

**FULLY EXECUTED - CHANGE 1****Contract Number: 4400008703**

Contract Change Effective Date: 08/27/2015

Valid From: 09/01/2011 To: 08/31/2016

All using Agencies of the Commonwealth, Participating Political
Subdivision, Authorities, Private Colleges and Universities

Your SAP Vendor Number with us: 101000**Purchasing Agent****Name: Reichard Kevin****Phone: 717-787-7547****Fax: 717-346-3820****Supplier Name/Address:**

PITNEY BOWES INC
37 EXECUTIVE DR
DANBURY CT 06810-4148 US

Supplier Phone Number: 877-213-7292**Please Deliver To:**

To be determined at
the time of the Purchase Order
unless specified below.

Contract Name:

Mailroom Equipment and Maintenance

Payment Terms

NET 30

Solicitation No.: 6100019305

Issuance Date: 07/21/2011

Supplier Bid or Proposal No. (if applicable): 6500040843

Solicitation Submission Date: 08/08/2011

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached
to this Contract or incorporated by reference.

Item	Material/Service Desc	Qty	UOM	Price	Per Unit	Total
1	Mailroom Equipment and Software	0.000		0.00	1	0.00
2	Mailroom Equipment Maintenance	0.000		0.00	1	0.00
3	Mailroom Furniture	0.000		0.00	1	0.00
5	Postage Meter Rental	0.000		0.00	1	0.00

General Requirements for all Items:**Information:**

Supplier's Signature _____

Printed Name _____

Title _____

Date _____

**FULLY EXECUTED - CHANGE 1****Contract Number: 4400008703**

Contract Change Effective Date: 08/27/2015

Valid From: 09/01/2011 To: 08/31/2016

Supplier Name:[PITNEY BOWES INC](#)**Header Text**

DGS Contact Information:

Susan L. Reinhold

Commodity Specialist

555 Walnut St., 6th Floor

Harrisburg, PA 17101-1914

717.703.2931

sureinhold@state.pa.us

Supply line deleted see Ammmendment 1

No further information for this Contract

Information:

**FULLY EXECUTED**
Contract Number: 4400008703

Contract Effective Date: 09/28/2011

Valid From: 09/01/2011 To: 08/31/2016

All using Agencies of the Commonwealth, Participating Political
Subdivision, Authorities, Private Colleges and Universities

Your SAP Vendor Number with us: 101000

Purchasing Agent

Name: Reinhold Susan

Phone: 717-703-2931

Fax: 717-783-6241

Supplier Name/Address:PITNEY BOWES INC
37 EXECUTIVE DR
DANBURY CT 06810-4147 US

Supplier Phone Number: 7579635400

Please Deliver To:To be determined at
the time of the Purchase Order
unless specified below.**Contract Name:**

Mailroom Equipment and Maintenance

Payment Terms

NET 30

Solicitation No.: 6100019305

Issuance Date: 07/21/2011

Supplier Bid or Proposal No. (if applicable): 6500040843

Solicitation Submission Date: 08/08/2011

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents
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Item	Material/Service Desc	Qty	UOM	Price	Per Unit	Total
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2	Mailroom Equipment Maintenance	0.000		0.00	1	0.00
3	Mailroom Furniture	0.000		0.00	1	0.00
4	Mailroom Supplies	0.000		0.00	1	0.00
5	Postage Meter Rental	0.000		0.00	1	0.00

General Requirements for all Items:**Information:**

Supplier's Signature _____

Printed Name _____

Title _____

Date _____



FULLY EXECUTED
Contract Number: 4400008703
Contract Effective Date: 09/28/2011
Valid From: 09/01/2011 To: 08/31/2016

Supplier Name:
PITNEY BOWES INC

Header Text

DGS Contact Information:

Susan L. Reinhold

Commodity Specialist

555 Walnut St., 6th Floor

Harrisburg, PA 17101-1914

717.703.2931

sureinhold@state.pa.us

No further information for this Contract

Information:

VENDOR INFORMATION - Complete the Green cells below	
Company Name:	Pitney Bowes
Vendor Number:	101 000 019
Contact Person:	Ken Beaton
Address:	Pitney Bowes One Global View Troy NY 12180
Phone Number:	518 210 9574
Fax Number:	203 460 3151
E-mail Address:	ken.beaton@pb.com
Number of Locations in PA:	12
Number of Employees in PA:	99

Group # 1 Mailroom Equipment and Dedicated Software

Mailroom Equipment / Software Manufacturer					Price List Identification and Date		Percent Discount
Pricelist							
1	Pitney Bowes	State of PA	GMS	8-1-11	16%		
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							

Group # 2 Mailroom Maintenance

After Hours Service Charges		
	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.	
	If you intended to offer After hours service please list the following on a per call basis	
	These charges will be invoiced on a per call basis.	
	Call out Charge	\$180 per hour plus parts
	Number of hours included in Call out Charge	First hour
	Charge per hour for additional hours	\$180.00
Standard Parts, Service Rate & Mantenence Contracts		
	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs	

Pricelist	Mailroom Maintenance Brand	Price List Identification and Date		Percent Discount
1	Pitney Bowes	State of PA	8-1-11	15%
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1	Pitney Bowes	State of PA 8-1-11	16%
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1	Pitney Bowes	State of PA 8-1-11	15%
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1	Pitney Bowes	State of PA 8-1-11	16%
2			
3			
4			
5			
6			
7			

8	
9	
10	
11	
12	

Rate Card

Vendor: Pitney Bowes ID # 101 000 019
Do you intend to offer leasing? yes / no

Lease with Fair Market Value Buy out Option

Term

Rate

36 Month

0.0342

48 Month

0.0277

60 Month

0.0237

Installment Purchase

Term

Rate

36 Month

0.0323

48 Month

0.0252

60 Month

0.0210

Equipment Lease / Installment Purchase Quote

Quote Date:

This sheet must accompany any other quote materials from the Vendor

Contracted Vendor

Agency

Location

Contact @ Agency

Lease or Installment Purchase

Term in Months (36, 48 ,60 etc.)

Lease

Cataloge Price

\$ -

Contract Discount

0%

Equipment Price

\$ -

Lease / Installment Factor

Montly Equipment Lease

\$ -

Postage Meter Rental

\$ -

Total Monthly Equipment Charge

\$ -

First year Maintenece

\$ -

Additional Years Maintanence

\$ -

Total Maintenance over term

\$ -

Monthly Maintenance Charge

#DIV/0!

Total Monthly Invoice Amount

#DIV/0!

Specification Part 1 MAILROOM EQUIPMENT

1. CALENDAR OF EVENTS

Event	Date
IFB package is posted to the Dept. of General Services (DGS) SRM website.	July 21, 2011
Pre- Bid Meeting will be held at BOP, 6th Floor, Forum Place, 555 Walnut Street Harrisburg, PA, Conference Room 1	July 27, 2011 10 AM
Deadline for receipt of bids	August 4, 2011 3:00 PM Electronic response

2. CONTRACT SCOPE/OVERVIEW

This Contract will cover the requirements for all using agencies for the purchase and lease of Mailroom Equipment including dedicated software, scales, openers, inserters, folders, folder/inserters, envelope addressing systems, tabbers, extractors, trackers, bursting equipment, pressure sealers, accessories, mailroom furniture, imprinting/endorsing equipment, design, training, and equipment maintenance. This Contract will also cover the rental of postage meters.

Items specifically *excluded* from this contract are paper stock, envelopes, forms of any type, and furniture for common office use not specifically applicable to mail room operations.

3. TERM OF CONTRACT

The term of the contract will be Five years.

4. CONTRACT REQUIREMENTS

United Postal Services (USPS) regulations require, postal meters cannot be owned by any Commonwealth Agency. Under USPS regulations, contractors under this contract must ensure that postage meters are in working order throughout the original and renewal rental/lease periods. The requirement that equipment be new does not pertain to postage meters.

Any Commonwealth agency using this contract will comply with the United Postal Services (USPS) regulations, including but not limited to the USPS Acknowledgement of Deposit when renting or leasing postage meters.

5. ELIGIBILITY

To qualify for an award, the bidder must be the manufacturer of the offered items or an authorized dealer or supplier of the manufacturer's product. If a bidder is not the manufacturer of the offered items, the bidder must include with its bid, a letter signed by the manufacturer or the manufacturer's representative. The letter must state that the bidder is authorized to sell said manufacturer's products and that the manufacturer will honor any responsibilities under the warranty for the products sold by the bidder if the bidder fails to perform such service and is authorized to bid on this contract. If the letter is not included with the bid this may result in the rejection of the bid.

6. PRICE

All bidders must complete the **Bidders Workbook** for each category they are bidding on. The price percentage discount listed on the price spreadsheet will be applied to the referenced catalog pricing to determine the final cost of the product or service.

Price percentages for all mailroom equipment, supplies, and accessories including maintenance repairs will be firm through the entire contract period including any extension, or renewal periods.

Most Favored Nation Pricing: If the bidder offers some items from a catalog to its best customers the bidder must offer those items to the Commonwealth at the same or lower price even if that price results in a greater discount than the bid discount.

Contract holders are required to submit to the Department of General Services updated postage meter pricing as updates are issued.

Once per year, on the anniversary date of the contract, Price List and Rate Card change requests may be submitted. The Department of General Services will review the request and will inform the bidder of its decision. The price list and rate card change requests must be submitted to the Department of General Services contracting officer in writing sixty (60) days prior to the anniversary of the effective date of the contract. Any price list and rate card changes, with the exception of updated postage meter pricing, must be approved by Department of General Services in writing in order to be effective. This also includes the price list changes for supplies, maintenance and repairs, and service. Price List addendums to add new models or delete obsolete models may be approved upon submission to the Commodity Specialist, but may not contain any Price increases on current prices.

Prices are net, F.O.B. destination to any point in the Commonwealth of Pennsylvania. Price shall also include installation and instruction of personnel, and one complete copy of the instruction manual.

7. ACQUISITION PLANS

The term of each pricing plan shall commence on the date the equipment is accepted by the Agency. The term shall continue for the period of time designated in the purchase order.

Contractors shall allow the following methods to procure equipment, in addition to the rental of postage meters:

- 36 Month lease with Fair Market Value Option at end of term
- 48 Month lease with Fair Market Value Option at end of term
- 60 Month lease with Fair Market Value Option to end of term
- 36 Month Installment Purchase
- 48 Month Installment Purchase
- 60 Month Installment Purchase
- Outright Purchase

System leases may not be renewed via this contract. Agencies must either exercise their purchase option or notify the contractor at least sixty (60) days prior to expiration of the lease to have the equipment removed.

Month to Month extension of a lease for up to 3 months will be allowed by mutual consent of the contractor and the using agency.

Under this contract the Contractors may offer provisions for a Coterminous Lease to the Commonwealth in addition to the listed financing options. The Coterminous Lease will allow agencies to acquire an accessory or new technology and have it added to an existing product during the life of the existing lease. A coterminous lease may not be used for additional stand alone equipment.

Example: If an agency would acquire an upgrade for a piece of equipment 14 months into an existing 60 month lease, the Coterminous Lease payments will end in 46 months and will be listed separately on the lease schedule.

All Lease / Installment purchase Quotes MUST be accompanied by a completed Quote form which is attached to the contract. Contractors may not change the quote form and the Equipment and Maintenance must be quoted as separate items as designated on the Quote form.

8. DELIVERY TIME

The contractor must deliver equipment within forty-five (45) working days after receipt of a purchase order, unless otherwise specified in the purchase order.

The contractor must notify the Agency if unable to deliver within forty-five (45) working days, or as otherwise specified in the purchase order.

If the contractor cannot meet the delivery time, the Agency, after consultation with the Department of General Services, will have the option to cancel or procure services or equipment from another supplier

9. INSTALLATION

The price shall include installation of all equipment to a fully operational status, including all costs for the installation of large equipment.

10. CATALOGS

It is the responsibility of the awarded contractor to furnish and distribute its Mail Equipment and Supplies catalogs to the using agencies upon request, including the referenced Manufacturer's Price List at no charge.

11. QUALITY AND RELIABILITY

The equipment must perform in an efficient manner with a minimum of down time. If equipment requires five (5) service calls for any service issues within a 60-day rolling time period, the bidder will be required to report this to the Department of General Services for review. If the Department of General Services determines that a using agency's system requires replacement, the bidder, after written notification from the agency, will replace the equipment without charge with an identical model or equipment with comparable features and capabilities. This policy shall apply to all equipment leased or purchased under this contract, and is in effect for the duration of the contract. If leased equipment is replaced, a new lease term shall not commence but rather the Commonwealth shall only be responsible for the remaining payments in the un-expired term. If the Department of General Services determines the cause of excessive service calls are due to operator error, misuse, or abuse, the calls will not be counted against the five (5) service call limit and will not be a factor in determining satisfactory machinery performance. If equipment is replaced due to performance issues the equipment will be covered under the standard warranty clause included in the Terms and Conditions.

12. MAINTENANCE AND REPAIRS OF EQUIPMENT

Each awarded contractor may offer full service maintenance and repairs to cover all of the specified manufacturer's equipment owned by the agency. Full service maintenance shall include replacement of all parts and furnishing of all labor that is necessary to keep the equipment in good operating condition.

Maintenance contracts shall cover all calls initiated between the hours of 6AM and 5 PM Monday thru Friday except holidays. Service calls outside these specified normal business hours may carry a per call charge as well as an hourly surcharge as outlined in the Bidders Workbook.

Contractors must notify the using agency of the additional charge if they request an Afterhours service call.

Examples:

A service call initiated at 3:00 PM and finished at 5:30 PM *shall not* be subject to an afterhours charge if the agency has accommodated the desire of the vendor to finish the service call.

A service call initiated at 9:00PM on Friday at the request of the using agency will be subject to the afterhours charge and the contractor must notify the agency of the additional charge.

The contractor shall have full and free access to the machines to perform service. The Contract does not cover repairs required by neglect, misuse, abuse, or vandalism.

All replacement parts shall be covered by the Contract. Replacement parts will be furnished on an exchange basis. Genuine manufacturer's replacement parts shall be used exclusively, unless a letter of exception is approved by the manufacturer and the agency contact person. All parts removed due to replacement become the property of the contractor.

A schedule for preventative maintenance will be required for each piece of equipment. The goal of the preventative maintenance program is to keep equipment in working order and meet the Quality and Reliability requirements. The using agency will indicate on its PO all equipment that requires a preventative maintenance schedule.

This contract also covers Maintenance on a time and material basis.

13. TRADE-INS

The Commonwealth reserves the right to offer used equipment in trade as part of the purchase price, in accordance with values in effect at the time traded.

The Commonwealth represents trade-in equipment only "as is" and no warranty as to its condition is expressed or inferred. Equipment for trade-in is removed by the contractor at their expense from the location indicated in the agency's purchase order.

Agencies exercising a Trade-in option must follow all procurement policies for disposal of Commonwealth owned assets

14. TRAINING

Prices shall include instruction of a maximum of three (3) Commonwealth personnel for one session of a minimum of four (4) continuous hours in the operation and maintenance of the equipment. The topics to include in this instruction are as follows:

- 1) Complete orientation of all of the equipment's features, functions, and capabilities.
- 2) "Hands On" training of each employee in the operation of the machine by demonstration and use.

- 3) Complete instruction on the replacement of the equipment's consumable supplies: toner, paper, fuser oil, binder tape, staples, and any other items that are replaced by the employee.
- 4) Trouble shooting of the equipment, including jam clearance and identification of codes and/or symbols used to diagnose problems.
- 5) Process to identify that equipment needs a technician's services and the method of notification to a qualified service technician.
- 6) Review of system documentation, electronic or hardcopy.

15. DGS REVIEW OF PURCHASE ORDERS

During the final six (6) months of the contract term only, Agencies are to submit to DGS a request for approval to issue a Purchase Order.

16. INQUIRIES

Direct all questions concerning work statement to:

Susan Reinhold, Commodity Specialist
Bureau of Procurement
555 Walnut Street, 6th Floor
Harrisburg, PA 17101
717-703-2931
sureinhold@state.pa.us



Commonwealth of Pennsylvania

Date: **7/29/2011**
Subject: **Mailroom Equipment and Maintenance**
Solicitation Number: **6100019305**
Opening Date/Time: **8/4/2011 @ 3:01 PM Changed to 8/8/2011 @3:01 PM**
Addendum Number: **1**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

1. Bid Opening date is changed to 8/8/2011 @ 3:01.
2. A revised Bidders workbook is posted.
 - a. Group #5 has been added.
 - b. An option to choose leasing or not has been added to the Rate Card.
 - c. The lease Quote Form has been updated. (This form is for use at time of quote to an agency and does not require any action at time of bid)
3. A list of Questions arising from the pre-bid meeting and answers to the questions is posted as a separate page #2 to this addendum.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Susan Reinhold
Title: Commodity Specialist
Phone: 717.703.2931
Email: sureinhold@pa.gov



Commonwealth of Pennsylvania

Mailroom Equipment and Maintenance Questions and Answers From the Pre-Bid Meeting held July 27th

1. Q: Is IT hardware included in the scope of this IFB/Contract?
A: Only IT hardware integral to Mailroom Equipment is included. Any "desktop" hardware for general use must be procured from standard IT channels.
2. Q: Must Software setup be included in the Software price?
A: Software setup or customization may be priced separately but must be listed in a pricelist that is part of Group # 2, Software.
3. Q: Is the option of Leasing / Installment purchasing required.
A: No. Please indicate if you are offering leasing / installment Purchase on the Rate card tab of your bid sheet.
4. Q: Can a Lease / Installment Purchase and payments be assigned to a third party?
A: Yes. In accordance with the Standard Terms and Conditions the assignment may be made. In connection with the assignment an awarded bidder must be aware that a separate "902" account must be added to the vendors Id account. This process may take some time on the Contractor's part to establish and the Contractor should inform the agency of the intent to assign so the process can be started. The awarded contractor should make arrangements to receive any payments until such time the contractor has established the 902 account.
5. Q: Does the IFB/contract place any restrictions on "trading up" on a lease.
A: The IFB/contract does not. Standard procurement policy shall govern the early termination of any lease.
6. Q: Are standalone Folders and Shredders within the Scope of this IFB/Contract?
A: Yes.



Commonwealth of Pennsylvania

Date: **8/1/2011**
Subject: **Mailroom Equipment and Maintenance**
Solicitation Number: **6100019305**
Opening Date/Time: **8/4/2011 @ 3:01 PM Changed to 8/8/2011 @3:01 PM**
Addendum Number: **2**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

1. A list of Questions arising after the pre-bid meeting and answers to the questions is posted as a separate page #2 to this addendum.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
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- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Susan Reinhold
Title: Commodity Specialist
Phone: 717.703.2931
Email: sureinhold@pa.gov

Contract No. 4400008703
Mailroom Equipment

Amendment No. 1

Contract for Mailroom Equipment

This Amendment No. 1 to Contract No. 4400008703 for Mailroom Equipment between the Commonwealth of Pennsylvania, acting through the Department of General Services ("DGS"), and Pitney Bowes ("Contractor") is entered into this 04 day of Dec, 2012.

