

CONTRACT AMENDMENT NO. 2
CONTRACT FOR Montana Women's Prison Television Programming Services
CONTRACT # COR2017-0030V

This CONTRACT AMENDMENT #2 is to amend the above-referenced contract between the State of Montana, Department of Corrections, (STATE), whose address and phone number are 5 S. Last Chance Gulch, Helena, MT 59601, 406-444-4931 and Ar's and Yours Cable Company, Inc., (CONTRACTOR), whose address and phone number are 4162 Monroe Street, Toledo, OH, 43606 and 419-472-6200. This Contract is amended for the following purpose(s):

1) In accordance with Contract Section 3.2, additional channels and equipment to support these channels will be installed per the following:

- Ⓞ Installation of all necessary equipment to launch an additional sixteen (16) cable channels to the existing twenty-eight (28) channel cable TV System.
- Ⓞ Total number of TV Channels after addition will be forty-four (44)
- Ⓞ Total cost for installation and equipment to add the channels is a one-time charge \$8,800.00 (\$550.00 per channel)
- Ⓞ Monthly bill will not change provided the sixteen (16) cable channels of choice to be added are selected from MWP Substitute Channel List.

Except as modified above, all other terms and conditions of Contract COR2017-0030V remain unchanged.

STATE OF MONTANA
Department of Corrections
5 North Last Chance Gulch
Helena, MT 59601

Ar's and Yours Cable Company, Inc.
4162 Monroe St.
Toledo, OH 43606
FEDERAL ID # 34-1768638

BY: Lorraine Wodnik

BY: walter Schweickert President

(Name/ Title)
DocuSigned by:
Lorraine Wodnik
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(Signature)

(Name/ Title)
DocuSigned by:
Walter Schweickert
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(Signature)

DATE: 8/21/2017

DATE: 8/21/2017

Approved as to Legal Content:

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Colleen Ambrose 8/18/2017
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Legal Counsel (Date)

Approved as to Form:

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Rick Donnell 8/17/2017
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Procurement Officer (Date)
State Procurement Bureau

**Montana Women's Prison Television Programming Services
COR2017-0030V**

THIS CONTRACT is entered into by and between the State of Montana, Department of Corrections, (State), whose address and phone number are 5 S. Last Chance Gulch, Helena, MT 59601, 406-444-4931 and Ar's and Yours Cable Company, Inc., (Contractor), whose address and phone number are 4162 Monroe Street, Toledo, OH 43606 and 419-472-6200.

1. EFFECTIVE DATE, DURATION, AND RENEWAL

1.1 Contract Term. The Contract's initial term is January 1, 2017, through December 31, 2019, unless terminated earlier as provided in this Contract. In no event is this Contract binding on State unless State's authorized representative has signed it. The legal counsel signature approving legal content of the Contract and the procurement officer signature approving the form of the Contract do not constitute an authorized signature.

1.2 Contract Renewal. State may renew this Contract under its then-existing terms and conditions (subject to potential cost adjustments described below in section 2) in two-year intervals, or any interval that is advantageous to State. This Contract, including any renewals, may not exceed a total of Seven (7) years.

2. COST ADJUSTMENTS

2.1 Cost Adjustments Negotiated Based on Changes in Contractor's Costs. After the Contract's initial term and if State agrees to a renewal, the parties may negotiate cost adjustments at the time of Contract renewal. Any cost increases must be based on demonstrated industrywide or regional increases in Contractor's costs. State is not obligated to agree upon a renewal or a cost increase.

3. SERVICES AND/OR SUPPLIES

Contractor shall provide State the following:

All required equipment, installation, programming, training, and repair services at MWP.

MWP will provide a secure point of service location and power. A standalone computer, provided by MWP, will be placed at the point of service location for uploading MWP information and playing VCR/DVD media. A minimum of four (4) on-site channels must be incorporated with this system to relay this VCR/DVD media.

3.1 Overview.

3.1.1 Definitions:

| | |
|----------------------------|--|
| Drop | One drop is considered a TV programming hook-up site, installed at Montana Women's Prison. Some cells are considered one drop, although two (2) individual TVs may be hooked to the one site using a splitter. |
| Headend (FROM THE HEADEND) | Service from the point of service to the inmate housing unit drops. |
| Headend (TO THE HEADEND) | Service from the contractor's location to the point of service located at MWP. |
| MWP | Montana Women's Prison |
| Point of Service | Physical area located at MWP where the equipment will be housed to provide the programming service to inmate housing unit drops. |

Public Drop

These sites have the potential for more than one individual to view at a time.

