at all times with all laws and regulations applicable to the personally identifiable information.

The State is the owner of all State-specific data under the Contract. The State may use the data provided by the Contractor for any purpose. The State will not possess or assert any lien or other right against the Contractor's data. Without limiting the generality of this Section, the State may use personally identifiable information only as strictly necessary to utilize the Services and must disclose the information only to its employees who have a strict need to know the information, except as provided by law. The State must comply at all times with all laws and regulations applicable to the personally identifiable information. Other material developed and provided to the State remains the State's sole and exclusive property.

Charter understands.

2.264 OWNERSHIP OF MATERIALS

The State and the Contractor will continue to own their respective proprietary technologies developed before entering into the Contract. Any hardware bought through the Contractor by the State, and paid for by the State, will be owned by the State. Any software licensed through the Contractor and sold to the State, will be licensed directly to the State.

Charter understands.

2.270 State Standards

2.271 EXISTING TECHNOLOGY STANDARDS

The Contractor will adhere to all existing standards as described within the comprehensive listing of the State's existing technology standards at http://www.michigan.gov/dit.

2.272 ACCEPTABLE USE POLICY

To the extent that Contractor has access to the State computer system, Contractor must comply with the State's Acceptable Use Policy, see michigan.gov/cybersecurity/0,1607,7-217-34395_34476---,00.html - 29k

All Contractor employees must be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State system. The State reserves the right to terminate Contractor's access to the State system if a violation occurs.

2.273 SYSTEMS CHANGES

Contractor is not responsible for and not authorized to make changes to any State systems without written authorization from the Project Manager. Any changes Contractor makes to State systems with the State's approval must be done according to applicable State procedures, including security, access and configuration management procedures.

Charter understands.

2.280 Extended Purchasing

2.281 MIDEAL (MICHIGAN DELIVERY EXTENDED AGREEMENTS LOCALLY

Public Act 431 of 1984 permits MDTMB to provide purchasing services to any city, village, county, township, school district, intermediate school district, and non-profit hospital, institution of higher education, community, or junior college. A current listing of approved program members is available at: www.michigan.gov/buymichiganfirst. Unless otherwise stated, the Contractor must ensure that the non-state agency is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and equipment to these local governmental agencies at the established State of Michigan contract prices and terms to the extent applicable and where available. The Contractor must send its invoices to, and pay the local unit of government, on a direct and individual basis.

To the extent that authorized local units of government purchase quantities of Services and/or equipment under this Contract, the quantities of Services and/or equipment purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

Charter understands.

2.282 STATE EMPLOYEE PURCHASES

The State allows State employees to purchase from this Contract. Unless otherwise stated, it is the responsibility of the Contractor to ensure that the State employee is an authorized purchaser before extending the Contract pricing.

The Contractor will supply Contract Services and Deliverables at the established State of Michigan contract prices and terms to the extent applicable and where available. The Contractor shall send its invoices to and pay the State employee on a direct and individual basis.

To the extent that authorized State employees purchase quantities of Services or Deliverables under this Contract, the quantities of Services and/or Deliverables purchased will be included in determining the appropriate rate wherever tiered pricing based on quantity is provided.

Charter understands.

2.283 COOPERATIVE PURCHASING

(a) This Contract may be extended to additional States or governmental jurisdictions upon mutual written agreement between the State of Michigan and the Contractor. Political subdivisions and other authorized entities within each participating State or governmental jurisdiction may also participate in this Contract if such State allows participation by such entities. Charter will determine pricing on future orders on an indvidual contract basis based on Contract monthly service fees, construction, installation fees and discounts.

(b) All MiDEAL processes, invoicing relationships, reporting and MiDEAL Service Fee also apply to cooperative purchasing participants.

(c) The State of Michigan reserves the right to negotiate additional discounts based on any increased volume generated by such extensions.

2.290 Environmental Provision

2.291 ENVIRONMENTAL PROVISION

Energy Efficiency Purchasing Policy: The State seeks wherever possible to purchase energy efficient products. This includes giving preference to U.S. Environmental Protection Agency (EPA) certified 'Energy Star' products for any category of products for which EPA has established Energy Star certification. For other purchases, the State may include energy efficiency as one of the priority factors to consider when choosing among comparable products.

Environmental Purchasing Policy: The State of Michigan is committed to encouraging the use of products and services that impact the environment less than competing products. The State is accomplishing this by including environmental considerations in purchasing decisions, while remaining fiscally responsible, to promote practices that improve worker health, conserve natural resources, and prevent pollution. Environmental components that are to be considered include: recycled content and recyclables; energy efficiency; and the presence of undesirable materials in the products, especially those toxic chemicals which are persistent and bio accumulative. The Contractor should be able to supply products containing recycled and environmentally preferable materials that meet performance requirements and is encouraged to offer such products throughout the duration of this Contract. Information on any relevant third party certification (such as Green Seal, Energy Star, etc.) should also be provided.

Hazardous Materials: For the purposes of this Section, "Hazardous Materials" is a generic term used to describe asbestos, ACBMs, PCBs, petroleum products, construction materials including paint thinners, solvents, gasoline, oil, and any other material the manufacture, use, treatment, storage, transportation or disposal of which is regulated by the federal, state or local laws governing the protection of the public health,

natural resources or the environment. This includes, but is not limited to, materials the as batteries and circuit packs, and other materials that are regulated as (1) "Hazardous Materials" under the Hazardous Materials Transportation Act, (2) "chemical hazards" under the Occupational Safety and Health Administration standards, (3) "chemical substances or mixtures" under the Toxic Substances Control Act, (4) "pesticides" under the Federal Insecticide Fungicide and Rodenticide Act, and (5) "hazardous wastes" as defined or listed under the Resource Conservation and Recovery Act.

(a) The Contractor shall use, handle, store, dispose of, process, transport and transfer any material considered a Hazardous Material according to all federal, State and local laws. The State shall provide a safe and suitable environment for performance of Contractor's Work. Before the commencement of Work, the State shall advise the Contractor of the presence at the work site of any Hazardous Material to the extent that the State is aware of the Hazardous Material. If the Contractor encounters material reasonably believed to be a Hazardous Material and which may present a substantial danger, the Contractor shall immediately stop all affected Work, notify the State in writing about the conditions encountered, and take appropriate health and safety precautions.

(b) Upon receipt of a written notice, the State will investigate the conditions. If (a) the material is a Hazardous Material that may present a substantial danger, and (b) the Hazardous Material was not brought to the site by the Contractor, or does not result in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Materials, the State shall order a suspension of Work in writing. The State shall proceed to have the Hazardous Material removed or rendered harmless. In the alternative, the State shall terminate the affected Work for the State's convenience.

(c) Once the Hazardous Material has been removed or rendered harmless by the State, the Contractor shall resume Work as directed in writing by the State. Any determination by the Michigan Department of Community Health or the Michigan Department of Environmental Quality that the Hazardous Material has either been removed or rendered harmless is binding upon the State and Contractor for the purposes of resuming the Work. If any incident with Hazardous Material results in delay not reasonable anticipatable under the circumstances and which is attributable to the State, the applicable SLAs for the affected Work will not be counted in a time as mutually agreed by the parties.

(d) If the Hazardous Material was brought to the site by the Contractor, or results in whole or in part from any violation by the Contractor of any laws covering the use, handling, storage, disposal of, processing, transport and transfer of Hazardous Material, or from any other act or omission within the control of the Contractor, the Contractor shall bear its proportionate share of the delay and costs involved in cleaning up the site and removing and rendering harmless the Hazardous Material according to Applicable Laws to the condition approved by applicable regulatory agency(ies).