WHEREAS, DGS issued Invitation for Bid No. 6100010954 (the IFB) to procure Mailroom Equipment for various Departments of the Commonwealth; and

WHEREAS, based upon bids received in response to the IFB, DGS awarded Contract No. 4400008697 (the Contract) to the Contractor; and

WHEREAS, the DGS and the Contractor have determined supplies constitute a small portion of sales and are not necessary to the contract; and

NOW THEREFORE, DGS and the Contractor agree to amend the Contract as follows:

1. The Line Item for supplies is removed.
2. This fully-executed Amendment and any Amendment during the term of the Contract shall not contain "ink" signatures by the Commonwealth. After signature by the Contractor on this document, the Amendment will be submitted for required Commonwealth approvals through the Commonwealth's SAP system. The Amendment will not be effective until the final Commonwealth approval in the SAP system has been completed. The Contractor shall receive a dated copy of this Amendment No. 1 following all such approvals.
3. All other provisions and Terms and Conditions are unchanged and remain in full effect as set forth in the Contract.

IN WITNESS WHEREOF, the Commonwealth and the Contractor have signed this Amendment No. 1 to Contract No. 4400008696 on that day and year first written above.

Contractor: Pitney Bowes Inc.

Commonwealth of Pennsylvania
Department of General Services:

By: 
Pitney Bowes / Date

By: [Signature Affixed Electronically]



Commonwealth of Pennsylvania

Mailroom Equipment and Maintenance Questions and Answers

- 1) Can an authorized dealer bill for maintenance?
NO, only an awarded Contractor may bill. This contract does not include any provision for authorized dealers. Bidders other than the Manufacturer must submit a letter of authorization with their bid as set forth in Specification Part 1 Paragraph 5, Eligibility. This will be a multi-award contract and the Manufacturer may authorize more than one entity to bid on the contract.
- 2) Can an agency purchase maintenance in the open market and not on contract?
No, Agencies must follow standard procurement process. If they are not utilizing the maintenance portion of this contract they would fall under the broader equipment maintenance contract not the "open market".
- 3) Can an authorized dealer be considered a subcontractor on the contract to allow them to bill for maintenance?
See answer to #1
- 4) Must a bidder bid all groups to be awarded?
No. A bidder may bid one or more groups and be awarded for the groups they bid.
- 5) Please clarify the difference between a "lease" and an "installment purchase".
Full descriptions are contained in the Terms and Conditions for the IFB. The basic difference is that there is no ownership on the part of the Commonwealth in a lease. In an Installment Purchase Title passes to the Commonwealth as described in the Terms and Conditions, V.45Contract-042.4, paragraph A.

TABSHEET

IFB 6100019305

Mailroom Equipment and Main

Bid Opening August 8, 2011 3:01 PM

Susan L. Reinhold

Commodity Specialist

717.703.2931

See Tabs Below

tenance

1

Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	Enduro Inserter/Bell and Howell	Bell and Howell Inserting and Software Business Commerical Price List (w/12 Mo. Warranty) 08012011	14%
2	Pinnacle Inserter/Bell and Howell	Bell and Howell Inserting and Software Business Commerical Price List (w/12 Mo. Warranty) 08012011	14%
3	Phillipsburg Inserter/Bell and Howell	Bell and Howell Inserting and Software Business Commerical Price List (w/12 Mo. Warranty) 08012011	14%
4	Combo Inserter/Bell and Howell	Bell and Howell Sorting Commercial Price List (w/12 Mo. Warranty) 08012011	14%
5	APEX/FlexiSort Sorter/Bell and Howell	Bell and Howell Inserting and Software Business Commerical Price List 08012011 (w/12 Mo. Warranty)	14%
6	Bowe Products/Bowe Systec	Bell and Howell Inserting and Software Business Commerical Price List (w/12 Mo. Warranty) 08012011	14%
7	Pressure Sealer/GBR	Bell and Howell Inserting and Software Business Commerical Price List (w/12 Mo. Warranty) 08012011	14%
8	JETVision/Bell and Howell	Bell and Howell Inserting and Software Business Commerical Price List (w/12 Mo. Warranty) 08012011	14%
9	Software/Bell and Howell	Bell and Howell Inserting Remanufactured Commercial Price List (w?12 Mo. Warranty) 08012011	14%
10	Remanufactured Inserters		0%
11			
12			

Group # 2 Mailroom Maintenance

After Hours Service Charges			
	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.		
	If you intended to offer After hours service please list the following on a per call basis		
	These charges will be invoiced on a per call basis.		
	Call out Charge	\$840 Monday-Friday; \$1,120 Sunday & State observed Holidays	
	Number of hours included in Call out Charge	4	
	Charge per hour for additional hours	\$210 Monday-Friday; \$280 Sunday & State observed Holidays	
Standard Parts, Service Rate & Mantenance Contracts			
	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		
Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount

1	Bell and Howell Services for Inserting Products	Bell and Howell Service Business Commerical Price List 08012011	10%
2	Bell and Howell Services for Sorting Products	Bell and Howell Service Business Commerical Price List 08012011	10%
3	Bell and Howell Inserting Parts	Bell and Howell Service Business Commerical Price List 08012011	3%
4	Bell and Howell Sorting Parts	Bell and Howell Service Business Commerical Price List 08012011	3%
5	Bell and Howell JETVision Parts	Bell and Howell Service Business Commerical Price List 08012011	3%
6	Bell and Howell Pressure Seal Parts	Bell and Howell Service Business Commerical Price List 08012011	3%
7	Bell and Howell Time and Materials Rate List	Bell and Howell Service Business Commerical Price List 08012011	10%
8			
9			
10			
11			
12			
Group # 3 Mailroom Furniture			
Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
Group # 4 Mailroom Supplies			
	Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above		
Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1	Bell and Howell Consumable Parts	Bell and Howell Service Business Commerical Price List 08012011	Be
2			
3			

4	
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Group # 5 Postage Meter Rental / Lease	
Pricelist	Postage Meter Manufacturer Price List Identification and Date Percent Discount
1	
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	Mailing Machines/Francotyp Postalia	2011 Price Book Effective 7/1/11	20
2	Postage Scales and Accessories	2011 Price Book Effective 7/1/11	20
3	Rate Change Chips and Cards	2011 Price Book Effective 7/1/11	20
4	Mailing Machine Accessories	2011 Price Book Effective 7/1/11	20
5	Letter Openers and Accessories	2011 Price Book Effective 7/1/11	10
6	Folder/Inserter and Accessories	2011 Price Book Effective 7/1/11	20
7	Desk Top Folders	2011 Price Book Effective 7/1/11	20
8	Intergrated Mailing and Accounting Software	2011 Price Book Effective 7/1/11	10
9	Bulk Mailer Business Software	2011 Price Book Effective 7/1/11	10
10	Addressing Systems and Accessories	2011 Price Book Effective 7/1/11	10
11	Tabbing and Labeling Accessories	2011 Price Book Effective 7/1/11	10
12			

Group # 2 Mailroom Maintenance

After Hours Service Charges		
	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.	
	If you intended to offer After hours service please list the following on a per call basis	
	These charges will be invoiced on a per call basis.	
Call out Charge	N/A	
Number of hours included in Call out Charge	N/A	
Charge per hour for additional hours	N/A	
Standard Parts, Service Rate & Mantenence Contracts		
	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs	

Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1	Mailing Machines/Francotyp Postalia	Annual Maint. Based on 10% of Purchase Price	10
2	Postage Scales and Accessories	Annual Maint. Based on 10% of Purchase Price	10
3	Rate Change Chips and Cards	Annual Maint. Based on 10% of Purchase Price	10
4	Mailing Machine Accessories	Annual Maint. Based on 10% of Purchase Price	10
5	Letter Openers and Accessories	Annual Maint. Based on 10% of Purchase Price	10
6	Folder/Inserter and Accessories	Annual Maint. Based on 10% of Purchase Price	10
7	Desk Top Folders	Annual Maint. Based on 10% of Purchase Price	10
8	Intergrated Mailing and Accounting Software	Annual Maint. Based on 10% of Purchase Price	10
9	Bulk Mailer Business Software	Annual Maint. Based on 10% of Purchase Price	10
10	Addressing Systems and Accessories	Annual Maint. Based on 10% of Purchase Price	10
11	Tabbing and Labeling Accessories	Annual Maint. Based on 10% of Purchase Price	10
12	Time and Materials	\$150.00 per hour plus parts	0

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1	Francotyp Postalia	2011 Price Book Effective 7/1/11	10
2			
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Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1	Mailing Machines/Francotyp Postalia	2011 Price Book Effective 7/1/11	20
2	Postage Scales and Accessories	2011 Price Book Effective 7/1/11	20
3	Rate Change Chips and Cards	2011 Price Book Effective 7/1/11	20
4	Mailing Machine Accessories	2011 Price Book Effective 7/1/11	20
5	Letter Openers and Accessories	2011 Price Book Effective 7/1/11	10
6	Folder/Inserter and Accessories	2011 Price Book Effective 7/1/11	20
7	Desk Top Folders	2011 Price Book Effective 7/1/11	20
8	Intergrated Mailing and Accounting Software	2011 Price Book Effective 7/1/11	10
9	Bulk Mailer Business Software	2011 Price Book Effective 7/1/11	10
10	Addressing Systems and Accessories	2011 Price Book Effective 7/1/11	10
11	Tabbing and Labeling Accessories	2011 Price Book Effective 7/1/11	10
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1	Francotyp Postalia	2011 Price Book Effective 7/1/11	20
2			
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Vendor: Gunther International, Ltd.	Vendor ID
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	Gunther International, Ltd.	Gunther Commercial Price List 6/1/2011	11%
2			
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Group # 2 Mailroom Maintenance

After Hours Service Charges

	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.		
	If you intended to offer After hours service please list the following on a per call basis		
	These charges will be invoiced on a per call basis.		
	Call out Charge	320	
	Number of hours included in Call out Charge	1	
	Charge per hour for additional hours	320	

Standard Parts, Service Rate & Maintenance Contracts

	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		
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Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1	Gunther International, Ltd.	Gunther Commercial Price List 6/1/2011	11%
2			
3			
4			
5			
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7			
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10			
11			
12			

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1			
2			
3			
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12			

Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1			
2			
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11			
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1			
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	N/A		
2			
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Group # 2 Mailroom Maintenance**After Hours Service Charges**

	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.		
	If you intended to offer After hours service please list the following on a per call basis		
	These charges will be invoiced on a per call basis.		
	Call out Charge	N/A	
	Number of hours included in Call out Charge	N/A	
	Charge per hour for additional hours	N/A	

Standard Parts, Service Rate & Maintenance Contracts

	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		
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Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1	N/A		
2			
3			
4			
5			
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10			
11			
12			

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date		Percent Discount
1	Kwik File LLC	Price List April 1, 2011	April 1, 2011	28%
2				
3				
4				
5				
6				
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11				
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Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date		Percent Discount
1	Kwik File LLC	Price List April 1, 2011	April 1, 2011	28%
2				
3				
4				
5				
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8				
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10				
11				
12				

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date		Percent Discount
1	N/A			
2				
3				
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	MooreWallace North America, Inc, d.b.a. RR Donnelley	Lasrmate Pressure Seal Equipment	15%
2			
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7			
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Group # 2 Mailroom Maintenance

After Hours Service Charges		
All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.		
If you intended to offer After hours service please list the following on a per call basis		
These charges will be invoiced on a per call basis.		
Call out Charge	\$ 260.00 Hour \$360.00/Hour Sunday and Holidays	
Number of hours included in Call out Charge	2 Hour Min	
Charge per hour for additional hours	\$260.00/Hour, \$ 360.00/Hour Sunday and Holidays	
Standard Parts, Service Rate & Maintenance Contracts		
In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		

Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1	Peak Technologies	Lasermate Pressure Seal Service Contract Costs	0%
2			
3			
4			
5			
6			
7			
8			
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10			
11			
12			

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1			
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12			

Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1	MooreWallace North America, INC., d.b.a. RR Donnelley	Lasermate Presure Seal Stock Forms	15%
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1			
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	Neopost	Neopost Dealer Price Pages 08-01-11 / Mailing System	42%
2	Hasler	Hasler_Price_Book_08-01-11 / Mailing System	42%
3	Neopost	Neopost Dealer Price Pages 08-01-11 / Scales	42%
4	Hasler	Hasler_Price_Book_08-01-11 / Scales	42%
5	Neopost	Neopost Dealer Price Pages 08-01-11 / Inserters	34%
6	Hasler	Hasler_Price_Book_08-01-11 / Inserters	34%
7	Neopost	Neopost Dealer Price Pages 08-01-11 / DS1000, DS1200	25%
8	Hasler	Hasler_Price_Book_08-01-11 / PS1000, PS1200	25%
9	Neopost	Neopost Dealer Price Pages 08-01-11 / Shipping Software	34%
10	Hasler	Hasler_Price_Book_08-01-11 / Shipping Software	34%
11	Neopost	Neopost Dealer Price Pages 08-01-11 / Addressing	30%
12	Hasler	Hasler_Price_Book_08-01-11 / Addressing	30%

Group # 2 Mailroom Maintenance**After Hours Service Charges**

	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.	
	If you intended to offer After hours service please list the following on a per call basis	
	These charges will be invoiced on a per call basis.	
	Call out Charge	\$210
	Number of hours included in Call out Charge	1
	Charge per hour for additional hours	\$210

Standard Parts, Service Rate & Maintenance Contracts

	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		
Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1	Neopost	Neopost Dealer Price Pages 08-01-11	20%
2	Hasler	Hasler_Price_Book_08-01-11	20%
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1			
2			
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12			

Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1			
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11			
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1	Neopost	Neopost Dealer Price Pages 08-01-11 / Meters	35%
2	Hasler	Hasler_Price_Book_08-01-11 / Meters	35%
3			
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer		Price List Identification and Date		Percent Discount
1	Pitney Bowes	State of PA	GMS	8-1-11	16%
2					
3					
4					
5					
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7					
8					
9					
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12					

Group # 2 Mailroom Maintenance

After Hours Service Charges			
	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.		
	If you intended to offer After hours service please list the following on a per call basis		
	These charges will be invoiced on a per call basis.		
	Call out Charge	\$180 per hour plus parts	
	Number of hours included in Call out Charge	First hour	
	Charge per hour for additional hours	\$180.00	
Standard Parts, Service Rate & Mantenence Contracts			
	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		

Pricelist	Mailroom Maintenance Brand	Price List Identification and Date		Percent Discount
1	Pitney Bowes	State of PA	8-1-11	15%
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1	Pitney Bowes	State of PA 8-1-11	16%
2			
3			
4			
5			
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7			
8			
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11			
12			

Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1	Pitney Bowes	State of PA 8-1-11	15%
2			
3			
4			
5			
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8			
9			
10			
11			
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1	Pitney Bowes	State of PA 8-1-11	16%
2			
3			
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	Asmark-Accufast	Asmark Dealer Price List Feb2011 - 7/26/11	16.0%
2	Buskro	Buskro 2008 Pricing - 5/1/09	2.0%
3	Charnstrom	Current Web Site Prices	6.5%
4	Duplo	Duplo On Demand-Finishing Retail Price List-Effec 7/1/11-9/30/11	20.0%
5	HSM	HSM 2011 Dealer Price File	15.0%
6	Kewill	Kewill Reseller Price List 12 2010	2.0%
7	Lake Image	Lake Image General Pricing 0711	2.0%
8	Mailcrafters-Inscerco	Inscerco-Mailcrafters 9-1-2011_MCPPriceList2	2.0%
9	Martin Yale	martinyale_eff.10.2.2009 & martinyale_shredders_eff.10.2.2009	20.0%
10	Objectif Lune	PlanetPress 2010 Price List Tool Retail - January 5, 2010	3.0%
11	Omaton-Opex	Omaton USA Price List 4 13 11	2.0%
12	Business Objects-Postalsoft	Postalsoft-Imhoff Price List - 7/27/2011	5.0%
13	Postmark	Postmark Dealer 2011 LO US	12.0%
14	Priority Systems	Priority Systems Software 2011	10.0%
15	Rapidprint	Rapidprint-Bidwell Price List 12-1-10	2.0%
16	Rena	RENA Systems Dealer Price Guide 3-15-2011	10.0%
17	Satori	Satori Software MSRP Price List 2-1-11	10.0%
18	SCLlogic	SCLIntra VAR Perpetual Pricing 06-03-11	6.0%
19	Smartlinc	Smartlinc Price Sheet 2011	2.0%
20	Straightshooter-NAMCO	Straightshooter Price List 7/29/2011	2.0%
21	Streamfeeder	Streamfeeder ProductsPriceList-030109	5.0%
22	Surefeed	Surefeed 2011 Dealer Pricing	6.0%
23	Toledo-Rice Lake	Current Web Site Prices	5%

Group # 2 Mailroom Maintenance

After Hours Service Charges		
	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.	
	If you intended to offer After hours service please list the following on a per call basis	
	These charges will be invoiced on a per call basis.	
	Call out Charge	0
	Number of hours included in Call out Charge	
	Charge per hour for additional hours	0
Standard Parts, Service Rate & Maintenance Contracts		
	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs	

Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1	Asmark-Accufast	Priority Systems Maintenance Agreement Price List 2011	20.00%

2	Buskro	Priority Systems Maintenance Agreement Price List 2011	20.00%
3	Duplo	Priority Systems Maintenance Agreement Price List 2011	20.00%
4	HSM	Priority Systems Maintenance Agreement Price List 2011	20.00%
5	Kewill	Priority Systems Maintenance Agreement Price List 2011	20.00%
6	Lake Image	Priority Systems Maintenance Agreement Price List 2011	20.00%
7	Mailcrafters-Inscerco	Priority Systems Maintenance Agreement Price List 2011	20.00%
8	Martin Yale	Priority Systems Maintenance Agreement Price List 2011	20.00%
9	Omation-Opex	Priority Systems Maintenance Agreement Price List 2011	20.00%
10	Postmark	Priority Systems Maintenance Agreement Price List 2011	20.00%
11	Rapidprint	Priority Systems Maintenance Agreement Price List 2011	20.00%
12	Rena	Priority Systems Maintenance Agreement Price List 2011	20.00%
13	SCLogic	Priority Systems Maintenance Agreement Price List 2011	20.00%
14	Straightshooter-NAMCO	Priority Systems Maintenance Agreement Price List 2011	20.00%
15	Streamfeeder	Priority Systems Maintenance Agreement Price List 2011	20.00%
16	Surefeed	Priority Systems Maintenance Agreement Price List 2011	20.00%
17	Toledo	Priority Systems Maintenance Agreement Price List 2011	20.00%
18	All Brands Time & Material Charges	Priority Systems Time & Materials Price List 2011	10.00%

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1	Charnstrom	Current Web Site Prices	6.50%
4			
5			
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7			
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12			

Group # 4 Mailroom Supplies

	Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above		
Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1	Asmark-Accufast	Asmark Dealer Price List Feb2011 - 7/26/11	5.0%
2	Buskro	Buskro 2008 Pricing - 5/1/09	2.0%
3	Hasler	Hasler Retail Price List 8-1-11	6.0%
4	Neopost	Neopost Retail Price List 8-1-11	6.0%
5	Priority Systems	Priority Systems Consumables Price List 8-1-11	5.0%
6	Rapidprint	Rapidprint-Bidwell Price List 12-1-10	5.0%
7	Rena	RENA Systems Dealer Price Guide 3-15-2011	5.0%

Group # 5 Postage Meter Rental / Lease	
Pricelist	Postage Meter Manufacturer Price List Identification and Date Percent Discount
3	
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Vendor: StorageTek Inc.

