

STATE OF OKLAHOMA
OFFICE OF STATE FINANCE

CONTRACT FOR CABLE REPAIR AND RELOCATION.

THIS CONTRACT is entered into this 7th day of August, 2011, by and between the State of Oklahoma acting by and through the Office of State Finance, hereinafter termed the "State: and

Telco Supply Company
PO BOX 775
Sulpher, Ok 73086

Party of the second part, hereinafter termed the "Contractor".

The parties agree as follows:

1. CONTRACT DOCUMENTS

This Contract shall be comprised of the following, in order of precedence:

- Oklahoma State Statutes
- This Contract
- Oklahoma's executed PeopleSoft Contract Document, as set forth in Attachment A.
- Oklahoma's Solicitation dated May 16, 2011, as set forth in Attachment B.
- Telco Supply Company's Technical Proposal Dated June 14, 2011 and Cost Proposal, as set forth as Attachment C.

Attachments shall have the same force and effect as of set forth within the body of this document.

1. SERVICES

Contractor shall provide the services and the deliverables defined in the State's Solicitation (Attachment B), and the Contractor's technical proposal (Attachment C). Services and deliverables will be inspected against the specifications and the Contract for conformance. Any variances suggested in the Contractor's proposal response have been addressed in this Contract, by either modification or no change, as mutually agreed. Telco Supply Company to be awarded: Inside Plant Areas: Oklahoma City area, Tulsa Area and Statewide; Customer Outside Plant: Emergency Restoration

This contract can be utilized by Oklahoma Office of State Finance, Oklahoma Department of Transportation, Oklahoma Turnpike Authority or OneNet each having authority over their specialized networks, systems, and projects

Contractor will report to, and receive instruction for proceeding, from the State's Project Management Team, regarding tasks to be performed under this contract.

The State reserves the right to demand that the Contractor replace any member of their project team with a properly qualified and skilled person.

The contract shall be for indefinite delivery and indefinite quantity for the products/services awarded.

2. TERM

This contract shall begin August 17, 2011 and shall end August 16, 2012, with four (4) one (1) year options to renew. The State, at its sole discretion, may choose to exercise an extension for a maximum of 90 days beyond the contract period, in accordance with the same terms and conditions. If this option is exercised, the state will notify the Contractor in writing prior to the contract end date.

3. CONTRACT MODIFICATION

The Contract is issued under the authority of the State personnel signing the Contract. The Contract may be modified only through a written Contract Modification, signed by the State. Any change to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the State in writing, or made unilaterally by the Contractor, is a breach of the Contract. Unless otherwise specified by applicable law or rules, such changes, including unauthorized written Contract Modifications, shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the Contract.

4. INVOICING AND PAYMENT

Contractor shall be paid upon submission of an accurate and proper invoice(s) to the agency (as defined by Title 62, Section 34.73), at the prices stipulated in the contract. Failure to provide accurate invoices may result in delay of processing invoices for payment. Pursuant to 74 O.S. §85.44(B), invoices will be paid in arrears after products have been delivered or services provided. Invoices shall contain the purchase order number.

Interest on late payments made by the State of Oklahoma is governed by 62 O.S. §34.71, §34.72 and §34.73, and other applicable Oklahoma State Statutes.

The Contractor will be paid on an hourly basis in accordance with the hourly rates and fee schedule included in Attachment "C".

Contractor shall submit invoices to the State. Travel reimbursement is not authorized under this contract.

The hourly rate and fee schedule for Year 1 renewal will not exceed the hourly rate and fees identified. If the state elects service after Year 1, the annual hourly fees and rate schedule shall not increase more than the lower of the CPI% or 3% (whichever is less) over the previous year's annual renewal fee.

Invoices shall be submitted to:

OFFICE OF STATE FINANCE - INFORMATION SERVICES DIVISION
ADMINISTRATION
3115 N CENTRAL AVENUE
OKLAHOMA CITY, OK 73105

Phone Number: (405)522-4667

Email: connie.holt@osf.ok.gov

5. TAX EXEMPTION

State agency acquisitions are exempt from sales taxes and federal excise taxes. Contractors shall not include these taxes in price quotes.