Labeling: Michigan has a Consumer Products Rule pertaining to labeling of certain products containing volatile organic compounds. For specific details visit http://www.michigan.gov/deq/0,1607,7-135-3310_4108-173523--,00.html

Refrigeration and Air Conditioning: The Contractor shall comply with the applicable requirements of Sections 608 and 609 of the Clean Air Act (42 U.S.C. 7671g and 7671h) as each or both apply to this contract.

Environmental Performance: Waste Reduction Program - Contractor shall establish a program to promote cost-effective waste reduction in all operations and facilities covered by this contract. The Contractor's programs shall comply with applicable Federal, State, and local requirements, specifically including Section 6002 of the Resource Conservation and Recovery Act (42 U.S.C. 6962, et seq.).

Charter understands.

2.300 Deliverables

2.301 SOFTWARE

A list of the items of software the State is required to purchase for executing the Contract is attached. The list includes all software required to complete the Contract and make the Deliverables operable; if any additional software is required in order for the Deliverables to meet the requirements of this Contract, such software shall

be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Statement of Work or Contract Change Notice). The attachment also identifies certain items of software to be provided by the State.

2.302 HARDWARE

A list of the items of hardware the State is required to purchase for executing the Contract is attached. The list includes all hardware required to complete the Contract and make the Deliverables operable; if any additional hardware is required in order for the Deliverables to meet the requirements of this Contract, such hardware shall be provided to the State by Contractor at no additional charge (except where agreed upon and specified in a Contract Change Notice). The attachment also identifies certain items of hardware to be provided by the State.

2.310 Software Warranties

2.311 PERFORMANCE WARRANTY

The Contractor represents and warrants that Deliverables, after Final Acceptance, will perform and operate in compliance with the requirements and other standards of performance contained in this Contract (including all descriptions, specifications and drawings made a part of the Contract) for a period of (90) ninety days. In the event of a breach of this warranty, Contractor will promptly correct the affected Deliverable(s) at no charge to the State.

Charter understands.

2.312 NO SURREPTITIOUS CODE WARRANTY

The Contractor represents and warrants that no copy of licensed Software provided to the State contains or will contain any Self-Help Code or any Unauthorized Code as defined below. This warranty is referred to in this Contract as the "No Surreptitious Code Warranty."

As used in this Contract, "Self-Help Code" means any back door, time bomb, drop dead device, or other software routine designed to disable a computer program automatically with the passage of time or under the positive control of a person other than the licensee of the software. Self-Help Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

As used in this Contract, "Unauthorized Code" means any virus, Trojan horse, spyware, worm or other Software routines or components designed to permit unauthorized access to disable, erase, or otherwise harm software, equipment, or data; or to perform any other such actions. The term Unauthorized Code does not include Self-Help Code. Unauthorized Code does not include Software routines in a computer program, if any, designed to permit an owner of the computer program (or other person acting by authority of the owner) to obtain access to a licensee's computer system(s) (e.g. remote access via modem) for purposes of maintenance or technical support.

In addition, Contractor will use up-to-date commercial virus detection software to detect and remove any viruses from any software prior to delivering it to the State.

Charter understands.

2.313 CALENDAR WARRANTY

The software design, to insure calendar year rollover compatibility, shall include, but is not limited to: data structures (databases, data files, etc.) that provide 4-digit date century; stored data that contain date century recognition, including, but not limited to, data stored in databases and hardware device internal system dates; calculations and program logic (e.g., sort algorithms, calendar generation, event recognition, and all processing actions that use or produce date values) that accommodates same century and multi-century formulas and date values; interfaces that supply data to and receive data from other systems or organizations that prevent non-compliant dates and data from entering any State system; user interfaces (i.e., screens, reports, etc.) that accurately show 4 digit years; and assurance that leap years shall be correctly treated within all calculation and calendar logic.

Charter understands.

2.314 THIRD-PARTY SOFTWARE WARRANTY

The Contractor represents and warrants that it will disclose the use or incorporation of any third-party software into the Deliverables. At the time of Delivery, the Contractor shall provide in writing the name and use of any Third-party Software, including information regarding the Contractor's authorization to include and utilize such software. The notice shall include a copy of any ownership agreement or license that authorizes the Contractor to use the Third-party Software.

Charter understands.

2.315 PHYSICAL MEDIA WARRANTY

Contractor represents and warrants that each licensed copy of the Software provided by the Contractor is free from physical defects in the media that tangibly embodies the copy. This warranty does not apply to defects discovered more than (30) thirty days after that date of Final Acceptance of the Software by the State. This warranty does not apply to defects arising from acts of Excusable Failure. If the Contractor breaches this warranty, then the State shall be entitled to replacement of the non-compliant copy by Contractor, at Contractor's expense (including shipping and handling).

In response to Section 2.310 SOFTWARE WARRANTIES, Please review Charter's Limiation of Liability policy as stated above.

2.320 Software Licensing

2.321 CROSS-LICENSE, DELIVERABLES ONLY, LICENSE TO CONTRACTOR

Reserved.

2.322 CROSS-LICENSE, DELIVERABLES AND DERIVATIVE WORK, LICENSE TO CONTRACTOR

Reserved.

2.323 LICENSE BACK TO THE STATE

Reserved.

2.324 LICENSE RETAINED BY CONTRACTOR

Contractor grants to the State a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Software and related documentation according to the terms and conditions of this Contract. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

The State may modify the Software and may combine such with other programs or materials to form a derivative work. The State will own and hold all copyright, trademarks, patent and other intellectual property rights in any derivative work, excluding any rights or interest in Software other than those granted in this Contract.

Charter does not agree to allow the State to modify any software.

The State may copy each item of Software to multiple hard drives or networks unless otherwise agreed by the parties.

The State will make and maintain no more than one archival copy of each item of Software, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The State may also make copies of the Software in the course of routine backups of hard drive(s) for the purpose of recovery of hard drive contents.

In the event that the Contractor shall, for any reason, cease to conduct business, or cease to support the Software, the State shall have the right to convert these licenses into perpetual licenses, with rights of quiet enjoyment, but subject to payment obligations not to exceed the then current rates.

Charter understands.

2.325 PRE-EXISTING MATERIALS FOR CUSTOM SOFTWARE DELIVERABLES
Neither Contractor nor any of its Subcontractors shall incorporate any preexisting materials (including Standard Software) into Custom Software Deliverables or use any pre-existing materials to produce Custom Software Deliverables if such pre-existing materials will be needed by the State in order to use the Custom Software Deliverables unless (i) such pre-existing materials and their owners are identified to the State in writing and (ii) such pre-existing materials are either readily commercially available products for which Contractor or its Subcontractor, as the case may be, has obtained a license (in form and substance approved by the State) in the name of the State, or are materials that Contractor or its Subcontractor, as the case may be, has the right to license to the State and has licensed to the State on terms and conditions approved by the State prior to using such pre-existing materials to perform the Services.

Charter understands.

2.330 Source Code Escrow

2.331 DEFINITION
Reserved.

2.332 DELIVERY OF SOURCE CODE INTO ESCROW
Reserved.

2.333 DELIVERY OF NEW SOURCE CODE INTO ESCROW
Reserved.

2.334 VERIFICATION
Reserved.

2.335 ESCROW FEES
Reserved.

2.336 RELEASE EVENTS
Reserved.

2.337 RELEASE EVENT PROCEDURES
Reserved.

2.338 LICENSE
Reserved.

2.339 DERIVATIVE WORKS
Reserved.

Article 4 – Required Bidder Information

4.0 Bidder Information

4.023 MIDEAL - Extended Purchasing

DO YOU WISH TO PARTICIPATE IN THE MIDEAL PROGRAM IF YOU ARE THE AWARDED CONTRACTOR?