Vendor ID

154001

Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1			
2			
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Group # 2 Mailroom Maintenance**After Hours Service Charges**

	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.		
	If you intended to offer After hours service please list the following on a per call basis		
	These charges will be invoiced on a per call basis.		
	Call out Charge	0	
	Number of hours included in Call out Charge		
	Charge per hour for additional hours	0	

Standard Parts, Service Rate & Maintenance Contracts

	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		
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Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1			
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12			

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1	IOPC Modular Millwork	Pricer 05B	20%
2			
3			
4			
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11			
12			

Group # 4 Mailroom Supplies

Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above

Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1			
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10			
11			
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
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Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1	Opex	TMC Opex August 2011 Price List	10%
2	Asmarc	TMC Asmarc August 2011 Price List	10%
3	Acroprint	TMC Acroprint August 2011 Price List	10%
4	FP	TMC FP August 2011 Price List	0%
5	Formax	TMC Formax August 2011 Price List	10%
6	Satori	TMC Satori August 2011 Price List	10%
7	Widmer	TMC Widmer August 2011 Price List	10%
8	Leibinger	TMC Leibinger August 2011 Price List	10%
9	MBM	TMC MBM August 2011 Price List	10%
10	Xante	TMC Xante August 2011 Price List	10%
11	Martin Yale	TMC Martin Yale August 2011 Price List	10%
12	Plockmatic	TMC Plockmatic August 2011 Price List	10%
13	Secap	TMC Secap August 2011 Price List	10%

Group # 2 Mailroom Maintenance**After Hours Service Charges**

	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.	
	If you intended to offer After hours service please list the following on a per call basis	
	These charges will be invoiced on a per call basis.	
	Call out Charge	\$140
	Number of hours included in Call out Charge	1
	Charge per hour for additional hours	\$140

Standard Parts, Service Rate & Maintenance Contracts

	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		
Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1	Opex	TMC Opex August 2011 Price List	0
2	Asmarc	TMC Asmarc August 2011 Price List	0
3	Acroprint	TMC Acroprint August 2011 Price List	0
4	FP	TMC FP August 2011 Price List	0
5	Formax	TMC Formax August 2011 Price List	0
6	Satori	TMC Satori August 2011 Price List	0
7	Widmer	TMC Widmer August 2011 Price List	0
8	Leibinger	TMC Leibinger August 2011 Price List	0
9	MBM	TMC MBM August 2011 Price List	0
10	Xante	TMC Xante August 2011 Price List	0
11	Martin Yale	TMC Martin Yale August 2011 Price List	0

12	Plockmatic	TMC Plockmatic August 2011 Price List	0
13	Secap	TMC Secap August 2011 Price List	0
Group # 3 Mailroom Furniture			
Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1			
2			
3			
4			
5			
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10			
11			
12			
Group # 4 Mailroom Supplies			
	Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above		
Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1	Opex	TMC Opex August 2011 Price List	10%
2	Asmarc	TMC Asmarc August 2011 Price List	10%
3	Acroprint	TMC Acroprint August 2011 Price List	10%
4	FP	TMC FP August 2011 Price List	0%
5	Formax	TMC Formax August 2011 Price List	10%
6	Secap	TMC Secap August 2011 Price List	10%
7	Widmer	TMC Widmer August 2011 Price List	10%
8	Leibinger	TMC Leibinger August 2011 Price List	10%
9	MBM	TMC MBM August 2011 Price List	10%
10	Xante	TMC Xante August 2011 Price List	10%
11	Martin Yale	TMC Martin Yale August 2011 Price List	10%
12	Plockmatic	TMC Plockmatic August 2011 Price List	10%
13	ColorLabs	TMC ColorLabs August 2011 Price List	10%
Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1	FP	TMC FP August 2011 Price List	0%
2			
3			
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12	

Group # 1 Mailroom Equipment and Dedicated Software

Pricelist	Mailroom Equipment / Software Manufacturer	Price List Identification and Date	Percent Discount
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 2 Mailroom Maintenance**After Hours Service Charges**

	All Standard Service Contracts include service calls initiated from 6AM to 5PM Monday thru Friday except holidays.		
	If you intended to offer After hours service please list the following on a per call basis		
	These charges will be invoiced on a per call basis.		
	Call out Charge	0	
	Number of hours included in Call out Charge		
	Charge per hour for additional hours	0	

Standard Parts, Service Rate & Maintenance Contracts

	In addition to Maintenance Contracts Bidders shall provide Rates and price lists for Time and Material repairs		
--	--	--	--

Pricelist	Mailroom Maintenance Brand	Price List Identification and Date	Percent Discount
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 3 Mailroom Furniture

Pricelist	Mailroom Furniture Manufacture	Price List Identification and Date	Percent Discount
1	Hamilton Sorter	MailCenter & Communications Furniture August 1, 2011	5%
2	Hamilton Sorter	modularCaseworks August 1, 2011	5%
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 4 Mailroom Supplies

	Items in this group shall be consumable items. Repair parts shall be listed in Group #2 above		
Pricelist	Mailroom Supplies Brand	Price List Identification and Date	Percent Discount
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

Group # 5 Postage Meter Rental / Lease

Pricelist	Postage Meter Manufacturer	Price List Identification and Date	Percent Discount
1			
2			
3			
4			
5			
6			
7			

8	
9	
10	
11	
12	

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PART I - GENERAL INFORMATION

PART I - GENERAL INFORMATION

I.1 IFB-001.1 Purpose (Oct 2006)

The Commonwealth of Pennsylvania (Commonwealth) is issuing this Invitation for Bids (IFB) to meet the needs of GENERAL SERVICES to satisfy a need for **Mailroom Equipment and Maintenance** .

I.2 IFB-005.1 Type of Contract (Oct. 2006)

If the Issuing Office enters into a contract as a result of this IFB, it will be a Established Price Contract: contract containing the Contract Terms and Conditions as shown in Part V of this IFB.

I.3 IFB-008.1A Pre-bid Conference (Oct. 2006)

The Issuing Office will hold a pre-bid conference. The purpose of this conference is to provide opportunity for clarification of the IFB. Bidders should forward all questions before the pre-bid conference. Bidders may also ask questions at the conference. In view of the limited facilities available for the conference, Bidders should limit their representation to two individuals per Bidder. The pre-bid conference is for information only. Any answers furnished during the conference will not be official until they have been verified, in writing, by the Issuing Office. Attendance at the pre-bid conference is optional. The pre-bid conference will be held on 07/27/2011 at 10:00 AM, 555 WALNUT STREET, 6TH FLOOR, BUREAU OF PROCUREMENT, HARRISBURG, PA .

I.4 IFB-009.1 Questions (Nov. 2006)

Any questions concerning conditions and specifications must be directed to the Issuing Office.

I.5 IFB-010.1 Addenda to the IFB (Oct. 2006)

If the Issuing Office deems it necessary to revise any part of this IFB before the bid response date, the Issuing Office will post an addendum to its website at WWW.DGS.STATE.PA.US it is the Bidder's responsibility to periodically check the website for any new information or addenda to the IFB.

I.6 IFB-011.1B Submission of Bids – Electronic Submittal (May 2011)

- a. Bids are requested for the item(s) described in the Invitation For Bids and all the documents referenced in the form (collectively called the IFB). Bidders must submit their bids through the Commonwealth's electronic system (SRM).
- b. It is the responsibility of each bidder to ensure that its Bid is received through the electronic system prior to the date and time set for the opening of bids ("Bid Opening Time"). No Bid shall be considered if it arrives after the Bid Opening Time, regardless of reason for the late arrival.

Bids that are timely received prior to the Bid Opening Time shall be opened publicly in the presence of one or more witnesses at the time and place designated in this IFB for the Bid opening.

c. Bids must be firm. If a Bid is submitted with conditions or exceptions or not in conformance with the terms and conditions referenced in the IFB Form, it shall be rejected. The Bid shall also be rejected if the items offered by the Bidder are not in conformance with the specifications as determined by the Commonwealth.

d. The Bidder, intending to be legally bound hereby, offers and agrees, if this Bid is accepted, to provide the awarded items at the price(s) set forth in this Bid at the time(s) and place(s) specified.

I.7 IFB-024.1 Bid Protest Procedure (Oct 2006)

a. **Who May File the Protest.** Any Bidder or prospective bidder who is aggrieved in connection with the IFB or award of the contract solicitation or award of a contract may file a protest. Protests relating to cancellation of invitations for bids and protests relating to the rejection of all bids are not permitted. A Bidder is a person that submits a bid in response to the IFB. A prospective bidder is a person that has not submitted a bid in response to the IFB.

b. **Time for Filing.**

- 1) If a protest is submitted by a prospective bidder, the protest must be filed before bid opening time or proposal receipt date.
- 2) If a protest is filed by a Bidder, the protest must be filed within seven days after the protesting Bidder knew or should have known of the facts giving rise to the protest EXCEPT THAT IN NO EVENT MAY A PROTEST BE FILED LATER THAN SEVEN (7) DAYS AFTER THE DATE THE CONTRACT OR PURCHASE ORDER WAS AWARDED. Date of filing is the date of receipt of protest.
- 3) Untimely filed protests shall be disregarded.

c. **Form of Protest.**

- 1) A protest must be in writing and filed with the agency head (or designee) of the purchasing agency.
- 2) A protest must state all grounds upon which the protesting party asserts that the solicitation or award was improper. Issues not raised by the protesting party in the protest are deemed waived and may not be raised on appeal.
- 3) The protesting party may submit with the protest any documents or information deemed relevant.

d. **Notice of Protest** If award has been made, the agency head (or designee) shall notify the successful Bidder or contractor of the protest. If the protest is received before award and substantial issues are raised by the protest, all Bidders who appear to have a substantial and reasonable prospect of winning the award shall be notified and may file their agreement/disagreement with the purchasing agency within three (3) days after receipt of notice of the protest.

e. **Stay of Procurement.** The head of the purchasing agency (or designee) shall immediately decide, upon receipt of the protest, whether or not the solicitation or award shall be stayed, or if the protest is timely received after the

award, whether the performance of the contract should be suspended. The Issuing Office shall not proceed further with the IFB or with the award of the contract, and shall suspend performance under the contract if awarded, unless the agency head of the purchasing agency makes a written determination that the protest is clearly without merit or that award of the contract/purchase order without delay is necessary to protect the substantial interests of the Commonwealth.

f. Procedures.

- 1) **Contracting Officer Response.** Within fifteen (15) days of the receipt of a protest, the contracting officer may submit a written response to the head of the purchasing agency (or designee). The response may include any documents or information that the contracting officer deems relevant to the protest.
- 2) **Protesting Party Reply.** Within ten (10) days of the date of the contracting officer response, the protesting party may file a written reply.
- 3) **Review.** The head of the purchasing agency (or designee) shall:
 - a) Review the protest and any response or reply.
 - b) Request and review any additional documents or information he deems necessary to render a decision.
 - c) Give the protesting party and the contracting officer reasonable opportunity to review and address any additional documents or information requested by the agency head.
 - d) In his sole discretion, conduct a hearing.
 - e) Within sixty (60) days of the receipt of the protest, issue a written determination stating the reasons for the decision.
 - f) If additional time is required to investigate the protest, inform the protesting party of the additional time needed to render a determination and obtain the protesting party's consent.
- 4) **"Clearly Without Merit" Determinations.** If the head of the purchasing agency (or designee) determines, upon receipt, that the protest is clearly without merit and does not stay the procurement, the head of the purchasing agency (or designee) shall immediately issue the decision as required by Subparagraph h below.

g. Settlement. The Issuing Office has the authority to settle and resolve bid protests.

h. Decision. The head of the purchasing agency (or designee) shall promptly, but in no event later than sixty (60) days from the filing of the protest, issue a written decision. The decision shall:

- 1) State the reasons for the decision.
- 2) If the protest is denied, inform the protesting party of its right to file an appeal in Commonwealth Court within fifteen (15) days of the mailing date of the decision.
- 3) If it is determined that the solicitation or award was contrary to law, enter an appropriate order.

The agency head (or designee) shall send a copy of the decision to the protesting party and any other person determined by the agency head (or designee) to be affected by the decision.

I.8 IFB-025.1 Electronic Version of this IFB (Oct 2006)

This IFB is being made available by electronic means. If a Bidder electronically accepts the IFB, the Bidder acknowledges and accepts full responsibility to insure that no changes are made to the IFB. In the event of a conflict between a version of the IFB in the Bidder's possession and the Issuing Office's version of the IFB, the Issuing Office's version shall govern.

I.9 IFB-027.1 COSTARS Program (Aug 2010)

COSTARS Purchasers. Section 1902 of the Commonwealth Procurement Code, 62 Pa.C.S. § 1902 (“Section 1902”), authorizes local public procurement units and state-affiliated entities (together, “COSTARS Members”) to participate in Commonwealth procurement contracts that the Department of General Services (“DGS”) may choose to make available to COSTARS Members. DGS has identified this Contract as one which will be made available for COSTARS Members’ participation.

A. Only those entities registered with DGS are authorized to participate as COSTARS Members in this Contract. A COSTARS Member may be either a local public procurement unit or a state-affiliated entity.

1. A “local public procurement unit” is:

- Any political subdivision (local government unit), such as a municipality, school district, or commission;
- Any public authority (including authorities formed under the Municipality Authorities Act of 1955 or other authorizing legislation, such as the Public Transportation Law or the Aviation Code);
- Any tax-exempt, nonprofit educational institution or organization;
- Any tax-exempt, nonprofit public health institution or organization;
- Any nonprofit fire, rescue, or ambulance company; and
- Any other entity that spends public funds for the procurement of supplies, services, and construction (such as a council of governments, an area government, or an organization that receives public grant funds).

2. A state-affiliated entity is a Commonwealth authority or other Commonwealth entity that is not a Commonwealth agency. The term includes:

- The Pennsylvania Turnpike Commission;
- The Pennsylvania Housing Finance Agency;
- The Pennsylvania Municipal Retirement System;
- The Pennsylvania Infrastructure Investment Authority;
- The State Public School Building Authority;
- The Pennsylvania Higher Education Facilities Authority, and
- The State System of Higher Education.

The term does not include any court or other officer or agency of the unified judicial system, the

General Assembly and its officers and agencies, any State-related institution, or any Commonwealth executive or independent agencies, boards, or commissions not listed above. Statewide "row" offices, including the Auditor General, Attorney General, and State Treasurer **are not** State-affiliated entities under the Procurement Code.

However, elements of the court system, the General Assembly, and independent agencies, boards, or commissions have been deemed eligible for COSTARS membership as entities that spend public funds for the procurement of supplies, services, and construction.

3. A complete list of local public procurement units and state-affiliated entities that have registered with DGS and that are authorized to procure items from the Contract can be found at <http://www.dgsweb.state.pa.us/COSTARSReg/Member.aspx>

B. COSTARS Members have the option to purchase from this Contract, from any DGS contract established exclusively for COSTARS Members in accordance with the requirements of Section 1902 , from any other cooperative procurement contracts, or from their own procurement contracts established in accordance with the applicable laws governing such procurements. The Contractor understands and acknowledges that there is no guarantee that a COSTARS Member will place an order under this Contract, and that the decision to procure from this Contract is within the sole discretion of each COSTARS Member.

C. DGS is acting as a facilitator for COSTARS Members who may wish to purchase under this Contract. COSTARS Members that participate in this Contract and issue purchase orders ("POs") to Contractors are third party beneficiaries who have the right to sue and be sued for breach of this Contract without joining the Commonwealth or DGS as a party. The Commonwealth will not intervene in any action between a Contractor and a COSTARS Member unless substantial interests of the Commonwealth are involved.

D. COSTARS Members electing to participate in this Contract will order items directly from the Contractor and be responsible for payment directly to the Contractor.

E. Those Contractors electing to permit COSTARS Members to procure from this Contract shall pay the Required Administrative Fee applicable to the Contractor's classification:

Contractor Classification	Required Administrative Fee
Qualified Small Business Bidder , defined as having less than 100 full-time employees or full-time equivalent employees and Gross Annual Revenue less than \$20,000,000 (\$25,000,000 for IT sales or service businesses)	\$500
All Other Bidders	\$1,500

1. Each bidder electing to permit COSTARS Members to participate in the Contract must pay the applicable Administrative Fee upon Contract award in order to sell the awarded items/services to COSTARS Members. If the bidder is asserting that it is a Qualified Small Business, a completed Department of General

Services Small Business Certification must be returned with the bid package.

2. At the beginning of each Contract year and upon any Contract renewal, the Contractor shall submit a check for the required amount, payable to “ Commonwealth of PA ”. The Contractor must pay the Administrative Fee at each contract renewal date to continue to sell the awarded items/services to COSTARS Members.

F. DGS has registered the COSTARS name and logo (together, the “COSTARS Brand”) as a trademark with the Pennsylvania Department of State. Therefore, the Contractor may use the COSTARS Brand only as permitted under in this Subsection.

1. The Contractor shall pay the Administrative Fee covering its participation in the program, including without limitation any use of the COSTARS Brand, for each year of the Contract period. The fee is payable upon Contract award and prior to the renewal date for each succeeding Contract period

2. DGS grants the Contractor a nonexclusive license to use the COSTARS Brand, subject to the following conditions:

a. The Contractor agrees not to transfer to any third party, including without limitation any of its subcontractors or suppliers, any privileges it may have to use the COSTARS Brand under this Contract.

b. The Contractor agrees not to use the COSTARS Brand to represent or imply any Commonwealth endorsement or approval of its products or services.

c. The Contractor is permitted to use the COSTARS Brand in broadcast, or Internet media solely in connection with this Contract and any other Contract with the Commonwealth under which it has agreed to make sales to COSTARS Purchasers. The Contractor may use the COSTARS Brand on business cards, brochures, and other print publications so long as the purpose is to identify the Contractor as a COSTARS vendor, and only so long as the required Contract fee is kept current.

d. Should this Contract terminate for any reason, the Contractor agrees promptly to remove the COSTARS Brand from any and all print and electronic media and to refrain from using the COSTARS Brand for any purpose whatsoever from the date of Contract termination forward.

e. The Contractor agrees to defend, indemnify, and hold harmless the Commonwealth of Pennsylvania and DGS from and against all claims, demands, liabilities, obligations, costs, and expenses of any nature whatsoever arising out of or based upon the Contractor’s use of the COSTARS Brand.

f. The Contractor agrees it has no property rights in the use of the COSTARS Brand by virtue of this nonexclusive license. The Contractor expressly waives any claims, including without limitation due process claims that may otherwise be available under the law in the event of any dispute involving these terms of use.

G. The Contractor shall furnish to the DGS COSTARS Program Office a quarterly electronic Contract sales report detailing the previous quarter’s Contract purchasing activity, using the form and in the format

prescribed by DGS. The Contractor shall submit its completed quarterly report no later than the fifteenth calendar day of the succeeding Contract quarter.

1. The Contractor shall submit the reports via the web-based COSTARS Suppliers' Gateway at www.dgs.state.pa.us/costars . If a Contractor does not have access to the Internet, the Contractor shall send the reports, using the form and in the format prescribed by DGS, on compact disc via US Postal Service to the DGS COSTARS Program Office, Bureau of Procurement, 6th Floor Forum Place, 555 Walnut Street, Harrisburg, PA 17101-1914.
2. For each PO received, the Contractor shall include on the report the name and address of each COSTARS-Registered Purchaser that has used the Contract along with the sales date, and dollar volume of sales to the specific Purchaser for the reporting period.
3. DGS may suspend the Contractor's participation in the COSTARS Program for failure to provide the Quarterly Sales Report within the specified time.

