



**State Term Contract
No. 44102100-17-1
For
Mail Processing Equipment**

This Contract is between the State of Florida, Department of Management Services (Department), an agency of the State of Florida and **Contractor**, collectively referred to herein as the “Parties.”

The Contractor submitted a response to the Department’s solicitation, ITB 22-44102100-Z for Mail Processing Equipment. After concluding all evaluations, the Department has determined that the Contractor’s response provides a best value to the State of Florida.

Accordingly, the Parties agree as follows:

I. Initial Contract Term.

The Initial Contract Term shall be for five years. The Initial Contract Term shall begin on February 20, 2017. The Contract shall expire on February 19, 2022 unless terminated earlier in accordance the General Contract Conditions.

II. Renewal Term.

Upon mutual written agreement, the Parties may renew this Contract, in whole or in part, for a Renewal Term not to exceed the Initial Contract Term, pursuant to the incorporated General Contract Conditions.

III. Contract.

As used in this document, “Contract” (whether or not capitalized) shall, unless the context requires otherwise, include this document and all incorporated Exhibits, which set forth the entire understanding of the Parties and supersedes all prior agreements. All modifications to this Contract must be in writing and signed by all Parties.

All Exhibits attached and listed below are incorporated in their entirety into, and form part of this Contract. The Contract Exhibits shall have priority in the order listed:

- a) Exhibit A: General Contract Conditions
- b) Exhibit B: ITB 22-44102100-Z and any addenda in reverse order of issuance
- c) Exhibit C: Price Sheet

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IV. Contract Management.

Department's Contract Manager:

Contract Manager

Division of State Purchasing
Florida Department of Management Services
4050 Esplanade Way, Suite 360
Tallahassee, Florida 32399-0950
Telephone
Email: [Contract Manager Email](#)

Contractor's Contract Manager:

Contract Manager Name
Company Name
Address
Telephone
Email: Contract Manager Email

IN WITNESS THEREOF, the Parties hereto have caused this Contract, which includes the attached and incorporated Exhibits, to be executed by their undersigned officials as duly authorized. This Contract is not valid and binding until signed and dated by the Parties.

Contractor

**State of Florida,
Department of Management Services**

Signature

Signature

Name, Title

Debra Forbess, Director of Finance and Administration
Name, Title

Date

Date

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1.1 Purpose

The purpose of this State Term Contract is to provide state agencies and OEUs a vehicle to acquire mail processing equipment and related supplies and services. Core products offered under this Contract is the maintenance and lease of equipment, classified under the following categories:

Category Number	Specifications of Mailing Machine (All must include meter)
1	Mailing machine with capacity to meter between 15 and 20 LPM with minimum of 2 pound (lb) scale
2	Mailing machine with capacity to meter between 21 LPM and 50 LPM and with sealer, and differential weighing and minimum of 5 lb scale
3	Mailing machine with capacity to meter between 51 LPM and 100 LPM with sealer, differential weighing and minimum of 5 lb scale
4	Mailing machine with capacity to meter between 100 LPM and 179 LPM with sealer, differential weighing and minimum of 5 lb scale
5	Mailing machine with capacity to meter up to 179 LPM with sealer, differential weighing, dynamic scale and minimum of 5 lb scale
6	Mailing machine with capacity to meter 180 LPM with sealer, differential weighing, dynamic scale and minimum of 10 lb scale

Non-core products offered under the Contract are the lease or purchase of equipment classified under the following categories:

Inserters	Openers
Folders	Folders-Inserters
Supplies	Mail Processing Equipment Accessories
Mail Processing Equipment Software	

Only Mail Processing Equipment Accessories, Mail Processing Equipment Software and Supplies that have connectivity with an item(s) awarded on the core price sheet will be on the contract. The only non-core service the Department will consider is yearly maintenance for non-core products. The Department reserves the right to reject any and all items offered as a non-core product.

1.2 General Requirements

1.2.1 Commodity Standards

All Commodities under this Contract shall conform with and be governed by all applicable current postal regulations and remain in compliance during the term of this Contract and until completion of any lease including maintenance or a separate maintenance agreement provided under this Contract. USPS regulations can be found in the Mailing Standards of the United States Postal Service Domestic Mail Manual: Commercial Mailing Service at: http://pe.usps.com/text/dmm300/dmm300_landing.htm.

If USPS requirements and standards change during the term of a lease, the Contractor shall modify the existing equipment or replace the existing equipment to meet the new USPS

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requirements at least ten business days prior to the USPS change. The modification or replacement of equipment shall be completed without cost to Customers.

All Commodities offered under this Contract, except for postage meters, shall be new, unused, of current production and of the latest design and construction. Used, rebuilt, remanufactured, shopworn, demonstrator, discontinued or prototype items shall not be offered. Note: It is understood that some new machines are manufactured from new parts which contain some recycled raw materials or components but all Commodities are deemed "new" and are fully warrantied against defect. Postage meters rented under this Contract are not required to be new and the Contractor is responsible for ensuring that they are in proper working order. The Department reserves the right to request technical literature on any item.

1.2.2 Pricing

The Contractor shall adhere to the prices submitted in the ITB Price Sheet(s), which are incorporated by reference into the Contract.

Lease prices shall remain firm throughout the lease period and shall include a full-service maintenance agreement for all equipment for the life of the lease. All prices shall be Free on Board (FOB) destination delivery, and include installation, warranty, rate change protection, on-site training and product manuals.

1.2.3 Recall(s)

In the event there is a recall of any of the Commodities, the Contractor shall provide reasonable assistance to the Department in developing a recall strategy and shall cooperate with the Department and Customers in monitoring the recall operation and in preparing reports as may be required. Each Contractor shall, at the request of the Department and/or any Customer, provide all reasonable assistance in locating and recovering any recalled equipment that is not in accordance with the requirements of the Contract. Each Contractor shall immediately notify and provide copies to the Department of any communications relating to recalls with any Customer. The Contractor, at its own cost, shall ensure defective equipment and supplies are rectified, replaced or destroyed in compliance with all applicable laws, rules or regulations and the Department's reasonable instructions.

1.2.4 Contract Warranty and Maintenance

Contract Warranty Leased equipment shall be warrantied and maintained for the life of the lease. Purchased equipment shall be warrantied and maintained for a minimum of one year or the manufacturer's standard warranty, whichever is longer. The warranty and maintenance period shall commence upon acceptance of equipment by the Customer as evidenced by a certificate of acceptance form. All Commodities must operate in accordance with the manufacturer's standard specifications. The Contractor shall provide postage rate protection, software and firmware updates, and preventative maintenance services. All defective or broken parts not caused by accident, neglect, misuse, or abuse shall be repaired or replaced and all necessary machine adjustments occasioned by such defective or broken parts shall be performed. All warranty and maintenance services and products shall be provided at no cost to the Customer.

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Service response time requirements during the warranty and maintenance period shall be the arrival of a manufacturer-trained, certified technician on-site within four business hours in urban counties and within eight business hours in rural counties after notification of a request for service. A telephone call, unless it results in solving the problem, shall not be deemed an acceptable service response. The warranty and maintenance shall include all labor and transportation resulting from service calls. The Contractor shall maintain service facilities and qualified personnel to service all equipment in the State of Florida within the required response time for the life of the Contract. Each service facility must maintain a sufficient number of qualified technicians and supply of parts to provide all required services described in the Scope of Work for the life of the Contract.

If, during the warranty and maintenance period, malfunctioning equipment cannot be repaired within three business days after a request for service or in the case of excessive equipment down-time, the Contractor shall provide the Customer loaner equipment that meets or exceeds specifications of the Commodity at no additional cost until the defective unit or entire system (Customer's choice) is replaced with new equipment. Excessive equipment down-time is defined as three or more service calls over a ninety day period for repairs to the same piece of equipment.

The Contractor shall maintain a service log describing which services are performed for each call. The log shall contain, at a minimum, the machine serial number, location of equipment, date and time of each service call, the response time and the type of service performed. The service log shall be made available to the Customer and the Department, upon request.

1.2.5 Replacement Parts

The Contractor shall utilize only factory authorized replacement parts for repair of equipment. Under no circumstances will the Customer deliver or mail equipment to the Contractor for repair. Replacement parts will be available for the life of the lease and for at least five years after a purchase. Replacement parts must be stocked at all service locations.

1.2.6 Customer Service and Administration

The Contractor shall provide Customers all services during standard business hours, Monday through Friday, 8:00AM (ET) through 5:00PM (ET). The following days are observed as holidays by state agencies:

- New Year's Day
- Birthday of Dr. Martin Luther King, Jr.
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day

If the actual holiday falls on a Saturday, the preceding Friday is observed as a holiday. When a holiday falls on Sunday, the following Monday is observed as a holiday.

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The Contractor shall have a single point of contact to serve as Contract Manager as listed on the Vendor Information Form. The Contract Manager may support multiple Customers and must respond to Customer calls and/or emails within twenty-four hours. The Contract Manager must be able to provide or arrange for all aspects of Customer support and problem resolutions. Back-up coverage must be provided by an equally knowledgeable person if the Contract Manager is not able to be reached.

In addition to a dedicated Contract Manager, the Contractor shall provide toll-free Customer service phone support from 8:00 AM (ET) to 5:00 PM (ET) Monday through Friday, except for National and State recognized holidays. TDD (Telecommunication Device for the Deaf) access must be made available during the above named Customer service operating hours.

1.2.7 Routine Communications

All routine communications and reports related to this STC shall be sent to the Department's Contract Manager. If any information listed on the Vendor Information Form changes during the life of the Contract, then the Contractor shall update the Vendor Information Form and submit to the Department's Contract Manager. Communications relating to a specific order should be addressed to the contact person identified on the order. Communications may be by e-mail, regular mail, or telephone.

1.2.8 Quote Form

Upon the Customer's request, the Contractor will provide a price quote within three business days. The Contractor agrees that quotes will be according to the prices, discounts, requirements, specifications, terms, and conditions of the Contract.

1.2.9 Orders

There shall be no minimum order amount required under this Contract. The Contractor is required to honor Contract pricing for all orders that are placed prior to the date of expiration of the Contract.

1.2.10 Invoices

Invoices must clearly identify the contract number, purchase order number if applicable, equipment serial number, remittance address, Customer name, location of equipment, billing period and total cost. The Contractor must provide in-house financing for leases. Third party billing providers/finance companies shall not be authorized for use.

1.2.11 Payments

Payment terms for each lease will be in arrears and may be monthly or quarterly at the ordering entity's option. Payment for purchased equipment will be processed upon the satisfactory completion of delivery, installation, training and acceptance. Payment terms for separate maintenance agreements will be agreed upon by the Contractor and Customer. State agencies are required to obtain approval from the Department of Financial Services prior to agreeing to an advance payment in the amount of Category Two (currently \$35,000) or more. Payment shall be made in accordance with sections 215.422 and 287.0585 of the Florida Statutes, which govern time limits for payment of invoices.

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1.2.12 Purchasing Card

The State of Florida has implemented a purchasing card program, using the Visa platform. Respondents may receive payments via the state's Purchasing Card in the same manner as any other Visa purchases. Purchasing Card/Visa acceptance for purchase is a mandatory requirement for this solicitation but is not the exclusive method of payment. If the state changes its Purchasing Card platform during the term of Contract resulting from the ITB, the Contractor shall make any necessary changes to accommodate the state's new Purchasing Card platform within 30 days of notification of such change.

1.2.13 Returns

Commodities that are returned due to Contractor error, shall be returned at the Contractor's expense. The Contractor shall make arrangements to remove the returned Commodities from the Customer's premises within seven calendar days after notification. Regularly stocked Commodities that are returned due to Customer error shall be returned at the Customer's expense without incurring re-stocking fees if returned in original packaging within thirty calendar days.

1.2.14 Postage Account Requirements

The Contractor shall provide a no-cost option to refill postage meters. The Contractor shall provide postage account information within seven business days after an order for a postage meter is placed.

1.2.15 Delivery

The Contract shall include delivery to the Customer, F.O.B. destination freight prepaid. Delivery shall be within thirty calendar days after receipt of order for standard "in-stock" equipment and within ninety calendar after receipt of special orders. The Contractor shall notify the Customer at least seventy-two hours in advance of delivery for equipment. The Contractor shall be responsible for any damage to buildings or individuals as a result of delivery and installation. The Contractor shall notify the Customer of any potential delivery delays within five business days after receiving a purchase order. Evidence of inability to deliver within required times or of intentional delays shall be cause for Contract cancellation and/or Contractor suspension.

1.2.16 Installation

Contract prices for the purchase or lease of new equipment shall include full installation, making equipment ready for use, and removal of all packaging debris. Installation shall include the manufacturer's start-up supplies required for the machine to be fully operational including but not limited to ink, sealant and labels.

1.2.17 Training

Contract prices for the purchase or lease of new equipment shall include on-site training for Customers. The Contractor shall provide a minimum of four hours of on-site training for standard equipment in order to adequately instruct Customers in the use of the equipment. Training will be performed after installation and prior to actual operation and acceptance. If requested by the Customer, the Contractor shall provide additional on-site training as needed.

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1.2.18 Certificate of Acceptance Form

Upon successful installation of equipment and the minimum on-site training for Customers, the Contractor shall provide a certificate of acceptance form to the Customer. The serial number of the main base unit will be the primary serial number used to identify mail processing equipment.

1.2.19 Equipment Manual

Each machine purchased or leased shall come with one user manual unless the manual is available on the Contractor's or Manufacturer's website. If the manual is available on the Contractor's or Manufacturer's website, the Contractor will direct the requesting Customer to the specific website location. The manual is to include operating instructions, safety precautions and proper preventative and remedial maintenance for the equipment.

1.2.20 Punch-Out Catalog and Electronic Invoicing

The Contractor may provide an MFMP punch-out catalog. The punch-out catalog provides an alternative mechanism for suppliers to offer the State of Florida access to products awarded under the Contract. The punch-out catalog also allows for direct communication between the MFMP eProcurement System and a supplier's ERP system, which can reflect real-time product inventory/availability information.

Through utilization of the punch-out catalog model, a Florida buyer will "punch out" to a supplier's website. Using the search tools on the supplier's Florida punch-out catalog site, the user selects the desired products and services. When complete, the user exits the supplier's punch-out catalog site and the shopping cart (full of products and services) is "brought back" to MFMP. No orders are sent to a supplier when the user exits the supplier's punch-out catalog site. Instead, the chosen products and services are "brought back" to MFMP as Contract line items. The user can then proceed through the normal workflow steps, which may include adding/editing the items to a requisition or a purchase order. An order is not submitted to a supplier until the buyer actually adds the line items to a requisition and the purchase order is approved and sent to the supplier.

At the State's option, the Contractor may be required to invoice electronically pursuant to guidelines of the Department of Management Services. Electronic invoices may be required to be submitted to the agency through the Ariba Network (AN) in one of three mechanisms as listed below. Contractors may select the method that best meets their capabilities from the following list:

- **cXML (commerce eXtensible Markup Language)**
This standard establishes the data contents required for invoicing via cXML within the context of an electronic environment. This transaction set can be used for invoicing via the ASN for catalog and non-catalog products and services. The cXML format is the Ariba preferred method for eInvoicing.
- **EDI (Electronic Data Interchange)**
This standard establishes the data contents of the Invoice Transaction Set (810) for use within the context of an Electronic Data Interchange (EDI) environment. This transaction set can be used for invoicing via the ASN for catalog and non-catalog products and services.

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- **PO Flip via ASN**

The online process allows suppliers to submit invoices via the ASN for catalog and non-catalog products and services. Suppliers have the ability to create an invoice directly from their Inbox in their ASN account by simply “flipping” the PO into an invoice. This option does not require any special software or technical capabilities.

For the purposes of this section, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the state and the third party provider of MFMP, a state Contractor, the right and license to use, reproduce, transmit, distribute, and publicly display within the system the information outlined above. In addition, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the State and the third party provider the right and license to reproduce and display within the system the Contractor’s trademarks, system marks, logos, trade dress, or other branding designation that identifies the products made available by the Contractor under the Contract.

The Contractor will work with the MFMP management team to obtain specific requirements for the punch-out catalog and electronic invoicing.

1.2.21 Contract Reporting

The Contractor shall report information on orders received from state agencies and OEU's associated with this contract.

The Contractor shall submit reports in accordance with the following schedule:

Report	Period Covered	Due date (s)
MFMP Transaction Report	Calendar month	10 business days after close of the period
Contract Quarterly Sales Report	State Fiscal Quarter	15 business days after close of the period
Savings / Price Reductions	Required whenever prices are established adjusted	10 business days after each action that adjusts prices
Diversity Report [submitted to the Customer (ordering entity)]	State Fiscal Year	10 business days after close of the period
Preferred Pricing Affidavit	Annual	Contract anniversary date
Proof of Insurance	Annual	Upon policy renewal.

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1.2.21.1 MFMP Transaction Fee Reports

The Contractor is required to submit monthly Transaction Fee Reports in electronic format. Reports are due ten (10) working days after the end of the reporting period. For information on how to submit Transaction Fee Reports online, please reference the detailed fee reporting instructions and Bidder training presentations available online at the Transaction Fee Reporting and Bidder Training subsections under Bidders on the MFMP website: MFMP Transaction Fee and Reporting. Assistance is also available with the Transaction Fee Reporting System from the MFMP Customer Service Desk by email at feeprocessing@myfloridamarketplace.com, or telephone 866-FLA-EPRO (866-352-3776) between the hours of 8:00 AM to 5:30 PM Eastern Time.

1.2.21.2 Contract Quarterly Sales Report (Attachment K)

The Contractor agrees to submit a Quarterly Sales Report (Attachment K) to the DMS Contract Manager within fifteen working business days after the close of each State Fiscal quarter (September 30, December 31, March 31, and June 30).