The Management and Budget Act, MCL 18.1263, permits the State to provide purchasing services to any city, village, county, township, school district, intermediate school district, non-profit hospital, institution of higher education, or community or junior college that have joined the MiDEAL program (MiDEAL Members). A current listing of approved MiDEAL Members is available at: www.michigan.gov/mideal. Estimated requirements for MiDEAL Members are not included in the quantities shown in this RFP, unless otherwise noted.

MiDEAL is an established, award-winning program that can help your company market itself to Michigan's local units of government and public entities.

If you say "yes" to opening the contract to authorized MiDEAL members in your bid response, you are now able to directly market your products and/or services to them. Maximize your time investment in bidding with the State by pursuing additional market share without completing additional bids. A MiDEAL brochure for Vendors is available at http://www.michigan.gov/mideal.

Participation in the MiDEAL program is optional, and the bidder is asked to indicate here whether they, if the awarded contractor, will open the contract to MiDEAL members.

X Deliverable(s) will be supplied to the State and MiDEAL Members according to the terms and prices quoted, subject to Section 2.281, MiDEAL Requirements.

Charter Communications Holding Company, LLC agrees to provide goods and/or services to State departments and agencies, and authorized MiDEAL members in accordance with the terms and prices quoted herein if awarded a Purchase /Contract for this solicitation.

Charter will provide services to other higher education projects if other cost criteria for those projects are the same as in this RFP.

4.1.1 Company Information

State the bidder's full name and address, including all locations that will perform or assist in performing the work. State the bidder's legal status (such as an individual, partnership, or corporation), including the state of organization or incorporation and whether it is licensed or authorized to conduct business in Michigan.

Name:	Charter Communications, Inc				**Web Page:**	http://www.charter-business.com	
Address:	12405 POWERSCOURT DR	**City:**	**ST LOUIS**	**State:**	**MO**	**Zip:**	63131
Legal Status:	Corporation	**Years in business?**	18		**Phone:**	989-671-5285	
State Incorporated or Organized:	Delaware	**Registered in Michigan?**		Y			

4.1.2 Bidder Contact During RFP Process

State the name, address, e-mail, phone, and fax numbers for the person who will be the sole contact for the bidder during the RFP process.

Name:	Chris Hebert				**e-mail:**	Chris.Hebert@charterc om.com	
Address:	1625 CONCENTRIC BOULEVARD	**City:**	SAGINAW	**State: MI**		**Zip:**	
Phone:	989-671-5285	**Fax:**	989-667-1751		**Mobile:**	989-992-7680	

4.1.3 Authorized Contract Signatory

State the name, title, and phone number of the person(s) authorized to sign a contract with the State on behalf of the bidder, including any limitations on their signing authority.

Name:	Jill Stark	**Title:**	Vice President, Charter Business	**Phone:**	989-671-5285
Name:	Jim McGann	**Title:**	Senior Vice President, Charter Business	**Phone:**	989-671-5285

4.1.4 Subcontractors

The bidder must provide a list of all Subcontractors, including firm name, address, contact person, a complete description of the work to be subcontracted, and a description of the Subcontractor's organization and abilities.

Bidder Response:

Subcontractors are assigned work on an as-needed basis. Additional information, if necessary, can be provided upon award.

4.1.5 Former State Employees

Completed in Bid4Michigan Bid-Specific Certifications & Representations Online.

4.1.6 Use of Other Sources as Subcontractors

Completed in Bid4Michigan Bid-Specific Certifications & Representations Online.

Community Rehabilitation Organizations: *Completed in Bid4Michigan Bid-Specific Certifications & Representations Online.*

4.1.7 Services Needed in Performance – Principal Place of Business

Completed in Bid4Michigan Bid-Specific Certifications & Representations Online.

4.1.8 Subcontractors Needed in Performance of Contract – Principal Place of Business

Completed in Bid4Michigan Bid-Specific Certifications & Representations Online.

4.1.9 Prior Experience / Company References

Reserved.

4.1.10 Contract Performance

The bidder must provide details concerning any contract that has been terminated for the bidder's default in the last three years. If the bidder has not had a contract terminated for default in this period, the bidder must affirmatively state this in the "Bidder Response" box below.

Name of other parties to the contract:							
Address:		**City:**		**State:**		**Zip:**	
	Contact Name:			**Phone:**			
Reason for Termination:							

Bidder Response:

Charter signs Confidentiality Agreements with all Charter Customer's and specific contract details are confidential in nature. Charter does represent that Charter has not had a contract terminated for default wthat would negatively affect providing the State of MI, Charter services.

4.1.11 Disclosure of Litigation

(a) The bidder must disclose any litigation, investigation, arbitration, or other proceeding (collectively, "Proceeding") involving the bidder, any proposed subcontractor, or any of their officers or directors that is:

(i) A criminal Proceeding;
(ii) A parole or probation Proceeding;
(iii) A Proceeding under the Sarbanes-Oxley Act; or
(iv) A civil Proceeding involving: (A) a claim that might reasonably be expected to adversely affect the viability or financial stability of the bidder or any proposed subcontractor; or (B) a claim or written allegation of fraud against the bidder (or, if the bidder is aware, any proposed Subcontractor) by a governmental or public entity arising out of the bidder's business dealings with governmental or public entities.

(b) Information provided to the State from the Contractor's publicly filed documents will satisfy the requirements of this Section.

Bidder Response:

Any litigation or proceeding in which Charter would be involved in is confidential in nature, however, Charter represents that it is not involved in any litigation or preceeding that would negatively affect providing the State of MI, Charter services.

4.1.12 Business Owned by Qualified Disabled Veteran

"Qualified Disabled Veteran," as defined by Public Act 431 of 1984, means a business entity that is at least 51% owned by one or more veterans with a service-connected disability. The Act defines "Service-Connected Disability" as a disability incurred or aggravated in the line of active military, naval, or air service as defined in 38 USC 101 (16).

The Bidder represents that it IS _____, IS NOT ___X___ a disabled Veteran-owned business.

The Bidder represents and warrants that the company meets the above criteria (when checked) and has provided the following supportive documentation:

(a) Proof of service and conditions of discharge: DD214 or equivalent
(b) Proof of service-connected disability: DD214 if the disability was documented at discharge or Veterans Administration (VA) Rating Decision Letter or equivalent if the disability was documented after discharge
(c) Proof of Ownership: Appropriate legal documents setting forth the ownership of the business entity

IMPORTANT NOTE TO BIDDERS: Self certification alone will not initiate the price preference cited in **Section 3.032, Qualified Disabled Veteran Preference**. In order to be considered for the pricing preference your self-certification must be accompanied by the qualifying documents listed above.

Loss of Preference: If during the term of the contract the contractor no longer qualifies for the preference, or if the contract is assigned to a business entity that does not qualify for the preference, they will be required to discount their contract price by the amount of the preference they received.

Fraudulently representing information about the use of businesses owned by persons with disabilities to procure this contract is a violation of the Business Opportunity Act for Persons with Disabilities of 1988 PA 112, MCL 450.791 – 450.795. A person who knowingly violates this act is guilty of a felony, punishable by imprisonment up to 2 years in prison, or a fine not less than $5,000. A person found guilty of violating this act may be barred from obtaining future contracts with the State.

