

Amendment Number One
to
Contract Number DIR-TEX-AN-NG-CTSA-007
between
State of Texas, acting by and through the Department of Information Resources
and
Level 3 Communications, LLC.

This Amendment Number One to Tex-AN-NG Contract Number DIR-TEX-AN-NG-CTSA-007 ("Contract") is between the Department of Information Resources ("DIR") and Level 3 Communications, LLC ("Vendor"). DIR and Vendor agree to modify the terms and conditions of the Contract dated August 24, 2011 as follows:

1. Section 11.03 Termination of the CTSA, (c) termination for non-appropriation of funds is hereby replaced in its entirety as follows:

(1) DIR, in its capacity as a direct Customer to Vendor.

All Purchase Orders under this CTSA are subject to termination, either in whole or in part, without penalty to DIR or the State, as a result of non-appropriation of State funds allocated to DIR. DIR is a State agency whose authority and appropriations are subject to actions of the Texas Legislature and appropriate State executive officers, and whose lack of funds from State sources is subject to governmental action. If DIR becomes subject to a legislative, executive or other appropriate governmental body change, revocation of statutory authority, lack of appropriated funds which ceases to fund DIR's participation under the CTSA beyond the then-current budget period, Purchase Orders under this CTSA will be terminated by DIR, either in whole or in part, under this *Section 11.03 (c)(1)*, without penalty to, or other liability of DIR and the State. DIR will make a commercially reasonable effort to provide at least thirty (30) Business Days prior notice to Vendor of any non-appropriation of State funds that would entitle DIR to terminate pursuant to this *Section 11.03 (c)(1)*.

(2) DIR, on behalf of Customers, in its capacity pursuant to Chapter 2170, Texas Government Code.

Vendor and DIR agree that when DIR is acting in its capacity pursuant to Chapter 2170, Texas Government Code, it acts and issues Purchase Orders under this CTSA on behalf of Customers. All Purchase Orders under this CTSA are subject to termination, in whole or in part, without penalty to DIR, the State or any affected Customer, as a result of non-appropriation of Customer funds. Customers under this CTSA are state agencies and local governmental entities whose appropriations are subject to actions of the respective governing bodies for such government Customers. If a Customer(s) becomes subject to an act of non-appropriation of funds which ceases to fund Customer(s) participation under this CTSA beyond the then-

current budget period, the Customer(s) participation under a Purchase Order under this CTSA will be terminated by DIR, on behalf of such Customer(s), either in whole or in part, under this *section 11.03 (c)(2)*, without penalty to, or other liability of DIR, the State or the Customer(s) subject to the act of non-appropriation of funds. DIR will make a commercially reasonable effort to provide written notice to Vendor within ten (10) Business Days of DIR's receipt of notice of non-appropriation from a Customer that would entitle DIR to terminate pursuant to this *Section 11.03 (c)(2)*. Customers that are assistance organizations under Section 2170.004 (6), Texas Government Code and private institutions of higher education under Section 2170.004 (5), Texas Government Code do not have the authority to terminate their respective participation under the CTSA by reason of an act of non-appropriation.

- (3) Notwithstanding any termination pursuant to this Section 11.03(c), the applicable Purchase Orders shall remain in effect until the end of the then-current budget period.
2. The following Contract documents including all Attachments are hereby replaced in their entirety and restated. The Parties intend to substitute these sections into the original document for ease of use:
 - A. Exhibit C, Descriptions, Rates To DIR, Prices for direct sales transactions and related telecommunications fees and surcharges for Awarded Services, Exhibit A to Amendment One hereto.
3. All pricing with the updated Cost Recovery Fee (CRF), contained in Exhibit C, Descriptions, Rates To DIR, Prices for direct sales transactions and related telecommunications fees and surcharges for Awarded Services, will be effective on September 1, 2011.

All other terms and conditions of the Contract, not specifically modified herein, shall remain in full force and effect. In the event of conflict among the provisions, the order of precedence shall be this Amendment Number One and then the Contract.

THIS SECTION INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties hereby execute this amendment to be effective as of the date of last signature.

**The State of Texas, acting by and through
the Department of Information Resources**

Authorized By: Signature on File

Name: Karen Robinson

Title: Executive Director

Date: 12/07/2011

Office of General Counsel: Signature on File 12/02/2011

Level 3 Communications, LLC.

Authorized By: Signature on File

Name: Samantha T. Leapley

Title: Vice President, Legal

Date: 11/30/2011