H. Additional information regarding the COSTARS Program is available on the DGS COSTARS Website at www.dgs.state.pa.us/costars

1. If the Contractor is aware of any qualified entity not currently registered and wishing to participate in the COSTARS Program, please refer the potential purchaser to the DGS COSTARS Website at www.dgs.state.pa.us/costars , where it may register by completing the online registration form and receiving DGS confirmation of its registration. To view a list of currently-registered COSTARS member entities, please visit the COSTARS website.
2. Direct all questions concerning the COSTARS Program to:
Department of General Services
COSTARS Program
555 Walnut Street , 6th Floor
Harrisburg , PA 17101
Telephone: 1-866-768-7827
E-mail GS-PACostars@state.pa.us

I.10 IFB-028.1 Participating Addendum with an External Procurement Activity (Dec 6 2006)

Section 1902 of the *Commonwealth Procurement Code*, 62 Pa.C.S. Section 1902, permits external procurement activities to participate in cooperative purchasing agreements for the procurement of services, supplies or construction.

a. **Definitions.** The following words and phrases have the meanings set forth in this provision:

- 1) *External procurement activity:* The term, as defined in 62 Pa. C. S. Section 1901, means a 'buying organization not located in the Commonwealth [of Pennsylvania] which if located in this Commonwealth would qualify as a public procurement unit [under 62 Pa. C.S. Section 1901]. An agency of the United States is an external procurement activity.'
- 2) *Participating addendum:* A bilateral agreement executed by the Contractor and an external procurement activity that clarifies the operation of the Contract for the external procurement activity concerned. The terms and conditions in any participating addendum shall affect only the procurements of the purchasing

entities under the jurisdiction of the external procurement activity signing the participating addendum.

- 3) *Public procurement unit:* The term, as defined in 62 Pa. C. S. Section 1901, means a 'local public procurement unit or purchasing agency.'
- 4) *Purchasing agency:* The term, as defined in 62 Pa. C. S. Section 103, means a 'Commonwealth agency authorized by this part or any other law to enter into contracts for itself or as the agent of another Commonwealth agency.'

b. **General.** A participating addendum shall incorporate the terms and conditions of the Contract resulting from this IFB. The Contractor shall not be required to enter into any participating addendum.

c. **Additional Terms.**

- 1) A participating addendum may include additional terms that are required by the law governing the external procurement activity.
- 2) A participating addendum may include new, mutually agreed upon terms that clarify ordering procedures specific to a participating external procurement activity.
- 3) The construction and effect of any participating addendum shall be governed by and construed in accordance with the laws governing the external procurement activity.
- 4) If an additional term requested by the external procurement activity will result in an increased cost to the Contractor, the Contractor shall adjust its pricing up or down accordingly.

d. **Prices.**

- 1) **Price adjustment** For any costs affecting the percent markup that the Contractor will or will not incur or that differ from costs incurred or not incurred in the fulfillment of this Contract, the Contractor shall adjust its pricing up or down accordingly. These costs may include, but not be limited to:
 - a) State and local taxes;
 - b) Unemployment and workers compensation fees;
 - c) E-commerce transaction fees; and
 - d) Costs associated with additional terms, established pursuant to the Contract.
- 2) The Contractor's pricing for an external procurement activity shall be firm and fixed for the duration of the initial term of the Contract. After the initial term of the Contract, if the Contract is renewed, the Contractor's pricing may be adjusted up or down based on market conditions only with the mutual agreement of both the Contractor and any external procurement activity.

e. **Usage Reports on External Procurement Activities.**

The Contractor shall furnish to the Contracting Officer an electronic quarterly usage report, preferably in spreadsheet format no later than the fifteenth calendar day of the succeeding calendar quarter. Reports shall be e-mailed to the Contracting Officer for the Contract. Each report shall indicate the name and address of the Contractor, contract number, period covered by the report, the name of the external procurement activity that has used the Contract and the total volume of sales to the external procurement activity for the reporting period.

- f. **Electronic Copy of Participating Addendum.** The Contractor, upon request of the Contracting Officer, shall submit **one** electronic copy of the participating addendum to the Contracting Officer within **ten** days after request.

I.11 IFB-029.1 Prices (Dec 6 2006)

The bid submitted by the successful Bidder will be incorporated into any resulting Contract and the Bidder will be required to provide the awarded item(s) at the prices quoted in its Bid.

I.12 IFB-030.1 Approved Equal (Nov 2006)

Whenever an item is defined in this IFB by trade name and catalogue number of a manufacturer or vendor, the term 'or approved equal,' if not inserted therewith shall be implied. Any reference to a particular manufacturer's product either by trade name or by limited description is solely for the purpose of more clearly indicating the minimum standard of quality desired, except where a 'no substitute' is requested. When a 'no substitute' is requested, the Issuing Office will consider Bids for the referenced product only. The term 'or approved equal' is defined as meaning any other make which, in the sole opinion of the Issuing Office, is of such character, quality, and performance equivalence as to meet the standard of quality of products specified for which it is to be used equally as well as that specified. A Bidder quoting on a product other than the referenced product shall: a) furnish complete identification in its Bid of the product it is offering by trade name, brand and/or model number; b) furnish descriptive literature and data with respect to the substitute product it proposes to furnish; and c) indicate any known specification deviations from the referenced product.

I.13 IFB-031.1 Alternates (Nov 2006)

A Bidder who wants to offer an alternate must notify the Issuing Office in writing, at least five (5) days prior to the scheduled Bid opening, that the Bidder intends to offer an alternate in its Bid. An "alternate" is a product that deviates from the requirements of the specifications in its composition, qualities, performance, size dimension, etc. The written notification from the Bidder must include a complete description of the alternate and must identify the product's deviations from the specifications. Upon receipt of the notification, the Issuing Office will determine whether the alternate is acceptable. If the Issuing Office, in its discretion, determines that the alternate is acceptable, the Issuing Office will issue a change notice to the invitation for bids that revises the specifications. If no change notice is issued revising the specification, a Bid offering the alternate will not be considered for award.

I.14 IFB-032.1 New Equipment (Nov 2006)

Unless otherwise specified in this invitation for bids, all products offered by Bidders must be new or

remanufactured. A 'new' product is one that will be used first by the Commonwealth after it is manufactured or produced. A 'remanufactured' product is one which: 1) has been rebuilt, using new or used parts, to a condition which meets the original manufacturer's most recent specifications for the item; 2) does not, in the opinion of the Issuing Office, differ in appearance from a new item; and 3) has the same warranty as a new item. Unless otherwise specified in this invitation for bids, used or reconditioned products are not acceptable. This clause shall not be construed to prohibit Bidders from offering products with recycled content, provided the product is new or remanufactured.

I.15 I-IFB-033.1 Modification or Withdrawal of Bid (Nov 2006)

a. Bid Modification Prior to Bid Opening. Bids may be modified only by written notice or in person prior to the exact hour and date specified for Bid opening.

- 1) If a Bidder intends to modify its Bid by written notice, the notice must specifically identify the Bid to be modified and must be signed by the Bidder. The Bidder must include evidence of authorization for the individual who signed the modification to modify the Bid on behalf of the Bidder. The Bid modification must be received in a sealed envelope. The sealed envelope must identify the assigned Collective Number and the Bid Opening Time, and should state that enclosed in the envelope is a Bid modification
- 2) If a Bidder intends to modify its Bid in person, the individual who will modify the Bid must arrive in the Bid Opening Room prior to the Bid Opening Time, show a picture identification and provide evidence of his/her authorization to modify the Bid on behalf of the Bidder. If a Bidder intends to modify its Bid in person, the Bidder may do so only in the presence of an agency employee. (The agency employee will observe the actions taken by the individual to modify the Bid, but will not read the Bid or the modification).

b. Bid Withdrawal Prior to Bid Opening. Bids may be withdrawn only by written notice or in person prior to the exact hour and date specified for Bid opening.

- 1) If a Bidder intends to withdraw its Bid by written notice, the notice shall specifically identify the Bid to be withdrawn and shall be signed by the Bidder. The Bidder must include evidence of authorization for the individual who signed the bid withdrawal to withdraw the bid on behalf of the Bidder. Except as provided in Subparagraph c, below, bid withdrawals received after the exact hour and date specified for the receipt of Bids shall not be accepted.
- 2) If a Bidder intends to withdraw its Bid in person, the individual who will withdraw the Bid must arrive in the Bid Opening Room prior to the Bid Opening Time, show a picture identification and provide evidence of his/her authorization to withdraw the Bid on behalf of the Bidder.

c. Bid Withdrawal After Bid Opening. Bidders are permitted to withdraw erroneous Bids after Bid opening only if the following conditions are met:

- 1) The Bidder submits a written request for withdrawal.
- 2) The Bidder presents credible evidence with the request that the reason for the lower Bid price was a clerical mistake as opposed to a judgment mistake and was actually due to an unintentional arithmetical error or an unintentional omission of a substantial quantity of work, labor, material, or services made directly in the compilation of the Bid.
- 3) The request for relief and supporting evidence must be received by the Issuing Office within three (3)

business days after Bid opening, but before award of the contract.

- 4) The Issuing Office shall not permit a Bid withdrawal if the Bid withdrawal would result in the award of the contract on another Bid of the same Bidder, its partner, or a corporation or business venture owned by or in which the bidder has a substantial interest.
 - 5) If a Bidder is permitted to withdraw its Bid, the Bidder cannot supply any material or labor or perform any subcontract or other work agreement for the awarded contractor, without the written approval of the Issuing Office.
- d. Firm Bid. Except as provided above, a Bid may not be modified, withdrawn, or cancelled by any Bidder for a period of sixty (60) days following the time and date designated for Bid opening, unless otherwise specified by the Bidder in its Bid. If the lowest responsible Bidder, as determined by the Issuing Office, withdraws its Bid prior to the expiration of the award period or fails to comply with the requirements set forth in the IFB including but not limited to any requirement to submit performance or payment bonds or insurance certificates within the required time period, the Bidder shall be liable to the Commonwealth for all costs and damages associated with the re-award or re-bid including the difference between the Bidder's price and the actual cost that the Commonwealth pays for the awarded items.
- e. Clarification and Additional Information. After the receipt of Bids, the Issuing Office shall have the right to contact Bidders for the purpose of seeking:
- 1) Clarification of the Bid which confirms the Issuing Office's understanding of statements or information in the Bid or;
 - 2) Additional information on the items offered; provided the IFB does not require the rejection of the Bid for failure to include such information.

I.16 I-IFB-034.1 Rejection of Bids (Nov 2006)

The Issuing Office reserves the right to reject any and all Bids, to waive technical defects or any informality in Bids, and to accept or reject any part of any Bid if the best interests of the Commonwealth are thereby served.

PART II - REQUIREMENTS

PART II - REQUIREMENTS

II.1 IFB-006.1b COSTARS Program Questionnaire - Electronic Submission (Oct 2006)

Offerors should complete and submit the COSTARS Program Questionnaire Form, which is attached to and made a part of this IFB, and submit it with its proposal. The completed COSTARS Program Questionnaire Form should be submitted as part of the Bid Response.

II.2 II-IFB-008.1b Lobbying Certification and Disclosure – Electronic Submission. (Oct 2006).

With respect to an award of a federal contract, grant, or cooperative agreement exceeding \$100,000 or an award of a federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000 all recipients must certify that they will not use federal funds for lobbying and must disclose the use of non-federal funds for lobbying by filing required documentation. Offerors must complete and return the Lobbying Certification Form and the Disclosure of Lobbying Activities Form, which are attached to and made a part of this IFB. The completed and signed Lobbying Certification Form and the Disclosure of Lobbying Activities Form should be submitted with the Bid Response. Commonwealth agencies will not contract with outside firms or individuals to perform lobbying services, regardless of the source of funds.

II.3 II-IFB-012.1 RETURN GOODS POLICY (NOV 2006)

Each bidder must submit a copy of their return goods policy with their bid.

II.4 II-IFB-016.1 POST-SUBMISSION DESCRIPTIVE LITERATURE (Dec 2006)

The Commonwealth may, during its evaluation of the bids, require any bidder to submit cuts, illustrations, drawings, prints, test data sheets, specification sheets and brochures which detail construction features, design, components, materials used, applicable dimensions and any other pertinent information which the Issuing Office may require in order to evaluate the product(s) offered. The required information must be submitted within two (2) business days after notification from the Issuing Office. Failure to submit the required information prior to the expiration of the second business day after notification shall result in the rejection of the bid as non-responsive.

II.5 II-IFB-017.1b Reciprocal Limitations Act – Electronic Submittal (February 2007)

This procurement is subject to the Reciprocal Limitations Act. Bidders must complete and submit with the Bid Response the State of Manufacture Chart, which is contained in GSPUR-89 ("Reciprocal Limitations Act Requirements") which is attached to and made part of this IFB. The completed State of Manufacture Chart should be submitted as part of the Bid Response.

PART III - SELECTION CRITERIA

PART III - SELECTION CRITERIA

III.1 III-IFB-001.1a Mandatory Responsiveness Requirements (Oct 2006)

To be eligible for selection, a bid must be:

- a. Timely received from a Bidder;
- b. Properly signed by the Bidder.

III.2 III-IFB-006.1f Method of Award - All Bidders (April 2011)

Award will be made to all responsive and responsible bidders.

III.3 III-IFB-007.1 Awards (May 2011)

Unless all Bids are rejected, and except as otherwise provided by law, award will be made through the issuance of a contract/purchase order in accordance with the method of award. Unless otherwise specified by the Issuing Office in the IFB form the Commonwealth reserves the right to award by item or on a total Bid basis, whichever is deemed more advantageous to the Commonwealth. In cases of discrepancies in prices, the unit price will be binding unless the unit price is obviously in error and the extended price is obviously correct, in which case the erroneous unit price will be corrected. As a condition for receipt of award of a contract/purchase order, the Bidder must be registered in the Commonwealth of Pennsylvania's Vendor Master file. In order to register, bidders must visit the Pa Supplier Portal at <https://www.pasupplierportal.state.pa.us/> or call the Customer Support Center at 877-435-7363 or 717-346-2676.

III.4 III-IFB-008.1 Tie Bids (Nov 2006)

All tie bids will be broken by the Issuing Office.

III.5 III-IFB-009.1 Prompt Payment Discounts (Nov 2006)

Prompt payment discounts will not be considered in making an award. If prompt payment discounts are offered by any Bidder, however, the Issuing Office will take advantage of such offer.

III.6 III-IFB-010.1 OPTION FOR SEPARATE COMPETITIVE BIDDING PROCEDURE (NOV 2006)

The Commonwealth reserves the right to purchase products or services covered under this Contract through a separate competitive bidding procedure, whenever Commonwealth deems it in the best interest of the Commonwealth. The right will generally be exercised only when a specific need for a large quantity of the product or service exists or when the price offered is significantly lower than the Contract price.

III.7 III-IFB-014.1 REBATES (Nov 2006)

Any rebate applicable at the time of bid should be taken into consideration by the bidder in calculating its bid price. Bidders must specifically state in their bid proposal, when applicable, that rebates have been considered in arriving at the bid price. Following award, the Commonwealth will assign to the awarded bidder, any rebates which the bidder stated that he took into consideration. If the bidder fails to include such a statement, the Commonwealth will receive the full benefit of the manufacturer's rebate.

PART IV - WORK STATEMENT

PART IV - WORK STATEMENT

IV.1 IFB-001.1a SPECIFICATIONS (Nov 2006)

The Commonwealth is seeking bids to procure the item(s) set forth in the attached document entitled "Specifications."

PART V - CONTRACT TERMS and CONDITIONS

PART V - CONTRACT TERMS and CONDITIONS

V.1 CONTRACT-001.1b Contract Terms and Conditions (Nov 30, 2006)

The Contract with the awarded bidder (who shall become the "Contractor") shall include the following terms and conditions:

V.2 CONTRACT-002.1a Term of Contract – Contract (March 2011)

The initial term of the Contract shall be 5 year(s).

The term of the Contract shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Contract, subject to the other provisions of the Contract.

The Effective Date shall be: a) the Effective Date printed on the Contract after the Contract has been fully executed by the Commonwealth (signed and approved as required by the Commonwealth contracting procedures) or b) the "Valid from" date printed on the Contract, whichever is later.

V.3 CONTRACT-002.3 Extension of Contract Term (Nov 30 2006)

The Commonwealth reserves the right, upon notice to the Contractor, to extend any single term of the Contract for up to three (3) months upon the same terms and conditions.

V.4 CONTRACT-003.1a Signatures – Contract (March 2007)

The Contract shall not be a legally binding contract until the fully-executed Contract has been sent to the Contractor.

No Commonwealth employee has the authority to verbally direct the commencement of any work or delivery of any supply under this Contract prior to the Effective Date. The Contractor hereby waives any claim or cause of action for any service or work performed prior to the Effective Date.

The Contract will not include an "ink" signature by the Commonwealth. The electronically-printed name of the Purchasing Agent represents the signature of that individual who has the authority, on behalf of the Commonwealth, to bind the Commonwealth to the terms of the Contract. If the Contract output form does not have "Fully Executed" at the top of the first page and does not have the name of the Purchasing Agent printed in the appropriate box, the Contract has not been fully executed.

The fully-executed Contract may be sent to the Contractor electronically or through facsimile equipment. The electronic transmission of a purchase order shall require acknowledgement of receipt of the transmission by the Contractor. Receipt of the electronic or facsimile transmission of the Contract shall constitute receipt of the fully-executed Contract.

The Commonwealth and the Contractor specifically agree as follows:

- a. No handwritten signature shall be required in order for the Contract to be legally enforceable.

b. The parties agree that no writing shall be required in order to make the Contract legally binding, notwithstanding contrary requirements in any law. The parties hereby agree not to contest the validity or enforceability of a genuine Contract or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any genuine Contract or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of a genuine Contract or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Contract or acknowledgement were not in writing or signed by the parties. A Contract or acknowledgment shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such documents.

c. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.

V.5 CONTRACT-004.1a Definitions (Dec 12 2006)

As used in this Contract, these words shall have the following meanings:

- a. Agency The department, board, commission or other agency of the Commonwealth of Pennsylvania listed as the Purchasing Agency. If a COSTARS entity or external procurement activity has issued an order against this contract, that entity shall also be identified as "Agency".
- b. Contracting Officer The person authorized to administer this Contract for the Commonwealth and to make written determinations with respect to the Contract.
- c. Days Unless specifically indicated otherwise, days mean calendar days.
- d. Developed Works or Developed Materials All documents, sketches, drawings, designs, works, papers, files, reports, computer programs, computer documentation, data, records, software, samples or any other tangible material without limitation authored or prepared by Contractor as the work product covered in the scope of work for the Project.
- e. Documentation All materials required to support and convey information about the services required by this Contract. It includes, but is not necessarily restricted to, written reports and analyses, diagrams, maps, logical and physical designs, system designs, computer programs, flow charts, disks, and/or other machine-readable storage media.
- f. Services All Contractor activity necessary to satisfy the Contract.