3.1.2 MWP Drops. MWP currently has a total of 130 drops which are capable of providing TV programming service (total of 222 connection points with splitters being used).

3.1.2.1 Adding/Deleting Drops. MWP reserves the right to add or delete drops upon need, change, and/or growth of institution. Building drop changes will only be done with the written authority of authorized MWP staff.

3.1.3 Minimum Acceptable Programming. At a minimum, the programming and requirements listed below will be considered the "basic package".

3.1.3.1 Local Channels (Billings, MT).

- PBS
- CBS
- NBC
- FOX
- ABC
- CW Network

3.1.3.2 Required Channels. The following 22 channels must be provided:

- A & E - Arts & Entertainment
- AMC – American Movie Classics
- Animal Planet
- CMT – Country Music Television
- CNN – Cable News Network
- Comedy
- Discovery
- ESPN
- ESPN2
- Fox News
- FX
- Hallmark
- History
- Hallmark Movie Channel
- TLC - The Learning Channel
- Sci-Fi
- Spike TV
- TCM – Turner Classic Movies
- TBS – Turner Broadcasting Station
- TNT – Turner Network Television
- TV Land
- USA

3.1.4 MWP Channels. Contractor must integrate a minimum of four (4) MWP programming channels and have the ability to expand, upon request, the programming package. A standalone computer, provided by MWP, will be placed at the point of service for uploading MWP information. All required software, computer requirements, receivers, etc. to operate these channels must be noted. This equipment will be provided and maintained by MWP. Any required receivers, modulators, etc., would be the responsibility of the successful Bidder. These MWP channels must have the ability to broadcast media from an MWP provided VCR/ DVD player.

3.2 Additional Programming Options.

3.2.1 Changes to Programming Channels. MWP may choose to substitute channels to the basic package after initial installation but during the course of the contract. There will be no administrative fees or surcharges for changes to the available programming lineup found in the Substitute Channel List.

3.3 Special Requirements.

3.3.1 Programming Content Controls. Contractor must provide MWP staff the ability to temporarily “lock-out” programming deemed unacceptable by MWP staff, but not completely remove the channel. It is of the utmost importance that MWP staff be able to selectively block programming on channels but not completely remove the channels. Some programming content, although acceptable and appropriate to the general public, is not acceptable in the correctional facility or conducive to treatment goals. Costs associated with the programming content controls must be included in the basic programming monthly cost.

Contractor must supply MWP, at no additional cost to MWP, a hard-copy programming guide for all channels MWP will be receiving. These guides must be supplied a minimum of one (1) week prior to the programming dates. This will be necessary to allow for staff to monitor and “lock-out” inappropriate programming as described above.

3.4 Equipment.

3.4.1 Basic Equipment Requirements. Contractor must provide all equipment necessary to provide the programming services to MWP. MWP intends to provide enclosed space, climate control, electricity, and phone connection to house any required equipment to provide this service. Any equipment upgrades to contractor provided equipment required during the course of this contract, including renewals, will be the contractor's responsibility with no additional cost to MWP.

Any antenna/satellite that would need to be installed on the cap of the roof must abide by all Billings City Codes as well as county/federal that are applicable within the city limits. The roof cap is within 150 feet of the equipment room located inside Montana Women's prison.

3.5 Repair and Maintenance. The contractor is responsible for all labor, material, cabling, and replacement parts necessary to keep the system and equipment in good working condition. Repair and replacement due to damage caused by an inmate, staff member or another contractor, shall not be the responsibility of the contractor, and shall be billed separately to MWP.

Upon contract award, the contractor is required to provide names, titles, and contact numbers for all individuals in the escalation hierarchy.

MWP requires an Ar's and Yours technician to clean equipment as need twice per contract year. Preferably once in mid-year and once at end of year.

3.6 Training. Contractor shall provide training to MWP staff; the training must include, but is not limited to:

- proper use of a signal strength meter
- proper placement of amplifiers to boost signals that are too weak
- FCC requirements
- Utilizing programming content controls

Training may be done in conjunction with the initial setup and installation. There shall be no additional cost for training.

MWP staff may contact contractor for additional technical suggestions and recommendations.

