



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Purchase Order

PURCHASE ORDER NO.
 LDPHONE8

PAGE
 1

BLANKET RELEASE
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CORRECT PURCHASE ORDER NUMBER
 MUST APPEAR ON ALL PACKAGES,
 INVOICES, AND SHIPPING PAPERS.
 QUESTIONS CONCERNING THIS PUR-
 CHASE ORDER SHOULD BE DIRECTED
 TO THE BUYER AS NOTED BELOW.

CHANGE ORDER
 2

SEE REVERSE SIDE FOR
 TERMS AND CONDITIONS

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

AGENCY COPY

*C13112236 304-720-6460
 METHOD ONE COMMUNICATIONS
 403 PENNSYLVANIA AVE
 CHARLESTON WV 25302

ALL STATE AGENCIES
 AND POLITICAL SUBDIVISIONS
 VARIOUS LOCALES AS INDICATED
 BY ORDER

DATE PRINTED		TERMS OF SALE		FEIN/SSN		FUND	
04/04/2011		NET 30		743088181			
SHIP VIA		F.O.B.		FREIGHT TERMS		ACCOUNT NUMBER	
BEST WAY		DESTINATION		PREPAID		MUL-MUL	
LINE	QUANTITY	UOP	VENDOR ITEM NO.	UNIT PRICE	AMOUNT		
	DELIVERY DATE	CAT. NO.	ITEM NUMBER				
0001	01/01/2008	EA	915-77	.00000			
TELEPHONE SERVICES, LOCAL AND LONG DISTANCE							
CHANGE ORDER #02							
UPDATED PRICING SUMMARY: SEE ATTACHED:							
EFFECTIVE: FEBRUARY 1, 2011							
PREVIOUS PO TOTAL ==>				OPEN	END		
PO NET CHANGE (+) ==>							
					OPEN END		
					TOTAL		

PURCHASING DIVISION
 CERTIFIED ENCUMBERED
 APR - 5 2011
Beverly Toler

IF APPROVAL AS TO FORM IS REQUIRED BY ATTORNEY GENERAL, CHECK HERE

Dwayne Wayfield

APPROVED AS TO FORM BY
 ASSISTANT ATTORNEY GENERAL

BUYER 42
Robert Wagner
 PURCHASING DIVISION AUTHORIZED SIGNATURE

304-558-8802

GENERAL TERMS & CONDITIONS PURCHASE ORDER/CONTRACT

1. **ACCEPTANCE:** Seller shall be bound by this order and its terms and conditions upon receipt of this order.
2. **APPLICABLE LAW:** The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
3. **NON-FUNDING:** All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the terms of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
4. **COMPLIANCE:** Seller shall comply with all federal, state and local laws, regulations and ordinances including, but not limited to, the prevailing wage rates of the WV Division of Labor.
5. **MODIFICATIONS:** This writing is the parties' final expression of intent. No modification of this order shall be binding unless agreed to in writing by the Buyer.
6. **ASSIGNMENT:** Neither this Order nor any monies due, or to become due hereunder may be assigned by the Seller without the Buyer's consent.
7. **WARRANTY:** The Seller expressly warrants that the goods and/or services covered by this order will:
(a) conform to the specifications, drawings, samples or other description furnished or specified by the Buyer; (b) be merchantable and fit for the purpose intended; and/or (c) be free from defect in material and workmanship.
8. **CANCELLATION:** The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
9. **SHIPPING, BILLING & PRICES:** Prices are those stated in this order. No price increase will be accepted without written authority from the Buyer. All goods or services shall be shipped on or before the date specified in this Order.
10. **LATE PAYMENTS:** Payments may only be made after the delivery of goods or services. Interest may be paid on late payments in accordance with the *West Virginia Code*.
11. **TAXES:** The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
12. **RENEWAL:** Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at www.state.wv.us/admin/purchase/vrc/hipaa.htm and is hereby made part of the agreement provided that the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **CONFIDENTIALITY:** The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.
16. **LICENSING:** Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.
17. **ANTITRUST:** In accepting this purchase order or signing this contract with any agency for the State of West Virginia, the vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to vendor. Vendor certifies that this purchase order or contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law. Vendor further certifies that this purchase order or contract is in all respects fair and without collusion or fraud.