V.6 CONTRACT-005.1a Purchase Orders (Feb 2007)

Commonwealth agencies may issue Purchase Orders against the Contract. These orders constitute the Contractor's authority to make delivery. All Purchase Orders received by the

Contractor up to and including the expiration date of the Contract are acceptable and must be performed in accordance with the Contract. Each Purchase Order will be deemed to incorporate the terms and conditions set forth in the Contract.

Purchase Orders will not include an "ink" signature by the Agency. The electronically-printed name of the purchaser represents the signature of that individual who has the authority, on behalf of the Commonwealth, to authorize the Contractor to proceed.

Purchase Orders may be issued electronically or through facsimile equipment. The electronic transmission of a purchase order shall require acknowledgement of receipt of the transmission by the Contractor. Receipt of the electronic or facsimile transmission of the Purchase Order shall constitute receipt of an order. Orders received by the Contractor after 4:00 p.m. will be considered received the following business day.

a. No handwritten signature shall be required in order for the Contract or Purchase Order to be legally enforceable.

b. The parties agree that no writing shall be required in order to make the order legally binding. The parties hereby agree not to contest the validity or enforceability of a Purchase Order or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any Purchase Order or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Purchase Orders or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the order or acknowledgement were not in writing or signed by the parties. A purchase order or acknowledgment shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such documents.

c. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.

Purchase Orders under five thousand dollars (\$5,000) in total amount may also be made in person or by telephone using a Commonwealth Purchasing Card. When an order is placed by telephone, the Commonwealth agency shall provide the agency name, employee name, credit card number, and expiration date of the card. Contractors agree to accept payment through the use of the Commonwealth Purchasing Card.

V.7 CONTRACT-007.01a Supplies Delivery (Nov 30 2006)

All item(s) shall be delivered F.O.B. Destination. The Contractor agrees to bear the risk of loss, injury, or destruction of the item(s) ordered prior to receipt of the items by the Commonwealth. Such loss, injury, or destruction shall not release the Contractor from any contractual obligations. Except as otherwise provided in this contract, all item(s) must be delivered within the time period specified. Time is of the essence and, in addition to

any other remedies, the Contract is subject to termination for failure to deliver as specified. Unless otherwise stated in this Contract, delivery must be made within thirty (30) days after the Effective Date.

V.8 CONTRACT-007.02 Estimated Quantities (Nov 30 2006)

It shall be understood and agreed that any quantities listed in the Contract are estimated only and may be increased or decreased in accordance with the actual requirements of the Commonwealth and that the Commonwealth in accepting any bid or portion thereof, contracts only and agrees to purchase only the materials and services in such quantities as represent the actual requirements of the Commonwealth. The Commonwealth reserves the right to purchase materials and services covered under the Contract through a separate competitive procurement procedure, whenever Commonwealth deems it to be in its best interest.

V.9 CONTRACT-008.1a Warranty. (Oct 2006)

The Contractor warrants that all items furnished and all services performed by the Contractor, its agents and subcontractors shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the Contract, all items are warranted for a period of one year following delivery by the Contractor and acceptance by the Commonwealth. The Contractor shall repair, replace or otherwise correct any problem with the delivered item. When an item is replaced, it shall be replaced with an item of equivalent or superior quality without any additional cost to the Commonwealth.

V.10 CONTRACT-009.1c Patent, Copyright, and Trademark Indemnity (Oct 2006)

The Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the Commonwealth under the contract.

The Contractor shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract.

This is upon condition that the Commonwealth shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same.

As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action.

If information and assistance are furnished by the Commonwealth at the Contractor's written request, it shall be at the Contractor's expense, but the responsibility for such expense shall be only that within the Contractor's written authorization.

The Contractor shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or the Commonwealth may pay or incur by reason of any infringement

or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Contract.

If any of the products provided by the Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, the Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing.

If the Contractor is unable to do any of the preceding, the Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Contractor without its written consent.

V.11 CONTRACT-009.1d Ownership Rights (Oct 2006)

The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Contract.

V.12 CONTRACT-010.1a Acceptance (Oct 2006)

No item(s) received by the Commonwealth shall be deemed accepted until the Commonwealth has had a reasonable opportunity to inspect the item(s). Any item(s) which is discovered to be defective or fails to conform to the specifications may be rejected upon initial inspection or at any later time if the defects contained in the item(s) or the noncompliance with the specifications were not reasonably ascertainable upon the initial inspection. It shall thereupon become the duty of the Contractor to remove rejected item(s) from the premises without expense to the Commonwealth within fifteen (15) days after notification. Rejected item(s) left longer than fifteen (15) days will be regarded as abandoned, and the Commonwealth shall have the right to dispose of them as its own property and shall retain that portion of the proceeds of any sale which represents the Commonwealth's costs and expenses in regard to the storage and sale of the item(s). Upon notice of rejection, the Contractor shall immediately replace all such rejected item(s) with others conforming to the specifications and which are not defective. If the Contractor fails, neglects or refuses to do so, the Commonwealth shall then have the right to procure a corresponding quantity of such item(s), and deduct from any monies due or that may thereafter become due to the Contractor, the difference between the price stated in the Contract and the cost thereof to the Commonwealth.

V.13 CONTRACT-011.1a Compliance With Law (Oct 2006)

The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Contract.

V.14 CONTRACT-013.1 Environmental Provisions (Oct 2006)

In the performance of the Contract, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations, including, but not limited to: the Clean Streams Law Act of June 22, 1937 (P.L. 1987, No. 394), as amended 35 P.S. Section 691.601 et seq.; the Pennsylvania Solid Waste Management Act, Act of July 7, 1980 (P.L. 380, No. 97), as amended, 35 P.S. Section 6018.101 et seq. ; and the Dam Safety and Encroachment Act, Act of November 26, 1978 (P.L. 1375, No. 325), as amended , 32 P.S. Section 693.1.

V.15 CONTRACT-014.1 Post-Consumer Recycled Content (Oct 2006)

Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the Contract must meet the minimum percentage levels for total recycled content as specified on the Department of General Services website at www.emarketplace.state.pa.us on the date of submission of the bid, proposal or contract offer.

V.16 CONTRACT-014.3 Enforcement (Oct 2006)

The Contractor may be required, after delivery of the Contract item(s), to provide the Commonwealth with documentary evidence that the item(s) was in fact produced with the required minimum percentage of post-consumer and recovered material content.

V.17 CONTRACT-015.1 Compensation (Oct 2006)

The Contractor shall be required to furnish the awarded item(s) at the price(s) quoted in the Purchase Order. All item(s) shall be delivered within the time period(s) specified in the Purchase Order. The Contractor shall be compensated only for item(s) that are delivered and accepted by the Commonwealth.

V.18 CONTRACT-015.2 Billing Requirements (Dec 5 2006)

The Contractor shall include in all of its invoices the following minimum information:

- Vendor name and "Remit to" address, including SAP Vendor number;
- Bank routing information, if ACH;
- SAP Purchase Order number;
- Delivery Address, including name of Commonwealth agency;
- Description of the supplies/services delivered in accordance with SAP Purchase Order (include purchase order line number if possible);
- Quantity provided;
- Unit price;
- Price extension;
- Total price; and
- Delivery date of supplies or services.

If an invoice does not contain the minimum information set forth in this paragraph, the Commonwealth may return the invoice as improper. If the Commonwealth returns an invoice as improper, the time for processing a payment

will be suspended until the Commonwealth receives a correct invoice. The Contractor may not receive payment until the Commonwealth has received a correct invoice.

Contractors are required to establish separate billing accounts with each using agency and invoice them directly. Each invoice shall be itemized with adequate detail and match the line item on the Purchase Order. In no instance shall any payment be made for services to the Contractor that are not in accordance with the prices on the Purchase Order, the Contract, updated price lists or any discounts negotiated by the purchasing agency.

V.19 CONTRACT-016.1 Payment (Oct 2006)

- a. The Commonwealth shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Contract; (b) thirty (30) days after a proper invoice actually is received at the "Bill To" address if a date on which payment is due is not specified in the Contract (a "proper" invoice is not received until the Commonwealth accepts the service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in the Contract. If any payment is not made within fifteen (15) days after the required payment date, the Commonwealth may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Contractor as acceptance of the service performed by the Contractor. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any contract with the Commonwealth.
- b. The Commonwealth shall have the option of using the Commonwealth purchasing card to make purchases under the Contract or Purchase Order. The Commonwealth's purchasing card is similar to a credit card in that there will be a small fee which the Contractor will be required to pay and the Contractor will receive payment directly from the card issuer rather than the Commonwealth. Any and all fees related to this type of payment are the responsibility of the Contractor. In no case will the Commonwealth allow increases in prices to offset credit card fees paid by the Contractor or any other charges incurred by the Contractor, unless specifically stated in the terms of the Contract or Purchase Order.

V.20 CONTRACT-016.2 ACH Payments (Aug 2007)

- a. The Commonwealth will make contract payments through the Automated Clearing House (ACH). Within 10 days of award of the contract or purchase order, the contractor must submit or must have already submitted their ACH information within their user profile in the Commonwealth's procurement system (SRM).
- b. The contractor must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the contractor to properly apply the state agency's payment to the invoice submitted.
- c. It is the responsibility of the contractor to ensure that the ACH information contained in SRM is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

V.21 CONTRACT-017.1 Taxes (Dec 5 2006)

The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 23-23740001-K. With the exception of purchases of the following items, no exemption certificates are required and none will be

issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction contract.

V.22 CONTRACT-018.1 Assignment of Antitrust Claims (Oct 2006)

The Contractor and the Commonwealth recognize that in actual economic practice, overcharges by the Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Contract, and intending to be legally bound, the Contractor assigns to the Commonwealth all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Contract.

V.23 CONTRACT-019.1 Hold Harmless Provision (Nov 30 2006)

- a. The Contractor shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all third party claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents under this Contract, provided the Commonwealth gives Contractor prompt notice of any such claim of which it learns. Pursuant to the Commonwealth Attorneys Act (71 P.S. Section 732-101, et seq.), the Office of Attorney General (OAG) has the sole authority to represent the Commonwealth in actions brought against the Commonwealth. The OAG may, however, in its sole discretion and under such terms as it deems appropriate, delegate its right of defense. If OAG delegates the defense to the Contractor, the Commonwealth will cooperate with all reasonable requests of Contractor made in the defense of such suits.
- b. Notwithstanding the above, neither party shall enter into any settlement without the other party's written consent, which shall not be unreasonably withheld. The Commonwealth may, in its sole discretion, allow the Contractor to control the defense and any related settlement negotiations.

V.24 CONTRACT-020.1 Audit Provisions (Oct 2006)

The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Contractor to the extent that the books, documents and records relate to costs or pricing data for the Contract. The Contractor agrees to maintain records which will support the prices charged and costs incurred for the Contract. The Contractor shall preserve books, documents, and records that relate to costs or pricing data for the Contract for a period of three (3) years from date of final payment. The Contractor shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

V.25 CONTRACT-021.1 Default (Dec 12 2006)

- a. The Commonwealth may, subject to the Force Majeure provisions of this Contract, and in addition to its other rights under the Contract, declare the Contractor in default by written notice thereof to the Contractor, and terminate (as provided in the Termination Provisions of this Contract) the whole or any part of this Contract or

any Purchase Order for any of the following reasons:

- 1) Failure to begin work within the time specified in the Contract or Purchase Order or as otherwise specified;
 - 2) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Contract or Purchase Order terms;
 - 3) Unsatisfactory performance of the work;
 - 4) Failure to deliver the awarded item(s) within the time specified in the Contract or Purchase Order or as otherwise specified;
 - 5) Improper delivery;
 - 6) Failure to provide an item(s) which is in conformance with the specifications referenced in the Contract or Purchase Order;
 - 7) Delivery of a defective item;
 - 8) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
 - 9) Discontinuance of work without approval;
 - 10) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
 - 11) Insolvency or bankruptcy;
 - 12) Assignment made for the benefit of creditors;
 - 13) Failure or refusal within 10 days after written notice by the Contracting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
 - 14) Failure to protect, to repair, or to make good any damage or injury to property;
 - 15) Breach of any provision of the Contract;
 - 16) Failure to comply with representations made in the Contractor's bid/proposal; or
 - 17) Failure to comply with applicable industry standards, customs, and practice.
- b. In the event that the Commonwealth terminates this Contract or any Purchase Order in whole or in part as provided in Subparagraph a. above, the Commonwealth may procure, upon such terms and in such manner as it determines, items similar or identical to those so terminated, and the Contractor shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical items included within the terminated

part of the Contract or Purchase Order.

- c. If the Contract or a Purchase Order is terminated as provided in Subparagraph a. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Contractor to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Contracting Officer, such partially completed items, including, where applicable, reports, working papers and other documentation, as the Contractor has specifically produced or specifically acquired for the performance of such part of the Contract or Purchase Order as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Contract price. Except as provided below, payment for partially completed items including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Contractor and Contracting Officer. The Commonwealth may withhold from amounts otherwise due the Contractor for such completed or partially completed works, such sum as the Contracting Officer determines to be necessary to protect the Commonwealth against loss.
- d. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- e. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.
- f. Following exhaustion of the Contractor's administrative remedies as set forth in the Contract Controversies Provision of the Contract, the Contractor's exclusive remedy shall be to seek damages in the Board of Claims.

V.26 CONTRACT-022.1 Force Majeure (Oct 2006)

Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

The Contractor shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Contractor becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the contract is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Contractor shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect to cancel the Contract, cancel the Purchase Order, or to extend the time for performance as reasonably necessary to compensate for the Contractor's delay.

In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Contractor, may suspend all or a portion of the Contract or Purchase Order.

V.27 CONTRACT-023.1a Termination Provisions (Oct 2006)

The Commonwealth has the right to terminate this Contract or any Purchase Order for any of the following reasons. Termination shall be effective upon written notice to the Contractor.

- a. **TERMINATION FOR CONVENIENCE:** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for its convenience if the Commonwealth determines termination to be in its best interest. The Contractor shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Contractor be entitled to recover loss of profits.
- b. **NON-APPROPRIATION:** The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Contract or a Purchase Order. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid for any appropriations available for that purpose
- c. **TERMINATION FOR CAUSE:** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for Contractor default under Default Clause upon written notice to the Contractor. The Commonwealth shall also have the right, upon written notice to the Contractor, to terminate the Contract or a Purchase Order for other cause as specified in the Contract or by law. If it is later determined that the Commonwealth erred in terminating the Contract or a Purchase Order for cause, then, at the Commonwealth's discretion, the Contract or Purchase Order shall be deemed to have been terminated for convenience under the Subparagraph a.

V.28 CONTRACT-024.1 Contract Controversies (Oct 2006)

- a. In the event of a controversy or claim arising from the Contract, the Contractor must, within six months after the cause of action accrues, file a written claim with the contracting officer for a determination. The claim shall state all grounds upon which the Contractor asserts a controversy exists. If the Contractor fails to file a claim or files an untimely claim, the Contractor is deemed to have waived its right to assert a claim in any forum.
- b. The contracting officer shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of the contracting officer and the Contractor. The contracting officer shall send his/her written determination to the Contractor. If the contracting officer fails to issue a final determination within the 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The contracting officer's determination shall be the final order of the purchasing agency.
- c. Within fifteen (15) days of the mailing date of the determination denying a claim or within 135 days of filing a claim if, no extension is agreed to by the parties, whichever occurs first, the Contractor may file a statement of claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Contractor shall proceed diligently with the performance of the Contract in a manner consistent with the determination of the contracting officer and the Commonwealth shall compensate the Contractor pursuant to the terms of the Contract.

V.29 CONTRACT-025.1 Assignability and Subcontracting (Oct 2006)

- a. Subject to the terms and conditions of this paragraph, this Contract shall be binding upon the parties and their respective successors and assigns.

- b. The Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.
- c. The Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.
- d. Notwithstanding the foregoing, the Contractor may, without the consent of the Contracting Officer, assign its rights to payment to be received under the Contract, provided that the Contractor provides written notice of such assignment to the Contracting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Contract.
- e. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.
- f. Any assignment consented to by the Contracting Officer shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Contract and to assume the duties, obligations, and responsibilities being assigned.
- g. A change of name by the Contractor, following which the Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Contractor shall give the Contracting Officer written notice of any such change of name.

V.30 CONTRACT-026.1 Other Contractors (Oct 2006)

The Commonwealth may undertake or award other contracts for additional or related work, and the Contractor shall fully cooperate with other contractors and Commonwealth employees, and coordinate its work with such additional work as may be required. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Commonwealth employees. This paragraph shall be included in the Contracts of all contractors with which this Contractor will be required to cooperate. The Commonwealth shall equitably enforce this paragraph as to all contractors to prevent the imposition of unreasonable burdens on any contractor.

V.31 CONTRACT-027.1 Nondiscrimination/Sexual Harassment Clause (Aug 2010)

The Contractor agrees:

1. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the contract or any subcontract, the Contractor, each subcontractor, or any person acting on behalf of the Contractor or subcontractor shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
2. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work, or any other activity required under the contract on account of gender, race, creed, or color.
3. The Contractor and each subcontractor shall establish and maintain a written sexual harassment policy and

shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.

4. The Contractor and each subcontractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contract relates.

5. The Contractor and each subcontractor shall, within the time periods requested by the Commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the contracting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within fifteen (15) days after award of any contract, the Contractor shall be required to complete, sign and submit Form STD -21, the "Initial Contract Compliance Data" form. If the contract is a construction contract, then the Contractor shall be required to complete, sign and submit Form STD -28, the "Monthly Contract Compliance Report for Construction Contractors", each month no later than the 15th of the month following the reporting period beginning with the initial job conference and continuing through the completion of the project. Those contractors who have fewer than five employees or whose employees are all from the same family or who have completed the Form STD -21 within the past 12 months may, within the 15 days, request an exemption from the Form STD -21 submission requirement from the contracting agency.

6. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that those provisions applicable to subcontractors will be binding upon each subcontractor.

7. The Commonwealth may cancel or terminate the contract and all money due or to become due under the contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

V.32 CONTRACT-028.1 Contractor Integrity Provisions (March 2011)

It is essential that those who seek to contract with the Commonwealth of Pennsylvania ("Commonwealth") observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process.

In furtherance of this policy, Contractor agrees to the following:

1. Contractor shall maintain the highest standards of honesty and integrity during the performance of this contract and shall take no action in violation of state or federal laws or regulations or any other applicable laws or regulations, or other requirements applicable to Contractor or that govern contracting with the Commonwealth.

2. Contractor shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Contractor employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Contractor employees.

3. Contractor, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act*, 65 Pa.C.S. §§1101 et seq.; the *State Adverse Interest Act*, 71 P.S. §776.1 et seq.; and the *Governor's Code of Conduct*, Executive Order 1980-18, 4 Pa. Code §7.151 et seq., or to breach any other state or federal law or regulation.

4. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any

gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.

5. Contractor, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.* or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.

6. Contractor, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.

7. Contractor, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the contract, except as provided in the contract.

8. Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Contractor's financial interest prior to Commonwealth execution of the contract. Contractor shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Contractor's submission of the contract signed by Contractor.