6. AUDIT AND RECORDS CLAUSE

As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form. In accepting any Contract with the State, the successful Contractor(s) agree any pertinent State or Federal agency will have the right to examine and audit all records relevant to execution and performance of the resultant Contract.

The Contractor is required to retain records relative to the Contract for the duration of the Contract and for a period of seven (7) years following completion and/or termination of the Contract. If an audit, litigation, or other action involving such records is started before the end of the seven (7) year period, the records are required to be maintained for two (2) years from the date that all issues arising out of the action are resolved, or until the end of the seven (7) year retention period, whichever is later.

7. NON-APPROPRIATION CLAUSE

The terms of any Contract resulting from the solicitation and any Purchase Order issued for multiple years under the Contract are contingent upon sufficient appropriations being made by the Legislature or other appropriate government entity. Notwithstanding any language to the contrary in the solicitation, purchase order, or any other Contract document, the State may terminate its obligations under the Contract if sufficient appropriations are not made by the Legislature or other appropriate governing entity to pay amounts due for multiple year agreements. The State's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final and binding.

8. CHOICE OF LAW

Any claims, disputes, or litigation relating to the solicitation, or the execution, interpretation, performance, or enforcement of the Contract shall be governed by the laws of the State of Oklahoma.

9. CHOICE OF VENUE

Venue for any action, claim, dispute or litigation relating in any way to the Contract shall be in Oklahoma County, Oklahoma.

10. TERMINATION FOR CAUSE

The Contractor may terminate the Contract for default or other just cause with both a 30-day written request and upon written approval from the State. The State may terminate the Contract for default or any other just cause upon a 30-day written notification to the Contractor.

The State may terminate the Contract immediately, without a 30-day written notice to the Contractor when violations are found, when conditions preclude the 30-day notice, or when the State determines that an administrative error occurred prior to Contract performance.

If the Contract is terminated, the State shall be liable only for payment for products and/or services delivered and accepted. Contractor's invoices will be paid through the effective date of termination, as provided by the State's written notification.

11. *TERMINATION FOR CONVENIENCE*

The State may terminate the contract, in whole or in part, for convenience if the State CIO determines that termination is in the State's best interest. The State shall terminate the contract by

delivering to the contractor a Notice of Termination for Convenience specifying the terms and effective date of contract termination. The contract termination date shall be a minimum of 60 days from the date the Notice of Termination for Convenience is issued by the State.

If the contract is terminated, the State shall be liable only for products and/or services delivered and accepted, and for costs and expenses (exclusive of profit) reasonably incurred prior to the date upon which the Notice of Termination for Convenience was received by the contractor.

12. *INSURANCE*

Contractor shall maintain and provide proof to the State of the following insurance during the term of this Contract:

- A. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
- B. Commercial General Liability Insurance on a per occurrence basis with limits of liability not less than \$1,000,000 per occurrence and aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage.
- C. Automobile Liability Insurance with limits of liability of not less than \$1,000,000 per occurrence combined single limit including Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
- D. Professional Errors and Omissions Insurance which shall include Consultant's Computer Errors and Omissions Coverage, with limits not less than \$1,000,000 per claim and in the aggregate.

13. *WARRANTY*

Labor and workmanship hereinafter specified and furnished shall be fully guaranteed by the Vendor for three (3) years from certificate of acceptance date against any defects. OSF will procure material with a warranty against defects for a total of one (1) year from date of installation. Defects which may occur as the result of faulty workmanship within one year (material) and three years after installation and acceptance by the State shall be corrected by The Vendor at no additional cost to the State of Oklahoma. The Vendor shall promptly, at no cost to State, correct or re-perform any non-conforming or defective work within one year after completion of the project of which the work is a part. The period of The Vendor's warranty for any item(s) so described herein are not exclusive remedies, and the State has recourse to any warranties of additional scope given by The Vendor to the State and all other remedies available at law or in equity. The Vendor's warranties shall commence with acceptance of/or payment for the work in full. The Vendor shall provide the State with a sample certification form to be submitted by The Vendor to the manufacturer to procure the manufacturer's certification and warranty. On completion of the work said certification and warranty will be provided to the State in writing before final payment is made to the Vendor. All electronics installed as part of this undertaking will have a five (5) year warranty from the manufacturer and said warranty will be in writing.