Quarterly Reporting periods should coincide with the contract term and should begin the quarter following contract execution. Reports must be submitted in MS Excel format. The report will include all sales (orders) from State Agency and Other Eligible Users received (associated with this contract) during the period. Initiation and submission of the Quarterly Report is the responsibility of the Contractor without prompting or notification from the DMS Contract Manager. If no orders are received during the period, the contractor must submit a report stating that there was no activity. If the Contractor fails to submit two consecutive quarterly sales reports, the Contract may be terminated for convenience or the Department may choose to not renew the Contract.

In addition, the Department may require additional Contract sales information such as copies of purchase orders, or ad hoc sales reports. The Contractor shall submit these specific ad hoc requests within the specified amount of time as requested by the Department.

1.2.21.3 Diversity Reporting

The State of Florida is committed to supporting its diverse business industry and population through ensuring participation by minority, women, and veteran owned business enterprises in the economic life of the State. The State of Florida Mentor Protégé Program connects minority-, women-, and veteran business enterprises with private corporations for business development mentoring. We strongly encourage firms doing business with the State of Florida to consider this initiative. For more information on the Mentor Protégé Program, please contact the Office of Supplier Diversity at (850) 487-0915 or email: osdhelp@dms.myflorida.com.

The Contractor shall report to each Customer (ordering entity) spend with certified and other minority business enterprises. These reports shall include the period covered, the name, minority code and Federal Employer Identification Number of each minority business utilized during the period, Commodities and services provided by the minority business enterprise, and the amount paid to each minority business on behalf of each purchasing agency ordering under the terms of this Contract.

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1.2.21.4 Preferred Pricing Affidavit (Attachment J)

The Contractor is required and agrees to complete and submit the completed Preferred Pricing Affidavit to the Department at least annually, attesting that the Contractor is in compliance with the best pricing provision section of the General Contract Conditions.

1.2.21.5 Ad-hoc Reports

The Contractor is required to submit ad hoc reports within the specified amount of time as requested by the Department.

1.2.22 Business Review Meetings

In order to maintain the partnership between the Department and the Contractor, each quarter the Department may request a business review meeting. The business review meeting may include, but is not limited to, the following:

- Successful completion of deliverables
- Review of Contractor’s performance
- Review of minimum required reports
- Addressing of any elevated Customer issues
- Review of continuous improvement ideas that may help lower total costs and/or improve business efficiencies.

1.2.23 Financial Consequences

Failure to provide service to all specified areas within the required service response time will result in the following Financial Consequences:

Type	Requirement	First Financial Consequence	Second Financial Consequence	Third Financial Consequence
Service call for repair	Onsite within 4 business hours in urban counties and 8 business hours in rural counties	\$100	\$250	\$500
Equipment not picked up	10 business days after lease expiration	\$100	\$200	\$300
Machine replacement with new or loaner equipment if repair is not available	3 business Days	\$250 per day	\$500 per day	\$1000 per day

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The Department and Customers reserve the right to withhold payment or implement other appropriate remedies, such as Contract termination or non-renewal, when the Contractor has failed to perform/comply with the provisions of the Contract.

1.2.24 Lease Agreements

The Customer may enter into a lease agreement by the issuance of an order. Customers are not required to sign the Contractor's lease agreement form. In the event an additional agreement is signed by a Customer in error, it will be considered void and non-binding to the Customer. Prior to entering into a lease in excess of the annual Category Two threshold, state agencies must submit a completed "Checklist for Requesting Department of Financial Services Approval to Lease Equipment (ref. [Section 287.063, F.S.](#))" to the Department of Financial Services for preapproval. This form is located at:

http://www.myfloridacfo.com/aadir/statewide_financial_reporting/2finequipmentleasechecklist.doc
[c](#)

State agencies shall review the Comptroller's latest memorandum addressing leases and installment purchase of equipment when considering the leasing of equipment.

1.2.24.1 Available Lease Periods:

i. 3-Year Lease:

A thirty-six month consecutive equipment plan which shall expire at the end of the thirty-six month period.

ii. 4-Year Lease:

A forty-eight month consecutive equipment plan which shall expire at the end of the forty-eight month period.

iii. 5-Year Lease:

A sixty month consecutive equipment plan which shall expire at the end of the sixty month period.

Lease agreements shall expire upon completion of the specified lease period and shall not be automatically renewed. No termination notice shall be required by either party at the end of the lease. All equipment shall be removed from the Customer's location within ten business days after the expiration of the lease by the Contractor or the Contractor's representative. All equipment removals shall be coordinated with Customer, and at no costs to the Customer.

The Customer is in no way liable or required to mail, freight or transport any equipment at the end of the lease. It shall be the Contractor's responsibility to physically remove any and all equipment from the Customer's location.

1.2.24.2 Renewal of Lease and Maintenance Agreements

Upon mutual agreement of the Customer and Contractor, a lease or separate maintenance agreement may be extended or renewed during the term of the Contract. Any leases that are in excess of \$35,000 in annual total value will require Department of Financial Services approval

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(state agencies only) prior to execution of a new lease agreement, as per Chapter 287.063(2)(a), Florida Statutes.

1.2.24.3 Purchase of Leased Equipment

Purchase of leased equipment by Customers is permitted under this Contract.

1.2.24.4 Lease Cancellation for Non-Performance

Lease agreements may be cancelled during the lease period for non-performance related issues. If the Customer requests removal of leased equipment, the Contractor will cancel the lease effective immediately with no additional payments due from the Customer. Equipment will be removed from the Customer site within ten business days of such written notice at no cost to the Customer.

1.2.24.5 Leased Equipment Risk of Loss or Damage

Upon acceptance of equipment, the Customer shall be responsible for ensuring all leased equipment from the risk of loss or damage for the life of the lease.

1.2.25 Price Adjustments

Prices may be adjusted twice during the initial term and twice during the renewal term based on the percent change (up or down) of the Producers Price Index (PPI). Price adjustments correlate with the PPI Series ID PCU3333183333183A, Other Commercial and Service Industry Machinery Manufacturers, Mailing, Letter handling, and addressing machines, except parts and attachments as published by the Bureau of Labor Statistics, in the Department of Labor, Washington, DC 20212. These reports are accessible at the following website: <https://www.bls.gov/data/>.

When requesting a price increase, the Contractor may submit a justification in writing to the Contract Manager detailing the reasons for the price adjustment request and demonstrating the calculable change in PPI that supports a price adjustment. The requested adjustment for a price increase may not exceed the percentage change of the PPI the preceding twelve months prior to the adjustment. The Department reserves the exclusive right to accept or reject any request for a price adjustment. Price adjustments may be effective only upon written approval by the Department and may not be applied retroactively.

The Department reserves the right to request price decreases at any time during the term of the Contract if it's found to be in the best interest of the State.

1.2.26 Product Adjustments

Requested product adjustments must be approved by the Department and added to the contract before being offered to Customers. The Contractor may submit new product adjustments for approval on a quarterly basis on January 1, April 1, July 1, and October 1 of each calendar year. The Contractor may submit existing product adjustments in accordance with the price adjustments frequency as listed in section 1.2.25.

1.2.27 Survivability

Lease agreements and the terms of this Contract under which those lease agreements were made during the term of the Contract will survive the term of the Contract through to the completion of the term of the Lease.

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1.2.28 Environmental Considerations

The State supports and encourages initiatives to protect and preserve our environment. The Contractor shall have a plan to support the procurement of products and materials with recycled content, and the intent of Section 287.045, Florida Statutes. The Contractor shall also provide a plan for reduction and / or handling of any hazardous waste generated by the Contractor's company. Reference Rule 62-730.160, Florida Administrative Code. It is a requirement of the Florida Department of Environmental Protection that a generator of hazardous waste materials that exceeds a certain threshold have a valid and current Hazardous Waste Generator Identification Number. This identification number shall be provided as part of the Contractor's explanation of its company's hazardous waste plan and shall explain in detail its handling and disposal of this waste.

In its plan, the Contractor shall describe what efforts the Contractor's company will take to encourage the participation and support of these and other environmental programs and reduce the impact of purchasing mail processing equipment in the State of Florida. If applicable, the Contractor shall include its plans for utilizing reusable totes for delivery, reduced packaging programs, use of alternative fuel or higher fuel efficient delivery vehicles, programs to reduce vehicle miles through order consolidations / incentives, user education programs for more environmental friendly products and product take-back programs.

1.2.29 Location and Moving of Leased Equipment

The Customer shall notify the Contractor any time leased equipment is relocated to another location. Relocation of leased equipment within the same building shall be performed by the Contractor at no charge. Relocation of leased equipment within the same complex shall be done at no charge unless equipment must be moved by vehicle to another building and then a standard industry charge is allowed.

1.2.30 Option to Purchase

The option to purchase instead of leasing equipment is permitted under with this Contract. Postage meters may only be rented.

1.2.31 Optional Related Accessories and Supplies

The Customer may purchase equipment without optional related accessories, or may choose to purchase any individual or combination of machines, accessories, supplies or software offered on the non-core price sheet under the terms of this Contract.

1.2.32 Other Fees and Charges

Additional fees including but not limited to, property taxes, delivery charges, pick-up charges, fuel surcharges, interest fees, late payment fees (if paid within thirty days of the invoice date), or removal charges are not permitted under this Contract.

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**EXHIBIT A
GENERAL CONTRACT CONDITIONS**

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These General Contract Conditions supersede and replace in their entirety all General Contract Conditions, Form PUR 1000, which is incorporated by reference in Rule 60A-1.002, Florida Administrative Code (F.A.C.)

SECTION 1. DEFINITIONS.

The following definition applies in addition to the definitions in Chapter 287, Florida Statutes, (F.S.) and Rule Chapter 60A-1, F.A.C.:

1.1 Customer.

The agency or eligible user that purchases commodities or contractual services pursuant to the Contract.

SECTION 2. CONTRACT TERM AND TERMINATION.

2.1 Initial Term.

The initial term will begin on the date set forth in the Contract or on the date the Contract is signed by all Parties, whichever is later.

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2.2 Renewal.

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part only as set forth in the Contract, and in accordance with section 287.057(13), F.S., and Rule 60A-1.048, F.A.C.

2.3 Suspension of Work and Termination.

2.3.1 Suspension of Work.

The Department may, at its sole discretion, suspend any or all activities under the Contract, at any time, when it is in the best interest of the State of Florida to do so. A Customer may, at its sole discretion, suspend a resulting contract or purchase order, at any time, when in the best interest of the Customer to do so. The Department or Customer will provide the Contractor written notice outlining the particulars of suspension. Examples of the reason for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, the Contractor must comply with the notice and will cease the activities associated with any resulting contract or purchase order. Within 90 days, or any longer period agreed to by the Contractor, the Department or Customer will either (1) issue a notice authorizing resumption of work, at which time activity will resume, or (2) terminate the Contract or a resulting contract or purchase order. Suspension of work will not entitle the Contractor to any additional compensation.

2.3.2 Termination for Convenience.

The Contract may be terminated by the Department in whole or in part at any time, in the best interest of the State of Florida. If the Contract is terminated before performance is completed, the Contractor will be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed an amount which is the same percentage of the Contract price as the amount of work satisfactorily performed. All work in progress will become the property of the Customer and will be turned over promptly by the Contractor.

2.3.3 Termination for Cause.

If the Department determines that the performance of the Contractor is not satisfactory, the Department may, at its sole discretion, (a) immediately terminate the Contract, (b) notify the Contractor of the deficiency with a requirement that the deficiency be corrected within a specified time, otherwise the Contract will terminate at the end of such time, or (c) take other action deemed appropriate by the Department.

SECTION 3. PAYMENT AND FEES.

3.1 Pricing.

The Contractor will not exceed the pricing set forth in the Contract.

3.2 Price Decreases.

The following price decrease terms will apply to the Contract:

(a) Quantity Discounts. Contractor may offer additional discounts for one-time delivery of large single orders.

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(b) Preferred Pricing. Consistent with the goals of section 216.0113, F.S., Contractor acknowledges and recognizes that the Department wants to take advantage of any improvements in pricing over the course of the Contract period. To that end, the pricing indicated in this Contract is a maximum guarantee under the terms of this clause. Contractor's pricing will not exceed, on an aggregate basis, the pricing offered under comparable contracts for public entities. Comparable contracts are those which are similar in size, scope and terms. The Contractor shall submit to the Department a completed Preferred Pricing affidavit form annually.

(c) Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, a Contractor may conduct sales promotions involving price reductions for a specified lesser period. A Contractor must submit documentation identifying the proposed (1) starting and ending dates of the promotion, (2) commodities or contractual services involved, and (3) promotional prices compared to then-authorized prices.

3.3 Payment Invoicing.

The Contractor will be paid upon submission of properly certified invoices to the Customer after delivery and acceptance of commodities or contractual services is confirmed by the Customer. Invoices must contain detail sufficient for an audit and contain the Contract Number and the Contractor's Federal Employer Identification Number.

3.4 Purchase Order.

A Customer may use purchase orders to buy commodities or contractual services pursuant to the Contract. The Contractor must provide commodities or contractual services pursuant to purchase orders. The purchase order period of performance survives the expiration of the Contract. The duration of purchase orders must not exceed the expiration of the Contract by more than 12 months.

3.5 Travel.

Travel expenses are not reimbursable unless specifically authorized by the Customer in writing, and may be reimbursed only in accordance with section 112.061, F.S.

3.6 Annual Appropriation.

Pursuant to section 287.0582, F.S., if the Contract binds the State of Florida or an agency for the purchase of services or tangible personal property for a period in excess of one fiscal year, the State of Florida's performance and obligation to pay under the Contract is contingent upon an annual appropriation by the Legislature.

3.7 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(22), Florida Statutes. All payments issued by Customers to registered Vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, Florida Administrative Code, or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees, when automatic deduction becomes available.

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Vendors will submit any monthly reports required pursuant to the rule. All such reports and payments will be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

3.8 Taxes.

The State of Florida is not required to pay any taxes, including customs and tariffs, on commodities or contractual services purchased under the Contract.

3.9 Return of Funds.

Contractor will return any overpayments due to unearned funds or funds disallowed pursuant to the terms of the Contract that were disbursed to the Contractor by the Department or Customer. The Contractor must return any overpayment within 40 calendar days after either discovery by the Contractor, its independent auditor, or notification by the Department or Customer of the overpayment.

SECTION 4. CONTRACT MANAGEMENT.

4.1 Composition and Priority.

The Contractor agrees to provide commodities or contractual services to the Customer within the manner and at the location specified in the Contract and any attachments to the Contract. Additionally, the terms of the Contract supersede the terms of any and all prior or contemporaneous agreements between the Parties.

4.2 Notices.

All notices required under the Contract must be delivered to the designated Contract Manager by certified mail, return receipt requested, by reputable air courier service, email, or by personal delivery, or as otherwise identified by the Department.

4.3 Department's Contract Manager.

The Department's Contract Manager, is primarily responsible for the Department's oversight of the Contract. In the event that the Department changes the Contract Manager, the Department will notify the Contractor. Such a change does not require an amendment to the Contract.

4.4 Contractor's Contract Manager.

The Contractor's Contract Manager is primarily responsible for the Contractor's oversight of the Contract performance. In the event that the Contractor changes its Contract Manager, the Contractor will notify the Department. Such a change does not require an amendment to the Contract.

4.5.1 Diversity Reporting.

The State of Florida supports its diverse business community by creating opportunities for woman-, veteran-, and minority-owned small business enterprises to participate in procurements and contracts. The Department encourages supplier diversity through certification of woman-, veteran-, and minority-owned small business enterprises, and provides advocacy, outreach, and networking through regional business events. For additional information, please contact the Office of Supplier Diversity (OSD) at osdhelp@dms.myflorida.com.

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Upon request, the Contractor will report to the Department its spend with business enterprises certified by the OSD. These reports must include the time period covered, the name and Federal Employer Identification Number of each business enterprise utilized during the period, commodities and contractual services provided by the business enterprise, and the amount paid to the business enterprise on behalf of each Customer purchasing under the Contract.

4.6 RESPECT.

Subject to the agency determination provided for in Section 413.036, F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), FLORIDA STATUTES; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THE STATE AGENCY INSOFAR AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED.

Additional information about the designated nonprofit agency and the commodities or contractual services it offers is available at <http://www.respectofflorida.org>.

4.7 PRIDE.

Subject to the agency determination provided for in Sections 946.515 and 287.042(1), F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES WHICH ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM THE CORPORATION IDENTIFIED UNDER CHAPTER 946, F.S., IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 946.515(2) AND (4), F.S.; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THIS AGENCY INSOFAR AS DEALINGS WITH SUCH CORPORATION ARE CONCERNED.

Additional information about PRIDE and the commodities or contractual services it offers is available at <http://www.pride-enterprises.org>.

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SECTION 5. COMPLIANCE WITH LAWS.

5.1 Conduct of Business.

The Contractor must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor must comply with Section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status.

Pursuant to subsection 287.058(1), F.S., the provisions of subparagraphs 287.058(1)(a)-(c), F.S., are hereby incorporated by reference, to the extent applicable.

5.2 Governing Law and Venue.

The laws of the State of Florida govern the Contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action related to the Contract. Further, the Contractor hereby waives any and all privileges and rights relating to venue it may have under Chapter 47, F.S., and any and all such venue privileges and rights it may have under any other statute, rule, or case law, including, but not limited to those based on convenience. The Contractor hereby submits to venue in the county chosen by the Department.

5.3 Department of State Registration.

The Contractor and any subcontractors that assert corporate status must provide the Department with conclusive evidence, per section 607.0127, F.S., of a certificate of status, not subject to qualification, if a Florida business entity, or of a certificate of authorization if a foreign business entity and maintain such status or authorization through the life of the Contract and any resulting contract or purchase order.