9. Contractor, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Contractor under this contract without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this contract. Any information, documents, reports, data, or records secured by Contractor from the Commonwealth or a third party in connection with the performance of this contract shall be kept confidential unless disclosure of such information is:

- a.** Approved in writing by the Commonwealth prior to its disclosure; or
- b.** Directed by a court or other tribunal of competent jurisdiction unless the contract requires prior Commonwealth approval; or
- c.** Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
- d.** Necessary for purposes of Contractor's internal assessment and review; or
- e.** Deemed necessary by Contractor in any action to enforce the provisions of this contract or to defend or prosecute claims by or against parties other than the Commonwealth; or
- f.** Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain; or
- g.** Otherwise required by law.

10. Contractor certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency contracting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

- a.** Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- b.** Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Contractor or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:
 - (1)** obtaining;
 - (2)** attempting to obtain; or
 - (3)** performing a public contract or subcontract.

Contractor's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

- c.** Violation of federal or state antitrust statutes.
- d.** Violation of any federal or state law regulating campaign contributions.
- e.** Violation of any federal or state environmental law.
- f.** Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
- g.** Violation of the *Act of June 2, 1915 (P.L.736, No. 338)*, known as the *Workers' Compensation Act*, 77 P.S. 1 *et seq.*
- h.** Violation of any federal or state law prohibiting discrimination in employment.
- i.** Debarment by any agency or department of the federal government or by any other state.
- j.** Any other crime involving moral turpitude or business honesty or integrity.

Contractor acknowledges that the Commonwealth may, in its sole discretion, terminate the contract for cause upon such notification or when the Commonwealth otherwise learns that Contractor has been officially notified, charged, or convicted.

11. If this contract was awarded to Contractor on a non-bid basis, Contractor must, (as required by *Section 1641 of the Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Contractor by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

a. Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or

b. Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Contractor shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office Building, Harrisburg, PA 17120.

12. Contractor shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Contractor employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Contractor employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Contractor's behalf, no matter the procurement stage, are not exempt and must be reported.

13. When Contractor has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Contractor shall immediately notify the Commonwealth contracting officer or Commonwealth Inspector General in writing.

14. Contractor, by submission of its bid or proposal and/or execution of this contract and by the submission of any bills, invoices or requests for payment pursuant to the contract, certifies and represents that it has not violated any of these contractor integrity provisions in connection with the submission of the bid or proposal, during any contract negotiations or during the term of the contract.

15. Contractor shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Contractor non-compliance with these provisions. Contractor agrees to make identified Contractor employees available for interviews at reasonable times and places. Contractor, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Contractor's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Contractor's business or financial records, documents or files of any type or form that refers to or concern this contract.

16. For violation of any of these Contractor Integrity Provisions, the Commonwealth may terminate this and any other contract with Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this contract, and debar and suspend Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

17. For purposes of these Contractor Integrity Provisions, the following terms shall have the meanings found in this Paragraph 17.

a. “Confidential information” means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Contractor from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Contractor; or e) has not been independently developed by Contractor without the use of confidential information of the Commonwealth.

b. “Consent” means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this contract.

c. “Contractor” means the individual or entity that has entered into this contract with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Contractor.

d. “Financial interest” means:

(1) Ownership of more than a five percent interest in any business; or

(2) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.

e. “Gratuity” means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. The exceptions set forth in the *Governor’s Code of Conduct, Executive Order 1980-18*, the *4 Pa. Code §7.153(b)*, shall apply.

f. “Immediate family” means a spouse and any unemancipated child.

g. “Non-bid basis” means a contract awarded or executed by the Commonwealth with Contractor without seeking bids or proposals from any other potential bidder or offeror.

h. “Political contribution” means any payment, gift, subscription, assessment, contract, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

V.33 CONTRACT-029.1 Contractor Responsibility Provisions (Nov 2010)

For the purpose of these provisions, the term contractor is defined as any person, including, but not limited to, a bidder, offeror, loan recipient, grantee or lessor, who has furnished or performed or seeks to furnish or perform,

goods, supplies, services, leased space, construction or other activity, under a contract, grant, lease, purchase order or reimbursement agreement with the Commonwealth of Pennsylvania (Commonwealth). The term contractor includes a permittee, licensee, or any agency, political subdivision, instrumentality, public authority, or other public entity in the Commonwealth.

1. The Contractor certifies, in writing, for itself and its subcontractors required to be disclosed or approved by the Commonwealth, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any such subcontractors, are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid/Contract, a written explanation of why such certification cannot be made.
2. The Contractor also certifies, in writing, that as of the date of its execution of this Bid/Contract it has no tax liabilities or other Commonwealth obligations, or has filed a timely administrative or judicial appeal if such liabilities or obligations exist, or is subject to a duly approved deferred payment plan if such liabilities exist.
3. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or, to the best knowledge of the Contractor, any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
4. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.
5. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth that results in the suspension or debarment of the contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.
6. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the Internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No: (717) 783-6472
FAX No: (717) 787-9138

V.34 CONTRACT-030.1 Americans with Disabilities Act (Oct 2006)

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. Section 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. Section 35.130, and all other regulations promulgated

under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.

- b. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of Subparagraph a. above.

V.35 CONTRACT-031.1 Hazardous Substances (Oct 2006)

The Contractor shall provide information to the Commonwealth about the identity and hazards of hazardous substances supplied or used by the Contractor in the performance of the Contract. The Contractor must comply with Act 159 of October 5, 1984, known as the "Worker and Community Right to Know Act" (the "Act") and the regulations promulgated pursuant thereto at 4 Pa. Code Section 301.1 et seq.

- a. Labeling. The Contractor shall insure that each individual product (as well as the carton, container or package in which the product is shipped) of any of the following substances (as defined by the Act and the regulations) supplied by the Contractor is clearly labeled, tagged or marked with the information listed in Subparagraphs (1) through (4):

- 1) Hazardous substances:

- a) The chemical name or common name,
- b) A hazard warning, and
- c) The name, address, and telephone number of the manufacturer.

- 2) Hazardous mixtures:

- a) The common name, but if none exists, then the trade name,
- b) The chemical or common name of special hazardous substances comprising .01% or more of the mixture,
- c) The chemical or common name of hazardous substances consisting 1.0% or more of the mixture,
- d) A hazard warning, and
- e) The name, address, and telephone number of the manufacturer.

- 3) Single chemicals:

- a) The chemical name or the common name,

- b) A hazard warning, if appropriate, and
 - c) The name, address, and telephone number of the manufacturer.
- 4) Chemical Mixtures:
- a) The common name, but if none exists, then the trade name,
 - b) A hazard warning, if appropriate,
 - c) The name, address, and telephone number of the manufacturer, and
 - d) The chemical name or common name of either the top five substances by volume or those substances consisting of 5.0% or more of the mixture.

A common name or trade name may be used only if the use of the name more easily or readily identifies the true nature of the hazardous substance, hazardous mixture, single chemical, or mixture involved.

Container labels shall provide a warning as to the specific nature of the hazard arising from the substance in the container.

The hazard warning shall be given in conformity with one of the nationally recognized and accepted systems of providing warnings, and hazard warnings shall be consistent with one or more of the recognized systems throughout the workplace. Examples are:

- NFPA 704, Identification of the Fire Hazards of Materials.
- National Paint and Coatings Association: Hazardous Materials Identification System.
- American Society for Testing and Materials, Safety Alert Pictorial Chart.
- American National Standard Institute, Inc., for the Precautionary Labeling of Hazardous Industrial Chemicals.

Labels must be legible and prominently affixed to and displayed on the product and the carton, container, or package so that employees can easily identify the substance or mixture present therein.

- b. Material Safety Data Sheet. The contractor shall provide Material Safety Data Sheets (MSDS) with the information required by the Act and the regulations for each hazardous substance or hazardous mixture. The Commonwealth must be provided an appropriate MSDS with the initial shipment and with the first shipment after an MSDS is updated or product changed. For any other chemical, the contractor shall provide an appropriate MSDS, if the manufacturer, importer, or supplier produces or possesses the MSDS. The contractor shall also notify the Commonwealth when a substance or mixture is subject to the provisions of the Act. Material Safety Data Sheets may be attached to the carton, container, or package mailed to the Commonwealth at the time of shipment.

V.36 CONTRACT-032.1 Covenant Against Contingent Fees (Oct 2006)

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Contract without liability or in its discretion to deduct from the Contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

V.37 CONTRACT-033.1 Applicable Law (Oct 2006)

This Contract shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Contractor consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

V.38 CONTRACT- 034.1b Integration (Nov 30 2006)

This Contract, including the Invitation for Bids, the Contractor's bid, all referenced documents, and any Purchase Order constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Contractor has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Contract, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Contract. No modifications, alterations, changes, or waiver to the Contract or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties.

V.39 CONTRACT-034.2b Order of Precedence - IFB (Dec 6 2006)

In the event there is a conflict among the documents comprising this Contract, the Commonwealth and the Contractor agree on the following order of precedence: the Contract; the IFB; and the Contractor's Bid in Response to the IFB.

V.40 CONTRACT-035.1a Changes (Oct 2006)

The Commonwealth reserves the right to make changes at any time during the term of the Contract or any renewals or extensions thereof: 1) to increase or decrease the quantities resulting from variations between any estimated quantities in the Contract and actual quantities; 2) to make changes to the services within the scope of the Contract; 3) to notify the Contractor that the Commonwealth is exercising any Contract renewal or extension option; or 4) to modify the time of performance that does not alter the scope of the Contract to extend the completion date beyond the Expiration Date of the Contract or any renewals or extensions thereof. Any such change shall be made by the Contracting Officer by notifying the Contractor in writing. The change shall be effective as of the date of the change, unless the notification of change specifies a later effective date. Such increases, decreases, changes, or modifications will not invalidate the Contract, nor, if performance security is being furnished in conjunction with the Contract, release the security obligation. The Contractor agrees to provide the service in accordance with the change order. Any dispute by the Contractor in regard to the performance required by any notification of change shall be handled through Contract Controversies Provision.

V.41 CONTRACT-037.1b Confidentiality (Oct 2006)

The Contractor agrees to protect the confidentiality of the Commonwealth's information. The Commonwealth agrees to protect the confidentiality of Contractor's confidential information. In order for information to be deemed to be confidential, the party claiming confidentiality must designate the information as "confidential" in such a way as to give notice to the other party. The parties agree that such confidential information shall not be copied, in whole or in part, except when essential for authorized use under this Contract. Each copy of such confidential information shall be marked by the party making the copy with all notices appearing in the original. Upon termination or cancellation of this Contract or any license granted hereunder, the receiving party will return to the disclosing party all copies of the confidential information in the receiving party's possession, other than one copy, which may be maintained for archival purposes only. Both parties agree that a material breach of these requirements may, after failure to cure within the time frame specified in this Contract, and at the discretion of the non-breaching party, result in termination for default.

The obligations stated in this Section do not apply to information:

- i. already known to the recipient at the time of disclosure;
- ii. independently generated by the recipient and not derived from the information supplied by the disclosing party;
- iii. known or available to the public, except where such knowledge or availability is the result of unauthorized disclosure by the recipient of the proprietary information;
- iv. disclosed to the recipient without a similar restriction by a third party who has the right to make such disclosure; or
- v. required to be disclosed by the recipient by law, regulation, court order, or other legal process.

V.42 CONTRACT-042.1 General (Oct 2006)

- A. Installment purchase options. To the extent that the Contractor offers the Commonwealth or any purchasing agency ("Purchaser") the option to pay for any items covered by the Contract in installments over time, these Installment Purchase Terms And Conditions shall, in addition to the other terms and conditions of the Contract, govern the installment purchase. If a Purchaser desires to purchase items on an installment basis, the Purchaser shall indicate its Installment Purchase election on the PO issued to the Contractor ("Installment Purchase PO"). By issuing an Installment Purchase PO, the Purchaser explicitly agrees to these Installment Purchase Terms and Conditions. Any items covered by an Installment Purchase shall be called "Installment Items" in these Installment Purchase Terms and Conditions.
- B. Assignments. The Contractor may assign, without DGS or Purchaser consent, any Installment Purchase PO to a third party ("Initial Assignee") who will fund the purchase of the Installment Items. The Initial Assignee may take title to, and assume the right to receive all payments for, the Installment Items. The Contractor shall notify the Purchaser of any Installment Purchase PO assignment in its acknowledgment of the Installment Purchase PO to the Purchaser, providing the Purchaser with a copy of the assignment agreement between the Contractor and the Initial Assignee.

- C. Installment Items. Notwithstanding any provisions to the contrary in the COSTARS Contract, in the event of an assignment to an Initial Assignee, the Initial Assignee shall be bound only to the Contractor's obligations specified in these Installment Purchase Terms and Conditions. An Initial Assignee shall not be responsible for any of the Contractor's additional representations, warranties, covenants, or obligations under the Contract Documents. By issuing an Installment Purchase PO, the Purchaser waives any claims it may have under the Installment Purchase against the Initial Assignee for any loss, damage, or expense caused by, defect in, or use or maintenance of any Installment Item. The Purchaser acknowledges that the Initial Assignee is not the supplier of the Installment Items and is not responsible for their selection or installation. After the ordering Purchaser executes, and the Initial Assignee receives, an acceptance certificate in the form attached to these Installment Purchase Terms and Conditions, if any portion of the Installment Items is unsatisfactory for any reason, the ordering Purchaser shall, nevertheless, continue to make payments under the applicable Installment Purchase terms and shall make any claim against the Contractor or the manufacturer, not against the Initial Assignee or any subsequent assignee of the Initial Assignee.
- D. Acceptance. After a Purchaser executes and the Initial Assignee receives an acceptance certificate in the form attached as Exhibit 1 to these Terms and Conditions ("Acceptance Certificate"):
1. The Purchaser shall, regardless of whether any portion of the Installment Items is unsatisfactory for any reason, nevertheless, continue to make payments under the applicable Installment Purchase and shall make any claim relating to the Installment Items against the Contractor or the manufacturer, not against the Initial Assignee or any subsequent assignee; and
 2. The rights of the Initial Assignee and any subsequent assignee to receive payments are absolute and unconditional and shall not be affected by any defense or right of set-off;
 3. If the Contractor delivers the Contract items in more than one delivery, unless otherwise specified in the Special Terms and Conditions for this procurement, the Purchaser will provide separate acceptance certificates for each delivery of the items, and the Purchaser will make separate payments for the Leased Property corresponding to the amount of Contract items delivered and accepted 30 days prior to the payment due date.

V.43 CONTRACT-042.2 Installment Purchase Terms (Oct 2006)

The Contractor may provide any Installment Items under the Contract for any term up to 60 months. The Purchaser shall identify the term selected on the Installment Purchase PO. The Installment Purchase term shall commence on the date the Purchaser accepts the Installment Items by executing the Acceptance Certificate, and the term shall continue for the length specified on the Installment Purchase PO.

V.44 CONTRACT-042.3 Payments (Oct 2006)

- A. Full term intention The Purchaser shall pay the applicable monthly payment for the Installment Items. The Purchaser shall continue payment for the full Installment Purchase term, unless the Purchaser terminates the Installment Purchase, either for Contractor default under or for nonappropriation of funds as specified in this section.
- B. Nonappropriation The Purchaser's obligation is payable only and solely from funds allotted for the purpose of the Installment Purchase. If sufficient funds are not appropriated for continuation of performance under any Installment Purchase for any fiscal year subsequent to the one in which the Purchaser issued the Installment Purchase PO, the Purchaser may return the Installment items to the Contractor/Initial Assignee (as applicable),

and thereafter the Contractor/Initial Assignee will release the Purchaser of all further obligations under the Installment Purchase, provided:

1. The Purchaser delivers unencumbered title to the Installment items to the contractor or Initial Assignee (if applicable);
2. The Purchaser returns the Installment items to the Contractor/Initial Assignee in good condition, reasonable wear and tear excepted; and
3. The Purchaser gives 30 days written notice of the failure of appropriations to the Contractor/Initial Assignee, along with a certification that the Installment Items are not being replaced by similar items from another vendor. In the event the Purchaser returns the Installment Items for failure of appropriations, the Purchaser shall pay all amounts then due under the Installment Purchase through the end of the fiscal year for which sufficient funds were appropriated for the Installment Purchase.

V.45 CONTRACT-042.4 Installment Purchase Terms and Conditions (Oct 2006)

A. Title and Security Interest Title to the Installment Items shall pass to the Purchaser at the time and place of delivery to the Purchaser of each unit of equipment. The Contractor or its Initial Assignee shall have a purchase money security interest in the Installment Items until payment of all installments as set forth in the payment schedule are made, or if the Purchaser prepays its installments, upon payment of the agreed amount between the Contractor and the Purchaser as set forth in Subsection.F. of this Section.

1. Upon payment of the final installment or other concluding payment option, neither the Contractor nor its assignee shall have any further interest in the Installment Items.
2. The Installment Items shall remain personal property and shall not become a fixture or affixed to real property without consent of the Contractor/assignee.
3. At the request of the Contractor or Initial Assignee, the Purchaser will join the Contractor/assignee in executing one or more UCC-1 financing statements.
4. The Purchaser will keep the Installment Items free and clear of all encumbrances except the Contractor's/assignee's security interest.

B. Assumption of Risks

1. The Purchaser shall, after acceptance of the Installment Items, assume and bear the risk of damage to, or loss or theft of, the Installment Items (including all component parts) from any cause other than action or inaction of the Contractor/assignee. The loss or damage of the Installment Items shall not impair any obligation of the Purchaser under these Installment Purchase Terms and Conditions, which shall continue in full force and effect. In the event that all or part of the Installment Items shall, as a result of the above-mentioned causes, become, in the Purchaser's reasonable determination, lost, stolen, destroyed, rendered unusable, or irreparably damaged, then the Purchaser shall notify the Contractor/assignee in writing. At its option, the Purchaser shall elect either:
 - a. to replace the equipment either like equipment, or

- b. to pay pro rata to the Contractor/assignee all payments then currently due according to the payment schedule, plus the pro rata principal portion of any remaining installments. The "pro rata principal portion of remaining installment payments" is that percentage of the principal portion of remaining installment payments as of the date of payment that the cost of the units of the equipment lost, stolen, destroyed, or rendered irreparably unusable or damaged bears to the total cost of the equipment determined by the amounts set forth in the field purchase order.
 2. The Purchaser assumes all risks and liabilities for injury to or death of any person, or damage to any property, arising out of the Purchaser's possession, use, operation, condition, or storage of any Installment Items, as more fully set forth in Paragraph 1. of Subsection E. below.
 3. The Purchaser agrees to insure the Installment Items as provided under Paragraph 2. of Subsection E. below.
- C. Assignment The Purchaser shall not assign any Installment Purchase PO or other interest in the Installment items without the prior written consent of the Contractor or its assignee. The Contractor may assign, and/or grant security interests in whole or in part in, the Installment Purchase to an Initial Assignee, who in turn may further assign and/or grant a security interest in an Installment Purchase to a subsequent assignee without the Purchaser's consent. Any other Contractor assignment shall require the Purchaser's prior written consent. Upon written notice to the Purchaser, the Contractor may assign payments under any Installment Purchase to a third party.
- D. Warranties
 1. The Purchaser shall have the benefit of any and all manufacturer or supplier warranties for the Installment Items.
 2. The Contractor/Initial Assignee and any subsequent assignee warrants that neither the Contractor/Initial Assignee or subsequent assignee, nor anyone acting or claiming through these parties by assignment or otherwise, will interfere with the Purchaser's quiet enjoyment of the Installment Items so long as no event of default as defined in Subsection G. shall have occurred and be continuing.
- E. Liability
 1. The Purchaser assumes all risks and liabilities for injury to or death of any person or damage to any property, arising out of the Purchaser's possession, use, operation, condition, or storage of any Installment Item, whether such injury or death be of agents or employees of the Purchaser or of third parties, and whether such property damage be to the Purchaser's property or the property of others; provided, however, that the damage or injury results from the action or inaction of the Purchaser, its agents or employees, and provided that judgment has been obtained against the Purchaser, its agents or employees. This provision shall not be construed to limit the governmental immunity of any Purchaser.
 2. The Purchaser shall, during the Installment Purchase term, either self-insure or purchase insurance to cover the risks it has assumed under Paragraph 1. of this Subsection E., including but not limited to risks of public liability and property damage.
- F. Financing and Prepayment
 1. If the Contractor is not the supplier of the Installment Items, the Contractor will pay the charges for the Installment Items directly to the supplier. In the event the Contractor assigns the Installment Purchase to an Initial Assignee, the Initial Assignee will pay the charges directly to the Contractor or the supplier, as

applicable. If the Contractor has assigned payments under the Installment Purchase to an Initial Assignee, the Purchaser's obligation to make payments for the Installment Items for which the Purchaser has executed and delivered acceptance certificates shall not be affected by any discontinuance, return, or destruction of any license or licensed program materials, or by any Purchaser dissatisfaction with any Installment Item.