4. WARRANTIES

4.1 Warranty of Products. Contractor warrants that the products supplied conform to the specifications requested, are fit and sufficient for the purpose manufactured, are of good material and workmanship, and are free from defect. The length of warranty may vary by product. Contractor further warrants that the products are new and unused and of the latest model or manufacture, unless State specifies otherwise. Contractor acknowledges that exceptions will be rejected.

4.2 Warranty For Services. Contractor warrants that it performs all services using reasonable care and skill and according to its current description (including any completion criteria) contained in this Contract. State agrees to provide timely written notice of any failure to comply with this warranty so that Contractor can take corrective action.

5. CONSIDERATION/PAYMENT

5.1 Payment Schedule. In consideration of the services to be provided, State shall pay Contractor according to the following schedule: Net 30 days after receipt of properly submitted invoice.

Monthly rate for initial term of contract is \$2,217.00 per month

5.2 Withholding of Payment. In addition to its other remedies under this Contract, at law, or in equity, State may withhold payments to Contractor if Contractor has breached this Contract. Such withholding may not be greater than, in the aggregate, 15% of the total value of the subject statement of work or applicable contract.

5.3 Payment Terms. Unless otherwise noted in the solicitation document, State has thirty (30) days to pay invoices, as allowed by 17-8-242, MCA. Contractor shall provide banking information at the time of Contract execution in order to facilitate State's electronic funds transfer payments.

5.4 Reference to Contract. The Contract number MUST appear on all invoices, packing lists, packages, and correspondence pertaining to the Contract. If the number is not provided, State is not obligated to pay the invoice.

6. PREVAILING WAGE REQUIREMENTS

6.1 Montana Resident Preference. The nature of the work performed, or services provided, under this Contract meets the statutory definition of a "public works contract" in 18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of \$25,000 for construction or nonconstruction services. Contractor shall abide by the requirements set out in 18-2-401 through 18-2-432, MCA, and all administrative rules adopted under these statutes.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with 18-2-403 and 18-2-409, MCA. Any and all questions concerning prevailing wage and Montana resident issues should be directed to the Montana Department of Labor and Industry.

6.2 Standard Prevailing Rate of Wages. In addition, unless superseded by federal law, all employees working on a public works contract must be paid prevailing wage rates in accordance with 18-2-401 through 18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in 18-2-401, MCA, in which the total cost of the contract is greater than \$25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract.

The standard prevailing rate of wages paid to workers under this Contract must be adjusted 12 months after the date of the award of the public works contract per 18-2-417, MCA. The amount of the adjustment must be a 3% increase. The adjustment must be made and applied every 12 months for the term of the Contract. This adjustment is the sole responsibility of Contractor and no cost adjustment in this Contract will be allowed to fulfill this requirement.

Because this Contract has an initial term of 36 months with optional renewals, this Contract is subject to the 3% adjustment when the Contract length becomes more than 30 months. The 3% rate increase becomes effective upon the second renewal, and the 3% is paid starting in the third year of the Contract beginning with the 25th month. The adjustment must be made and applied every 12 months for the term of the Contract. This adjustment is the sole responsibility of Contractor and no cost adjustment in this Contract will be allowed to fulfill this requirement.

6.3 Notice of Wages and Benefits. Furthermore, 18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with 18-2-423, MCA.

6.4 Wage Rates, Pay Schedule, and Records. 18-2-423, MCA, requires that employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer shall maintain payroll records in a manner readily capable of being certified for submission under 18-2-423, MCA, for not less than three years after the contractor's, subcontractor's, or employer's completion of work on the public works contract.

7. ACCESS AND RETENTION OF RECORDS

7.1 Access to Records. Contractor shall provide State, Legislative Auditor, or their authorized agents access to any records necessary to determine Contract compliance. State may terminate this Contract under section 15, Contract Termination, without incurring liability, for Contractor's refusal to allow access as required by this section. (18-1-118, MCA.)

7.2 Retention Period. Contractor shall create and retain all records supporting the services rendered for a period of eight years after either the completion date of this Contract or termination of the Contract.

8. ASSIGNMENT, TRANSFER, AND SUBCONTRACTING

Contractor may not assign, transfer, or subcontract any portion of this Contract without State's prior written consent. (18-4-141, MCA) Contractor is responsible to State for the acts and omissions of all subcontractors or agents and of persons directly or indirectly employed by such subcontractors, and for the acts and omissions of persons employed directly by Contractor. No contractual relationships exist between any subcontractor and State under this Contract.