SIGNATURE AUTHORITY
I/We certify that the undersigned is authorized to submit bids/quotations on behalf of the bidder and the information provided in response to the RFP is true and accurate **to the best of Charter's knowledge.**

Charter Communications Operating, LLC
Name of Bidder

12405 Powerscourt Dr
St Louis, MO 63131
Address of Bidder

989-671-5285 / 989-667-1751
Telephone and Fax No. of Bidder

Chris.Hebert@chartercom.com
E-mail Address of Bidder

Jill Stark _____
Signature of Bidder's Authorized Representative

Vice President, Charter Business
Title of Bidder Representative

_____
Date

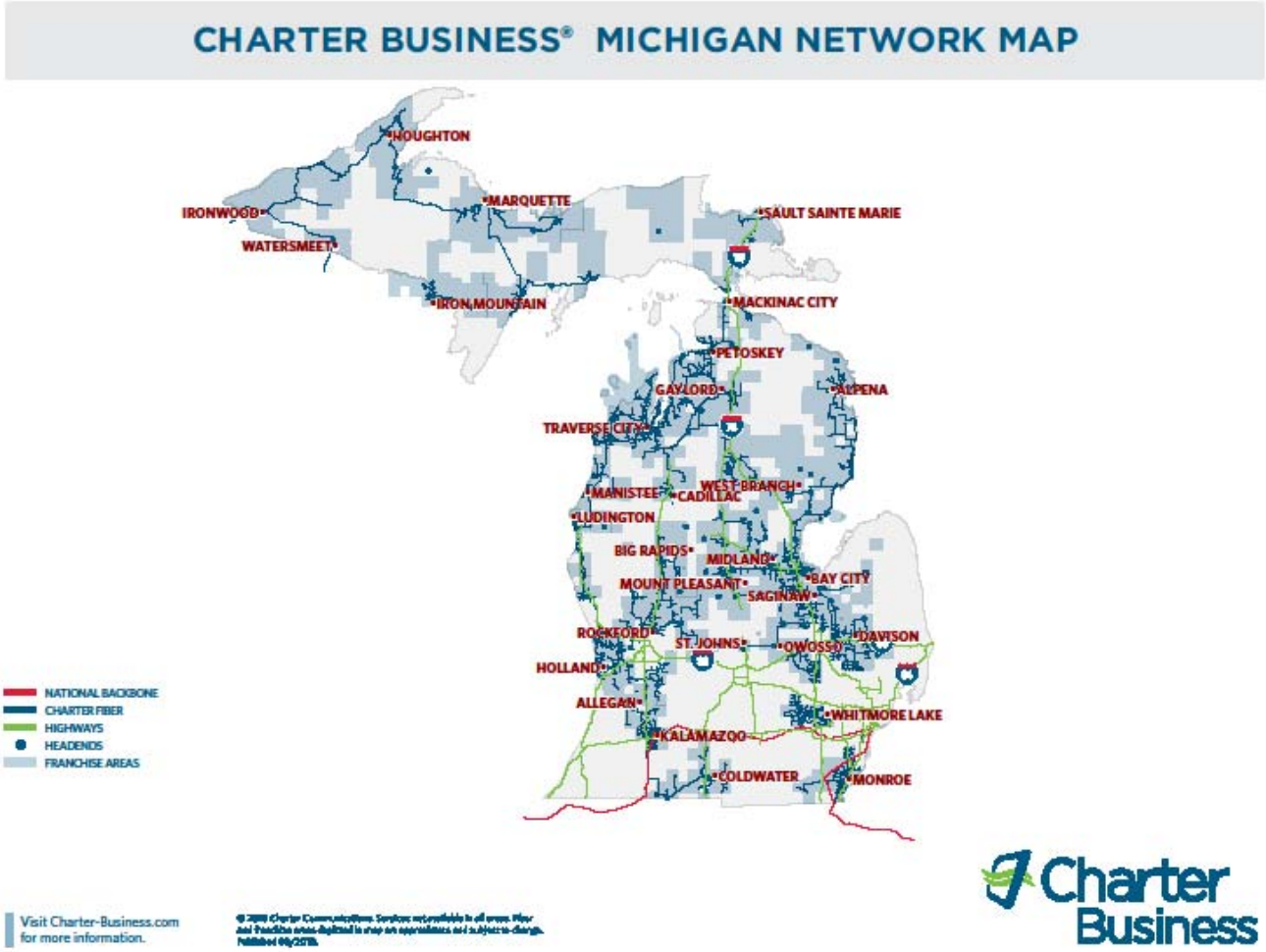
_____
Additional Signature
Bidder's Authorized Representative

_____
Title of Bidder Representative

_____
Date

Attachment A

Vendor to provide service area maps for counties, townships and municipalities. This Michigan Graphic shows county boundaries for the State of Michigan. This map can be modified to illustrate Vendor regions for providing services and pricing.



Attachment B.

Provide Credit policies for outages, late installation and non-delivery of proposed services.

Please see sample SLA (Exhibit C) for outage credit policies.

Late Installation:

In the event Charter does not deliver the Service ordered hereunder for this Service Location on or before the negotiated timeframe, and such delay is the sole fault of Charter, State will be entitled to a delay credit in an amount equal to $200.00 per day until the Service is delivered. Total credits shall not exceed an amount equal to one month's Monthly Service Fee applicable to the Service hereunder.

Charter shall not be responsible for failure to meet the Delivery Date to the extent such delay was caused by State, its agents, employees, contractors, and/or a Force Majeure Event. The credits above shall continue to escalate until the Service is accepted pursuant to this Agreement. In no event shall any credit for a failure to meet a Delivery Date exceed the amount of one-month's Monthly Service Fee.

Non-Delivery:

In the event Charter cannot provide a service to the State of MI due to safety, a potential negative consequence to Charter's network, a location is non-serviceable etc., Charter shall notify the State promptly and credit any payment already made for the services not received.