All equipment and/or material shall be new and come with a minimum one year warranty. The Vendor shall be the sole contact for all repairs/returns of items during the warranty period. The Vendor shall be responsible for all shipping, coordination of repair/return, obtaining RMA numbers, etc. The Vendor shall provide a name and phone number or e-mail address for the person who will be the focal point for

all actions pertaining to this contract.

The Vendor shall pass along to the State any additional warranties offered by the manufacturers, at no additional costs to the State, should said warranties extend beyond the period specified therein.

This warranty shall in no manner cover equipment that has been damaged or rendered unserviceable due to negligence, misuse, acts of vandalism, or tampering by the State or anyone other than employees or agents of The Vendor. The Vendor's obligation under its warranty is limited to the cost of repair of the warranted item or replacement thereof, at The Vendor's option. Insurance covering said equipment from damage or loss is to be borne by The Vendor until full acceptance of equipment and services.

14. *EMPLOYMENT RELATIONSHIP*

Contract award does not create an employment relationship. Individuals performing services required by this Contract are not employees of the State of Oklahoma. The Contractor's employees shall not be considered employees of the State of Oklahoma for any purpose, and shall not be eligible for rights or benefits accruing to state employees.

15. *COMPLIANCE WITH THE OKLAHOMA TAXPAYER AND CITIZEN PROTECTION ACT OF 2007*

The Contractor certifies that they, and any proposed subcontractors, are in compliance with 25 O.S. §1313 and participate in the Status Verification System. The Status Verification System is defined in 25 O.S. §1312 and includes but is not limited to the free Employment Verification Program (E-Verify) available at www.dhs.gov/E-Verify.

16. *COMPLIANCE WITH APPLICABLE LAWS*

The products and services supplied under the Contract shall comply with all applicable federal, state and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

17. *GRATUITIES*

A contract may be terminated if the Contracting Officer determines that the successful contractor, or its agent or another representative offered or gave a gratuity (e.g., an entertainment or gift) to an officer, official, or employee of the State of Oklahoma, involved with this project. Furthermore a contractor convicted of such violation may also be suspended or debarred.

18. *MUTUAL RESPONSIBILITIES*

The State and Contractor agree that under this Contract:

Neither party grants the other the right to use any trademarks, trade names, or other designations in any promotion or publication without express written consent by the other party.

This is a non-exclusive Contract and each party is free to enter into similar Contracts with others.

Each party grants the other only the licenses and rights specified. No other licenses or rights (including licenses or rights under patents) are granted.

Where approval, acceptance, consent or similar action by either party is required under this Contract, such action will not be unreasonably delayed or withheld.

19. *BACKGROUND CHECKS AND VERIFICATIONS*

At the sole discretion of the State, Contractor may be subject to user background checks, depending on the information systems the Contractor accesses or types of data the State provides. Contractor must submit the required background check information to the State in a timely manner. The State may not allow access prior to completion of user background verification.

20. *CONFIDENTIALITY*

By virtue of this agreement, the parties may have access to certain information which is confidential and may not be disclosed, including trade secrets, proprietary and financial information, personal identifying information and health records pertaining to individuals, State security information, and other types of information prohibited from disclosure by law ("confidential information"). Both parties agree to disclose to our employees, agents, and subcontractors only the confidential information which is required for the performance of obligations under this agreement.

Any information relating to any claimed trade secrets and proprietary and financial information which contractor desires to keep confidential shall be clearly marked and designated in writing as confidential before it is disclosed. Such contractor designations of confidentiality shall not be conclusive that the information contained in such marked documents may not be disclosed or that it is legally privileged or confidential. Further, such designations and disclosure of confidential information are subject to the requirements of the laws of the State of Oklahoma, including but not limited to, the State Purchasing Director's authority to grant or reject requests for financial or proprietary information pursuant to 74 O.S. § 85.10.

A party's confidential information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party. Further, nothing contained in this agreement shall prevent either party from disclosing the terms, pricing or orders submitted under this agreement.