9. **HOLD HARMLESS/INDEMNIFICATION**

Contractor agrees to protect, defend, and save State, its elected and appointed officials, agents, and employees, while acting within the scope of their duties as such, harmless from and against all claims, demands, causes of action of any kind or character, including the cost of defense thereof, arising in favor of Contractor's employees or third parties on account of bodily or personal injuries, death, or damage to property arising out of services performed or omissions of services or in any way resulting from the acts or omissions of Contractor and/or its agents, employees, representatives, assigns, subcontractors, except the sole negligence of State, under this Contract.

10. **REQUIRED INSURANCE**

10.1 General Requirements. Contractor shall maintain for the duration of this Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by Contractor, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

10.2 Primary Insurance. Contractor's insurance coverage shall be primary insurance with respect to State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by State, its officers, officials, employees, or volunteers shall be excess of Contractor's insurance and shall not contribute with it.

10.3 Specific Requirements for Commercial General Liability. Contractor shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for liability arising out of activities performed by or on behalf of Contractor, including the insured's general supervision of Contractor, products, and completed operations, and the premises owned, leased, occupied, or used.

10.4 Specific Requirements for Automobile Liability. Contractor shall purchase and maintain coverage with split limits of \$500,000 per person (personal injury), \$1,000,000 per accident occurrence (personal injury), and \$100,000 per accident occurrence (property damage), OR combined single limits of \$1,000,000 per occurrence to cover such claims as may be caused by any act, omission, or negligence of Contractor or its officers, agents, representatives, assigns, or subcontractors.

State, its officers, officials, employees, and volunteers are to be covered and listed as additional insureds for automobiles leased, owned, or borrowed by Contractor.

10.6 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be declared to and approved by State. At the request of State either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects State, its officers, officials, employees, or volunteers; or (2) at the expense of Contractor, Contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

10.7 Certificate of Insurance/Endorsements. A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverages has been received by State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135. *The certificates must name the State of Montana as certificate holder and Contractor shall provide copies of additional insured endorsements required by Contractor's commercial general liability and automobile liability policies.*

Contractor must notify State immediately of any material change in insurance coverage, such as changes in limits, coverages, change in status of policy, etc. State reserves the right to require complete copies of insurance policies at all times.

11. COMPLIANCE WITH WORKERS' COMPENSATION ACT

Contractor shall comply with the provisions of the Montana Workers' Compensation Act while performing work for State of Montana in accordance with 39-71-401, 39-71-405, and 39-71-417, MCA. Proof of compliance must be in the form of workers' compensation insurance, an independent contractor's exemption, or documentation of corporate officer status. Neither Contractor nor its employees are State employees. This insurance/exemption must be valid for the entire Contract term and any renewal. Upon expiration, a renewal document must be sent to State Procurement Bureau, P.O. Box 200135, Helena, MT 59620-0135.

12. COMPLIANCE WITH LAWS

Contractor shall, in performance of work under this Contract, fully comply with all applicable federal, state, or local laws, rules, regulations, and executive orders including but not limited to, the Montana Human Rights Act, the Equal Pay Act of 1963, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973. Contractor is the employer for the purpose of providing healthcare benefits and paying any applicable penalties, fees and taxes under the Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119]. CONTRACTOR will comply with the Prison Rape Elimination Act 42 U.S.C.A. § 15601ff, the Prison Rape Elimination Act final rule 28 CFR Part 115, MDOC Policy 1.3.14, Prison Rape Elimination Act, and ACCD 1.3.1400 PREA to include incident reporting. CONTRACTOR shall establish a zero tolerance policy to incidents of sexual assault/rape or sexual misconduct. Any subletting or subcontracting by Contractor subjects subcontractors to the same provisions. In accordance with 49-3-207, MCA, and Executive Order No. 04-2016 Contractor agrees that the hiring of persons to perform this Contract will be made on the basis of merit and qualifications and there will be no discrimination based on race, color, sex, pregnancy, childbirth or medical conditions related to pregnancy or childbirth, political or religious affiliation or ideas, culture, creed, social origin or condition, genetic information, sexual orientation, gender identity or expression, national origin, ancestry, age, disability, military service or veteran status, or marital status by the persons performing this Contract.