2. The Purchaser may at any time elect to prepay its remaining Installment Purchase payments. The Purchaser shall provide notice of the intended prepayment date, which shall be at least one month after the date of the notice. Depending on market conditions at the time, the Contractor/Initial Assignee may reduce the balance of the remaining payments to reflect the requested prepayment and shall advise the Purchaser of the balance to be paid.
3. If the Purchaser purchases Contract items related to an Installment Item prior to the expiration of the Installment Purchase terms, or if the Installment Purchase is terminated for any reason except nonappropriation as described in Subsection III.B. of these Installment Purchase Terms and Conditions, and if the Installment Item has been delivered and the Purchaser has executed and delivered to the Contractor an acceptance certificate, the Purchaser shall prepay such Installment Item.

G. Default

1. If the Purchaser does not make a required payment within 30 days after its due date and such nonpayment continues for 15 days after receipt of written notice from the Contractor/Initial Assignee that the Purchaser is delinquent in payment, if the Purchaser breaches any other provision under these Terms and Conditions and such breach continues for 15 days after receipt of written notice of the breach from the Contractor/Initial Assignee, or if the Purchaser files any petition or proceeding (or has a petition or proceeding filed against it) under any bankruptcy, insolvency, or similar law, the Contractor/Initial Assignee may pursue and enforce the following remedies, individually or collectively:
 - a. Terminate the applicable Installment Purchase.
 - b. Take possession of any or all Contract items in the Purchaser's possession, without any court order or other process of law. For such purpose, upon written notice of its intention to do so, the Contractor or its assignee may enter upon the premises where the Contract items may be and remove and repossess the Contract items, from the premises without being liable to the Purchaser in any action or legal proceedings. The Contractor/assignee may, at its option, sell the repossessed Contract items at public or private sale for cash or credit. The Purchaser shall be liable for the Contractor's/assignee's expenses of retaking possession, including without limitation the removal of the Contract items and placing the Contract items in good operating condition (if not in good operating condition at the time of removal) in accordance with the manufacturer's specifications. Repossessed Contract items shall include only those items that were purchased under the Installment Purchase.
 - c. Recover from the Purchaser all payments then due, plus the net present value of the amount of the remaining payments. The present value of such remaining payments shall be calculated using a discount rate equal to the average of the weekly two- and three-year Treasury Constant Maturities published by the Federal Reserve Board for the last calendar week of the month preceding the contractor's/assignee's termination of the applicable Installment Purchase. The Treasury Constant Maturities are published in Statistical Release .15 and may be accessed via the Federal Reserve Board's Internet website.
2. In the event of Contractor default, the Purchaser may pursue one or more of the following remedies:
 - a. If the payments under the Installment Purchase have been assigned to an Initial Assignee, the Purchaser shall continue to make payments for those Contract Items which have been delivered and for which the Purchaser has provided acceptance certificates to the Contractor/Initial Assignee.

- b. The Purchaser may cancel, without liability for payment, its order for any Contract items which have not been delivered and for which it has not issued acceptance certificates. In this instance, the amount of the Contract payments will be recalculated to take into consideration and pay for the actual number of Contract items which were delivered and accepted. If no Installment items have been delivered and accepted, the Purchaser may terminate the Installment Purchase without liability for any payment.
- c. If payments have not been assigned, the Purchaser may set off or counterclaim any and all damages incurred by the Purchaser as a result of the contractor's default against its obligation to make payments.

V.46 CONTRACT-042.5 Compliance with Internal Revenue Code (Oct 2006)

- A. Tax Exempt Financing If it intends to provide tax exempt financing, the Contractor/Initial Assignee must file, in timely fashion, any reports the Internal Revenue Service may require with respect to the order under the Internal Revenue Code (IRC). The Purchaser shall cooperate with the Contractor/Initial Assignee in the preparation and execution of these documents. The Purchaser shall also keep a copy of each notification of assignment with the Purchaser's counterpart of the order and shall not, during the Installment Purchase term, permit the Installment Items to be directly or indirectly used for a private business use within the meaning of Section 141 of the IRC.
- B. Governmental status Eligible Purchasers include State entities or political subdivisions of a State for the purpose of Section 103(a) of the IRC as well as tax exempt non-profit corporations and entities under 501(c)(4) of the IRC. Any misrepresentation of a Purchaser's status under the IRC shall constitute an event of default by the Purchaser. If the Internal Revenue Service rules that the Purchaser does not so qualify under either Section 103(a) or 501(c)(4) of the IRC, or if the Purchaser fails to cooperate with the Contractor/Initial Assignee in the preparation and execution of any reports required under Section 124 or 149 of the IRC (including 8038G and 8038GC forms), the Purchaser will, upon demand, pay the Contractor/Initial Assignee a sum the Contractor/Initial Assignee determines sufficient to return the Contractor/Initial Assignee to the economic status it would otherwise have received.

V.47 CONTRACT-042.6 Use and Location of, and Alterations to, Installment Items (Oct 2006)

The Purchaser shall keep the Installment Items within the confines of the Commonwealth of Pennsylvania and shall inform the Contractor/Initial Assignee upon request of the location of the Installment Items. The Purchaser, at its own cost and expense, shall maintain the Installment Items in good operating condition and will not use or deal with the Installment Items in any manner which is inconsistent with the terms of the COSTARS Contract or any applicable laws and regulations. The Purchaser agrees not to misuse, abuse, or waste the Installment Items and the Purchaser will not allow the Installment Items to deteriorate, except for ordinary wear and tear resulting from their intended use. No alterations, changes, or modifications to the Installment Items shall be made without the approval of the Contractor/Initial Assignee.

V.48 CONTRACT-042.7 Warranty Disclaimer (Oct 2006)

IN THE EVENT THE CONTRACTOR ASSIGNS AN INSTALLMENT PURCHASE TO AN INITIAL ASSIGNEE, SUCH INITIAL ASSIGNEE AND ANY SUBSEQUENT ASSIGNEE MAKE NO WARRANTY (OTHER THAN A WARRANTY OF QUIET ENJOYMENT OF THE LEASED ITEMS), EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. AS TO THE INITIAL ASSIGNEE AND ANY SUBSEQUENT ASSIGNEE, THE PURCHASER TAKES THE EQUIPMENT

AND ANY FINANCED ITEM "AS IS". IN NO EVENT SHALL THE INITIAL ASSIGNEE OR ANY SUBSEQUENT ASSIGNEE HAVE ANY LIABILITY FOR, NOR SHALL THE PURCHASER HAVE ANY REMEDY AGAINST, THE INITIAL ASSIGNEE OR ANY SUBSEQUENT ASSIGNEE FOR CONSEQUENTIAL DAMAGES, LOSS OF SAVINGS, OR LOSS OF USE.

V.49 CONTRACT-042.8 Governing Law (March 5, 2007)

All Purchases made under these Installment Purchase Terms and Conditions shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, except that the parties agree that Article 2A of the Uniform Commercial Code shall not apply or govern transactions under these Installment Purchase Terms and Conditions.

V.50 CONTRACT-042.9 Notices (Oct 2006)

Service of all notices under these Installment Purchase Terms and Conditions shall be sufficient if delivered to the Purchaser at the address set forth in the applicable Installment Purchase PO, or to the Contractor/Initial Assignee at the address set forth in its acknowledgment of the Installment Purchase PO, including any attached document.

Notices by mail shall be effective when deposited in the U.S. mail, properly addressed, with sufficient paid postage.

Notices delivered by hand or by overnight courier shall be effective when actually received.

V.51 CONTRACT-042.10 Terms (Oct 2006)

These Installment Purchase Terms and Conditions are in addition to the other terms and conditions of the COSTARS Contract, except to the extent the Contractor assigns an Installment Purchase to an Initial Assignee, in which case the Initial Assignee shall be bound to the obligations of the Contractor only as specified in these Installment Purchase Terms and Conditions. To the extent that there is a conflict between the other terms and conditions of the COSTARS Contract and these Installment Purchase Terms and Conditions, these Installment Purchase Terms and Conditions shall prevail to the extent that the Purchaser has elected an Installment Purchase option.

V.52 CONTRACT 042.11 Installment Purchase Acceptance Certificate (Dec 6 2006)

The acceptance certificate required in these Installment Purchase Terms and Conditions shall be in the form set forth in the attachment to this Contract.

V.53 CONTRACT-043.1 General (March 5, 2007)

- A. Lease options To the extent that the Contractor offers the Commonwealth or any purchasing agency ("Lessee") the option to lease any items covered by the Contract, these Leasing Terms And Conditions shall, in addition to the other terms and conditions of the Contract, govern the lease. The Contractor may offer both standard leases and lease/purchases. These transactions shall be referred to as "Leases" in these Leasing Terms and Conditions. If a Lessee desires a Lease, the Lessee shall indicate its election to lease Contract items on the PO issued to the Contractor ("Lease PO"). By issuing a Lease PO, the Lessee explicitly agrees to these Leasing Terms and Conditions. Any items covered by a Lease shall be called "Leased Property" in these Leasing Terms and Conditions.

- B. Assignments The Contractor may assign, without Lessee consent, any Lease to a third party ("Initial Assignee") who will fund the purchase of the Leased Property. The Initial Assignee may take title to, and assume the right to receive all rental payments for, the Leased Property. The Contractor shall notify the Lessee of any Lease assignment in its acknowledgment of the Lease PO to the Lessee, providing the Lessee with a copy of the assignment agreement between the Contractor and the Initial Assignee.
- C. Leased Property Notwithstanding any provisions to the contrary in the Contract, in the event of a Lease assignment to an Initial Assignee, the Initial Assignee shall be bound only to the Contractor's obligations specified in these Leasing Terms and Conditions. An Initial Assignee shall not be responsible for any of the Contractor's additional representations, warranties, covenants, or obligations under the Contract Documents. By issuing a Lease PO, the Lessee waives any claims it may have under the Lease against the Initial Assignee for any loss, damage, or expense caused by, defect in, or use or maintenance of any Leased Item. The Lessee acknowledges that the Initial Assignee is not the supplier of the Leased Property and is not responsible for their selection or installation. After the ordering Lessee executes, and the Initial Assignee receives, an acceptance certificate, if the Leased Property is in whole or in part unsatisfactory for any reason, the Lessee shall, nevertheless, continue to make rental payments under the applicable Lease and shall make any claim against the Contractor or the manufacturer, not against the Initial Assignee or any subsequent assignee of the Initial Assignee.
- D. Acceptance After a Lessee executes and the Initial Assignee receives an acceptance certificate in the form attached to these Terms and Conditions (" Lease Acceptance Certificate"):
1. The Lessee shall, regardless of whether any portion of the Leased Property is unsatisfactory for any reason, nevertheless, continue to make rental payments under the Lease and shall make any claim relating to the Leased Property against the Contractor or the manufacturer, not against the Initial Assignee or any subsequent assignee; and
 2. The rights of the Initial Assignee and any subsequent assignee to receive rental payments are absolute and unconditional and shall not be affected by any defense or right of set-off.
 3. If the Leased Property is delivered in more than one delivery, unless otherwise specified in the Special Terms and Conditions for this procurement, the Lessee will provide separate acceptance certificates for each delivery of Leased Property, and the Lessee will make periodic payments for the Leased Property corresponding to the amount of the Leased Property delivered and accepted 30 days prior to the payment due date.

V.54 CONTRACT-043.01b General (Oct 2006)

Contractor agrees to rent the item(s) covered by the Contract to the Commonwealth for the term of the Lease. The items covered by a Lease shall be called "Rented Equipment" in these Leasing Terms and Conditions.

V.55 CONTRACT-043.2 Lease Terms (Oct 2006)

The Contractor may provide any Leased Property under the Contract for any term up to 60 months, including a Fair Market Value Option for Lease/Purchases. The Lessee shall identify the term selected, as well as its election of either a Lease or Lease/Purchase option, on the PO.

V.56 CONTRACT-043.02b Rent (Oct 2006)

The Commonwealth shall pay rent for the use of the Rented Equipment. The Commonwealth's rental obligation is payable only and solely from funds allotted for the purpose of the Lease. If sufficient funds are not appropriated for continuation of performance under the Lease for any fiscal year subsequent to the one in which the Contract was executed, the Commonwealth may return the Rented Equipment to the Contractor, and thereafter the Contractor shall release the Commonwealth of all further obligations under the Lease provided that:

1. The Commonwealth delivers unencumbered title to the Rented Equipment to the Contractor;
2. The Commonwealth returns the Rented Equipment to the Contractor in good condition, reasonable wear and tear excepted; and
3. The Commonwealth gives 30 days written notice of the failure of appropriations to the Contractor, along with a certification that the Rented Equipment are not being replaced by similar Property from another vendor. In the event the Commonwealth returns the Rented Equipment for failure of appropriations, the Commonwealth shall pay all amounts then due under the Lease through the end of the fiscal year for which sufficient funds were appropriated for the Lease.

V.57 CONTRACT-043.3 Term (Oct 2006)

The Lease term shall commence on the date the Lessee accepts the equipment and/or Leased Property by executing the Acceptance Certificate, and the term shall continue for the length specified on the Lease PO. If the Leased Property is provided in separate deliveries, the term for each delivery shall expire the specified time after the date of the Lessee's execution of the acceptance certificate as provided in Subsection I.D. of these Leasing Terms and Conditions.

V.58 CONTRACT-043.03b Term (Oct 2006)

The Lease term shall commence on the date the Commonwealth accepts the Rented Equipment, and the term shall continue for the length specified on the Contract. If the Rented Equipment is provided in separate deliveries, the term for each delivery shall expire the specified time after the date of the Commonwealth's execution of the acceptance certificate.

V.59 CONTRACT-043.4 Payments (Oct 2006)

- A. Full term intention The Lessee shall pay the applicable monthly or annual rent payment for the Leased Property for the full Lease term unless the Lessee terminates the Lease, either for Contractor Default or for nonappropriation of funds as specified in Subsection B. of this Section.
- B. Nonappropriation The Lessee's obligation is payable only and solely from funds allotted for the purpose of the Lease. If sufficient funds are not appropriated for continuation of performance under any Lease for any fiscal year subsequent to the one in which the Lessee issued the Lease PO, the Lessee may return the Leased Property to the Contractor/Initial Assignee (as applicable), and thereafter the Contractor/Initial Assignee shall release the Lessee of all further obligations under the Lease, provided:

1. The Lessee delivers unencumbered title to the Leased Property to the contractor or Initial Assignee (if applicable);
2. The Lessee returns the Leased Property to the Contractor/Initial Assignee in good condition, reasonable wear and tear excepted; and
3. The Lessee gives 30 days written notice of the failure of appropriations to the Contractor/Initial Assignee, along with a certification that the Leased Property are not being replaced by similar Property from another vendor. In the event the Lessee returns the Leased Property for failure of appropriations, the Lessee shall pay all amounts then due under the Lease through the end of the fiscal year for which sufficient funds were appropriated for the Lease.

V.60 CONTRACT-043.04b Title (Oct 2006)

Title to the Rented Equipment shall not pass to the Commonwealth but shall remain in the Contractor. The Commonwealth acknowledges that the Rented Equipment remains personal property during the Lease term and that the Rented Equipment shall not become a fixture or affixed to real property during that term. The Commonwealth shall keep the Rented Equipment free and clear of all encumbrances during the Lease term, excluding any Contractor or assignee security interest. At the Contractor's request, the Commonwealth will join the Contractor in executing one or more financing statements pursuant to the Uniform Commercial Code or other registration law applicable to the location of any Rented Equipment. If the Contractor deems filing to be necessary or desirable, the Contractor shall pay the cost of filing the financing statement(s) in public offices.

V.61 CONTRACT-043.5 Leasing Terms and Conditions (Oct 2006)

- A. Title. Title to the Leased Property shall not pass to the Lessee but shall remain in the Contractor or Initial Assignee, whichever applies; except in the case of a Lease/Purchase, the title shall pass upon payment of the final installment or other concluding payment option, after which neither the Contractor nor any assignee shall have any further interest in the Leased Item. The Lessee acknowledges that the Leased Property remain personal property during the Lease term and that the Leased Property shall not become a fixture or affixed to real property during that term. The Lessee shall keep the Leased Property free and clear of all encumbrances during the Lease term, excluding any Contractor or assignee security interest.
 1. At the Contractor's or Initial Assignee's request, as applicable, the Lessee will join the Contractor/Initial Assignee in executing one or more financing statements pursuant to the Uniform Commercial Code or other registration law applicable to the location of any Leased Property.
 2. If the Contractor/Initial Assignee deems filing to be necessary or desirable, the Contractor/Initial Assignee shall pay the cost of filing the financing statement(s) in public offices.
- B. Risk of Loss. The Contractor shall assume and bear the risk of loss or damage to, or theft of, the Leased Property and all component parts while the Leased Property or parts are in the Lessee's possession, unless the Lessee could have prevented such loss, damage, or theft by exercising reasonable care or diligence in the use, protection, or care of the Leased Property or parts. No loss or damage to the Leased Property or parts shall impair any Contractor or Lessee obligation under the Lease, except as expressly provided in these Leasing Terms and Conditions. If the damage could not have been prevented by the Lessee's exercise of reasonable care or diligence, and the Contractor determines the Leased Property or parts can be economically repaired, the Contractor shall repair or cause to be repaired all damages to the Leased Property or their parts. In the event that the any of the Leased Property or their parts are stolen or destroyed, or if in the Contractor's opinion they are

rendered irreparable, unusable, or damaged, the affected Leased Property shall be considered a total loss and the Lease shall terminate as to those Leased Property, and the Lessee's obligation to pay rent for the affected Leased Property shall be deemed to have ceased as of the date of the loss.