The parties each agree to hold each the other's confidential information in confidence for a period of three years from the date of disclosure, unless longer periods are otherwise required by law. Contractor acknowledges that the State is a public body that is subject to the Oklahoma Open Records Act, 51 O.S. §§ 24A.1—24A.2951 (the "Open Records Act") requiring public disclosure of information and records used or received by a public body, except where specific state or federal statutes create a confidential privilege. Therefore, notwithstanding any contrary provision in this agreement, information concerning this agreement, including information the State receives which contractor has marked as confidential, may be subject to public disclosure pursuant to the Open Records Act. Additionally, pursuant to title 62 O.S. § 34.12.C., the State agencies shall not be required to disclose, directly or indirectly, any information of a State agency which is declared to be confidential or privileged by state or federal statute or the disclosure of which is restricted by agreement with the United States or one of its agencies, nor disclose information technology system details that may permit the access to confidential information or any information affecting personal security, personal identity, or physical security of state assets.

This nondisclosure and confidentiality provision does not authorize the withholding of any information pursuant to a proper request from the Legislature, any committee or subcommittee thereof, another State agency, the State Attorney General, or a court order from a court or tribunal of competent jurisdiction in connection with a legal proceeding related to this agreement, or as otherwise authorized by law or regulation.

Neither this agreement nor any disclosure of any information made under it grants the other party any right or license under any trademark, copyright or patent now or subsequently owned or controlled by the disclosing party, unless the parties mutually agree in a writing signed by each of the parties' authorized representatives that any such trademark, copyright or patent shall be developed for or transferred to the other.

This agreement does not require either party to disclose or to receive confidential information. The receipt of confidential information under this agreement will not in any way limit the parties from: (a) receiving from or providing to others products or services which may be competitive with products or services of the disclosing party; (b) receiving from or providing products or services to others who compete with the disclosing party; or (c) reasonably assigning its employees in accordance with this agreement..

21. ELECTRONIC AND INFORMATION TECHNOLOGY ACCESSIBILITY

Pursuant to Title 74, Section 85.7d and OAC 580:15-6-21 electronic and information technology procurements, solicitations, agreements, and contracts shall comply with applicable Oklahoma Information Technology Accessibility Standards issued by the Oklahoma Office of State Finance.

"Any document delivered by a vendor to the State of Oklahoma as a part of a contract, must be provided in an electronic format. All electronic documents, in addition to other information technology, produced as a part of a contract with the State, must comply with all applicable provisions of the Oklahoma Information Technology Accessibility Standards as published by the Office of State Finance. The standards may be located at http://www.ok.gov/OSF/documents/isd_itas.doc.

The State will not accept any IT project as complete, including the development of an electronic document, until it has been validated as in compliance with all applicable State of Oklahoma IT Accessibility Standards and compliance documentation has been supplied to the State by the vendor."

1) For Information Technology or Communications Products, Systems and Applications not requiring development and/or customization. The Contractor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system, or application by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request.

The Contractor shall indemnify and hold harmless the State of Oklahoma and any Oklahoma Government entity purchasing the products, systems, or applications not requiring development and/or customized by the Contractor from any claim arising out of the Contractor's failure to comply with applicable Oklahoma Information Technology Accessibility Standards subsequent to providing certification of compliance to such Standards.

2) For Information Technology or Communications Products, Systems or Applications requiring development and/or customization. The Contractor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system, or application developed and/or customized by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request. Additional requirements and documentation may be required and compliance will be necessary on the Contractor's part. Such requirements will be stated in documents such as State Bids, Request for Proposals, Contracts, Agreements, Purchase Orders, and Amendments.

The Contractor shall indemnify and hold harmless the State of Oklahoma and any Oklahoma Government entity purchasing the products, systems, or applications from the Contractor, from any claim arising out of the Contractor's failure to comply with applicable Oklahoma Information Technology Accessibility Standards subsequent to providing certification of compliance to such Standards. However, the Contractor shall no longer have an obligation to indemnify the State for liability resulting from products, systems or applications developed and/or customized that are not in compliance with applicable Oklahoma Information Technology Accessibility Standards ("Standards") after the State has tested and confirmed that the product, system or application meets the accessibility requirements in the Standards.