5.4 Convicted and Discriminatory Vendor Lists.

In accordance with sections 287.133 and 287.134, F.S., an entity or affiliate who is on the Convicted Vendor List or the Discriminatory Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor must notify the Department if it or any of its suppliers, subcontractors or consultants have been placed on the Convicted Vendor List or the Discriminatory Vendor List during the term of the Contract.

5.5 Contractor Certification.

If the Contract exceeds \$1,000,000.00 in total, not including renewal years, Contractor certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List created pursuant to sections 215.473, F.S. and 215.4725 F.S, respectively. Pursuant to section 287.135(5), F.S., and 287.135(3), F.S., Contractor agrees the Department may immediately terminate the Contract for cause if the Contractor is found to have submitted a false certification or if Contractor is placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the

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Scrutinized Companies that Boycott Israel List, or is engaged in a boycott of Israel during the term of the Contract.

5.6 Cooperation with Inspector General.

Pursuant to subsection 20.055(5), F.S., Contractor, and any subcontractor to the Contractor, understand and will comply with their duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor must provide any type of information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but will not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor will retain such records for five years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>), whichever is longer. The Contractor agrees to reimburse the State of Florida for the reasonable costs of investigation incurred by the Inspector General or other authorized State of Florida official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State of Florida which results in the suspension or debarment of the Contractor. Such costs will include, but will not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees.

5.7 Inspection.

Section 215.422, F.S., provides that agencies have five working days to inspect and approve commodities or contractual services. Items may be tested for compliance with specifications. Items delivered not conforming to specifications may be rejected and returned at the Contractor's expense.

SECTION 6. MISCELLANEOUS.

6.1 Notice of Legal Actions.

The Contractor must notify the Department of any legal actions filed against it for a violation of any laws, rules, codes, ordinances or licensing requirements within 30 days of the action being filed. The Contractor must notify the Department of any legal actions filed against it for a breach of a contract of similar size and scope to this Contract within 30 days of the action being filed. Failure to notify the Department of a legal action within 30 days of the action will be grounds for termination for cause of the Contract.

6.2 Subcontractors.

The Contractor will not subcontract any work under the Contract without prior written consent of the Department. The Contractor is fully responsible for satisfactory completion of all subcontracted work. The Department supports diversity in its procurements and contracts, and requests that Contractor offer subcontracting opportunities to certified woman-, veteran-, and minority-owned small businesses. The Contractor may contact the OSD at osdhelp@dms.myflorida.com for information on certified small business enterprises available for subcontracting opportunities.

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6.3 Assignment.

The Contractor will not sell, assign or transfer any of its rights, duties or obligations under the Contract without the prior written consent of the Department. In the event of any assignment, the Contractor remains secondarily liable for performance of the Contract. The Department may assign the Contract to another state agency.

6.4 Independent Contractor.

The Contractor and its employees, agents, representatives, and subcontractors are not employees or agents of the Department and are not entitled to the benefits of State of Florida employees. The Department will not be bound by any acts or conduct of the Contractor or its employees, agents, representatives, or subcontractors. The Contractor agrees to include this provision in all of its subcontracts under the Contract.

6.5 Risk of Loss.

Until acceptance, risk of loss or damage will remain with the Contractor. The Contractor will be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer will: record any evidence of visible damage on all copies of the delivering carrier's Bill of Lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's Bill of Lading and damage inspection report. When a Customer or the Department rejects a commodity, Contractor will remove the commodity from the premises within 10 days after notification of rejection, and the risk of loss will remain with the Contractor. Commodities not removed by the Contractor within 10 days will be deemed abandoned by the Contractor and the Customer or the Department will have the right to dispose of it as its own property. Contractor will reimburse the Customer or the Department for costs and expenses incurred in storing or effecting removal or disposition of rejected commodities.

6.6 Safety Standards. All manufactured items and fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner acceptable to the appropriate State of Florida inspector. Acceptability customarily requires, at a minimum, an identification marking of the appropriate safety standard organization, where such approvals of listings have been established for the type of device offered and furnished, for example: the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories, and National Electrical Manufacturers' Association for electrically operated assemblies; and the American Gas Association for gas-operated assemblies. In addition, all items furnished must meet all applicable requirements of the Occupational Safety and Health Act and State of Florida and federal requirements relating to clean air and water.

6.7 Ombudsman.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this office are found in section 215.422, F.S., which include disseminating information relative to prompt payment and assisting contractors in receiving their payments in a timely manner from a Customer. The Vendor Ombudsman may be contacted at (850) 413-5516.

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6.8 Time is of the Essence.

Time is of the essence regarding each and every obligation of the Contractor. Each obligation is deemed material, and a breach of any such obligation (including a breach resulting from untimely performance) is a material breach.

6.9 Waiver.

The delay or failure by the Department or Customer to exercise or enforce any rights under the Contract will not constitute waiver of such rights.

6.10 Modification and Severability.

The Contract may only be modified by written agreement between the Department and the Contractor. Should a court determine any provision of the Contract is invalid, the remaining provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Contract did not contain the provision held invalid.

SECTION 7. WORKERS' COMPENSATION AND GENERAL LIABILITY INSURANCE, AND INDEMNIFICATION

7.1 Workers' Compensation Insurance.

To the extent required by law, the Contractor must be self-insured against, or must secure and maintain during the life of the contract, Worker's Compensation Insurance for all its employees connected with the work of this project, and in case any work is subcontracted, the Contractor must require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees engaged in work under the resulting contract are covered by the Contractor's insurance program. Self-insurance or insurance coverage must comply with the Florida Worker's Compensation law. In the event hazardous work is being performed by the Contractor under the resulting contract or purchase order and any class of employees performing the hazardous work is not protected under Worker's Compensation statutes, the Contractor must provide, and cause each subcontractor to provide adequate insurance satisfactory to the Department for the protection of employees not otherwise protected.

7.2 General Liability Insurance

The Contractor must secure and maintain Commercial General Liability Insurance including bodily injury, property damage, product-liability, personal & advertising injury and completed operations. This insurance must provide coverage for all claims that may arise from the services, and operations completed under the Contract and any resulting contract or purchase order, whether such services or operations are by the Contractor or anyone directly or indirectly employed by them. Such insurance must include a Hold Harmless Agreement in favor of the State of Florida and also include the State of Florida as an Additional Insured for the entire length of the Contract and any resulting contract or purchase order. The Contractor is responsible for determining the minimum limits of liability necessary to provide reasonable financial protections to the Contractor and the State of Florida under the Contract and any resulting contract or purchase order.

All insurance policies must be with insurers licensed or eligible to transact business in the State of Florida. The Contractor's current certificate of insurance must contain a provision that the insurance must not be canceled for any reason except after thirty (30) days written notice to the Department's Contract Manager.

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The Contractors must submit insurance certificates evidencing such insurance coverage prior to execution of a contract with the Department.

The Contractor must require its insurance carrier to add the Department to the insurance policies as an additional insured, as provided below:

Florida Department of Management Services
c/o Division of State Purchasing
4050 Esplanade Way, Suite 360
Tallahassee, Florida 32399-0950

7.3 Indemnification.

The Contractor agrees to indemnify, defend, and hold the Department, Customer, the State of Florida, its officers, employees and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right or out of any acts, actions, breaches, neglect or omissions of the Contractor, its employees, agents, subcontractors, assignees or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Contractor or Contractor's employees, agents, subcontractors, assignees or delegates are not independent contractors in relation to the Department. The Contract does not constitute a waiver of sovereign immunity or consent by the Department or the State of Florida or its subdivisions to suit by third parties.

Without limiting this indemnification, the Department or Customer may provide the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense.

SECTION 8. PUBLIC RECORDS, TRADE SECRETS, DOCUMENT MANAGEMENT AND INTELLECTUAL PROPERTY.

8.1 Public Records.

The Department may unilaterally cancel this Contract for refusal by the Contractor to comply with this section by not allowing public access to all documents, papers, letters or other material made or received by the Contractor in conjunction with the Contract, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), F.S.

Solely for the purposes of this section the contract manager is the agency custodian of public records, unless another is designated per (e), below.

If, under a resulting contract or purchase order, the Contractor is providing services and is acting on behalf of a public agency, as provided by section 119.0701, Florida Statutes. The Contractor shall:

(a) Keep and maintain public records required by the public agency to perform the service;

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(b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within reasonable time and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law;

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the contract term and following the completion of the contract if the contractor does not transfer the records to the public agency;

(d) Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency upon completion of the contract, the contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the contractor keeps and maintains public records upon completion of the contract, the contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency; and

(e) IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE TELEPHONE NUMBER, EMAIL ADDRESS AND MAILING ADDRESS PROVIDED IN THE RESULTING CONTRACT OR PURCHASE ORDER.

8.2 Protection of Trade Secrets or Confidential Information.

If the Contractor considers any portion of materials made or received in the course of performing the Contract ("contract-related materials") to be trade secret under section 812.081, F.S., or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as "confidential" when submitted to the Department.

If the Department receives a public records request for contract-related materials designated by the Contractor as "confidential," the Department will provide only the portions of the contract-related materials not designated as "confidential." If the requester asserts a right to examine contract-related materials designated as "confidential," the Department will notify the Contractor. The Contractor will be responsible for responding to and resolving all claims for access to contract-related materials it has designated "confidential."

If the Department is served with a request for discovery of contract-related materials designated "confidential," the Department will promptly notify the Contractor about the request. The Contractor will be responsible for filing the appropriate motion or objection in response to the request for discovery. The Department will provide materials designated "confidential" only if the Contractor fails to take appropriate action, within

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timeframes established by statute and court rule, to protect the materials designated as “confidential” from disclosure.

The Contractor will protect, defend, and indemnify the Department for claims, costs, fines, and attorney’s fees arising from or relating to its designation of contract-related materials as “confidential.”

8.3 Document Management.

The Contractor must retain sufficient documentation to substantiate claims for payment under the Contract and all other records, electronic files, papers and documents that were made in relation to this Contract. Contractor must retain all documents related to the Contract for five years after expiration of the Contract, or, if longer, the period required by the General Records Schedules maintained by the Florida Department of State available at <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>.

8.4 Intellectual Property.

Unless specifically addressed in the Contract, intellectual property rights to all property created or otherwise developed by the Contractor for the Department will be owned by the State of Florida through the Department at the completion of the Contract.

Any inventions or discoveries developed in the course of or as a result of services performed under the Contract which are patentable pursuant to 35 U.S.C. §101 are the sole property of the state of Florida. Contractor must inform the Department of any inventions or discoveries developed or made in connection with the Contract and will be referred to the Florida Department of State for a determination on whether patent protection will be sought for the invention or discovery. The State of Florida will be the sole owner of any and all patents resulting from any invention or discovery made in connection with this contract.

Contractor must notify the Department of State of any publications, artwork, or other copyrightable works developed in connection with the Contract. All copyrights created or developed in connection with the Contract are the sole property of the State of Florida.

SECTION 9. DATA SECURITY AND SERVICES.

9.1 Duty to Provide Secure Data.

The Contractor will maintain the security of State of Florida Data including, but not limited to, a secure area around any display of such Data or Data that is otherwise visible. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

9.2 Warranty of Security.

Unless otherwise agreed in writing, the Contractor and its subcontractors will not perform any of the services from outside of the United States, and the Contractor will not allow any State of Florida Data to be sent by any medium, transmitted or accessed outside of the United States.

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Notwithstanding any provision of this Contract to the contrary, the Contractor must notify the Department as soon as possible, in accordance with the requirements of section 501.171, F.S., and in all events within one (1) business day in the event Contractor discovers any Data is breached, any unauthorized access of Data occurs (even by persons or companies with authorized access for other purposes), any unauthorized transmission of Data or any credible allegation or suspicion of a material violation of the above. This notification is required whether the event affects one agency/customer or the entire population. The notification must be clear and conspicuous and include a description of the following:

- (a) The incident in general terms.
- (b) The type of information that was subject to the unauthorized access and acquisition.
- (c) The type and number of entities who were, or potentially have been affected by the breach.
- (d) The actions taken by the Contractor to protect the Data from further unauthorized access. However, the description of those actions in the written notice may be general so as not to further increase the risk or severity of the breach.

9.3 Remedial Measures.

Upon becoming aware of an alleged security breach, Contractor's Contract Manager must set up a conference call with the Department's Contract Manager. The conference call invitation must contain a brief description of the nature of the event. When possible, a 30 minute notice will be given to allow Department personnel to be available for the call. If the designated time is not practical for the Department, an alternate time for the call will be scheduled. All available information must be shared on the call. The Contractor must answer all questions based on the information known at that time and answer additional questions as additional information becomes known. The Contractor must provide the Department with final documentation of the incident including all actions that took place. If the Contractor becomes aware of a security breach or security incident outside of normal business hours, the Contractor must notify the Department's Contract Manager and in all events, within one business day.

9.4 Indemnification (Breach of Warranty of Security).

The Contractor agrees to defend, indemnify and hold harmless the Department, Customer, the State of Florida, its officers, directors and employees for any claims, suits or proceedings related to a breach of the Warranty of Security. The Contractor will include credit monitoring services at its own cost for those individuals affected or potentially affected by a breach of this warranty for a two year period of time following the breach.

9.5 Annual Certification.

The Contractor is required to submit an annual certification demonstrating compliance with the Warranty of Security to the Department by December 31 of each Contract year.

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SECTION 10. GRATUITIES AND LOBBYING.

10.1 Gratuities.

The Contractor will not, in connection with this Contract, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any State of Florida officer or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any State of Florida officer or employee.

10.2 Lobbying.

In accordance with sections 11.062 and 216.347, F.S., Contract funds are not for the purpose of lobbying the Legislature, the judicial branch, or the Department. Pursuant to subsection 287.058(6), F.S., the Contract does not prohibit the Contractor from lobbying the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding the Contract, after the Contract execution and during the Contract's term.

SECTION 11. CONTRACT MONITORING.

11.1 Performance Standards.

The Contractor agrees to perform all tasks and provide deliverables as set forth in the Statement of Work and attachments to the Contract. The Department and the Customer will be entitled at all times, upon request, to be advised as to the status of work being done by the Contractor and of the details thereof. Coordination must be maintained by the Contractor with representatives of the Customer, the Department, or of other agencies involved in the Contract on behalf of the Department.

11.2 Performance Deficiency.

The Department or Customer may, in its sole discretion, notify the Contractor of the deficiency to be corrected, which correction must be made within a time-frame specified by the Department or Customer. The Contractor must provide the Department or Customer with a corrective action plan describing how the Contractor will address all issues of contract non-performance, unacceptable performance, and failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance.

11.3 Financial Consequences of Non-Performance.

If the corrective action plan is unacceptable to the Department or Customer, or fails to remedy the performance deficiencies, the Contractor will be assessed a non-performance retainage equivalent to 10% of the total invoice amount or as specified in the Contract. The retainage will be applied to the invoice for the then-current billing period. The retainage will be withheld until the Contractor resolves the deficiency. If the deficiency is subsequently resolved, the Contractor may invoice the Customer for the retained amount during the next billing period. If the Contractor is unable to resolve the deficiency, the funds retained will be forfeited.

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11.4 Liquidated Damages.

The Contractor will promptly notify the Department or Customer upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any commodity or contractual service. The Contractor will use commercially reasonable efforts to avoid or minimize any delays in performance and will inform the Department or Customer of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Department or Customer has caused or will cause the Contractor to be unable to perform its obligations on time, the Contractor will promptly so notify the Department or Customer and use commercially reasonable efforts to perform its obligations on time notwithstanding the Department or Customer's delay.

The Contractor acknowledges that untimely performance or other material noncompliance will damage the Department or Customer, but by their nature such damages may be difficult to ascertain. Accordingly, any liquidated damages provisions stated in the solicitation will apply to this Contract. Liquidated damages are not intended to be a penalty and are solely intended to compensate for damages.

11.5 Force Majeure, Notice of Delay, and No Damages for Delay.

The Contractor will not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Contractor's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. In case of any delay the Contractor believes is excusable, the Contractor will notify the Department or Customer in writing of the delay or potential delay and describe the cause of the delay either (1) within 10 days after the cause that creates or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five days after the date the Contractor first had reason to believe that a delay could result. The foregoing will constitute the Contractor's sole remedy or excuse with respect to delay. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages will be asserted by the Contractor. The Contractor will not be entitled to an increase in the Contract price or payment of any kind from the Department or Customer for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Contractor will perform at no increased cost, unless the Department or Customer determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State of Florida or to Customers, in which case the Department or Customer may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers with respect to commodities or contractual services subjected to allocation, or (2) purchase from other sources (without recourse to and by the Contractor for the related costs and expenses) to replace all or part of the commodity or contractual services that are the subject of the

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delay, which purchases may be deducted from the Contract quantity, or (3) terminate the Contract in whole or in part.

SECTION 12. CONTRACT AUDITS.

12.1 Performance or Compliance Audits.

The Department may conduct, or cause to have conducted, either or both performance and compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractor's data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners or agents of the Contractor, pertaining to this Contract, may be inspected by the Department upon 15 days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The State of Florida's Chief Financial Officer and the Office of the Auditor General also have authority to perform audits and inspections.

12.2 Payment Audit.

Records of costs incurred under terms of the Contract will be maintained. Records of costs incurred will include the Contractor's general accounting records, together with supporting documents and records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by the Department, State of Florida's Chief Financial Officer or the Office of the Auditor General for audit.

SECTION 13. BACKGROUND SCREENING AND SECURITY.

13.1 Background Check.

The Department may require the Contractor and its employees, agents, representatives and subcontractors to provide fingerprints and be subject to such background checks as directed by the Department. The cost of the background checks will be borne by the Contractor. The Department may require the Contractor to exclude the Contractor's employees, agents, representatives or subcontractors based on the background check results. In addition, the Contractor must ensure that all persons have a responsibility to self-report to the Contractor within three calendar days any arrest for any Disqualifying Offense. The Contractor must notify the Contract Manager within 24 hours of all details concerning any reported arrest. The Contractor will ensure that all background screening will be refreshed upon the request of the Department for each person during the term of the Contract.