13. DISABILITY ACCOMMODATIONS

State does not discriminate on the basis of disability in admission to, access to, or operations of its programs, services, or activities. Individuals who need aids, alternative document formats, or services for effective communications or other disability related accommodations in the programs and services offered are invited to make their needs and preferences known to this office. Interested parties should provide as much advance notice as possible.

14. REGISTRATION WITH THE SECRETARY OF STATE

Any business intending to transact business in Montana must register with the Secretary of State. Businesses that are incorporated in another state or country, but which are conducting activity in Montana, must determine whether they are transacting business in Montana in accordance with 35-1-1026 and 35-8-1001, MCA. Such businesses may want to obtain the guidance of their attorney or accountant to determine whether their activity is considered transacting business.

If businesses determine that they are transacting business in Montana, they must register with the Secretary of State and obtain a certificate of authority to demonstrate that they are in good standing in Montana. To obtain registration materials, call the Office of the Secretary of State at (406) 444-3665, or visit their website at <http://sos.mt.gov>.

15. CONTRACT TERMINATION

15.1 Termination for Cause with Notice to Cure Requirement. State may terminate this Contract in whole or in part for Contractor's failure to materially perform any of the services, duties, terms, or conditions contained in this Contract after giving Contractor written notice of the stated failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 30 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

15.2 Termination for Cause with Notice to Cure Requirement. Contractor may terminate this Contract for State's failure to perform any of its duties under this Contract after giving State written notice of the failure. The written notice must demand performance of the stated failure within a specified period of time of not less than 90 days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

15.3 Reduction of Funding. State must by law terminate this Contract if funds are not appropriated or otherwise made available to support State's continuation of performance of this Contract in a subsequent fiscal period. (18-4-313(4), MCA) If state or federal government funds are not appropriated or otherwise made available through the state budgeting process to support continued performance of this Contract (whether at an initial contract payment level or any contract increases to that initial level) in subsequent fiscal periods, State shall terminate this Contract as required by law. State shall provide Contractor the date State's termination shall take effect. State shall not be liable to Contractor for any payment that would have been payable had the Contract not been terminated under this provision. As stated above, State shall be liable to Contractor only for the payment, or prorated portion of that payment, owed to Contractor up to the date State's termination takes effect. This is Contractor's sole remedy. State shall not be liable to Contractor for any other payments or damages arising from termination under this section, including but not limited to general, special, or consequential damages such as lost profits or revenues.

16. EVENT OF BREACH – REMEDIES

16.1 Event of Breach by Contractor. Any one or more of the following Contractor acts or omissions constitute an event of material breach under this Contract:

- Products or services furnished fail to conform to any requirement;
- Failure to submit any report required by this Contract;
- Failure to perform any of the other terms and conditions of this Contract, including but not limited to beginning work under this Contract without prior State approval or breaching Section 21.1, Technical or Contractual Problems, obligations; or
- Voluntary or involuntary bankruptcy or receivership.

16.2 Event of Breach by State. State's failure to perform any material terms or conditions of this Contract constitutes an event of breach.

16.3 Actions in Event of Breach. Upon Contractor's material breach, State may:

- Terminate this Contract under Section 15.1, Termination for Cause with Notice to Cure and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and pursue any of its remedies under this Contract, at law, or in equity.

Upon State's material breach, Contractor may:

- Terminate this Contract under Section 15.2, Termination for Cause with Notice to Cure, and pursue any of its remedies under this Contract, at law, or in equity; or
- Treat this Contract as materially breached and, except as the remedy is limited in this Contract, pursue any of its remedies under this Contract, at law, or in equity.

17. FORCE MAJEURE

Neither party is responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party uses its best efforts to remedy such failure or delays. A party affected by a force majeure condition shall provide written notice to the other party within a reasonable time of the onset of the condition. In no event, however, shall the notice be provided later than five working days after the onset. If the notice is not provided within the five-day period, then a party may not claim a force majeure event. A force majeure condition suspends a party's obligations under this Contract, unless the parties mutually agree that the obligation is excused because of the condition.

18. WAIVER OF BREACH

Either party's failure to enforce any contract provisions after any event of breach is not a waiver of its right to enforce the provisions and exercise appropriate remedies if the breach occurs again. Neither party may assert the defense of waiver in these situations.