22. PATENTS AND COPYRIGHTS

If in the performance of this contract, contractor uses any Product covered by a third party's patent or copyright, it is mutually agreed and understood without exception that the contractor's contract prices

shall include all royalties or costs charged by the third party arising from the use of such patent or copyright. If such royalties or costs are not covered in the contractor contract price, Contractor's obligations are as outlined immediately below.

If a third party claims that a Product the Contractor provides to the State infringes that party's patent or copyright, Contractor will defend the State against that claim at Contractor's expense and pay all costs, damages, and attorney's fees that a court finally awards, provided that the State: (i) promptly notifies Contractor in writing of the claim; and (ii) to the extent authorized by the Attorney General of the State Oklahoma, allows Contractor to control, and cooperates with Contractor in, the defense and any related settlement negotiations; provided however, that if the Attorney General of the State of Oklahoma does not authorize Contractor to have sole control of the defense and any related settlement negotiations, then to the extent allowed by Oklahoma law, Contractor shall have no obligation to indemnify the State of Oklahoma under this Section.

Contractor has no obligation regarding any claim based on any of the following: (i) anything the State provides which is incorporated into a Product; (ii) modification of a Product by any party other than Contractor, Contractor's representative, Contractor's Subcontractor, or any State employee acting at the Contractor's Direction, or a Program's use in other than its Specified Operating Environment; (iii) the combination, operation, or use of a Product with other Products not provided by Contractor as a system, or the combination, operation or use of a Product with any product, data, or apparatus that Contractor did not provide; or (iv) infringement by a non-Contractor Product alone, as opposed to its combination with Products Contractor provides to the State as a system.

23. EQUAL OPPORTUNITY AND DISCRIMINATION

The Contractor certifies that they are an Equal Opportunity Employer, a provider of services and/or assistance, and is in compliance with the 1964 Civil Rights Act, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, as amended and Executive Orders 11246 and 11375. The provider assures compliance with the Americans with Disabilities Act of 1990 (Public Law 101-336), all amendments to, and all requirements imposed by the regulations issued pursuant to this act.

24. LOBBYING

The Contractor certifies compliance with the Anti-Lobbying law, Section 1325, Title 31 of the U.S. Code, and implemented at 45 CFR Part 93, for persons entering into a grant or cooperative agreement over \$100,000.00 as defined at 45 CFR 93, Section 93.105 and 93.110.

25. DRUG-FREE WORKPLACE

The Contractor certifies compliance in providing or continuing to provide a drug-free workplace in accordance with the Drug-Free Workplace Act of 1988, and implemented at 45 CFR part 76, Subpart F, for grantees, as defined at 45 CFR Part 76, Sections 76.605 and 76.610.

26. ENVIRONMENTAL PROTECTION

If the payments pursuant to the contract are expected to exceed \$100,000.00, then the Contractor must comply with the Section 306 of the Clean Air Act (42 U.S.C. 1857 (L)), Section 508 of the Clean Water Act (33 U.S.C. 1638), Executive Order 11738, and Environmental Protection Agency Regulations (40 C.F.R Part 15), which prohibit the use under nonexempt Federal contract, grant or loans of facilities included on the EPA List of Violating Facilities.

27. ASSIGNMENT

Contractor's obligations under this contract may not be assigned or transferred to any other person, firm, or corporation without the prior written consent of the State.

28. SEVERABILITY

If any provision for this contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

29. FAILURE TO ENFORCE

Failure by the State of Oklahoma at any time to enforce the provisions of the contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the contract or any part thereof or the right of the State of Oklahoma to enforce any provisions at any time in accordance with its terms.

30. LICENSED SOFTWARE

Under no circumstances will the Contractor be required to install or maintain software packages that it has reason to believe are not properly licensed.

All software/software licensing previously installed by the agency remains the responsibility of the agency.

31. CONFLICT OF INTEREST

Contractor must disclose any contractual relationship or any other relevant contact with any state personnel, or other State contractors involved in the development of the request for proposal (RFP) resulting in this Contract. Any conflict of interest shall, at the sole discretion of State, be grounds for termination of project involvement; provided that such termination must be made within a reasonable time after disclosure of such relationship or contact.