13.2 E-Verify.

In accordance with Executive Order 11-116, the Contractor agrees to utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired during the term of the Contract for the services specified in the Contract. The Contractor must also include a requirement in subcontracts that the

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subcontractor must utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Contract term. In order to implement this provision, the Contractor must provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five days of Contract execution. If the Contractor is not enrolled in DHS E-Verify System, it will do so within five days of notice of Contract award, and provide the Contract Manager a copy of its MOU within five days of Contract execution. The link to E-Verify is provided below. <http://www.uscis.gov/e-verify>. Upon each Contractor or subcontractor new hire, the Contractor must provide a statement within five days to the Contract Manager identifying the new hire with its E-Verify case number.

13.3 Disqualifying Offenses.

If at any time it is determined that a person has a criminal misdemeanor or felony record regardless of adjudication (e.g., adjudication withheld, a plea of guilty or nolo contendere, or a guilty verdict) within the last six years from the date of the court's determination for the crimes listed below, or their equivalent in any jurisdiction, the Contractor is required to immediately remove that person from any position with access to State of Florida Data or directly performing services under the Contract. The disqualifying offenses are as follows:

- (a) Computer related or information technology crimes
- (b) Fraudulent practices, false pretenses and frauds, and credit card crimes
- (c) Forgery and counterfeiting
- (d) Violations involving checks and drafts
- (e) Misuse of medical or personnel records
- (f) Felony theft

13.4 Communications and Confidentiality.

The Contractor agrees that it will make no statements, press releases, or publicity releases concerning the Contract or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with the Contract, or any particulars thereof, during the period of the Contract, without first notifying the Department's Contract Manager or the Department designated contact person and securing prior written consent. The Contractor must maintain confidentiality of all confidential data, files, and records related to the services and commodities provided pursuant to the Contract and must comply with all state and federal laws, including, but not limited to sections 381.004, 384.29, 392.65, and 456.057, F.S. The Contractor's confidentiality procedures must be consistent with the most recent version of the Department security policies, protocols, and procedures. The Contractor must also comply with any applicable professional standards with respect to confidentiality of information.

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Exhibit B

ITB No. 22-44102100-Z Addendum No. 2

Contained herein are the answers to the questions submitted to the Department of Management Services (Department). The Department hereby amends ITB No. 22-44102100-Z as noted within this Addendum. For revisions, underline represents additions and strikethroughs represent deletions. In the event of a conflict between previously released information and the information contained herein, the information herein shall control. The information included in this addendum is now made part of this solicitation.

FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 120.57(3), FLORIDA STATUTES, OR FAILURE TO POST THE BOND OR OTHER SECURITY REQUIRED BY LAW WITHIN THE TIME ALLOWED FOR FILING A BOND SHALL CONSTITUTE A WAIVER OF PROCEEDINGS UNDER CHAPTER 120, FLORIDA STATUTES.

Any protest must be timely filed with the Department of Management Services' Agency Clerk.

Please Note: This Addendum No. 2 does not need to be returned with the response.

1. The following definitions have been added to section 1.2:

As stated in Chapter 288.0656(2) (e), Florida Statutes, a Rural Community is defined as a county with a population 75,000 or fewer.

An Urban Community is defined as a county with a population of more than 75,000.

2. Section 2.2.11.7, Savings/Price Reduction PUR 7064 (Attachment H) is deleted in its entirety.

~~The Bidder shall download and complete Attachment H and upload within the MFMP Sourcing application to demonstrate the percent (%) savings in pricing offered compared to the MSRP List or other usual or customary prices that would be paid by the purchaser without the benefit of a contract resulting from this bid.~~

3. Section 2.2.13.5, Savings/Price Reduction PUR 7064 (Attachment H), is added.

If awarded a contract, the Contractor will submit Attachment H, the PUR 7064 to demonstrate the percent (%) savings in pricing offered compared to the MSRP List or other usual or customary prices that would be paid by the purchaser without the benefit of a contract resulting from this bid.

4. Section 2.2.13.4, Quarterly Sales Report (Attachment K), has been updated.

If awarded a contract, an authorized representative of the Bidder will be required to complete and submit a Quarterly Sales Report (Attachment K) to the Department's Contract Manager within ~~ten~~ fifteen business days after the close of each State Fiscal quarter (September 30, December 31, March 31, and June 30).

5. Section 3.2.4 Contract Warranty and Maintenance has been updated.

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Leased equipment shall be warrantied and maintained for the life of the lease. Purchased equipment shall be warrantied and maintained for a minimum of one year or the manufacturer's standard warranty, whichever is longer. The warranty and maintenance period shall commence upon acceptance of equipment by the Customer as evidenced by a certificate of acceptance form. ~~While a unit is under warranty, a~~ All Commodities must operate in accordance with the manufacturer's standard specifications. ~~During the warranty period, t~~ The Contractor shall provide postage rate protection, software and firmware updates, and preventative maintenance services. During the warranty period, a All defective or broken parts not caused by accident, neglect, misuse, or abuse shall be repaired or replaced and all necessary machine adjustments occasioned by such defective or broken parts shall be performed. All warranty and maintenance services and products shall be provided at no cost to the Customer.

Service response time requirements during the warranty and maintenance period shall be the arrival of a manufacturer-trained, certified technician on-site within four business hours in urban counties and within eight business hours in rural counties after notification of a request for service. A telephone call, unless it results in solving the problem, shall not be deemed an acceptable service response. The warranty and maintenance shall include all labor and transportation resulting from service calls. The Contractor shall maintain service facilities and qualified personnel to service all equipment in the State of Florida within the required ~~four business hours~~ response time for the life of the Contract. Each service facility must maintain a sufficient number of qualified technicians and supply of parts to provide all required services described in the Scope of Work for the life of the Contract.

If, during the warranty and maintenance period, malfunctioning equipment cannot be repaired within three business days after a request for service or in the case of excessive equipment down-time, the Contractor shall provide the Customer loaner equipment that meets or exceeds specifications of the Commodity ~~covered by the warranty~~ at no additional cost until the defective unit or entire system (Customer's choice) is replaced with new equipment. Excessive equipment down-time is defined as three or more service calls over a ninety day period for repairs to the same piece of equipment.

The Contractor shall maintain a service log describing which services are performed for each call. The log shall contain, at a minimum, the machine serial number, location of equipment, date and time of each service call, the response time and the type of service performed. The service log shall be made available to the Customer and the Department, upon request.

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6. Section 3.2.20, Punch-Put Catalog and Electronic Invoicing, has been updated.

~~At the State's option, the Contractor may be required to provide an MFMP punch-out catalog.~~ The punch-out catalog provides an alternative mechanism for suppliers to offer the State of Florida access to products awarded under the Contract. The punch-out catalog also allows for direct communication between the MFMP eProcurement System and a supplier's ERP system, which can reflect real-time product inventory/availability information.

Through utilization of the punch-out catalog model, a Florida buyer will "punch out" to a supplier's website. Using the search tools on the supplier's Florida punch-out catalog site, the user selects the desired products and services. When complete, the user exits the supplier's punch-out catalog site and the shopping cart (full of products and services) is "brought back" to MFMP. No orders are sent to a supplier when the user exits the supplier's punch-out catalog site. Instead, the chosen products and services are "brought back" to MFMP as Contract line items. The user can then proceed through the normal workflow steps, which may include adding/editing the items to a requisition or a purchase order. An order is not submitted to a supplier until the buyer actually adds the line items to a requisition and the purchase order is approved and sent to the supplier.

At the State's option, the Contractor may be required to invoice electronically pursuant to guidelines of the Department of Management Services. Electronic invoices may be required to be submitted to the agency through the Ariba Network (AN) in one of three mechanisms as listed below. Contractors may select the method that best meets their capabilities from the following list:

- **cXML (commerce eXtensible Markup Language)**
This standard establishes the data contents required for invoicing via cXML within the context of an electronic environment. This transaction set can be used for invoicing via the ASN for catalog and non-catalog products and services. The cXML format is the Ariba preferred method for eInvoicing.

- **EDI (Electronic Data Interchange)**
This standard establishes the data contents of the Invoice Transaction Set (810) for use within the context of an Electronic Data Interchange (EDI) environment. This transaction set can be used for invoicing via the ASN for catalog and non-catalog products and services.

- **PO Flip via ASN**
The online process allows suppliers to submit invoices via the ASN for catalog and non-catalog products and services. Suppliers have the ability to create an invoice directly from their Inbox in their ASN account by simply "flipping" the PO into an invoice. This option does not require any special software or technical capabilities.

For the purposes of this section, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the state and the third party provider of MFMP, a state Contractor, the right and license to use, reproduce, transmit, distribute, and publicly display within the system the information outlined above. In addition, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the State and the third party provider the right and license to reproduce and display within the system the Contractor's trademarks, system marks, logos, trade dress, or other branding designation that identifies the products made available by the Contractor under the Contract.

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The Contractor will work with the MFMP management team to obtain specific requirements for the punch-out catalog and electronic invoicing.

7. Section 3.2.21, Performance Bond, has been deleted in its entirety.

8. Section 3.2.22, Contract Reporting, has been updated.

The Contractor shall report information on orders received from state agencies and OEUs associated with this contract.

The Contractor shall submit reports in accordance with the following schedule:

Report	Period Covered	Due date (s)
MFMP Transaction Report	Calendar month	10 business days after close of the period
Contract Quarterly Sales Report	State Fiscal Quarter	40 15 business days after close of the period
Savings / Price Reductions	Required whenever prices are established adjusted	10 business days after each action that adjusts prices
Diversity Report [submitted to the Customer (ordering entity)]	State Fiscal Year	10 business days after close of the period
Preferred Pricing Affidavit	Annual	Contract anniversary date
Proof of Insurance	Annual	Upon policy renewal.

9. Section 3.2.22.2, Contract Quarterly Sales Report (Attachment K), has been updated.

The Contractor agrees to submit a Quarterly Sales Report (Attachment K) to the DMS Contract Manager within ~~ten~~ fifteen working business days after the close of each State Fiscal quarter (September 30, December 31, March 31, and June 30).

Quarterly Reporting periods should coincide with the contract term and should begin the quarter following contract execution. Reports must be submitted in MS Excel format. The report will include all sales (orders) from State Agency and Other Eligible Users received (associated with this contract) during the period. Initiation and submission of the Quarterly Report is the responsibility of the Contractor without prompting or notification from the DMS Contract Manager. If no orders are received during the period, the contractor must submit a report stating that there was no activity. If the Contractor fails to submit two consecutive quarterly sales reports, the Contract may be terminated for convenience or the Department may choose to not renew the Contract.

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In addition, the Department may require additional Contract sales information such as copies of purchase orders, or ad hoc sales reports. The Contractor shall submit these specific ad hoc requests within the specified amount of time as requested by the Department.

10. Section 3.2.24 Financial Consequences has been updated.

Type	Requirement	First Financial Consequence	Second Financial Consequence	Third Financial Consequence
Service call for repair	<u>Onsite within 4 business hours in urban counties and 8 business hours in rural counties</u>	\$100	\$250	\$500
Equipment not picked up	10 business days after lease expiration	\$100	\$200	\$300
Machine replacement with new or loaner equipment if repair is not available	3 business Days	\$250 per day	\$500 per day	\$1000 per day

The Department and Customers reserve the right to withhold payment or implement other appropriate remedies, such as Contract termination or non-renewal, when the Contractor has failed to perform/comply with the provisions of the Contract.

11. Section 3.2.25.4 Lease Cancellation for Convenience has been deleted in its entirety.

12. Section 3.2.27, Product Adjustments, has been updated.

Requested product changes adjustments due to model upgrades must be approved by the Department and added to the contract before being offered to Customers. The Contractor may submit new product adjustments for approval on a quarterly basis on January 1, April 1, July 1, and October 1 of each calendar year. The Contractor may submit existing product adjustments in accordance with the price adjustments frequency as listed in section 3.2.26.

13. The word “warranted” is replaced with the word “warrantied” in sections 3.2.1 and 3.2.4.

14. Attachment C, Qualification Questions and Required Documents, has been replaced in

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its entirety and the revised version is incorporated into this addendum.

15. Attachment H, Savings/Price Reductions, has been replaced in its entirety and the revised version is incorporated into this addendum.

16. Attachment M, Section 3.2 (b), has been replaced in its entirety with:

(b) Preferred Pricing. Consistent with the goals of section 216.0113, F.S., Contractor acknowledges and recognizes that the Department wants to take advantage of any improvements in pricing over the course of the Contract period. To that end, the pricing indicated in this Contract is a maximum guarantee under the terms of this clause. Contractor's pricing will not exceed, on an aggregate basis, the pricing offered under comparable contracts for public entities. Comparable contracts are those which are similar in size, scope and terms. The Contractor shall submit to the Department a completed Preferred Pricing affidavit form annually.

17. Attachment M, General Liability Insurance, section 7.2 has been updated.

The Contractor must secure and maintain Commercial General Liability Insurance including bodily injury, property damage, product-liability, personal & advertising injury and completed operations. This insurance must provide coverage for all claims that may arise from the services, and operations completed under the Contract and any resulting contract or purchase order, whether such services or operations are by the Contractor or anyone directly or indirectly employed by them. Such insurance must include a Hold Harmless Agreement in favor of the State of Florida and also include the State of Florida as an Additional ~~Named~~ Insured for the entire length of the Contract and any resulting contract or purchase order. The Contractor is responsible for determining the minimum limits of liability necessary to provide reasonable financial protections to the Contractor and the State of Florida under the Contract and any resulting contract or purchase order.

All insurance policies must be with insurers licensed or eligible to transact business in the State of Florida. The Contractor's current certificate of insurance must contain a provision that the insurance must not be canceled for any reason except after thirty (30) days written notice to the Department's Contract Manager.

The Contractors must submit insurance certificates evidencing such insurance coverage prior to execution of a contract with the Department.

The Contractor must require its insurance carrier to add the Department to the insurance policies as an additional insured, as provided below:

Florida Department of Management Services
c/o Division of State Purchasing
4050 Esplanade Way, Suite 360
Tallahassee, Florida 32399-0950

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The Department has received the following questions from the vendor community through the MFMP Sourcing Application and answers are provided in the following table:

#	Question	Answer
Section 1, Introduction		
1.	Section 1.17 Contract Formation IFB, additional terms & Scope: We have historically included dedicated software which helps the State, as well as other states, with its mailroom management and to operate its equipment more efficiently, and with respect to other States, such software is subject to standard software license terms and conditions. Would the State of Florida prefer that we attach the software license to our RFP response for review, or would we attach it to each individual purchase or lease transaction?	The software license may be attached to individual purchases at the discretion of the customer.
Section 2, Instructions to Bidders		
2.	Section 2.2.13.4 Quarterly Report - Neopost requests that the submission of the quarterly report be changed from ten business days after the close to 15 days.	Yes, reference Addendum 2, sections 2.2.13.4, 3.2.22 and 3.2.22.2.
Section 3, Scope of Work		
3.	Section 3.2.4 Please clarify the warranty requirement for leased equipment. Vendor agrees to warrant all equipment for 12 months on a purchase or lease and offer a Maintenance Agreement on the equipment to cover the product following the 12 month warranty term.	Reference Addendum 2, section 3.2.4. Leased equipment is warranted and maintained for the life of the lease. Purchased equipment is warranted and maintained for a minimum of one year.
4.	Section 3.2.4 Is it acceptable that price of the service plan be added to each order or lease and PB will still provide the warranty against defects?	No. Reference Attachment D, Tab 1, Core, which requires Bidders to provide all maintenance with the lease price.
5.	Section 3.2.4 Contract Warranty: The ITB stipulates that the Contractor is required to provide a four (4) hour onsite response time for servicing equipment. This agreement would cover different geographic areas throughout the state where it may not be possible to meet this requirement. Would the State consider amending the ITB in consideration of the select zip codes that require additional travel time?	Yes, reference Addendum 2, sections 3.2.4 and 3.2.24.
6.	Section 3.2.4 We request that the requirement for on-site service be changed to reflect our standard	Reference Addendum 2, sections 3.2.4 and 3.2.24.