Exhibit A1 – Coax Design

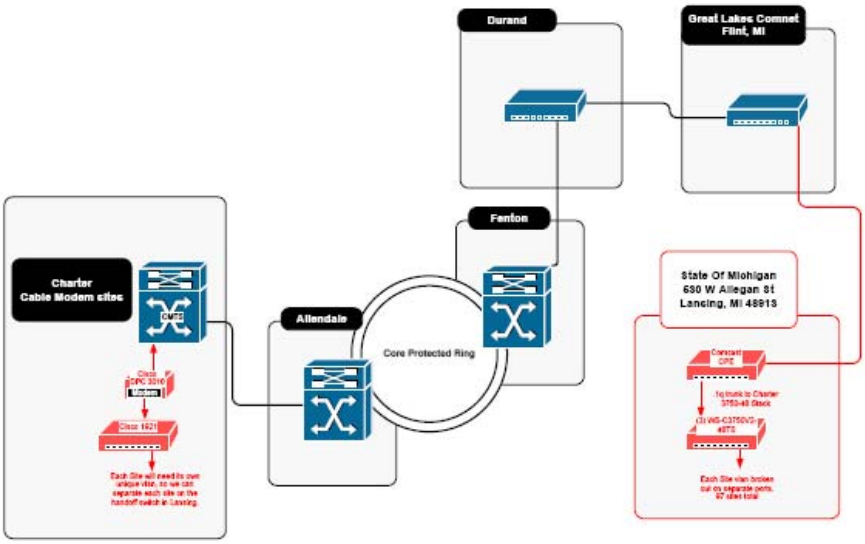


Exhibit A2 – Fiber Design

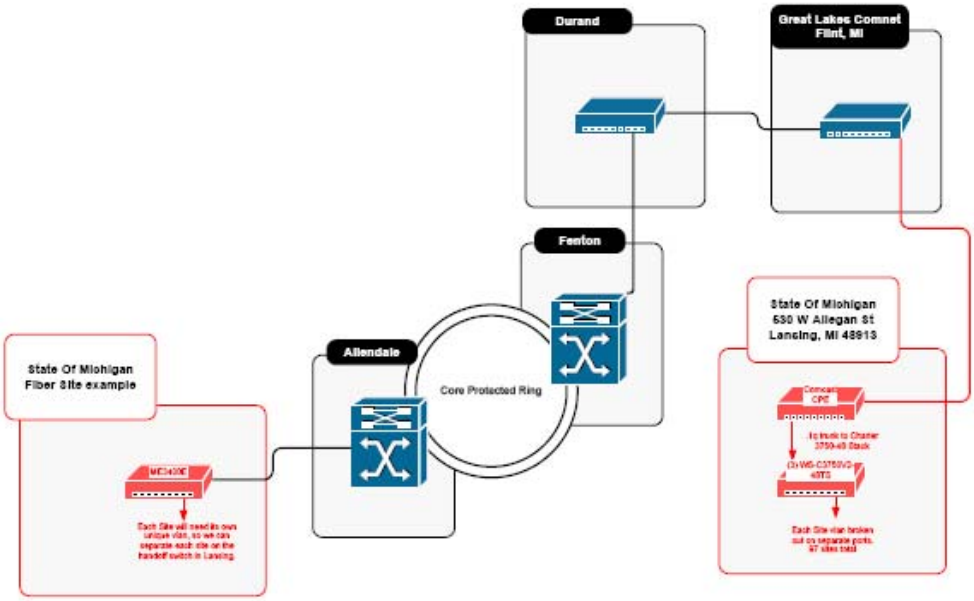


Exhibit B – Sample Channel Line-up

2	WTLJ - Christian Television	Basic
3	WWMT - CBS	Basic
4	WOTV - ABC	Basic
6	TBS	Basic
7	WWMT-DT2 (CW) - CW	Basic
8	WOOD - NBC	Basic
9	QVC	Basic
11	WXMI - FOX	Basic
12	WGVU - PBS	Basic
13	WZZM - ABC	Basic
14	WZPX - ION	Basic
15	WXSP-CA - MyTV	Basic
16	CSPAN	Basic
18	WGN America -	Basic
19	Home Shopping Network	Basic
20	Charter Main Street	Basic
23	VH-1	Exp Basic
24	MTV	Exp Basic
25	A&E	Exp Basic
26	The Discovery Channel	Exp Basic
27	AMC	Exp Basic
28	HGTV/Home and Garden Television	Exp Basic
29	Nickelodeon-East	Exp Basic
30	The Weather Channel	Exp Basic
31	HLN	Exp Basic
32	CNN	Exp Basic
33	FS Detroit	Exp Basic
34	ESPN2	Exp Basic
35	ESPN	Exp Basic
36	TV Land	Exp Basic
37	TLC	Exp Basic
38	Golf Channel	Exp Basic
40	Turner Classic Movies	Exp Basic
41	Lifetime	Exp Basic
42	Versus	Exp Basic
43	Bravo - East	Exp Basic
45	MTV2	Exp Basic (Digital Only)
46	History	Exp Basic

48	National Geographic	Exp Basic
49	Food Network	Exp Basic
50	Travel Channel	Exp Basic
51	Animal Planet	Exp Basic
53	SyFy	Exp Basic
54	TNT	Exp Basic
55	USA	Exp Basic
56	fx	Exp Basic
57	Comedy Central	Exp Basic
58	CNBC	Exp Basic
59	MSNBC	Exp Basic
60	FOX News Channel	Exp Basic
61	TruTV	Exp Basic
62	ABC Family	Exp Basic
63	Cartoon Network	Exp Basic
65	BTN	Exp Basic
66	The Disney Channel	Exp Basic
67	E!	Exp Basic
70	Style	Exp Basic
74	Spike TV	Exp Basic
75	CMT	Exp Basic
76	G4	Exp Basic (Digital Only)
78	Jewelry Television by ACN	Basic (Digital Only)
79	Hallmark Channel	Exp Basic (Digital Only)
80	BTN - Extra1	Exp Basic (Digital Only)
81	BTN - Extra2	Exp Basic (Digital Only)
84	TV Guide	Basic (Digital Only)
85	Univision	Exp Basic (Digital Only)
87	Charter Local Programming	Basic (Digital Only)
88	FS Detroit PLUS	Exp Basic (Digital Only)
89	Oxygen	Exp Basic (Digital Only)
90	Speed Channel	Exp Basic (Digital Only)
91	Soap Net	Exp Basic (Digital Only)
92	Disney XD	Exp Basic (Digital Only)
93	GSN (Game Show)	Exp Basic (Digital Only)
94	MLB Network	Exp Basic (Digital Only)
96	P.E.G. (Access)	Basic
97	P.E.G. (Access)	Basic
100	Nick Jr.	Digital View

101	Teen Nick	Digital View
102	Nickelodeon Too-West	Digital View
103	The Hub	Digital View Plus
104	Nicktoons Network	Digital View
105	Boomerang	Digital View Plus
107	Planet Green	Digital View Plus
109	BBC America	Digital View Plus
110	Investigation Discovery	Digital View Plus
111	Military Channel	Digital View Plus
112	The Science Channel	Digital View Plus
113	OWN	Digital View Plus
114	FOX Movie Channel	Digital View Plus
116	MTV Hits	Digital View
117	MTV Jams	Digital View
118	VH-1 Classic	Digital View
119	CMT Pure Country	Digital View
120	Centric	Digital View
121	VH-1 Soul	Digital View
122	Fuse	Digital View Plus
123	Great American Country	Digital View
124	Do It Yourself	Digital View
125	Women's Entertainment	Digital View
126	Biography	Digital View Plus
127	History Channel International	Digital View Plus
130	WOOD-DT2 - Weather	Basic (Digital Only)
131	WXMI-DT2 - This TV	Basic (Digital Only)
132	Cooking Channel	Digital View Plus
133	RFD-TV	Digital View Plus
134	WXMI-DT3 - Antenna TV	Basic (Digital Only)
135	WGVU-DT2 - PBS Kids	Basic (Digital Only)
136	WGVU-DT3 - PBS Create	Basic (Digital Only)
137	WGVU-DT4 - PBS World	Basic (Digital Only)
138	Fox Business Network	Digital View
139	BET	Exp Basic (Digital Only)
140	mtvU	Digital View
141	Tr3s	Digital View
142	Hallmark Movie Channel	Digital View Plus