In addition to any requirements of law or through a professional code of ethics or conduct, the Contractor and their employees performing services for the State are required to disclose any outside activities or interest that conflict or may conflict with the best interests of the State. Further, such employees shall not plan, prepare, or engage in any activity that conflicts or may conflict with the best interests of the State of Oklahoma during the period of this Contract without prior written approval of the State. Prompt disclosure is required under this paragraph if the activity or interest is related, directly or indirectly, to any person or entity currently under contract with or seeking to do business with the State, its employees, other third-party individuals, or entities holding contracts with the State.

32. LIMITATION OF LIABILITY

To the extent any limitation of liability contained herein is construed by a court of competent jurisdiction to be a limitation of liability in violation of Oklahoma law, such limitation of liability shall be void.

33. OFFSHORE SERVICES

No offshore services are provided for under this contract.

34. FAILURE TO PROVIDE

The contractor's repeated failure to provide defined services, without reasonable basis as determined by the State of Oklahoma, shall constitute a material breach of the contractor's obligations, which may result in cancellation of the contract.

35. AGENCY POLICIES

The contractor's employees and subcontractors must adhere to the State's policies pertaining to acceptable use of Internet and electronic mail, facility and data security, press releases, and public relations. It is up to the Contractor(s) to review and discuss State policies covering the above to the consulting staff.

36. OWNERSHIP RIGHTS

It is understood and agreed that the Software developed by the Contractor is for the sole and exclusive use of the State. Moreover, except with regard to any deliverable based on Contractor's reusable or pre-existing intellectual property ("Utilities"), the State shall be deemed the sole and exclusive owner of all right, title, and interest therein, including all copyright and proprietary rights relating thereto.

Except for any Utilities, all work performed by Contractor of Software and any supporting documentation therefore shall be considered as Works for Hire (as such are defined under the U.S. Copyright Laws) and, as such, shall be opened by and for the benefit of State of Oklahoma.

Contractor will deliver to the State of Oklahoma all work documents and products and final deliverables in electronic format. The State of Oklahoma will have exclusive rights to the use and ownership of these materials.

The Contractor shall certify in writing: 1) that all of the copies and partial copies of the State's documents (which is confidential and proprietary information) in their possession or control, have been deleted from all computers and storage devices (including any backup or archival copies), 2) have been returned to the State or destroyed, and 3) are no longer in use by the Contractor, the Contractor's affiliates, or other party to whom the Contractor granted access to such information.

37. RIGHT TO RENEGOTIATE

Prior to exercising the State's right to cancel a contract, the State may renegotiate an existing contract with a Contractor for the purpose of obtaining more favorable terms for the State, provided that the term of the contract is not modified.

38. DELIVERY AND INSPECTION

Unless otherwise specified in the solicitation or awarding documents, all deliveries shall be F.O.B. Destination. The Contractor shall prepay all packaging, handling, shipping and delivery charges and firm prices quoted in the bid shall include all such charges. All products and/or services to be delivered pursuant to the Contract shall be subject to final inspection and acceptance by the State at destination. "Destination" shall mean delivered to the receiving dock or other point specified in the purchase order. The State assumes no responsibility for goods until accepted by the State at the receiving point in good condition. Title and risk of loss or damage to all items shall be the responsibility of the supplier until accepted by the receiving agency. The Contractor shall be responsible for filing, processing, and collecting any and all damage claims accruing prior to acceptance.

Inspection and Acceptance will be at destination and upon successful installation unless otherwise provided. Title to/or risk of loss or damage to all items shall be the responsibility of the successful vendor until acceptance by the State unless loss or damage result from negligence by the State. If the materials or services supplied to the State are found to be defective or not conform to the specifications, the State reserves the right to cancel the contract upon written notice to the Vendor and return products at the Vendor's expense based upon the terms of the Contract.

The State of Oklahoma shall at all times have access to the work in preparation or progress and the Vendor shall provide proper facilities for such access and for inspection.