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	service offering of: 1 hour response time to all written or oral notices of a service requirement due to an equipment breakdown, with a service technician on site within 8 hours.	
7.	Section 3.2.4 Contract Warranty: In addition, due to enhanced technology and equipment intelligence, many service requests can be resolved remotely over the phone or remote access during the initial service inquiry via phone call or online request. Would the State consider amending the ITB to allow the Contractor to provide immediate assistance and resolve service requests remotely without an on-site service visit?	Section 3.2.4 allows problems to be resolved via a phone call.
8.	Section 3.2.10 Our current invoice system does not allow for the inclusion of the State of FL's contract number on our invoices and requests that this requirement be removed.	The Department will not waive this requirement.
9.	Section 3.2.12 Neopost agrees with the States purchasing card program but clarifies it is not available for the purchase of Postage.	The purchase of postage is not included in this ITB.
10.	Section 3.2.14 Neopost clarifies that we can offer a "no-cost" option provided the postage funds are provided in advance.	The purchase of postage is not included in this ITB.
11.	Section 3.2.16 Some low end products provided by Vendor are commercially considered "self-installable." Vendor understands that some agency personnel require the need for professional installation of our most basic products, and therefore request an optional installation fee to offset the cost associated with this circumstance.	No, the Department will not modify this requirement.
12.	Section 3.2.17 Some low end products provided by Vendor are commercially considered "self-installable." Vendor understands that some agency personnel require the need for professional training of our most basic products, and therefore request an optional training fee to offset the cost associated with this circumstance.	No, the Department will not modify this requirement.
13.	Section 3.2.18	Reference section 3.2.11 of the ITB. Final acceptance and

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	Is it the State's intention that the requirements and specifications for Final Acceptance and authorization for payment would be set forth in each individual order and mutually agreed to by the State and Contractor?	payments are governed by sections 215.422 and 287.0585 of the Florida Statutes.
14.	Section 3.2.20 Neopost can offer CIF catalogs and advises that punch-out catalogs are not available. Therefore we request that punch out catalogs not be made a requirement.	Reference Addendum 2, section 3.2.20.
15.	Section 3.2.21 Will a performance bond be required?	No, reference Addendum 2, section 3.2.21.
16.	Section 3.2.22 Contract Reporting: Would the State consider allowing 15 business days after the close of the period for reporting/or action that adjusts prices?	Yes, reference Addendum 2, section 3.2.22.
17.	3.2.22.2 Neopost requests that we be allowed to work with the State on the reporting requirements listed in Attachment K as all listed reporting fields cannot be readily provided.	No, the Department will not modify this requirement.
18.	Section 3.2.22.5 Ad-hoc reports: What does the State consider a "standard" report and what is considered an "ad-hoc" report?	Attachment K, Contract Quarterly Sales Report, the MFMP Transaction report and the Diversity report are considered standard reports. Ad-hoc reports may include additional information not typically provided to the State.
19.	Section 3.2.25.4 The Agreement may be terminated by the State whenever, for any reason. This stipulation requires vendors to perform a new risk analysis and will affect the price offered to the state. Will the State consider termination language based on appropriations and cause in lieu of convenience and enable vendors to offer the most aggressive pricing possible?	Reference Addendum 2, section 3.2.25.4.
20.	Under the current contract, the State receives a very aggressive lease rate. In order to receive an aggressive lease rates, would you consider the following: • 3.2.25.4 Lease Cancellation For Convenience -- Would the State consider changing this term to mirror the language in the current Florida contract?	Reference Addendum 2, section 3.2.25.4.

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	<p>Current Contract – Page 60 (f) Lease Cancellation for Convenience The initial lease agreement may be canceled at any time during the lease period by the lessee (Customer). A thirty (30) day cancellation notice will be required of the lessee in writing. All money due the lessor (Contractor) for the remainder of the lease agreement period will be due and payable upon completion of the equipment removal, except in documented cases of non-performance by the Contractor. Upon cancellation of a lease agreement by the lessee without cause, the equipment will be returned to the lessor with transportation at the lessee’s expense as well as removal charges, if applicable.</p> <ul style="list-style-type: none"> • 3.2.25.4 If the State cannot change this paragraph, would the State consider removing this Term in its entirety and only allowing for non-appropriations and default by contractor terminations on leases? 	
21.	<p>3.2.25.4 Lease Cancellation for Convenience - USA manufacturing and captive leasing companies must adhere to GAAP for accounting and revenue recognition. Therefore, in order to offer leasing options to the State, we respectfully ask that the State of Florida change this provision to match the verbiage in our current State of Florida contract #600-760-141-1 “The initial lease agreement may be canceled at any time during the lease period by the lessee (Customer..... All money due the lessor (Contractor) for the remainder of the lease agreement period will be due and payable upon completion of the equipment removal, except in documented cases of non-performance by the Contractor.”</p>	Reference Addendum 2, section 3.2.25.4.
22.	<p>Section 3.2.27 Would the state permit quarterly updates to Vendor’s product offerings?</p>	Reference Addendum 2, section 3.2.27.
Section 4, Attachments		
23.	<p>Attachment C Please clarify what you mean by 'ad hoc reporting'? How often and what is required?</p>	Ad-hoc reports may include additional information not typically provided to the state.
24.	<p>Attachment M, Section 3.2(c) Can we increase prices due to changing market conditions as well?</p>	No.

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25.	Attachment M, Section 3.2 (b) Preferred Pricing: Can this language be revised to that it applies for the same quantity of product/ services, in the same configuration and under the same or similar terms and conditions consistent with the current terms and conditions of the contract?	Reference Addendum 2, Attachment M, Section 3.2 (b).
26.	Attachment M-page 4 section 3.7 What is the amount of the transaction fee to be paid to the State by Vendor?	The transaction fee is currently 0.7%.
27.	Attachment M-page 4 section 3.7 Please clarify if the transaction fee is assessed on the payment made to vendor (quarterly lease payment/purchase price) or the NET value of the equipment ordered?	Transaction fees are assessed on payments.
28.	Attachment M-page 4 section 3.7 Please explain the process for automatic deduction of transaction fees.	Automatic deductions have not been implemented.
29.	Attachment M, 7.2 General Liability Insurance: Will the State consider the Contractor deleting the reference to "and any resulting contract or purchase order."?	No, the Department will not modify this requirement.
30.	Attachment M, 7.2 General Liability Insurance: Will the State consider the Contractor amending this section by modifying Additional Named Insured to simply Additional Insured?	Reference Addendum 2, section M, 7.2.
31.	Attachment M, Section 9.2, page 12 Warranty of Security: We request authorization to share data and/or perform services outside of the US through our parent/affiliates in Europe.	The Department will consider these requests post contract award.
32.	Attachment M, Termination Provisions Neopost clarifies that the termination or expiration of this Agreement shall in no way relieve either party from its obligations pursuant to any Equipment Leases, Postage Meter Rental Agreements or software subscriptions that were entered into prior to the date of such termination or expiration.	Reference section 3.2.28 of the ITB.
33.	Attachment M, Intellectual Property Neopost USA clarifies that it will grant a license to the Purchasing Entity for its use of any Intellectual Property created in connection with Services provided for such Purchasing Entity. However, all such Intellectual Property shall be the property of Neopost USA.	Reference section 8.4 of Attachment M.

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34.	Attachment M Section 3.4 Purchase Orders: Will the purchase orders (if applicable) reference the State Term Contract or will they have different terms and conditions. If the latter, would you please provide a copy of the form PO for our review?	Purchase Orders shall reference the State Term Contract and state agencies may have their own agency specific terms and conditions.
35.	Attachment M, Section 3.4 Purchase Orders: Will the State accept a PO and or a signed lease agreement to buy products and services on this contract?	Reference section 3.2.25 of the ITB. Customers may issue purchase orders for mail processing equipment. Additional lease agreements from the Contractor shall be considered non-binding.
36.	Attachment M, Section 8.1 Can we add a clarification statement that 119.0701 does not apply since we are not providing services on behalf of the State?	No, the Department will not modify this requirement.
General Questions		
37.	<p>We have an additional question. It appears that to participate in the solicitation we must accept the bidder agreement which includes agreeing to all terms and condition specific to this solicitation. That is the only way to participate. However, we are in the question and answer phase and working through the terms and conditions of the solicitation with the State of Florida. Can you please clarify if by accepting we are still able to negotiate terms and conditions of the bid? Clearly we would like to participate in this process but have questions on some of the terms and conditions which we've submitted.</p> <p>By accepting this agreement you warrant that:</p> <ul style="list-style-type: none"> (i) you are authorized by your company to enter into a binding contractual agreement based on the information you are about to transmit (ii) you agree to all terms and conditions regarding use of the MyFloridaMarketPlace system and (iii) you agree to all terms and conditions specific to this solicitation. 	Bidders must answer yes and agree to all Qualification Questions/ Mandatory Requirements listed in the ITB.
38.	Vendor provides a select number of 3rd party products to complement our overall product offering. Will the State allow the purchasing entity to enter into a separate agreement pursuant to 3rd party products as long as they comply with the scope of the State contract?	The Department will not modify this requirement.

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39.	Would the State consider a Contractor to offer leasing provided by 2 different leasing vendors specific to products?	The Department will not modify this requirement. See Attachment M, sections 6.2 and 6.3.
40.	The Contractor cannot assign the Agreement without the States consent. Would you agree to allow assignment to a Contractor's Permitted Assignee? A Permitted Assignee shall be defined as any subsidiary, wholly-owned, directly or indirectly by Pitney Bowes Inc. that has a net worth of \$50 million or greater?	Requests of this nature may only be considered post-contract award.
41.	Will the State provide technical specifications to the Contractors?	Bidders are to submit a bid in accordance with Attachment D, Price Sheet and Section 3, Scope of Work.
42.	General question – the ITB and related documents do not contain any lease terms and conditions, other than a 3, 4 or 5 year term. Are there specific lease terms and conditions that we should review as part of this ITB, or is it acceptable for us to submit the lease terms and conditions that are part of the current contract?	Reference section 3.2.25. The ITB provides the lease terms and conditions.
43.	For solutions that require licensed software, would the State be willing to allow the purchasing entity to negotiate a mutually agreeable software license with the Contractor in addition to the terms and conditions contained within the RFP? If not, what does the State suggest to be certain users have the required software licensure?	The software license may be attached to individual purchases at the discretion of the customer.

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ITB No. 22-44102100-Z Addendum No. 1

The Department hereby amends ITB No. 22-44102100-Z as noted within this Addendum. For revisions, underline represents additions and strikethroughs represent deletions. In the event of a conflict between previously released information and the information contained herein, the information herein shall control. The information included in this addendum is now made part of this solicitation.

FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 120.57(3), FLORIDA STATUTES, OR FAILURE TO POST THE BOND OR OTHER SECURITY REQUIRED BY LAW WITHIN THE TIME ALLOWED FOR FILING A BOND SHALL CONSTITUTE A WAIVER OF PROCEEDINGS UNDER CHAPTER 120, FLORIDA STATUTES.

Any protest must be timely filed with the Department of Management Services' Agency Clerk.

Please Note: This Addendum No. 1 does not need to be returned with the response.

Attachment A, Timeline of Events, has been replaced in its entirety.

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**Attachment A
Timeline of Events**

The dates and times within this Timeline of Events may be subject to change. All events following the Bid Opening are anticipated and subject to change in time, date, and location. All changes to the Timeline of Events will be through an addendum to the solicitation posted to the VBS and added to the solicitation in MFMP. It is the responsibility of the Vendor to check for any changes in both locations.

Event	Time (ET)	Date
Invitation to Bid (ITB) posted on the Vendor Bid System (VBS) and posted in MFMP Sourcing		October 4, 2016
Non-Mandatory/MFMP Training Event 4050 Esplanade Way, Conference Room 360K Tallahassee, Florida 32399-0950 Webinar Information: https://global.gotomeeting.com/join/569130253 You may also call in: 877-309-2070 Participant Code: 569-130-253	2:00 P.M.	October 10, 2016
Deadline to submit questions within MFMP Sourcing Messaging Tab	10:00 A.M.	October 19, 2016
Anticipated posting of answers to Respondents' questions to the solicitation within MFMP Sourcing		October 31, 2016 <u>November 7, 2016</u>
Deadline to submit responses , including all required documents in MFMP Sourcing	2:00 P.M.	November 14, 2016 <u>November 29, 2016</u>
Bid Opening 4050 Esplanade Way, Conference Room 360K Tallahassee, FL 32399-0950	2:01 P.M.	November 14, 2016 <u>November 29, 2016</u>
Anticipated date to post Notice of Intended Award		November 29, 2016 <u>December 20, 2016</u>
Anticipated Contract start date		February 20, 2017

More info on MFMP

If you are not already registered, or need to update your registration, you can do so through the MFMP Vendor Information Portal (VIP) at <https://vendor.myfloridamarketplace.com/>. If you need assistance with using MFMP, please contact the MFMP Customer Service Desk at VendorHelp@myfloridamarketplace.com or (866) 352-3776.

Do not rely on the MFMP Sourcing Application's Time Remaining Clock. It is intended only to approximate the solicitation closing and may require periodic adjustments. The official solicitation closing time shall be as reflected in the timeline.

It is strongly recommended to submit your response as early as possible. You should allow time to receive any requested assistance and to receive verification of your submittal.

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ITB No. 22-44102100-Z

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**State Term Contract No. 44102100-17-1
Mail Processing Equipment**

1 Introduction

The State of Florida, Department of Management Services, Division of State Purchasing (Department) is issuing an Invitation to Bid (ITB) to establish a State Term Contract (STC) for the lease or purchase of Mail Processing Equipment.

The Department intends to solicit for and enter into contracts with responsive and responsible vendors according to the criteria defined herein, for the provision of Commodities and contractual services described within this solicitation under the authority and criteria established by section 287.057, Florida Statutes (F.S.).

This solicitation will be administered using the MyFloridaMarketPlace (MFMP) sourcing application and the Vendor Bid System (VBS). The VBS shall serve as the official system of record. Vendors interested in submitting a bid must comply with all of the terms and conditions described in this ITB. Information about submitting a bid can be found in Section 2, Instructions to Bidders.

1.3 Solicitation Overview

The purpose of this solicitation is to establish a statewide STC for Mail Processing Equipment for state agencies and Other Eligible Users (OEU). The current STC for Mail Processing Equipment has an estimated annual spend of approximately \$8.7 million dollars for state agencies and OEUs. Estimated spend is for informational purposes only and must not be construed as representing actual, guaranteed, or minimum spend under any new contract.

1.4 Definitions

Definitions contained in section 287.012, Florida Statutes, Rule 60A-1.001, Florida Administrative Code, General Contract Conditions and PUR 1001 form are incorporated by reference. Where in conflict, the definitions listed in this section supersede the incorporated definitions. All definitions apply in both their singular and plural sense.

Bidder – A synonym for Respondent, as defined in PUR 1001, Section 1.

Commodity(ies) – An item that may be a Product or Commodity. The terms Products and Commodities can be used interchangeably throughout this ITB.

Commodity Code(s) - The State of Florida numeric code for classifying Commodities and contractual services which meet specific requirements, specifications, terms, and conditions herein. Florida has adopted the United Nations Standard Products and Services Code (UNSPSC) for classifying Commodity(ies) and services.

Confidential Information - Any portion of a company's documents, data, or records disclosed relating to its bid that the Contractor claims is confidential and not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution, or any other authority that is clearly marked "Confidential".

Contract - The written agreement resulting from this ITB.

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Contractor - The business entity that is awarded a Contract resulting from this ITB. May also be referred to as “Contractor”, “Successful Bidder” or “Awarded Vendor” within this document.

Customer – State Agencies and Other Eligible Users (OEU).

Department - The Florida Department of Management Services.

Differential Weighing – Weighing platform that calculates the weight of mail as each piece of mail is removed.

Dynamic Scale – Scale that automatically calculates correct pricing for United States Postal Services (USPS) shape based requirements.

Lease – A transaction in which the Customer does not obtain ownership over the machine and makes scheduled payments to utilize the machine.

Letters per Minute (LPM) – The number of envelopes a machine is capable of processing per minute.

Meter –Device that can print one or more denominations of postage onto a mailpiece or meter tape.

Manufacturer/Brand - The original producer or provider of Representative Models, Options and Services responsive to this solicitation.

Other Eligible Users (OEU) - As defined in Rule 60A-1.005, Florida Administrative Code.

Postage Rate Protection – Program that provides Customers free updates to equipment when USPS postage rates change.

Purchase – A transaction that results in the Customer obtaining ownership of the Commodity.

Responsible vendor – A vendor who has the capability in all respects to fully perform the Contract requirements and the integrity and reliability that will assure good faith performance. (Section 287.012(24), F.S.)

Responsive bid - A bid submitted by a responsive and responsible vendor that conforms in all material respects to the solicitation. (Section 287.012(25), F.S.)

Responsive vendor – A vendor that has submitted a bid that conforms in all material respects to the solicitation. (Section 287.012(26), F.S.)

Scale – Device that calculates the weight of mail.

Sealer – Device that seals an envelope by moistening the glue flap as the envelope passes through the mailing machine.

State - The State of Florida.

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UNSPSC - An acronym for the United Nations Standard Products and Services Code.

USPS – An acronym for the United States Postal Services.

Vendor(s) - An entity that is in the business of providing a Commodity or service similar to those within the solicitation.

1.5 Contract Objective

The Department intends to enter into a Contract(s) with the awarded Bidder(s) pursuant to the Basis for Award section. The Contract shall be composed of the following: this solicitation, General Contract Conditions, Scope of Work, the Vendor's response and the documents established in the Post Award Contract Meeting.

1.6 Term

The initial term of the Contract shall be five (5) years.

1.7 Renewal Term

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part, for up to five years.

1.8 Timeline of Events (Attachment A)

Bidders should become familiar with the Timeline of Events. The dates and times within the Timeline of Events may be subject to change. It is the responsibility of the Bidder to check for changes. All changes to the Timeline of Events will be made through addenda to the solicitation and noticed on the [Vendor Bid System](#).

Bidders shall not rely on the MyFloridaMarketPlace sourcing application's time remaining clock. It is not the official submission date and time deadline; it is intended only to approximate the solicitation closing and may require periodic adjustments. The official solicitation closing time and response deadlines shall be as reflected in the timeline.

The Department will not accept late bids. It is strongly recommended that Bidders submit their response as early as possible. Bidders should allow time to receive any requested assistance and to receive verification of the submittal; waiting until the last hour of the solicitation could impact the timely submittal of the response.

1.9 Order of Precedence for Solicitation

In the event of a conflict, the conflict will be resolved in the following order of priority (highest to lowest):

1. Addenda to Solicitation, if issued (in reverse order of issuance)
2. Scope of Work (Section 3)
3. General Contract Conditions (Attachment M)
4. Special Instructions to Bidders (Section 2.2)
5. PUR 1001, General Instructions to Bidders
6. ITB Attachments (not listed above as having a higher priority)
7. Introduction (Section 1)

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1.10 Procurement Officer

The Procurement Officer is the sole point of contact from the date of release of this ITB until 72 hours after the intent to award is posted.