170	Sprout	Digital View
171	Women's Entertainment HD	Digital View (HD Only)
200	Lifetime Movie Network	Digital View
201	Independent Film Channel	Digital View Plus
202	Sundance-East	Digital View Plus
209	ESPN Classic	Sports View
220	American Life TV	Digital View
220	American Life TV	Faith and Values View
221	The Tennis Channel	Sports View
222	Mav TV	Sports View
223	World Fishing Network	Sports View
224	CBS Sports Network	Sports View
225	ESPNews HD	Sports View (HD Only)
225	ESPNews HD	Digital View (HD Only)
226	NFL Network	Digital View Plus
226	NFL Network	Sports View
227	NFL RedZone	Sports View
240	WOTV-DT2 - Cool TV	Basic (Digital Only)
247	WZZM-DT2 - Weather	Basic (Digital Only)
250	ESPN Deportes	Latino View
252	Tr3s	Latino View
256	Mexico 22	Latino View
258	Once Mexico	Latino View
262	CB TV	Latino View
264	Video Rola	Latino View
266	Fox Deportes	Latino View
268	GOL TV	Latino View
270	History Channel Espanol	Latino View
272	Cine Mexicano (Olympusat)	Latino View
284	Discovery En Espanol	Latino View
286	Discovery Familia	Latino View
288	Galavision	Latino View
290	Univision	Latino View
292	Telefutura	Latino View
294	CNN en Espanol	Latino View
316	Fuse HD	Digital View Plus (HD Only)
317	Independent Film Channel HD	Digital View Plus (HD Only)
350	3ABN -	Digital View

350	3ABN -	Faith and Values View
351	BYUTV	Digital View
351	BYUTV	Faith and Values View
352	Daystar	Digital View
352	Daystar	Faith and Values View
353	EWTN	Basic (Digital Only)
353	EWTN	Faith and Values View
354	FamilyNet	Digital View
354	FamilyNet	Faith and Values View
355	Gospel Music Channel	Digital View Plus
355	Gospel Music Channel	Faith and Values View
356	Halogen	Digital View Plus
356	Halogen	Faith and Values View
357	Inspirational Network	Basic (Digital Only)
357	Inspirational Network	Faith and Values View
358	JCTV	Digital View
358	JCTV	Faith and Values View
359	Smile of a Child (OlympuSat)	Digital View
359	Smile of a Child (OlympuSat)	Faith and Values View
360	The Church Channel	Digital View
360	The Church Channel	Faith and Values View
361	Trinity Broadcasting/TBN	Basic (Digital Only)
361	Trinity Broadcasting/TBN	Faith and Values View
400	Fox College Sports - Atlantic	Sports View
401	Fox College Sports - Central	Sports View
402	Fox College Sports - Pacific	Sports View
403	Fox Soccer	Sports View
404	Fuel TV	Digital View
404	Fuel TV	Sports View
406	Outdoor Channel	Sports View
407	Discovery Fit and Health	Sports View
407	Discovery Fit and Health	Digital View
408	ESPNews	Digital View
408	ESPNews	Sports View
409	ESPN U	Sports View
409	ESPN U	Digital View
412	The Sportsman Channel	Sports View
413	NHL Network	Sports View
679	ABC Family HD	Exp Basic (HD Only)

680	AMC HD	Exp Basic (HD Only)
681	Lifetime HD	Exp Basic (HD Only)
682	MTV HD	Exp Basic (HD Only)
683	Nickelodeon HD-East	Exp Basic (HD Only)
684	Spike TV HD-East	Exp Basic (HD Only)
685	Travel Channel HD	Exp Basic (HD Only)
686	Hallmark Channel HD	Exp Basic (HD Only)
688	Comedy Central HD-East	Exp Basic (HD Only)
689	The Science Channel HD	Digital View Plus (HD Only)
690	The Disney Channel HD	Exp Basic (HD Only)
691	Bravo HD	Exp Basic (HD Only)
692	SyFy HD	Exp Basic (HD Only)
694	MLB Network HD	Exp Basic (HD Only)
695	USA HD	Exp Basic (HD Only)
696	Speed Channel HD	Exp Basic (HD Only)
697	FOX News Channel HD	Exp Basic (HD Only)
698	fx HD (East)	Exp Basic (HD Only)
699	National Geographic HD	Exp Basic (HD Only)
700	Showtime-East	Big Movie Tier
701	Showtime Too-East	Big Movie Tier
702	Showtime Showcase-East	Big Movie Tier
703	Showtime Extreme-East	Big Movie Tier
704	Showtime Beyond-East	Big Movie Tier
711	NFL Network HD	Digital View Plus (HD Only)
711	NFL Network HD	Sports View (HD Only)
712	NFL RedZone HD	Sports View (HD Only)
720	The Movie Channel-East	Big Movie Tier
721	TMC Xtra-East	Big Movie Tier
722	FLIX-E	Big Movie Tier
722	FLIX-E	Exp Basic (Digital Only)
723	LOGO	Digital View Plus
763	Golf HD	Exp Basic (HD Only)
764	Food Network HD	Exp Basic (HD Only)
765	HGTV HD	Exp Basic (HD Only)
766	Smithsonian HD	HD Ultra View
767	BTN HD	Exp Basic (HD Only)
768	TBS HD	Basic (HD Only)
769	CNN HD	Exp Basic (HD Only)
770	HDNet	HD Ultra View

770	HDNet	Digital View (HD Only)
771	HDNet Movies	HD Ultra View
772	ESPN2 HD	Exp Basic (HD Only)
773	ESPN HD	Exp Basic (HD Only)
774	TNT - HD	Exp Basic (HD Only)
775	HD Theater	HD Ultra View
780	WOTV-DT - ABC	Basic (HD Only)
782	WWMT-DT - CBS	Basic (HD Only)
783	WZZM-DT - ABC	Basic (HD Only)
784	WZPX-DT - ION	Basic (HD Only)
785	WGVU-DT - PBS	Basic (HD Only)
786	QVC	Basic (Digital Only)
787	WXMI-DT - FOX	Basic (HD Only)
788	WOOD-DT - NBC	Basic (HD Only)
790	Versus HD	Exp Basic (HD Only)
791	FS Detroit - HD	Exp Basic (HD Only)
792	Palladia	HD Ultra View
793	Universal HD	HD Ultra View
794	A&E HD	Exp Basic (HD Only)
795	History Channel HD	Exp Basic (HD Only)
796	TLC HD	Exp Basic (HD Only)
797	Discovery HD	Exp Basic (HD Only)
798	Animal Planet HD	Exp Basic (HD Only)
903	MC - Hit List	Music Audio (Digital Converter)
904	MC - Hip-Hop and R&B	Music Audio (Digital Converter)
905	MC - MixTape	Music Audio (Digital Converter)
906	MC - Dance/Electronica	Music Audio (Digital Converter)
907	MC - Rap	Music Audio (Digital Converter)
908	MC - Hip-Hop Classics	Music Audio (Digital Converter)
909	MC - Throwback Jamz	Music Audio (Digital Converter)
910	MC - R&B Classics	Music Audio (Digital Converter)
911	MC - R&B & Soul	Music Audio (Digital Converter)
912	MC - Gospel	Music Audio (Digital Converter)
913	MC - Reggae	Music Audio (Digital Converter)
914	MC - Classic Rock	Music Audio (Digital Converter)
915	MC - Retro Rock	Music Audio (Digital Converter)
916	MC - Rock	Music Audio (Digital Converter)
917	MC - Metal	Music Audio (Digital Converter)
918	MC - Alternative	Music Audio (Digital Converter)