19. CONFORMANCE WITH CONTRACT

No alteration of the terms, conditions, delivery, price, quality, quantities, or specifications of the Contract shall be granted without the State Procurement Bureau's prior written consent. Product or services provided that do not conform to the Contract terms, conditions, and specifications may be rejected and returned at Contractor's expense.

20. LIAISONS AND SERVICE OF NOTICES

20.1 Contract Liaisons. All project management and coordination on State's behalf must be through a single point of contact designated as State's liaison. Contractor shall designate a liaison that will provide the single point of contact for management and coordination of Contractor's work. All work performed under this Contract must be coordinated between State's liaison and Contractor's liaison.

Robert Paul is State's liaison
701 South 27th St.
Billings, MT 59101
Telephone: 406-247-5121
E-mail: bpaul@mt.gov

Walt Schweickert is Contractor's liaison
4162 Monroe St.
Toledo, OH 43606
Telephone: 800-288-8848
Cell Phone:
Fax: 419-472-8655
E-mail: walt@arsandyours.com

20.2 Notifications. State's liaison and Contractor's liaison may be changed by written notice to the other party. Written notices, requests, or complaints must first be directed to the liaison. Notice may be provided by personal service, mail, or facsimile. If notice is provided by personal service or facsimile, the notice is effective upon receipt; if notice is provided by mail, the notice is effective within three business days of mailing. A signed and dated acknowledgement of the notice is required of both parties.

21. MEETINGS

21.1 Technical or Contractual Problems. Contractor shall meet with State's personnel, or designated representatives, to resolve technical or contractual problems occurring during the Contract term or to discuss the progress made by Contractor and State in the performance of their respective obligations, at no additional cost to the State. State may request the meetings as problems arise and will be coordinated by State. State shall provide Contractor a minimum of three full working days' notice of

meeting date, time, and location. Face-to-face meetings are desired; however, at Contractor's option and expense, a conference call meeting may be substituted. Contractor's consistent failure to participate in problem resolution meetings, Contractor missing or rescheduling two consecutive meetings, or Contractor's failure to make a good faith effort to resolve problems may result in termination of the Contract.

21.2 Failure to Notify. If Contractor fails to specify in writing any problem or circumstance that materially affects the costs of its delivery of services or products, including a material breach by State, about which Contractor knew or reasonably should have known with respect to the period during the term covered by Contractor's status report, Contractor shall not be entitled to rely upon such problem or circumstance as a purported justification for an increase in the price for the agreed upon scope.

21.3 State's Failure or Delay. For a problem or circumstance identified in Contractor's status report in which Contractor claims was the result of State's failure or delay in discharging any State obligation, State shall review same and determine if such problem or circumstance was in fact the result of such failure or delay. If State agrees as to the cause of such problem or circumstance, then the parties shall extend any deadlines or due dates affected thereby, and provide for any additional charges by Contractor. This is Contractor's sole remedy. If State does not agree as to the cause of such problem or circumstance, the parties shall each attempt to resolve the problem or circumstance in a manner satisfactory to both parties.

22. TRANSITION ASSISTANCE

If this Contract is not renewed at the end of this term, if the Contract is otherwise terminated before project completion, or if particular work on a project is terminated for any reason, Contractor shall provide transition assistance for a reasonable, mutually agreed period of time after the expiration or termination of this Contract or particular work under this Contract. The purpose of this assistance is to allow for the expired or terminated portion of the services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such services to State or its designees. The parties agree that such transition assistance is governed by the terms and conditions of this Contract, except for those terms or conditions that do not reasonably apply to such transition assistance. State shall pay Contractor for any resources utilized in performing such transition assistance at the most current Contract rates. If State terminates a project or this Contract for cause, then State may offset the cost of paying Contractor for the additional resources Contractor utilized in providing transition assistance with any damages State may have sustained as a result of Contractor's breach.

23. CHOICE OF LAW AND VENUE

Montana law governs this Contract. The parties agree that any litigation concerning this bid, proposal, or this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees.

24. TAX EXEMPTION

State of Montana is exempt from Federal Excise Taxes (#81-0302402) except as otherwise provided in the federal Patient Protection and Affordable Care Act [P.L. 111-148, 124 Stat. 119].

25. AUTHORITY

This Contract is issued under authority of Title 18, Montana Code Annotated, and the Administrative Rules of Montana, Title 2, chapter 5.

26. SEVERABILITY