Procurement Officer for this ITB is:

Katherine Ajmeri, Associate Category Manager
Florida Department of Management Services
Division of State Purchasing
4050 Esplanade Way, Suite 360.6X
Tallahassee, FL 32399-0950
Phone: (850) 921-0030
Email: Katherine.Ajmeri@dms.myflorida.com

******ALL EMAILS TO THE PROCUREMENT OFFICER SHOULD CONTAIN THE
SOLICITATION NUMBER IN THE SUBJECT LINE OF THE EMAIL******

1.11 Limitation on Contact with Government Personnel (section 287.057(23), Florida Statutes)

Between the release of this solicitation and the end of the 72-hour period following the Department posting the Notice of Intended Award, excluding Saturdays, Sundays, and State holidays (section 110.117, Florida Statutes), Bidders to this solicitation or persons acting on their behalf may not contact any employee or officer of the executive or legislative branch concerning any aspect of this solicitation, except in writing to the Procurement Officer or as provided in the solicitation documents. Violation of this provision may be grounds for rejecting a response.

1.12 Must, Shall, Will and Is Required

Although this solicitation uses terms such as “must”, “shall”, “will”, and “is required”, and may define certain items as requirements, the Department reserves the right, in its discretion, to waive any minor irregularity, technicality, or omission if the Department determines that it is in the best interest of the state to do so. However, failure to provide requested information may result in the rejection of a bid. There is no guarantee that the Department will waive an omission or deviation, or that any Vendor with a bid containing a deviation or omission will be considered for award of this procurement. The Department may reject any bid not submitted in the manner specified by this solicitation.

1.13 Special Accommodations

Any person requiring a special accommodation due to a disability should contact the Department’s Americans with Disabilities Act (ADA) Coordinator at (850) 922-7535 at least five business days prior to the scheduled event. If you are hearing or speech impaired, please contact the ADA Coordinator by using the Florida Relay Service at (800) 955-8771 (TDD). The telephone numbers are supplied for notice purposes only.

1.14 Lobbying Disclosure

The successful Bidder shall comply with applicable federal requirements for the disclosure of information regarding lobbying activities of the successful Bidder, subcontractors or any authorized agent. Certification forms shall be filed by the successful Bidder and all subcontractors, certifying that no federal funds have been or shall be used in federal lobbying

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activities and the disclosure forms shall be used by the successful Bidder and all subcontractors to disclose lobbying activities. The successful Bidder shall comply with the provisions of section 216.347, Florida Statutes, which prohibits the expenditure of contract funds for the purpose of lobbying the Legislature or a state agency.

1.15 ITB Process

The ITB is a method of competitively soliciting a Commodity or contractual service pursuant to section 287.057(1)(a), F.S. The Department posts an ITB on the VBS to initiate the process and also posts the ITB in the MFMP Sourcing application.

Bidders may submit questions in writing to the Procurement Officer via the Messages tab in the MFMP Sourcing application by the date listed in the Timeline of Events. Bids must be submitted by the deadline listed in the Timeline of Events. The Department will open the bids in a public meeting.

Once the Department has verified the bids, the Department will post an agency decision on the VBS.

1.15.1 Non-Mandatory Pre-Bid Conference/MFMP Training Event

A non-mandatory Pre-Bid Conference/MFMP training event will be held to discuss how to view and respond to solicitations in [MFMP Sourcing](#). The Non-Mandatory Pre-Bid Conference/MFMP training event will be held at the date and time specified in the Timeline of Events. Attendance is optional but encouraged. Vendors may attend the webinar from their computer, tablet, or smartphone by clicking the link found in the Timeline of Events at the time of the training. A pdf of the presentation is available [here](#). If a Bidder is unable to attend the training, the MFMP team offers many other training resources, including recorded, online training and job aids that can be viewed on the [MFMP for Vendors website](#). Public meetings conducted during the course of this solicitation are open to members of the general public, current vendors, potential vendors and interested persons.

1.15.2 Question Submission

The Department invites interested and registered Vendors to submit questions regarding the solicitation. Vendors who have 'Joined' the MFMP Sourcing event are able to submit questions using the MFMP Sourcing 'Messages' tab (referred to as the "Q&A Board" in PUR 1001). Questions can be submitted in MFMP Sourcing until the Question Submission Deadline listed in the Timeline of Events.

The following quoted text replaces Paragraph 5 of PUR 1001:

"Questions must be submitted via the Q&A Board within MFMP Sourcing and must be RECEIVED NO LATER THAN the time and date reflected on the Timeline of Events. Questions shall be answered in accordance with the Timeline of Events. All questions submitted shall be published and answered in a manner that all proposers will be able to view. Proposers shall not contact any other employee of the Buyer or the State for information with respect to this solicitation. Each respondent is responsible for monitoring the Vendor Bid System for new or changing information. The Buyer shall not be bound by any verbal information or by any written information that is not contained in the solicitation documents or formally noticed and issued by the Buyer's contracting personnel. Questions to the Procurement Officer or to any Buyer

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personnel shall not constitute formal protest of the specifications or of the solicitation, a process addressed in paragraph 20 of these Instructions.”

Bidders are strongly encouraged to raise any questions or concerns regarding this ITB, including the proposed Contract terms and conditions, during the open question period.

1.15.3 Addenda to the ITB

The Department reserves the right to modify this solicitation by issuing addenda. Addenda may modify any aspect of this solicitation. Addenda issued will be posted on the VBS and within MFMP Sourcing. It is the Bidder’s responsibility to check for any changes to a solicitation prior to submitting a bid.

1.15.4 Protest of Terms, Conditions, and Specifications

With respect to a protest of the terms, conditions and specifications contained in this solicitation, including any provisions governing the methods for scoring responses, awarding contracts, or modifying or amending any contract, a notice of protest shall be filed in writing with the Agency Clerk, Department of Management Services, 4050 Esplanade Way, Tallahassee, FL 32399, within seventy-two hours after the posting of the solicitation. For purposes of this provision, the term “the solicitation” includes this solicitation document, any addendum, response to written questions, clarification or other document concerning the terms, conditions, and specifications of the solicitation.

Failure to file a protest within the time prescribed in section 120.57(3), Florida Statutes, or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

1.15.5 Public Opening

Bids will be opened on the date and at the location indicated in the Timeline of Events. Bidders are not required to attend. The Department generally does not announce prices or release other materials at this public meeting, pursuant to s. 119.071(1)(b), Florida Statutes.

1.15.6 Electronic Posting of Notice of Intended Award

The Department shall electronically post a Notice of Intended Award on the VBS for review by interested parties at the time and location specified in the Timeline of Events. The Notice of Intended Award shall remain posted for a period of seventy-two hours, not including weekends or State observed holidays. If the Notice of Award is delayed, in lieu of posting the Notice of Intended Award the Department may post a notice of delay and a revised date for posting the Notice of Intended Award.

1.15.7 Protest of Notice of Intended Decision

Anyone desiring to protest the Notice of Intent to Award shall file any notice of protest and any subsequent formal written protest with the Agency Clerk, Department of Management Services, 4050 Esplanade Way, Tallahassee, FL 32399, within the time prescribed in section 120.57(3) Florida Statutes and Chapter 28-110, Florida Administrative Code. The Procurement Officer should be copied on such filings. Failure to file a notice of protest and a formal protest within the time prescribed in section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

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Failure to file a protest within the time prescribed in section 120.57(3), Florida Statutes, or failure to post the bond or other security required by law within the time allowed for filing a bond shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

1.15.8 Firm Response

The Department intends to award a contract within sixty days after the date of the bid opening, during which period bids shall remain firm and shall not be withdrawn. If an award is not made within sixty days, all bid responses shall remain firm until either the Department awards the Contract or the Department receives from the Bidder written notice that the response is withdrawn. Bid responses that express a shorter duration may, in the Department's sole discretion, be accepted or rejected.

1.16 Modification or Withdrawal of Bid

Bidders are responsible for the content and accuracy of their bid. Bidders may modify or withdraw their bid at any time prior to the bid due date in accordance with the Timeline of Events.

1.17 Cost of Response Preparation and Independent Preparation

The costs related to the development and submission of a response to this ITB are the full responsibility of the Bidder and are not chargeable to the Department. A Bidder shall not, directly or indirectly, collude, consult, communicate or agree with any other Vendor or Bidder as to any matter related to the response each is submitting. Additionally, a Bidder shall not induce any other Bidder to modify, withdraw, submit or not submit a response.

1.18 Return of Bid Contents

Initial documentation provided to the Department as part of the ITB shall not be returned to the Bidder unless withdrawn prior to the bid opening.

1.19 Contract Formation

The Department may issue a Notice of Intended Award, to successful Bidder(s), however, no contract shall be formed between a Bidder and the Department until the Department signs the contract. The Department shall not be liable for any work performed before the contract is effective.

The Department intends to enter into a contract(s) with Bidder(s) pursuant to the Basis for Award, section of this solicitation. No additional documents submitted by a Bidder shall be incorporated in the contract unless it is specifically identified, incorporated by reference, and approved by the Department. If any additional documents are submitted by the Bidder, the additional documents will not be considered for the Basis for Award; however, these documents remain subject to the Return of Bid Contents section of this solicitation.

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2 Instructions to Bidders

This section contains instructions to Bidders on how to submit a bid. The instructions come in two parts; general instructions and special instructions.

2.1 General Instructions

PUR 1001, the General Instructions to Bidders, is incorporated by reference and provided via the link below:

<http://www.dms.myflorida.com/content/download/2934/11780/1001.pdf>

In the event any conflict exists between the Special Instructions and General Instructions to Bidders, the Special Instructions shall prevail.

2.2 Special Instructions to Bidders

2.2.1 MFMP Sourcing

Since July 1, 2003, the Department has used the online e-procurement system known as MyFloridaMarketPlace (MFMP). This solicitation will be administered using MFMP Sourcing.

2.2.2 MFMP Registration

To participate within MFMP Sourcing, a Bidder must be a registered vendor in the MFMP Vendor Information Portal (VIP). Registered Vendors should log into MFMP VIP to ensure contact information and commodity code registrations are correct and to ensure the option to participate in electronic solicitations in MFMP Sourcing is selected.

Vendors not currently registered with MFMP VIP must:

- a) Create an account through the MFMP VIP.
- b) Within MFMP VIP, indicate on the Solicitations page that the wish to participate in electronic solicitations.
- c) Within MFMP VIP, in the Commodity Selections section, select the commodity codes for the goods and services that the vendor would like to provide to the state. Vendors will not receive notifications for commodities codes that are not selected.

Note: VBS and MFMP Sourcing provide automated notifications to the vendor community, as a courtesy, based on commodity codes that are tied to a vendor's registration in the MFMP VIP. Vendors with a commodity code that matches the commodity code of the MFMP Sourcing event will be able to 'Join' the MFMP Sourcing event. If a vendor does not have a matching commodity code, VBS and MFMP Sourcing will not provide a courtesy notification and the vendor will not be able to 'Join' the MFMP Sourcing event. Vendors have the ability to access and update their registration in VIP by adding commodity codes to their business profile. Changes made in MFMP VIP, including new registrations, may take 48 hours to take effect.

The MFMP VIP can be accessed via this link: <https://vendor.myfloridamarketplace.com/>

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The Department strongly recommends vendors set MS Internet Explorer browser to compatibility mode while using MFMP applications. More information regarding recommended internet browser settings can be found by clicking [here](#).

In order to 'Join' the MFMP Sourcing event vendors must:

- a) Have a current MFMP vendor registration within the MFMP VIP; and
- b) Select 'Yes' to participate in electronic sourcing events in MFMP Sourcing.

The MFMP Sourcing may be accessed using the following link:

<https://sourcing.myfloridamarketplace.com>

2.2.3 MFMP Sourcing Posting Phase

A solicitation formally begins when the Department posts a Notice in VBS and publishes an MFMP Sourcing event.

Solicitations conducted in MFMP Sourcing exist in the following statuses:

2.2.3.1 'Preview' Status

A solicitation is published as a 'Public Event' in MFMP Sourcing and is initially in 'Preview' status. When the solicitation is in 'Preview' status, Vendors can view and download all information related to the solicitation and pose questions to the Procurement Officer in the 'Messages' tab of the event. The solicitation remains in 'Preview' status until the 'Open' status begins.

2.2.3.2 'Open' Status

The solicitation enters 'Open' status on the date listed on the Timeline of Events. When a solicitation is in 'Open' status, all Vendors who accepted the 'Bidders Agreement' in MFMP Sourcing may submit bids until the Bid Due Date listed in the Timeline of Events. The solicitation remains in 'Open' status until the Bid Due Date & Time listed in the Timeline of Events.

2.2.3.3 'Pending Selection' Status

The solicitation enters 'Pending Selection' status on the date listed on the Timeline of Events. When a solicitation is in 'Pending Selection' status, vendors are no longer able to submit bids in accordance with the Timeline of Events.

2.2.3.4 'Completed/Awarded' Status

The solicitation enters 'Completed/Awarded' status after the Notice of Intent to Award has been published to the Vendor Bid System, in accordance with the Timeline of Events. This status indicates the MFMP Sourcing event has been completed and the term 'Award' in MFMP Sourcing refers solely to system function.

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2.2.4 MFMP Training

MFMP University offers vendor training materials on the Department's website at:
<http://www.dms.myflorida.com/mfmp/vendor/trainingmaterials>

[MFMP University](#) provides access to recorded online trainings on a variety of topics, including Vendor Registration and Selecting Commodity Codes.

2.2.5 MFMP Assistance

Vendors that need assistance using MFMP may contact the MFMP Customer Service Desk at VendorHelp@myfloridamarketplace.com or (866) 352-3776.

2.2.6 Who May Respond

Manufacturers in good standing with the State of Florida that meet the qualifications of the Scope of Work, and possess the financial capability, experience, and personnel resources to provide Commodities and services described in this ITB may respond to this bid. Please Note: There shall be only one bid per manufacturer. Manufacturers may use their distributor network to fulfill the requirements of the Contract. The manufacturer will be held accountable for performance under the Contract. The manufacturer may appoint a single dealer or distributor as their representative in the solicitation and contract process as certified on the Manufacturer's Certified Representative Sheet. The servicing dealer will be fully responsible for the fulfillments of the Contract requirements.

2.2.7 Commitment to Diversity in Government Contracting

The State of Florida is committed to supporting its diverse business industry and population through ensuring participation by woman-, veteran-, and minority-owned business enterprises in the economic life of the state. The State of Florida Mentor Protégé Program connects certified business enterprises with private corporations for business development mentoring. The Department strongly encourages firms doing business with the State of Florida to consider participating in this initiative. More information on the Mentor Protégé Program may be obtained by contacting the Office of Supplier Diversity at (850) 487-0915 or osdinfo@dms.myflorida.com.

The Department supports diversity in its Procurement Program and requests that all subcontracting opportunities afforded by this solicitation enthusiastically embrace diversity. The award of subcontracts should reflect the vast array of citizens in the State of Florida. The Bidder can contact the Office of Supplier Diversity at (850) 487-0915 for information on certified business enterprises that may be considered for subcontracting opportunities.

2.2.8 Mandatory Requirements or Conditions

The Department has established certain requirements with respect to bids submitted to competitive solicitations. The use of "shall", "must", or "will" (except to indicate futurity) in this solicitation, indicates a requirement or condition that is mandatory. A deviation from a mandatory requirement or condition is material if, in the Department's sole discretion, the deficient response is not in substantial accord with the solicitation requirements, provides an advantage to one Bidder over another, or has a potentially significant effect on the quality of the response or on the cost to the Department. The words "should" or "may" in this solicitation indicate desirable attributes or conditions, but are permissive in nature.

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2.2.9 How to Submit a Bid

Bidders will submit their bids electronically via MFMP Sourcing. Bidders shall enter all required attachments and documents electronically in the MFMP Sourcing application during this solicitation as indicated. The Department will only evaluate bids submitted using MFMP Sourcing.

Mass produced general information/promotional material about the Bidder that is prepared/printed for general distribution is not permitted. The emphasis of each bid shall be on completeness and clarity of content, prepared simply and economically, providing a straightforward, concise delineation of the Bidder's capabilities to satisfy the requirements of this solicitation.

By submitting a bid to this solicitation the Bidder agrees to and waives any objections to requirements contained in the solicitation. By submitting a bid the Bidder certifies that it agrees to and satisfies all criteria specified in this solicitation.

Bidders that fail to submit all required information in MFMP Sourcing may not be deemed responsive. Bidders are responsible for submitting their bids in MFMP Sourcing by the date and time specified in the Timeline of Events of this solicitation. The Department will not consider late bids.

2.2.10 Contents of Bid

Bidders shall submit all required attachments and documentation via the MFMP Sourcing application. Failure to submit all of the required attachments and documentation may result in a determination of Bidder non-responsiveness. Attachments submitted in MFMP Sourcing should be named similarly to the following file naming conventions:

Example:

JohnDoeLLC_ExecutiveSummary.pdf
JohnDoeLLC_Attachment_A.pdf
JohnDoeLLC_Attachment_B.pdf
JohnDoeLLC_Attachment_C.pdf
JohnDoeLLC_Attachment_D.pdf
JohnDoeLLC_PriceSheet Excel (xlsx)

2.2.11 Required Attachments

2.2.11.1 References (Attachment B)

Bidders shall download and complete Attachment B and upload within the MFMP Sourcing application. Bidder shall provide information for a minimum of three mail processing equipment contracts (excluding the Department of Management Services), that individually exceed \$100,000.00 (annually), issued between July 1, 2011, and June 30, 2015.

2.2.11.2 Qualification Questions and Required Documents (Attachment C)

Bidders shall download and complete Attachment C and upload within the MFMP Sourcing application. Bidders are to meet and respond to the qualifications in order to be considered responsive. The Department may not verify bids from Bidders who answer "No" to any of the Qualification Questions or do not provide all the required documentation.

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2.2.11.3 Price Sheet (Attachment D)

Bidders shall download and complete Attachment D and upload within the MFMP Sourcing application. The Core Price Sheet lists thirty-six, forty-eight and sixty month lease terms. Bidders must submit pricing for all lease terms for each machine bid.