919	MC - Classic Alternative	Music Audio (Digital Converter)
920	MC - Adult Alternative	Music Audio (Digital Converter)
921	MC - Soft Rock	Music Audio (Digital Converter)
922	MC - Pop Hits	Music Audio (Digital Converter)
924	MC - 80s	Music Audio (Digital Converter)
925	MC - 70s	Music Audio (Digital Converter)
926	MC - Solid Gold Oldies	Music Audio (Digital Converter)
927	MC - Party Favorites	Music Audio (Digital Converter)
928	MC - Stage & Screen	Music Audio (Digital Converter)
929	MC - Kidz Only!	Music Audio (Digital Converter)
930	MC - Toddler Tunes	Music Audio (Digital Converter)
931	MC - Today's Country	Music Audio (Digital Converter)
932	MC - True Country	Music Audio (Digital Converter)
933	MC - Classic Country	Music Audio (Digital Converter)
934	MC - Contemporary Christian	Music Audio (Digital Converter)
935	MC - Sound of the Seasons	Music Audio (Digital Converter)
936	MC - Soundscapes	Music Audio (Digital Converter)
937	MC - Smooth Jazz	Music Audio (Digital Converter)
938	MC - Jazz	Music Audio (Digital Converter)
939	MC - Blues	Music Audio (Digital Converter)
940	MC - Singers & Swing	Music Audio (Digital Converter)
941	MC - Easy Listening	Music Audio (Digital Converter)
942	MC - Classical Masterpieces	Music Audio (Digital Converter)
943	MC - Light Classical	Music Audio (Digital Converter)
944	MC - Musica Urbana	Music Audio (Digital Converter)
945	MC - Pop Latino	Music Audio (Digital Converter)
946	MC - Tropicales	Music Audio (Digital Converter)
947	MC - Mexicana	Music Audio (Digital Converter)
948	MC - Romances	Music Audio (Digital Converter)
991	P.E.G. -	Basic (Digital Only)
993	P.E.G. -	Basic (Digital Only)
994	P.E.G. -	Basic (Digital Only)
995	Michigan Government TV	Basic (Digital Only)
996	CSPAN3	Basic (Digital Only)
997	CSPAN2	Basic (Digital Only)

Exhibit C - SLA

CHARTER BUSINESS® SERVICE LEVEL ATTACHMENT

ATTACHMENT 1 TO

Service Order dated

Under the

SERVICES AGREEMENT

BY AND BETWEEN AND

DATED

(This Attachment 1 applies only to fiber-based internet/data Services.)

1. **Charter Business Network Operations Center: 866.603.3199**

Charter Business® ("Charter") operates and maintains the Charter Business Network Operations Center ("CB NOC"), which is staffed 24 hours a day, 7 days a week, 365 days a year. To report suspected problems with your fiber-based Service(s) call the Charter Business Network Operations Center for support - 866.603.3199.

a. Trouble Reporting Process. Provide the following information when calling the CB NOC:

- Company name
- Your name
- Your phone number
- Customer trouble ticket number
- Fiber/Service origination and termination locations including provided site IDs
- Time of trouble onset
- Customer Contact name and number
- Customer account number
- Nature of observed trouble
- Is Service(s) released for testing?

Once our CB NOC representative has received all of this information, a Customer Trouble Ticket will be assigned and investigation of your report will begin. After the status of your report has been determined, the CB NOC will contact your designated contact individual at the appropriate number to discuss the findings.

If necessary, Charter shall endeavor to have a maintenance employee at the Service Location requiring unscheduled maintenance work, within four (4) hours after the time Charter becomes aware of an event requiring such unscheduled maintenance, unless delayed by circumstances beyond the reasonable control of Charter. In the event that any maintenance hereunder requires a traffic/truck roll or reconfiguration involving cable, fiber, electronic equipment, or regeneration or other facilities of the Customer, then Customer shall, at Charter's reasonable request, make such personnel of Customer available as may be necessary in order to accomplish such maintenance. Such Customer personnel shall coordinate and cooperate with Charter in performing such maintenance as required of Charter hereunder. In event it is determined that any trouble resulting in a traffic/truck roll was necessitated/caused by Customer or its agents or contractors, Charter shall have the right to charge and Customer shall pay Charter's then current rates for such traffic/truck roll and associated work.

b. Charter Business Network Operations Center Escalation List. The purpose of escalations is to ensure that adequate resources are mobilized quickly and tracked appropriately and that the underlying Service issue is resolved in the shortest possible time. To that end, the CB NOC provides an escalation list to our customers and service partners for the purpose of escalations within the CB NOC. Customer shall utilize the CB NOC Escalation List, as updated from time to time, to report and seek immediate initial redress for Service exceptions observed/experienced. The current CB NOC Escalation List is on the following page.

CHARTER BUSINESS NETWORK OPERATIONS CENTER ESCALATION LIST

Table 1.

Escalation Level	Charter Business NOC: 866-603-3199 Name/Title/Email	Contact Numbers
1st Level 1 Hour	CB NOC Lead Engineer	866.603.3199
2nd Level 2 Hours	CB NOC Supervisor	866.603.3199
3rd Level 3 Hours	CB NOC Manager Tony Barcellona tbarcellona@chartercom.com	502.420.7467 office 502.442.4494 cell
4th Level 4 Hours	CB NOC Director Dan Davidson daniel.davidson@chartercom.com	502.420.7419 office 502.619.2799 cell
5th Level 6 Hours	VP Network Ops & Engineer Services Keith Hayes keith.hayes@chartercom.com	303.323.1347 office 770.378.3595 cell

2. **Service Interruption Credits**. For each affected fiber optic-based Service (*i.e.,* circuit) at a Service Location, Customer shall be entitled to one (1) hour of service credit for each hour of Service Interruption provided that such Service Interruption: (a) exceeds four (4) consecutive hours, (b) is not caused by Customer, or its agents, employees, licensees, or contractors, or a Force Majeure Event, (c) is not caused by Customer-provided equipment or facilities beyond the demarcation point, (d) is not caused by scheduled maintenance, or (e) is reported to Charter within twenty-four (24) hours of the commencement of the interruption. Service Credits shall not apply to any period of time for which Charter is not granted access, if necessary, to the applicable Customer Site. A "Service Interruption" is the continuous period of time during which a respective Service is not provided substantially as ordered to one or more Customer Service Locations. A Service Interruption commences when Charter becomes aware of such Service Interruption of a Service and ends when the Service is operational and the Trouble Ticket is closed.

   * Service Credit = Per Hour Rate X (# of consecutive hours during Service Interruption)
   * Per Hour Rate = Per Day Rate/24
   * Per Day Rate = Monthly Service Charge/30
   (30 = average days in one [1] month)

   Any Service interruption that exceeds a consecutive period of twelve (12) hours shall be considered an outage for one (1) twenty-four hour day.

   Example:
   If Customer is paying a $10,000 Monthly Service Fee and a Service Interruption of one (1) day (or 24 hours) occurs, the Service Credit shall be equal to $333.33 and shall be applied on the billing cycle following the date Charter makes its credit determination:

   Per Day Rate = $10,000/30 days = $333.33, Per Hour Rate = $333.33/24 hours = $13.89
   Service Credit = 1 day X $333.33 = $333.33 OR 24 hours X $13.89 = $333.33

   Service credits will be based on the Customer's Monthly Service Fee for those Sites and specific Services affected by the Service Interruption. Non-recurring, equipment and usage-based charges are excluded.