Upon request the Vendor shall not close up any work until the State has inspected the work. Should the Vendor close up the work prior to inspection by the State, the Vendor shall uncover the work for inspection by the State at no cost to the State and then recover the work according to the specification(s) contained herein.

The Vendor shall notify the State in writing when the work is ready for inspection. The State will inspect the work as expeditiously as possible after receipt of notification from the Vendor. Any delay experienced by the vendor due to delayed response from the State will not be held against The Vendor in determining success of meeting established deadlines.

39. CONTRACTORS AND SUBCONTRACTORS OBLIGATIONS\

Sub-Contractors can be used for specialized installation support such as asphalt, concrete laying, welding or building repair etc. The project designer shall identify and clearly state in each individual project design when a Sub-Contractor will be utilized and the task they will perform. The State reserves the right to approve any and all sub-contractors providing services under this Contract. The State of Oklahoma reserves the right to reject any Sub-Contractor without explanation or recourse by the Vendor or Sub-Contractor. All payments for Products or Services shall be made directly to the Contractor.

All Contractor(s) and sub-contractor(s) changes after award, including changes of the actual employees performing services on this contract, are subject to approval by the State. No payments will be made to the Contractor(s) for services performed pursuant to this Contract by unapproved employees of Contractor(s) or sub-contractor.

Contractor's employees or agents, if any, who perform services for the State under this Agreement shall also be bound by the provisions of this Agreement. At the request of the State, Contractor shall provide adequate evidence that such persons are their employees or agents. In accordance with the section on "Employment Relationship", the State shall not be responsible to Contractor's employees for any employee benefit or any obligation relating to employment, including health insurance benefits, workers' compensation insurance, paid vacation, or any other employee benefit.

40. OKLAHOMA'S AUTHORIZED REPRESENTATIVES

For this Contract, the Contact Personnel Authorized to Bind the State of Oklahoma are:

Contact Official:

Joseph Fleckinger
Deputy Director of Information Technology and
Director of Information Services Division
3115 North Lincoln Boulevard
Oklahoma City, OK 73105
Phone Number: 405-522-4026
Facsimile: 405-522-3042
Email: joe.fleckinger@osf.ok.gov

42. NOTICES

Any notice, request or other communication to either party by the other as provided for in this Contract shall be given in writing, and sent by: (a) hand-delivery, (b) first class United States mail, return receipt

requested, or (c) overnight delivery service, and shall be deemed given upon actual receipt by the addressee. Notice may also be given by facsimile or e-mail, provided the original is sent by any manner above described. All notices shall be addressed as follows:

If to Oklahoma

Joseph Fleckinger
Deputy Director of Information Technology and
Director of Information Services Division
3115 North Lincoln Boulevard
Oklahoma City, OK 73105
Phone Number: 405-522-4026
Facsimile: 405-522-3042
Email: joe.fleckinger@osf.ok.gov

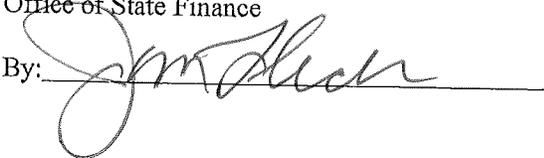
If to Contractor: Telco Supply Company
 P.O. Box 775
 Sulfur, Oklahoma 73086
 Attention: Jack Hester
 Telephone: 580-622-2170
 Facsimile: 580-622-2451
 E-mail: jhester@brightok.net

Either party may change the recipient or address for receiving notices upon written notice to the other party.

By signing this contract, the Contractor certifies that he has not been involved in any manner in the development of this contract while employed by the State of Oklahoma to fulfill any of the services provided for under this contract. Contractor also certifies that he has not been employed with the Office of State Finance as an employee of the state within the last year (twelve months).

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be executed by their duly authorized representatives as of the date written above.

The State of Oklahoma
Office of State Finance

By: _____


Name: Joseph M. Fleckinger
Deputy Director of Information Technology

Title: _____

Date: 8/22/11

Telco Supply Company

By: *Jack O. Hester*

Name: Jack O. Hester

Title: Executive Vice-President

Date: 8/15/2011