Bidders may submit pricing for multiple machines within the same category. Bidders do not need to submit pricing for machines in all categories. All prices, shall be submitted as whole in U.S. Dollars (\$USD; e.g., \$99,999.00) and ranges shall not be accepted.

Bidders are encouraged but are not required, to bid lease and purchase prices for additional equipment and supplies on Tab 2, "Non-Core Price Sheet" of Attachment D. This tab will not be considered in the award for this ITB. Refer to section 3.1 for further information.

2.2.11.4 Vendor Information Form (Attachment E)

The Bidder shall download and complete Attachment E within the MFMP Sourcing application.

2.2.11.5 Ordering Instructions Form (Attachment F)

The Bidder shall download and complete Attachment F and upload within the MFMP Sourcing application.

2.2.11.6 Certification of Drug-Free Workplace (Attachment G)

The Bidder shall download and complete Attachment G and upload within the MFMP Sourcing application.

2.2.11.7 Savings/Price Reduction PUR 7064 (Attachment H)

The Bidder shall download and complete Attachment H and upload within the MFMP Sourcing application to demonstrate the percent (%) savings in pricing offered compared to the MSRP List or other usual or customary prices that would be paid by the purchaser without the benefit of a contract resulting from this bid.

2.2.12 Additional Required Documentation

2.2.12.1 Registration with the Florida Department of State

The Bidder shall include a PDF file of their current and active registration with the Department of State with their bid submittal. **NOTE:** Pursuant to section 607.1501, F.S., out-of-state corporations where required, must obtain a Florida Certificate of Authorization pursuant to section 607.1503, F.S., from the Florida Department of State, Division of Corporations, to transact business in the State of Florida. Website: www.sunbiz.org.

2.2.12.2 Florida Substitute Form W-9.

All vendors must register and complete an electronic Florida Substitute Form W-9. The Internal Revenue Service (IRS) receives and validates the information vendors provide on the Florida Substitute Form W-9. For instructions on how to complete the Florida Substitute Form W-9, please visit: <https://flvendor.myfloridacfo.com/>

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2.2.13 Additional Documentation

2.2.13.1 Manufacturer's Certified Representative Form (Attachment I)

If the Bidder is a servicing dealer then the bidder shall complete Attachment I and upload within the MFMP Sourcing application.

2.2.13.2 Out of State Preference Letter from Attorney (if applicable)

Any Bidder who states that its "principal place of business" is outside of this state shall submit with its bid in accordance with section 287.084, Florida Statutes, a written opinion of an attorney at law, licensed to practice law in that foreign state, that contains information explaining the preferences, any or none, granted by the law of that state to its own business entities whose principal place(s) of business are in that foreign state in the letting of any or all public contracts. For the purpose of this ITB, "principal place of business" means the state in which the Bidder's high-level officers direct, control, and coordinate the Bidder's activities.

2.2.13.3 Preferred Pricing Affidavit (Attachment J)

If awarded a contract, the Bidder agrees to submit the completed Preferred Pricing Affidavit to the Department at least annually.

2.2.13.4 Quarterly Sales Report (Attachment K)

If awarded a contract, an authorized representative of the Bidder will be required to complete and submit a Quarterly Sales Report (Attachment K) to the Department's Contract Manager within ten business days after the close of each State Fiscal quarter (September 30, December 31, March 31, and June 30).

2.2.14 Basis for Award

The Contract(s) shall be awarded to the responsive, responsible Bidder(s) with the lowest average monthly lease price for the initial and renewal terms. The Department intends to award up to four machines per category. The Department reserves the right to accept or reject any and all bids, and to waive any minor irregularity, technicality, or omission if the Department determines that doing so will serve the State's best interest.

2.2.15 Identical Bids

In the event of identical bids where one or more of the Bidders can be awarded but not all, the Department will select a Bidder based on the criteria identified in Rule 60A-1.011, F.A.C.

2.2.16 Rejection of Bids

Bids that do not meet all requirements, specifications, terms, and conditions of the solicitation or fail to provide all required information, documents, or materials may be rejected as non-responsive. Bidders whose bids, references, or current status do not reflect the capability, integrity, or reliability to fully and in good faith perform the requirements of a contract may be rejected as not responsible. The Department reserves the right to determine which bids meet the requirements of this solicitation, and which bidders are responsive and responsible.

2.2.17 Minor Irregularities/Right to Reject

The Department reserves the right to accept or reject any and all bids, or separable portions thereof, and to waive any minor irregularity, technicality, or omission if the Department

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determines that doing so shall serve the Department's best interests. The Department may reject any response not submitted in the manner specified by the solicitation documents.

2.2.18 Redacted Submissions

The following section supplements section 19 of the PUR 1001. If Bidder considers any portion of the documents, data or records submitted in response to this solicitation to be confidential, proprietary, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, F.S., the Florida Constitution or other authority, Bidder must mark the document as "Confidential" and simultaneously provide the Department with a separate redacted copy of its response and briefly describe in writing the grounds for claiming exemption from the public records law, including the specific statutory citation for such exemption. This redacted copy shall contain the Department's solicitation name, number, and the Bidder's name on the cover, and shall be clearly titled "Redacted Copy." The Redacted Copy should only redact those portions of material that the Bidder claims is confidential, proprietary, trade secret or otherwise not subject to disclosure.

In the event of a request for public records pursuant to Chapter 119, F.S., the Florida Constitution or other authority, to which documents that are marked as confidential are responsive, the Department will provide the Redacted Copy to the requestor. If a requestor asserts a right to the Confidential Information, the Department will notify the Bidder such an assertion has been made. It is the Bidder's responsibility to assert that the information in question is exempt from disclosure under Chapter 119, F.S., or other applicable law. If the Department becomes subject to a demand for discovery or disclosure of the Confidential Information of the Bidder in a legal proceeding, the Department shall give the Bidder prompt notice of the demand prior to releasing the information (unless otherwise prohibited by applicable law). The Bidder shall be responsible for defending its determination that the redacted portions of its response are confidential, proprietary, trade secret, or otherwise not subject to disclosure.

By submitting a bid, the Bidder agrees to protect, defend, and indemnify the Department for any and all claims arising from or relating to the Bidder's determination that the redacted portions of its bid are confidential, proprietary, trade secret, or otherwise not subject to disclosure. If Bidder fails to submit a redacted copy of information it claims is confidential, the Department is authorized to produce the entire documents, data, or records submitted to the Department in answer to a public records request for these records.

2.2.19 Additional Information

By submitting a bid, Bidder certifies that it agrees to and satisfies all criteria specified in the ITB. The Department may request, and Bidder shall provide, additional supporting information or documentation. Failure to supply supporting information or documentation as required and requested may result in disqualification of the bid.

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3 Scope of Work

3.1 Purpose

The purpose of this State Term Contract is to provide state agencies and OEU's a vehicle to acquire mail processing equipment and related supplies and services. Core products offered under this Contract is the maintenance and lease of equipment, classified under the following categories:

Category Number	Specifications of Mailing Machine (All must include meter)
1	Mailing machine with capacity to meter between 15 and 20 LPM with minimum of 2 pound (lb) scale
2	Mailing machine with capacity to meter between 21 LPM and 50 LPM and with sealer, and differential weighing and minimum of 5 lb scale
3	Mailing machine with capacity to meter between 51 LPM and 100 LPM with sealer, differential weighing and minimum of 5 lb scale
4	Mailing machine with capacity to meter between 100 LPM and 179 LPM with sealer, differential weighing and minimum of 5 lb scale
5	Mailing machine with capacity to meter up to 179 LPM with sealer, differential weighing, dynamic scale and minimum of 5 lb scale
6	Mailing machine with capacity to meter 180 LPM with sealer, differential weighing, dynamic scale and minimum of 10 lb scale

Non-core products offered under the Contract are the lease or purchase of equipment classified under the following categories:

Inserters	Openers
Folders	Folders-Inserters
Supplies	Mail Processing Equipment Accessories
Mail Processing Equipment Software	

Only Mail Processing Equipment Accessories, Mail Processing Equipment Software and Supplies that have connectivity with an item(s) awarded on the core price sheet will be on the contract. The only non-core service the Department will consider is yearly maintenance for non-core products. The Department reserves the right to reject any and all items offered as a non-core product.

3.2 General Requirements

3.2.1 Commodity Standards

All Commodities under this Contract shall conform with and be governed by all applicable current postal regulations and remain in compliance during the term of this Contract and until completion of any lease including maintenance or a separate maintenance agreement provided under this Contract. USPS regulations can be found in the Mailing Standards of the United States Postal Service Domestic Mail Manual: Commercial Mailing Service at:

http://pe.usps.com/text/dmm300/dmm300_landing.htm.

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If USPS requirements and standards change during the term of a lease, the Contractor shall modify the existing equipment or replace the existing equipment to meet the new USPS requirements at least ten business days prior to the USPS change. The modification or replacement of equipment shall be completed without cost to Customers.

All Commodities offered under this Contract, except for postage meters, shall be new, unused, of current production and of the latest design and construction. Used, rebuilt, remanufactured, shopworn, demonstrator, discontinued or prototype items shall not be offered. Note: It is understood that some new machines are manufactured from new parts which contain some recycled raw materials or components but all Commodities are deemed "new" and are fully warranted against defect. Postage meters rented under this Contract are not required to be new and the Contractor is responsible for ensuring that they are in proper working order. The Department reserves the right to request technical literature on any item.

3.2.2 Pricing

The Contractor shall adhere to the prices submitted in the ITB Price Sheet(s), which are incorporated by reference into the Contract.

Lease prices shall remain firm throughout the lease period and shall include a full-service maintenance agreement for all equipment for the life of the lease. All prices shall be Free on Board (FOB) destination delivery, and include installation, warranty, rate change protection, on-site training and product manuals.

3.2.3 Recall(s)

In the event there is a recall of any of the Commodities, the Contractor shall provide reasonable assistance to the Department in developing a recall strategy and shall cooperate with the Department and Customers in monitoring the recall operation and in preparing reports as may be required. Each Contractor shall, at the request of the Department and/or any Customer, provide all reasonable assistance in locating and recovering any recalled equipment that is not in accordance with the requirements of the Contract. Each Contractor shall immediately notify and provide copies to the Department of any communications relating to recalls with any Customer. The Contractor, at its own cost, shall ensure defective equipment and supplies are rectified, replaced or destroyed in compliance with all applicable laws, rules or regulations and the Department's reasonable instructions.

3.2.4 Contract Warranty

Leased equipment shall be warranted for the life of the lease. Purchased equipment shall be warranted for a minimum of one year or the manufacturer's standard warranty, whichever is longer. The warranty period shall commence upon acceptance of equipment by the Customer as evidenced by a certificate of acceptance form. While a unit is under warranty, all Commodities must operate in accordance with the manufacturer's standard specifications. During the warranty period, the Contractor shall provide postage rate protection, software and firmware updates, and preventative maintenance services. During the warranty period, all defective or broken parts not caused by accident, neglect, misuse, or abuse shall be repaired or replaced and all necessary machine adjustments occasioned by such defective or broken parts shall be performed. All warranty services and products shall be provided at no cost to the Customer.

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Service response time requirements during the warranty period shall be the arrival of a manufacturer-trained, certified technician on-site within four business hours after notification of a request for service. A telephone call, unless it results in solving the problem, shall not be deemed an acceptable service response. The warranty shall include all labor and transportation resulting from service calls. The Contractor shall maintain service facilities and qualified personnel to service all equipment in the State of Florida within the required four business hours response time for the life of the Contract. Each service facility must maintain a sufficient number of qualified technicians and supply of parts to provide all required services described in the Scope of Work for the life of the Contract.

If, during the warranty period, malfunctioning equipment cannot be repaired within three business days after a request for service or in the case of excessive equipment down-time, the Contractor shall provide the Customer loaner equipment that meets or exceeds specifications of the Commodity covered by the warranty at no additional cost until the defective unit or entire system (Customer's choice) is replaced with new equipment. Excessive equipment down-time is defined as three or more service calls over a ninety day period for repairs to the same piece of equipment.

The Contractor shall maintain a service log describing which services are performed for each call. The log shall contain, at a minimum, the machine serial number, location of equipment, date and time of each service call, the response time and the type of service performed. The service log shall be made available to the Customer and the Department, upon request.

3.2.5 Replacement Parts

The Contractor shall utilize only factory authorized replacement parts for repair of equipment. Under no circumstances will the Customer deliver or mail equipment to the Contractor for repair. Replacement parts will be available for the life of the lease and for at least five years after a purchase. Replacement parts must be stocked at all service locations.

3.2.6 Customer Service and Administration

The Contractor shall provide Customers all services during standard business hours, Monday through Friday, 8:00AM (ET) through 5:00PM (ET). The following days are observed as holidays by state agencies:

- New Year's Day
- Birthday of Dr. Martin Luther King, Jr.
- Memorial Day
- Independence Day
- Labor Day
- Veterans' Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day

If the actual holiday falls on a Saturday, the preceding Friday is observed as a holiday. When a holiday falls on Sunday, the following Monday is observed as a holiday.

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The Contractor shall have a single point of contact to serve as Contract Manager as listed on the Vendor Information Form. The Contract Manager may support multiple Customers and must respond to Customer calls and/or emails within twenty-four hours. The Contract Manager must be able to provide or arrange for all aspects of Customer support and problem resolutions. Back-up coverage must be provided by an equally knowledgeable person if the Contract Manager is not able to be reached.

In addition to a dedicated Contract Manager, the Contractor shall provide toll-free Customer service phone support from 8:00 AM (ET) to 5:00 PM (ET) Monday through Friday, except for National and State recognized holidays. TDD (Telecommunication Device for the Deaf) access must be made available during the above named Customer service operating hours.

3.2.7 Routine Communications

All routine communications and reports related to this STC shall be sent to the Department's Contract Manager. If any information listed on the Vendor Information Form changes during the life of the Contract, then the Contractor shall update the Vendor Information Form and submit to the Department's Contract Manager. Communications relating to a specific order should be addressed to the contact person identified on the order. Communications may be by e-mail, regular mail, or telephone.

3.2.8 Quote Form

Upon the Customer's request, the Contractor will provide a price quote within three business days. The Contractor agrees that quotes will be according to the prices, discounts, requirements, specifications, terms, and conditions of the Contract.

3.2.9 Orders

There shall be no minimum order amount required under this Contract. The Contractor is required to honor Contract pricing for all orders that are placed prior to the date of expiration of the Contract.

3.2.10 Invoices

Invoices must clearly identify the contract number, purchase order number if applicable, equipment serial number, remittance address, Customer name, location of equipment, billing period and total cost. The Contractor must provide in-house financing for leases. Third party billing providers/finance companies shall not be authorized for use.

3.2.11 Payments

Payment terms for each lease will be in arrears and may be monthly or quarterly at the ordering entity's option. Payment for purchased equipment will be processed upon the satisfactory completion of delivery, installation, training and acceptance. Payment terms for separate maintenance agreements will be agreed upon by the Contractor and Customer. State agencies are required to obtain approval from the Department of Financial Services prior to agreeing to an advance payment in the amount of Category Two (currently \$35,000) or more. Payment shall be made in accordance with sections 215.422 and 287.0585 of the Florida Statutes, which govern time limits for payment of invoices.

3.2.12 Purchasing Card

The State of Florida has implemented a purchasing card program, using the Visa platform. Respondents may receive payments via the state's Purchasing Card in the same manner as

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any other Visa purchases. Purchasing Card/Visa acceptance for purchase is a mandatory requirement for this solicitation but is not the exclusive method of payment. If the state changes its Purchasing Card platform during the term of Contract resulting from the ITB, the Contractor shall make any necessary changes to accommodate the state's new Purchasing Card platform within 30 days of notification of such change.

3.2.13 Returns

Commodities that are returned due to Contractor error, shall be returned at the Contractor's expense. The Contractor shall make arrangements to remove the returned Commodities from the Customer's premises within seven calendar days after notification. Regularly stocked Commodities that are returned due to Customer error shall be returned at the Customer's expense without incurring re-stocking fees if returned in original packaging within thirty calendar days.

3.2.14 Postage Account Requirements

The Contractor shall provide a no-cost option to refill postage meters. The Contractor shall provide postage account information within seven business days after an order for a postage meter is placed.

3.2.15 Delivery

The Contract shall include delivery to the Customer, F.O.B. destination freight prepaid. Delivery shall be within thirty calendar days after receipt of order for standard "in-stock" equipment and within ninety calendar after receipt of special orders. The Contractor shall notify the Customer at least seventy-two hours in advance of delivery for equipment. The Contractor shall be responsible for any damage to buildings or individuals as a result of delivery and installation. The Contractor shall notify the Customer of any potential delivery delays within five business days after receiving a purchase order. Evidence of inability to deliver within required times or of intentional delays shall be cause for Contract cancellation and/or Contractor suspension.

3.2.16 Installation

Contract prices for the purchase or lease of new equipment shall include full installation, making equipment ready for use, and removal of all packaging debris. Installation shall include the manufacturer's start-up supplies required for the machine to be fully operational including but not limited to ink, sealant and labels.

3.2.17 Training

Contract prices for the purchase or lease of new equipment shall include on-site training for Customers. The Contractor shall provide a minimum of four hours of on-site training for standard equipment in order to adequately instruct Customers in the use of the equipment. Training will be performed after installation and prior to actual operation and acceptance. If requested by the Customer, the Contractor shall provide additional on-site training as needed.

3.2.18 Certificate of Acceptance Form

Upon successful installation of equipment and the minimum on-site training for Customers, the Contractor shall provide a certificate of acceptance form to the Customer. The serial number of the main base unit will be the primary serial number used to identify mail processing equipment.

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3.2.19 Equipment Manual

Each machine purchased or leased shall come with one user manual unless the manual is available on the Contractor's or Manufacturer's website. If the manual is available on the Contractor's or Manufacturer's website, the Contractor will direct the requesting Customer to the specific website location. The manual is to include operating instructions, safety precautions and proper preventative and remedial maintenance for the equipment.