3. **Preventative, Emergency and Demand Maintenance.**

   a. Preventative Maintenance. "Preventative Maintenance" refers to upgrades, and or routine maintenance or necessary alteration/repair of hardware or software or upgrades to increase capacity. Preventative Maintenance may temporarily degrade the quality of the service, including possible outages. Preventative Maintenance shall be undertaken only between the hours of 00:00:01 and 06:00:00 Local Time. Charter shall endeavor to provide at least three (3) days prior notice to the other Party of Preventative Maintenance.

   b. *Emergency Maintenance (Unscheduled Maintenance or Repair). "Emergency Maintenance" shall mean repair work not reasonably anticipated but which requires immediate action to restore network connectivity, use or efforts to correct network conditions that are likely to cause a material service*

outage, or address any issue reasonably observed as a threat to Charter resources (person, equipment or facility). Work to address an Emergency Maintenance situation may degrade the quality of or cause outages in the services. Charter may undertake Emergency Maintenance at any time deemed necessary but shall make commercially reasonable efforts to perform such maintenance within the hours identified for Preventative Maintenance if possible. Charter shall provide notice of Emergency Maintenance to Customer as soon as is commercially practicable under the circumstances, and when reasonably possible, in advance. Whenever prior notice is given, Customer agrees to acknowledge notice of the emergency event in a reasonable period of time and will take necessary steps to notify key personnel internally in order for Charter to correct or repair the affected area.

c. Demand Maintenance. "Demand Maintenance" is work necessary to restore service to one or more end-users of Charter and/or maintenance work required when a deficiency is found when performing Preventative Maintenance work. *Charter may undertake Demand Maintenance immediately. Charter shall provide notice of Demand Maintenance to Customer as soon as is commercially practicable under the circumstances.*

d. Notification. Charter shall provide Customer with notice of Preventative Maintenance or as soon as possible in the case of Emergency or Demand Maintenance to the following by means of electronic mail notification and telephone:

Customer:	Name: _____	E-Mail: _____
	Phone: _____	Alt. Phone: _____

Customer shall notify Charter of any failure, interruption or impairment of the Service, or any event imminently likely to cause the failure, interruption or impairment in the operation of Service for which it is aware.

Additionally. Customer shall notify Charter in advance any time Customer has knowledge that another person or entity is anticipated to engage in construction activities or otherwise dig within five (5) feet of the Cable.

Charter Business Network Operations Center (CB NOC):

Phone: 866.603.3199 ***Email: CBNOC@chartercom.com***

Customer shall have the right to be present, at its sole cost and expense, during the performance of any Maintenance so long as this requirement does not interfere with Charter's ability to perform its obligations under this Agreement. In the event that Maintenance is canceled or delayed for whatever reason as previously notified, Charter shall notify Customer at Charter's earliest opportunity, and will comply with the provisions of the previous sentence to reschedule any delayed activity.

PRICING TABLES
Attachment C from RFP
Commercial Broadband Services Cost Models

Provide monthly pricing detail for Commercial Broadband Services including all one-time and recurring charges for the items below that you would like to bid on.

Provide Pricing as follows, identifying proposed Uplink and Downlink speeds, with a minimum Uplink speed of 1MB and a minimum Downlink speed of 2MB. Add rows and columns as necessary.

We have provided budgetary pricing below for coax Internet. One-time charges and construction costs will vary depending on the number of sites and services ordered for a specific project.

Internet delivered via COAX (Cable Modems)

[within COAX internet serviceable areas]

Per month charge $	One Time Charges	Uplink 512K	Uplink _2 MB	Uplink _3__MB	Uplink __5_MB	Uplink __5_MB	Construction Costs	**Static IPs**
Downlink _5__ MB	$99	$54.99					ICB	
Downlink 16 MB	$99		$63.99				ICB	
Downlink _25 MB	$99			$103.99			ICB	
Downlink _50 MB	$99				$151.99		ICB	
Downlink _100 MB	$99					$271.99	ICB	

# of Static IPs	Per Month Charge
/30	$8.00
/29	$20.00
/28	$40.00
/27	$70.00
/26	$100.00
/25	$140.00

Attachment C Continued

Commercial Broadband Services Cost Models

We have provided budgetary pricing below for fiber Internet. One-time charges and construction costs will vary depending on the number of sites and services ordered for a specific project.

Internet delivered via Fiber (includes /28 Static IPs)

Per month charge $	One Time Charges	Uplink 2 MB	Uplink 3 MB	Uplink 4 MB	Uplink 5 MB	Construction costs
Downlink 2 MB	$1,000	$ 450				ICB
Downlink 3 MB	$1,000		$ 500			ICB
Downlink 4 MB	$1,000			$565		ICB
Downlink 5 MB	$1,000				$ 592	ICB

Internet delivered via Fiber (includes /28 Static IPs)

Per month charge $	One Time Charges	Uplink 10 MB	Uplink 20 MB	Uplink 30 MB	Uplink 50 MB	Uplink 100 MB	Construction costs
Downlink 10 MB	$1,000	$764					ICB
Downlink 20 MB	$1,000		$994				ICB
Downlink 30 MB	$1,000			$1,178			ICB
Downlink 50 MB	$1,000				$1,815		ICB
Downlink 100 MB	$1,000					$2,675	ICB

Attachment C Continued

Commercial Broadband Services Cost Models

We have provided budgetary pricing below for fiber WAN services. One-time charges and construction costs will vary depending on the number of sites and services ordered for a specific project. Please reference Exhibit A2 for fiber network design.

Fiber WAN (Point to Point)

Per month charge $	One Time Charges	Uplink 5 MB	Uplink 10 MB	Uplink 20 MB	Uplink 30 MB	Uplink 50 MB	Construction costs covered by Charter Communications
Downlink 5 MB	$1,000	$ 450					ICB
Downlink 10 MB	$1,000		$ 697				ICB
Downlink 20 MB	$1,000			$ 793			ICB
Downlink 30 MB	$1,000				$873		ICB
Downlink 50 MB	$1,000					$994	ICB

1Gig option into Lansing, MRC: $4,000

Charter Business Ethernet delivered on Coax (Point to Point)

Per month charge $	One Time Charges	Uplink 512 K MB	Uplink 1 MB	Uplink 2 MB
Downlink 512K	$99	$59.49		
Downlink 1 MB	$99		$84.99	
Downlink 2 MB	$99			$118.99

Attachment D
Cable TV Services Cost Model

Provide monthly pricing detail for Cable TV Services including all one-time and recurring charges. Cable TV Services pricing in addition to the Basic Cable Service should be put in the spread sheet as add on pricing.

Provide pricing for Cable TV Services as follows. Add rows and columns as necessary.

Contract Pricing For Cable TV Services

Within the Charter service area

County	City	Basic Cable	Expanded Basic Cable	Installation	Digital Receiver*	Construction Costs
See map	See map	$23.99	$41.59	$99	$7.00	ICB

**Additional fee for HD receiver*

Attachment E
Basic Internet Access Services Cost Model

Provide monthly pricing detail for Basic Internet Access Services including all one-time and recurring charges. Provide pricing for Basic Internet Access Services as follows. Add rows and columns as necessary.

Contract Pricing For Basic Internet Access Services

We have provided budgetary pricing below for coax Internet. One-time charges and construction costs will vary depending on the number of sites and services ordered for a specific project.

Internet delivered via COAX (Cable Modems)

[within COAX internet serviceable areas]

Per month charge $	One Time Charges	Uplink 512K	Uplink _2 MB	Uplink _3__MB	Uplink __5_MB	Uplink __5_MB	Construction Costs
Downlink _5__ MB	$99	$54.99					ICB
Downlink 16 MB	$99		$63.99				ICB
Downlink _25 MB	$99			$103.99			ICB
Downlink _50 MB	$99				$151.99		ICB
Downlink _100 MB	$99					$271.99	ICB

Static IPs

# of Static IPs	Per Month Charge
/30	$8.00
/29	$20.00
/28	$40.00
/27	$70.00
/26	$100.00
/25	$140.00