- C. Assignment. The Lessee shall not assign any Lease, or other interest in the Leased Property, nor shall the Lessee sublease the Leased Property, without the prior written consent of the Contractor or its assignee. The Contractor may assign, and/or grant security interests in whole or in part in, the Lease PO and Leased Property to an Initial Assignee, who in turn may further assign and/or grant a security interest in a Lease or Leased Property to a subsequent assignee without the Lessee's consent. Any other Contractor assignment shall require the Lessee's prior written consent. Upon written notice to the Lessee, the Contractor may assign rental payments under any Lease or Lease/Purchase to a third party.
- D. Purchase Option. If the Lessee is not in default, it shall have the right at the expiration of the Lease term to buy the Leased Property "as is with no additional warranty" by tendering the purchase option amount the parties have established. For any Lease with a Fair Market Value Option, the fair market value of the equipment shall be established by the Contractor/Initial Assignee and shall not exceed the then-current purchase price of the Leased Property as established in the Contract. Upon the Lessee's exercise of a purchase option and payment of the required amount to the Contractor/Initial Assignee, all right, title, and interest in the Leased Property shall pass to the Lessee.
- E. Extension. If the Lessee does not elect to purchase the Leased Property at the expiration of a Lease term, and the Lessee is not in default under the Lease, the Lessee may elect to extend the Lease by written notification to the Contractor/Initial Assignee. The Lessee will make any elective extension under the same Leasing Terms and Conditions, including any rent payable (not less than fair market rental value), and will continue until the earlier of termination by either party upon one month's prior written notice, or five years from the date of installation.
- F. Return of Equipment. At the expiration or termination of a Lease for any Leased Property, or upon Contractor/Initial Assignee demand pursuant to Section J. of this Section, the Lessee shall promptly return the Leased Property, freight prepaid, to any location in the continental United States specified by the Contractor/Initial Assignee. The Lessee shall pay the required rent for the Leased Property until they have been shipped to the Contractor.
1. Since DGS has, as a matter of policy, determined that all hard drives contain information that is confidential or sensitive, the Contractor shall, at its discretion, either remove and destroy any hard drive from the Leased Property or clean the hard drive to Office of Administration/U.S. Department of Defense standards, and the Contractor shall provide written certification to the Lessee that the hard drive has been destroyed or cleaned to Office of Administration/U.S. Department of Defense standards.
 2. Except in the event of a total loss of any or all Leased Property as described in Subsection B. of this Section, and except for any costs associated with the removal, destruction, and cleaning of any hard drives, the Lessee shall pay any costs the Contractor/Initial Assignee incurs to restore the Leased Property to good operating condition in accordance with the Contract specifications. All parts the Contractor/Initial Assignee may remove and replace shall become the Contractor's/Initial Assignee's property.
 3. The Contractor's/Initial Assignee's costs associated with the cleaning of any hard drive to Office of Administration/U.S. Department of Defense standards and the removal and destruction of any hard drive(s) shall be included in the rental amount. The Lessee shall not be required to pay additional charges for the Contractor's/Initial Assignee's cleaning of a hard drive to Office of Administration/U.S. Department of Defense standards nor for the Contractor's/Initial Assignee's removal and destruction of any hard drive(s) upon the return of a Leased item.

G. Warranties

1. The Contractor/Initial Assignee, as applicable, grants to the Lessee the benefit of any and all manufacturer or supplier warranties for the Leased Property during the Lease term.
2. The Contractor/Initial Assignee and any subsequent assignee warrants that neither the Contractor/Initial Assignee or subsequent assignee, nor anyone acting or claiming through these parties by assignment or otherwise, shall interfere with the Lessee's quiet enjoyment of the Leased Property so long as no event of default as defined in Subsection J. of this Section shall have occurred and be continuing.

H. Liability

1. The Lessee assumes all risks and liabilities for injury to or death of any person or damage to any property, arising out of the Lessee's possession, use, operation, condition, or storage of any Leased Item, whether such injury or death be of agents or employees of the Lessee or of third parties, and whether such property damage be to the Lessee's property or the property of others; provided, however, that the damage or injury results from the action or inaction of the Lessee, its agents or employees, and provided that judgment has been obtained against the Lessee, its agents or employees. This provision shall not be construed to limit the governmental immunity of any Lessee.
2. The Lessee shall, during the Lease term, either self-insure or purchase insurance to cover the risks it has assumed under Subsection 1. of this Section, including but not limited to risks of public liability and property damage.

I. Financing and Prepayment

1. If the Contractor is not the supplier of the Leased Property, the Contractor shall pay the charges for the Leased Property directly to the supplier. In the event the Contractor assigns the Lease to an Initial Assignee, the Contractor shall require the Initial Assignee to pay the charges directly to the Contractor or the supplier, as applicable. If the Contractor has assigned rental payments to an Initial Assignee, the Lessee's obligation to make rental payments for the Leased Property for which the Lessee has executed and delivered acceptance certificates shall not be affected by any discontinuance, return, or destruction of any license or licensed program materials, or by any Lessee dissatisfaction with any Leased Item.
2. The Lessee may terminate the financing for any Leased Item by prepaying its remaining rental payments. The Lessee shall provide notice of the intended prepayment date, which shall be at least one month after the date of the notice. Depending on market conditions at the time, the Contractor/Initial Assignee may reduce the balance of the remaining rental payments to reflect the requested prepayment and shall advise the Lessee of the balance to be paid.
3. If the Lessee purchases any items related to a Leased Item prior to the expiration of the Lease terms, or if the Lease is terminated for any reason except nonappropriation as described in Subsection B. of this Section, and if the Leased Item has been delivered and the Lessee has executed and delivered to the Contractor an acceptance certificate, the Lessee shall prepay such Leased Item.

J. Default

1. If the Lessee does not make a required payment within 30 days after its due date and such nonpayment continues for 15 days after receipt of written notice from the Contractor/Initial Assignee that the Lessee is delinquent in payment; if the Lessee breaches any other provision under these Terms and Conditions and such breach continues for 15 days after receipt of written notice of the breach from the Contractor/Initial Assignee; or if the Lessee files any petition or proceeding (or has a petition or proceeding filed against it)

under any bankruptcy, insolvency, or similar law, then the Contractor/Initial Assignee may pursue and enforce the following remedies, individually or collectively:

- a. Terminate the Lease.
 - b. Take possession of any or all Leased Property in the Lessee's possession, without any court order or other process of law. For such purpose, upon written notice of its intention to do so, the Contractor or its assignee may enter upon the premises where the Leased Property may be and remove and repossess the Leased Property from the Premises without being liable to the Lessee in any action or legal proceeding. The Contractor/assignee may, at its option, sell the repossessed Leased Property at public or private sale for cash or credit. The Lessee shall be liable for the Contractor's/assignee's expenses of retaking possession, including without limitation the removal of the Leased Property and placing the Leased Property in good operating condition (if not in good operating condition at the time of removal) in accordance with the manufacturer's specifications. Repossessed Leased Property shall include only those items that were leased or lease/purchased under the PO
 - c. Recover from the Lessee all rental payments then due, plus the net present value of the amount of the remaining rental payments. The present value of such remaining rental payments shall be calculated using a discount rate equal to the average of the weekly two- and three-year Treasury Constant Maturities published by the Federal Reserve Board for the last calendar week of the month preceding the contractor's/assignee's termination of the applicable Lease PO. The Treasury Constant Maturities are published in Statistical Release .15 and may be accessed via the Federal Reserve Board's Internet website.
2. In the event of Contractor default, the Lessee may pursue one or more of the following remedies:
- a. If the rental payments under the Lease have been assigned to an Initial Assignee, the Lessee shall continue to make rental payments for those Contract Items which have been delivered and for which the Lessee has provided acceptance certificates to the Contractor/Initial Assignee.
 - b. The Lessee may cancel, without liability for payment, its order for any Contract items which have not been delivered and for which it has not issued acceptance certificates. In this instance, the amount of the rental payments will be recalculated to take into consideration and pay for the actual number of Leased Property which were delivered and accepted. If no Leased Property have been delivered and accepted, the Lessee may terminate the Lease without liability for any payment.
 - c. If payments have not been assigned, the Lessee may set off or counterclaim any and all damages incurred by the Lessee as a result of the Contractor's default against the Lessee's obligation to make rental payments.

V.62 CONTRACT-043.05b Risk of Loss (Oct 2006)

The Contractor shall assume and bear the risk of loss or damage to, or theft of, the Rented Equipment and all component parts while the Rented Equipment or parts are in the Commonwealth's possession, unless the Commonwealth could have prevented such loss, damage, or theft by exercising reasonable care or diligence in the use, protection, or care of the Rented Equipment or parts. No loss or damage to the Rented Equipment or parts shall impair any Contractor or Commonwealth obligation under the Lease, except as expressly provided in these Leasing Terms and Conditions. If the damage could not have been prevented by the Commonwealth's exercise of reasonable care or diligence, and the Contractor determines the Rented Equipment or parts can be economically repaired, the Contractor shall repair or cause to be repaired all damages to the Rented Equipment or their parts. In the event that the any of the Rented Equipment or their parts are stolen or destroyed, or if in the

Contractor's opinion they are rendered irreparable, unusable, or damaged, the affected Rented Equipment shall be considered a total loss and the Lease shall terminate as to that Rented Equipment, and the Commonwealth's obligation to pay rent for the affected Rented Equipment shall be deemed to have ceased as of the date of the loss.

V.63 CONTRACT-043.6 Compliance with Internal Revenue Code (Oct 2006)

- A. Tax Exempt Financing. If it intends to provide tax exempt financing, the Contractor/Initial Assignee must file, in timely fashion, any reports the Internal Revenue Service may require with respect to the order under the Internal Revenue Code (IRC). The Lessee shall cooperate with the Contractor/Initial Assignee in the preparation and execution of these documents. The Lessee shall also keep a copy of each notification of assignment with the Lessee's counterpart of the order and shall not, during the Lease term, permit the Leased Property to be directly or indirectly used for a private business use within the meaning of Section 141 of the IRC.
- B. Governmental status. Eligible Lessees include State entities or political subdivisions of a State for the purpose of Section 103(a) of the IRC as well as tax exempt non-profit corporations and entities under 501(c)(4) of the IRC. Any misrepresentation of a Lessee's status under the IRC shall constitute an event of default by the Lessee. If the Internal Revenue Service rules that the Lessee does not so qualify under either Section 103(a) or 501(c)(4) of the IRC, or if the Lessee fails to cooperate with the Contractor/Initial Assignee in the preparation and execution of any reports required under Section 124 or 149 of the IRC (including 8038G and 8038GC forms), the Lessee will upon demand pay the Contractor/Initial Assignee a sum the Contractor/Initial Assignee determines sufficient to return the Contractor/Initial Assignee to the economic status it would otherwise have received.

V.64 CONTRACT-043.06b Assignment (Oct 2006)

The Commonwealth shall not assign any Lease, or other interest in the Rented Equipment, nor shall the Commonwealth sublease the Rented Equipment, without the prior written consent of the Contractor or its assignee. Upon written notice to the Commonwealth, the Contractor may assign rental payments under any Lease or Lease/Purchase to a third party.

V.65 CONTRACT-043.7 Use and Location of, and Alterations to, Leased Property (Oct 2006)

The Lessee shall keep the Leased Property within the confines of the Commonwealth of Pennsylvania and shall inform the Contractor/Initial Assignee upon request of the location of the Leased Property. The Lessee, at its own cost and expense, shall maintain the Leased Property in good operating condition and will not use or deal with the Leased Property in any manner which is inconsistent with the terms of the Contract or any applicable laws and regulations. The Lessee agrees not to misuse, abuse, or waste the Leased Property and the Lessee will not allow the Leased Property to deteriorate, except for ordinary wear and tear resulting from their intended use. No alterations, changes, or modifications to the Leased Property shall be made without the approval of the Contractor/Initial Assignee.

V.66 CONTRACT-043.07b Return of Equipment (Oct 2006)

At the expiration or termination of the Lease for any Rented Equipment, or upon Contractor demand pursuant to a default by the Commonwealth, the Contractor shall arrange for the return of the Rented Equipment.

V.67 CONTRACT-043.8 Warranty Disclaimer (Oct 2006)

IN THE EVENT THE CONTRACTOR ASSIGNS A LEASE TO AN INITIAL ASSIGNEE, SUCH INITIAL ASSIGNEE AND ANY SUBSEQUENT ASSIGNEE MAKE NO WARRANTY (OTHER THAN A WARRANTY OF QUIET ENJOYMENT OF THE LEASED PROPERTY), EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. AS TO THE INITIAL ASSIGNEE AND ANY SUBSEQUENT ASSIGNEE, THE LESSEE TAKES THE EQUIPMENT AND ANY LEASED PROPERTY "AS IS". IN NO EVENT SHALL THE INITIAL ASSIGNEE OR ANY SUBSEQUENT ASSIGNEE HAVE ANY LIABILITY FOR, NOR SHALL THE LESSEE HAVE ANY REMEDY AGAINST, THE INITIAL ASSIGNEE OR ANY SUBSEQUENT ASSIGNEE FOR CONSEQUENTIAL DAMAGES, LOSS OF SAVINGS, OR LOSS OF USE.

V.68 CONTRACT-043.08b Maintenance/Service of Rented Equipment (Oct 2006)

The rent payment includes such maintenance service by the Contractor that is necessary to keep the Lease Property in good operating condition in accordance with the manufacturer specifications, except such maintenance and repair that is the result of the negligence, misuse or abuse or failure to follow the manufacturer's instructions in the care, handling and operation of the Rented Equipment.

V.69 CONTRACT-043.9 Governing Law (March 5, 2007)

All Leases made under these Leasing Terms and Conditions shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, except that the parties agree that Article 2A of the Uniform Commercial Code shall not apply or govern transactions under these Leasing Terms and Conditions.

V.70 CONTRACT-043.09b Risk of Loss and Liability (Oct 2006)

The Commonwealth assumes all risks and liabilities for injury to or death of any person or damage to any property, arising out of the Commonwealth's possession, use, operation, condition, or storage of any Leased Item, whether such injury or death be of agents or employees of the Commonwealth or of third parties, and whether such property damage be to the Commonwealth's property or the property of others; provided, however, that the damage or injury results from the action or inaction of the Commonwealth, its agents or employees, and provided that judgment has been obtained against the Commonwealth, its agents or employees. This provision shall not be construed to limit the governmental immunity of any Commonwealth. The Commonwealth shall, during the Lease term, either self-insure or purchase insurance to cover the risks it has assumed under this clause, including but not limited to risks of public liability and property damage.

V.71 CONTRACT-043.10 Notices (Oct 2006)

Service of all notices under these Leasing Terms and Conditions shall be sufficient if delivered to the Lessee at the address set forth in the applicable PO, or to the Contractor/Initial Assignee at the address set forth in its acknowledgment of the PO, including any attached document. Notices by mail shall be effective when deposited in the U.S. mail, properly addressed, with sufficient paid postage. Notices delivered by hand or by overnight courier

shall be effective when actually received.

V.72 CONTRACT-043.10b Default (Oct 2006)

1. If the Commonwealth does not make a required payment within 30 days after its due date and such nonpayment continues for 15 days after receipt of written notice from the Contractor that the Commonwealth is delinquent in payment; if the Commonwealth breaches any other provision under these Terms and Conditions and such breach continues for 15 days after receipt of written notice of the breach from the Contractor; or if the Commonwealth files any petition or proceeding (or has a petition or proceeding filed against it) under any bankruptcy, insolvency, or similar law, then the Contractor may pursue and enforce the following remedies, individually or collectively:
 - a. Terminate the Lease.
 - b. Take possession of any or all Rented Equipment in the Commonwealth's possession, without any court order or other process of law. For such purpose, upon written notice of its intention to do so, the Contractor or its assignee may enter upon the premises where the Rented Equipment may be and remove and repossess the Rented Equipment from the Premises without being liable to the Commonwealth in any action or legal proceeding.
 - c. Recover from the Commonwealth all rental payments then due, plus the net present value of the amount of the remaining rental payments. The present value of such remaining rental payments shall be calculated using a discount rate equal to the average of the weekly two- and three-year Treasury Constant Maturities published by the Federal Reserve Board for the last calendar week of the month preceding the contractor's/assignee's termination of the applicable Lease PO. The Treasury Constant Maturities are published in Statistical Release .15 and may be accessed via the Federal Reserve Board's Internet website.
2. In the event of Contractor default, the Commonwealth may, in addition to the other remedies provided by this Contract, terminate, without liability for any future rental payment, its order/contract for the Rented Equipment.

V.73 CONTRACT-043.11 Terms (Oct 2006)

These Leasing Terms and Conditions are in addition to the other terms and conditions of the Contract, except to the extent the Contractor assigns a PO to an Initial Assignee, in which case the Initial Assignee shall be bound to the obligations of the Contractor only as specified in these Leasing Terms and Conditions. To the extent that there is a conflict between the other terms and conditions of the Contract and these Leasing Terms and Conditions, these Leasing Terms and Conditions shall prevail to the extent that the Lessee has elected the lease option.

V.74 CONTRACT-043.11b Use and Location of, and Alterations to, Rented Equipment (Oct 2006)

The Commonwealth shall keep the Rented Equipment within the confines of the Commonwealth of Pennsylvania and shall inform the Contractor upon request of the location of the Rented Equipment. The Commonwealth will not use or deal with the Rented Equipment in any manner which is inconsistent with the terms of the Contract or any applicable laws and regulations. The Commonwealth agrees not to misuse, abuse, or waste the Rented Equipment and the Commonwealth will not allow the Rented Equipment to deteriorate, except for ordinary wear and tear resulting from their intended use. No alterations, changes, or modifications to the Rented Equipment shall be made without the approval of the Contractor/Initial Assignee.

V.75 CONTRACT 043.12 Acceptance Certificate (Dec 6 2006)

The acceptance certificate required in these Leasing Terms and Conditions shall be in the form set forth in the attachment to this Contract.

V.76 CONTRACT-043.12b Governing Law; Severability (Oct 2006)

The Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, except that the parties agree that Article 2A of the Uniform Commercial Code shall not apply or govern transactions under these the Contract.

V.77 CONTRACT-046.1 Manufacturer's Price Reduction (Oct 2006)

If, prior to the delivery of the awarded item(s) by the Contractor, a price reduction is announced by the original equipment manufacturer, a comparative price reduction will be given to the Commonwealth by the Contractor.

V.78 CONTRACT-051.1 Notice (Dec 2006)

Any written notice to any party under this Contract shall be deemed sufficient if delivered personally, or by facsimile, telecopy, electronic or digital transmission (provided such delivery is confirmed), or by a recognized overnight courier service (e.g., DHL, Federal Express, etc.) with confirmed receipt, or by certified or registered United States mail, postage prepaid, return receipt requested, and sent to following:

- a. If to the Contractor: the Contractor's address as recorded in the Commonwealth's Supplier Registration system.
- b. If to the Commonwealth: the address of the Issuing Office as set forth on the Contract.

V.79 CONTRACT-052.1 Right to Know Law (Feb 2010)

a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the Commonwealth" shall refer to the contracting Commonwealth agency.

b. If the Commonwealth needs the Contractor's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Contractor using the legal contact information provided in this Contract. The Contractor, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

c. Upon written notification from the Commonwealth that it requires the Contractor's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Contractor's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Contractor shall:

- 1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to,

and copies of, any document or information in the Contractor's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and

2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.

d. If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Contractor considers exempt from production under the RTKL, the Contractor must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL.

e. The Commonwealth will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Contractor shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.

f. If the Contractor fails to provide the Requested Information within the time period required by these provisions, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.

g. The Commonwealth will reimburse the Contractor for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

h. The Contractor may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Contractor shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

i. The Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.