One source One solution
METHOD
COMMUNICATIONS

403 Pennsylvania Avenue
Charleston, WV 25302
304.720.6460 • 888.720.6460
www.method-one.net

Date: December 28, 2010

Jo Ann Adkins
Buyer Supervisor
Department of Administration, Purchasing Division
2019 Washington Street East
P.O. Box 50130
Charleston, WV 25305-0130

Subject: LDPHONET08 Rate Reduction

Dear Ms. Adkins:

Thank you for your guidance in the renewal process for the LDPHONET08 State of West Virginia contract. Method One Communications looks forward to continuing to serve the State of West Virginia in 2011 for Long Distance telecommunications services.

As discussed, Method One Communications has returned the Contract Renewal Form and Purchasing Affidavit dated December 1, 2010 from the West Virginia Division of Purchasing. Furthermore, beginning the renewal period itself on February 1, 2011, Method One Communications will institute a rate reduction that has been agreed upon by the West Virginia Office of Technology.

Method One Communications understands that this rate reduction is firm throughout the contract renewal period of February 1, 2011 through January 31, 2012.

A copy of the new rate schedule and reductions has been included for your records.

Please refer to the contract if you have any questions. I can be reached directly at 304.720.6460 x402 or through email at kmcrollin@method-one.net

Respectfully,

Kent C. McMillon
President

Enclosure

RECEIVED
2010 DEC 29 PM 2:28
METHOD ONE COMMUNICATIONS



Pricing Summary

The proposed pricing with TouchTone Communications is as follows:

PROPOSED CONTRACT PRICING FOR THE STATE OF W.V.

CPM

*LONG-DISTANCE

Peak/Off Peak

InterState Rates: - Outbound

\$0.0279 - 4 digit rounding

InterState Rates: - Inbound

\$0.0379 - 4 digit rounding

*LONG-DISTANCE

Peak/Off Peak

IntraState/LATA Rates: - Outbound (WV)

\$0.0379 - 4 digit rounding

IntraState/LATA Rates: - Inbound (WV)

\$0.0379 - 4 digit rounding

CALLING CARDS

Peak/Off Peak

Outbound Flat Rated

\$0.0500 - 4 digit rounding

Long-Distance Rates are the same for both dedicated and switched facilities.

SPIN:

173027542

Directory Assistance:

\$0.85

Toll Free MTC:

\$0.00

USF:

11%

Billing Increments:

Domestic

18¢

Dedicated

18¢

Switched

International

39¢

Mexico:

60¢/60

The Following is the Average Estimated Savings Analysis on the Proposed Rate Reduction (4 Month Average):

Estimated Monthly Savings of Rate Reduction:	\$3,595.93
Estimated Annual Savings of Rate Reduction:	\$43,151.16

Additional Incentives:

In the event an invoice is paid within 60 business days of confirmed receipt by the State of West Virginia, a 1.5% credit will be issued on the following billable invoice.

Example: The August 31, 2010 invoice was in the amount of \$115,375.05. An additional "early payment" incentive would be posted in the amount of \$1,730.63 on the following invoice in the event payment was received within 60 business days of confirmed receipt of the invoice by the WVOT.



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VENDOR

*C13112236 304-720-6460
 METHOD ONE COMMUNICATIONS
 403 PENNSYLVANIA AVE
 CHARLESTON WV 25302

SHIP TO

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SHIP VIA		F.O.B.		FREIGHT TERMS		ACCOUNT NUMBER	
BEST WAY		DESTINATION		PREPAID		MUL.-MUL.	
LINE	QUANTITY	UOP	VENDOR ITEM NO.	UNIT PRICE	AMOUNT		
	DELIVERY DATE	CATNO	ITEM NUMBER				
			RECEIPT TICKET FOR PURCHASE ORDER:		LDPHONE8		
0001		915-77	TELEPHONE SERVICES, LOCAL AND LONG		QTY	DATE	
			SIGNATURE _____			DATE _____	

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TOTAL

APPROVED AS TO FORM BY
 ASSISTANT ATTORNEY GENERAL

BY _____
 PURCHASING DIVISION AUTHORIZED SIGNATURE