3.2.20 Punch-Out Catalog and Electronic Invoicing

At the State's option, the Contractor may be required to provide an MFMP punch-out catalog. The punch-out catalog provides an alternative mechanism for suppliers to offer the State of Florida access to products awarded under the Contract. The punch-out catalog also allows for direct communication between the MFMP eProcurement System and a supplier's ERP system, which can reflect real-time product inventory/availability information.

Through utilization of the punch-out catalog model, a Florida buyer will "punch out" to a supplier's website. Using the search tools on the supplier's Florida punch-out catalog site, the user selects the desired products and services. When complete, the user exits the supplier's punch-out catalog site and the shopping cart (full of products and services) is "brought back" to MFMP. No orders are sent to a supplier when the user exits the supplier's punch-out catalog site. Instead, the chosen products and services are "brought back" to MFMP as Contract line items. The user can then proceed through the normal workflow steps, which may include adding/editing the items to a requisition or a purchase order. An order is not submitted to a supplier until the buyer actually adds the line items to a requisition and the purchase order is approved and sent to the supplier.

At the State's option, the Contractor may be required to invoice electronically pursuant to guidelines of the Department of Management Services. Electronic invoices may be required to be submitted to the agency through the Ariba Network (AN) in one of three mechanisms as listed below. Contractors may select the method that best meets their capabilities from the following list:

- **cXML (commerce eXtensible Markup Language)**
This standard establishes the data contents required for invoicing via cXML within the context of an electronic environment. This transaction set can be used for invoicing via the ASN for catalog and non-catalog products and services. The cXML format is the Ariba preferred method for eInvoicing.
- **EDI (Electronic Data Interchange)**
This standard establishes the data contents of the Invoice Transaction Set (810) for use within the context of an Electronic Data Interchange (EDI) environment. This transaction set can be used for invoicing via the ASN for catalog and non-catalog products and services.
- **PO Flip via ASN**
The online process allows suppliers to submit invoices via the ASN for catalog and non-catalog products and services. Suppliers have the ability to create an invoice directly from their Inbox in their ASN account by simply "flipping" the PO into an invoice. This option does not require any special software or technical capabilities.

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For the purposes of this section, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the state and the third party provider of MFMP, a state Contractor, the right and license to use, reproduce, transmit, distribute, and publicly display within the system the information outlined above. In addition, the Contractor warrants and represents that it is authorized and empowered to and hereby grants the State and the third party provider the right and license to reproduce and display within the system the Contractor's trademarks, system marks, logos, trade dress, or other branding designation that identifies the products made available by the Contractor under the Contract.

The Contractor will work with the MFMP management team to obtain specific requirements for the punch-out catalog and electronic invoicing.

3.2.21 Performance Bond

If deemed necessary, the Customer may require the Contractor to furnish (without additional cost) a performance bond, a negotiable irrevocable letter of credit or other form of security for the faithful performance of work. Determination of the appropriateness and amount of any bond requirement, is the sole responsibility, and at the sole discretion, of the Customer.

3.2.22 Contract Reporting

The Contractor shall report information on orders received from state agencies and OEU's associated with this contract.

The Contractor shall submit reports in accordance with the following schedule:

Report	Period Covered	Due date (s)
MFMP Transaction Report	Calendar month	10 business days after close of the period
Contract Quarterly Sales Report	State Fiscal Quarter	10 business days after close of the period
Savings / Price Reductions	Required whenever prices are established adjusted	10 business days after each action that adjusts prices
Diversity Report [submitted to the Customer (ordering entity)]	State Fiscal Year	10 business days after close of the period
Preferred Pricing Affidavit	Annual	Contract anniversary date
Proof of Insurance	Annual	Upon policy renewal.

3.2.22.1 MFMP Transaction Fee Reports

The Contractor is required to submit monthly Transaction Fee Reports in electronic format. Reports are due ten (10) working days after the end of the reporting period. For information on how to submit Transaction Fee Reports online, please reference the detailed fee reporting

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instructions and Bidder training presentations available online at the Transaction Fee Reporting and Bidder Training subsections under Bidders on the MFMP website: MFMP Transaction Fee and Reporting. Assistance is also available with the Transaction Fee Reporting System from the MFMP Customer Service Desk by email at feeprocessing@myfloridamarketplace.com, or telephone 866-FLA-EPRO (866-352-3776) between the hours of 8:00 AM to 5:30 PM Eastern Time.

3.2.22.2 Contract Quarterly Sales Report (Attachment K)

The Contractor agrees to submit a Quarterly Sales Report (Attachment K) to the DMS Contract Manager within ten working business days after the close of each State Fiscal quarter (September 30, December 31, March 31, and June 30).

Quarterly Reporting periods should coincide with the contract term and should begin the quarter following contract execution. Reports must be submitted in MS Excel format. The report will include all sales (orders) from State Agency and Other Eligible Users received (associated with this contract) during the period. Initiation and submission of the Quarterly Report is the responsibility of the Contractor without prompting or notification from the DMS Contract Manager. If no orders are received during the period, the contractor must submit a report stating that there was no activity. If the Contractor fails to submit two consecutive quarterly sales reports, the Contract may be terminated for convenience or the Department may choose to not renew the Contract.

In addition, the Department may require additional Contract sales information such as copies of purchase orders, or ad hoc sales reports. The Contractor shall submit these specific ad hoc requests within the specified amount of time as requested by the Department.

3.2.22.3 Diversity Reporting

The State of Florida is committed to supporting its diverse business industry and population through ensuring participation by minority, women, and veteran owned business enterprises in the economic life of the State. The State of Florida Mentor Protégé Program connects minority-, women-, and veteran business enterprises with private corporations for business development mentoring. We strongly encourage firms doing business with the State of Florida to consider this initiative. For more information on the Mentor Protégé Program, please contact the Office of Supplier Diversity at (850) 487-0915 or email: osdhelp@dms.myflorida.com.

The Contractor shall report to each Customer (ordering entity) spend with certified and other minority business enterprises. These reports shall include the period covered, the name, minority code and Federal Employer Identification Number of each minority business utilized during the period, Commodities and services provided by the minority business enterprise, and the amount paid to each minority business on behalf of each purchasing agency ordering under the terms of this Contract.

3.2.22.4 Preferred Pricing Affidavit (Attachment J)

The Contractor is required and agrees to complete and submit the completed Preferred Pricing Affidavit to the Department at least annually, attesting that the Contractor is in compliance with the best pricing provision section of the General Contract Conditions.

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3.2.22.5 Ad-hoc Reports

The Contractor is required to submit ad hoc reports within the specified amount of time as requested by the Department.

3.2.23 Business Review Meetings

In order to maintain the partnership between the Department and the Contractor, each quarter the Department may request a business review meeting. The business review meeting may include, but is not limited to, the following:

- Successful completion of deliverables
- Review of Contractor’s performance
- Review of minimum required reports
- Addressing of any elevated Customer issues
- Review of continuous improvement ideas that may help lower total costs and/or improve business efficiencies.

3.2.24 Financial Consequences

Failure to provide service to all specified areas within the required service response time will result in the following Financial Consequences:

Type	Requirement	First Financial Consequence	Second Financial Consequence	Third Financial Consequence
Service call for repair	4 business Hours	\$100	\$250	\$500
Equipment not picked up	10 business days after lease expiration	\$100	\$200	\$300
Machine replacement with new or loaner equipment if repair is not available	3 business Days	\$250 per day	\$500 per day	\$1000 per day

The Department and Customers reserve the right to withhold payment or implement other appropriate remedies, such as Contract termination or non-renewal, when the Contractor has failed to perform/comply with the provisions of the Contract.

3.2.25 Lease Agreements

The Customer may enter into a lease agreement by the issuance of an order. Customers are not required to sign the Contractor’s lease agreement form. In the event an additional agreement is signed by a Customer in error, it will be considered void and non-binding to the Customer. Prior to entering into a lease in excess of the annual Category Two threshold, state agencies must submit a completed “Checklist for Requesting Department of Financial Services Approval to Lease Equipment (ref. [Section 287.063, F.S.](#))” to the Department of Financial

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Services for preapproval. This form is located at:

http://www.myfloridacfo.com/aadir/statewide_financial_reporting/2finequipmentleasechecklist.doc

State agencies shall review the Comptroller's latest memorandum addressing leases and installment purchase of equipment when considering the leasing of equipment.

3.2.25.1 Available Lease Periods:

i. 3-Year Lease:

A thirty-six month consecutive equipment plan which shall expire at the end of the thirty-six month period.

ii. 4-Year Lease:

A forty-eight month consecutive equipment plan which shall expire at the end of the forty-eight month period.

iii. 5-Year Lease:

A sixty month consecutive equipment plan which shall expire at the end of the sixty month period.

Lease agreements shall expire upon completion of the specified lease period and shall not be automatically renewed. No termination notice shall be required by either party at the end of the lease. All equipment shall be removed from the Customer's location within ten business days after the expiration of the lease by the Contractor or the Contractor's representative. All equipment removals shall be coordinated with Customer, and at no costs to the Customer.

The Customer is in no way liable or required to mail, freight or transport any equipment at the end of the lease. It shall be the Contractor's responsibility to physically remove any and all equipment from the Customer's location.

3.2.25.2 Renewal of Lease and Maintenance Agreements

Upon mutual agreement of the Customer and Contractor, a lease or separate maintenance agreement may be extended or renewed during the term of the Contract. Any leases that are in excess of \$35,000 in annual total value will require Department of Financial Services approval (state agencies only) prior to execution of a new lease agreement, as per Chapter 287.063(2)(a), Florida Statutes.

3.2.25.3 Purchase of Leased Equipment

Purchase of leased equipment by Customers is permitted under this Contract.

3.2.25.4 Lease Cancellation for Convenience

The initial lease agreement may be cancelled at any time during the lease period by the Customer. An 180 day cancellation notice will be required of the Customer in writing. The equipment will be returned to the Contractor with transportation and any removal charges paid by the Customer with no additional payments due from the Customer.

**State Term Contract No. 44102100-17-1
Mail Processing Equipment**

3.2.25.5 Lease Cancellation for Non-Performance

Lease agreements may be cancelled during the lease period for non-performance related issues. If the Customer requests removal of leased equipment, the Contractor will cancel the lease effective immediately with no additional payments due from the Customer. Equipment will be removed from the Customer site within ten business days of such written notice at no cost to the Customer.

3.2.25.6 Leased Equipment Risk of Loss or Damage

Upon acceptance of equipment, the Customer shall be responsible for ensuring all leased equipment from the risk of loss or damage for the life of the lease.

3.2.26 Price Adjustments

Prices may be adjusted twice during the initial term and twice during the renewal term based on the percent change (up or down) of the Producers Price Index (PPI). Price adjustments correlate with the PPI Series ID PCU3333183333183A, Other Commercial and Service Industry Machinery Manufacturers, Mailing, Letter handling, and addressing machines, except parts and attachments as published by the Bureau of Labor Statistics, in the Department of Labor, Washington, DC 20212. These reports are accessible at the following website: <http://www.bls.gov/data/>.

When requesting a price increase, the Contractor may submit a justification in writing to the Contract Manager detailing the reasons for the price adjustment request and demonstrating the calculable change in PPI that supports a price adjustment. The requested adjustment for a price increase may not exceed the percentage change of the PPI the preceding twelve months prior to the adjustment. The Department reserves the exclusive right to accept or reject any request for a price adjustment. Price adjustments may be effective only upon written approval by the Department and may not be applied retroactively.

The Department reserves the right to request price decreases at any time during the term of the Contract if it's found to be in the best interest of the State.

3.2.27 Product Adjustments

Requested product changes due to model upgrades must be approved by the Department and added to the contract before being offered to Customers.

3.2.28 Survivability

Lease agreements and the terms of this Contract under which those lease agreements were made during the term of the Contract will survive the term of the Contract through to the completion of the term of the Lease.

3.2.29 Environmental Considerations

The State supports and encourages initiatives to protect and preserve our environment. The Contractor shall have a plan to support the procurement of products and materials with recycled content, and the intent of Section 287.045, Florida Statutes. The Contractor shall also provide a plan for reduction and / or handling of any hazardous waste generated by the Contractor's company. Reference Rule 62-730.160, Florida Administrative Code. It is a requirement of the Florida Department of Environmental Protection that a generator of hazardous waste materials that exceeds a certain threshold have a valid and current Hazardous Waste Generator

**State Term Contract No. 44102100-17-1
Mail Processing Equipment**

Identification Number. This identification number shall be provided as part of the Contractor's explanation of its company's hazardous waste plan and shall explain in detail its handling and disposal of this waste.

In its plan, the Contractor shall describe what efforts the Contractor's company will take to encourage the participation and support of these and other environmental programs and reduce the impact of purchasing mail processing equipment in the State of Florida. If applicable, the Contractor shall include its plans for utilizing reusable totes for delivery, reduced packaging programs, use of alternative fuel or higher fuel efficient delivery vehicles, programs to reduce vehicle miles through order consolidations / incentives, user education programs for more environmental friendly products and product take-back programs.

3.2.30 Location and Moving of Leased Equipment

The Customer shall notify the Contractor any time leased equipment is relocated to another location. Relocation of leased equipment within the same building shall be performed by the Contractor at no charge. Relocation of leased equipment within the same complex shall be done at no charge unless equipment must be moved by vehicle to another building and then a standard industry charge is allowed.

3.2.31 Option to Purchase

The option to purchase instead of leasing equipment is permitted under with this Contract. Postage meters may only be rented.

3.2.32 Optional Related Accessories and Supplies

The Customer may purchase equipment without optional related accessories, or may choose to purchase any individual or combination of machines, accessories, supplies or software offered on the non-core price sheet under the terms of this Contract.

3.2.33 Other Fees and Charges

Additional fees including but not limited to, property taxes, delivery charges, pick-up charges, fuel surcharges, interest fees, late payment fees (if paid within thirty days of the invoice date), or removal charges are not permitted under this Contract.

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**State Term Contract No. 44102100-17-1
Mail Processing Equipment**

4 List of Attachments

- Attachment A Timeline of Events
- Attachment B References
- Attachment C Qualification Questions and Required Documents
- Attachment D Price Sheet
- Attachment E Vendor Information Form
- Attachment F Ordering Instructions Form
- Attachment G Certification of Drug-Free Workplace
- Attachment H Savings/Price Reduction PUR 7064
- Attachment I Manufacturer's Certified Representative Form
- Attachment J Preferred Pricing Affidavit
- Attachment K Quarterly Sales Report
- Attachment L Draft Contract
- Attachment M General Contract Conditions



AMENDMENT NO.: 2
Contract Renewal
Contract No.: 44102100-17-1
Contract Name: Mail Processing Equipment

This Amendment (“Amendment”), effective as of February 20, 2022, to the Mail Processing Equipment Contract No. 44102100-17-1 (“Contract”), is between the State of Florida, Department of Management Services (“Department”) and Pitney Bowes Inc. (“Contractor”), collectively referred to herein as the “Parties.” All capitalized terms used herein shall have the meaning assigned to them in the Contract unless otherwise defined herein.

WHEREAS, the Department awarded the above-referenced Contract to Pitney Bowes Inc. for the provisions of mail processing equipment;

WHEREAS, the Parties agreed that the Contract may be amended by mutual agreement as provided in the “Renewal Term” section of the Contract;

WHEREAS, the Parties executed the first Amendment to the Contract on September 23, 2021;

WHEREAS, the Parties agree to renew the Contract as provided in the Renewal Term section of the Contract.

THEREFORE, in consideration of the mutual promises contained below, and other good and valuable consideration, receipt, and sufficiency of which are hereby acknowledged, the Parties agree to the following:

I. Contract Amendment.

- a) Contract Exhibit D, Additional Special Contract Conditions, is hereby added in its entirety and incorporated into the Contract by reference herein.
- b) Contract Exhibit A, General Contract Conditions, is hereby deleted and replaced in its entirety with the attached Exhibit A, Special Contract Conditions, which is incorporated into the Contract by reference herein. Any and all references in the Contract to the General Contract Conditions shall, upon the amendment effective date, be a reference to the attached and incorporated Exhibit A, Special Contract Conditions.
- c) Contract Exhibit C, Price Sheet, is hereby deleted and replaced in its entirety with the attached Exhibit C, Price Sheet, which is incorporated into the Contract by reference herein.
- d) Section III of the Contract is hereby deleted and replaced with the following:



AMENDMENT NO.: 2
Contract Renewal
Contract No.: 44102100-17-1
Contract Name: Mail Processing Equipment

III. Contract

As used in this document, "Contract" (whether or not capitalized) shall, unless the context requires otherwise, include this document and all incorporated Exhibits, which set forth the entire understanding of the Parties and supersedes all prior agreements. All modifications to this Contract must be in writing and signed by all Parties.

All Exhibits attached and listed below are incorporated in their entirety into, and form part of this Contract. The Contract Exhibits shall have priority in the order listed:

- a) Exhibit D: Additional Special Contract Conditions
- b) Exhibit A: Special Contract Conditions
- c) Exhibit B: ITB 22-44102100-Z and any addenda in reverse order of issuance
- d) Exhibit C: Price Sheet

II. Contract Renewal. Pursuant to the Renewal Term section of the Contract, the State Term Contract No. 44102100-17-1 is renewed for a period of five years with a new contract expiration date of February 19, 2027, under the same terms and conditions, except as amended herein.

III. Conflict. To the extent any of the terms of this Amendment conflict with the terms of the Contract, the terms of this Amendment shall control.

IV. Warranty of Authority. Each person signing this Amendment warrants that he or she is duly authorized to do so and to bind the respective party.

V. Effect. This Amendment and all its Exhibits are hereby made a part of the Contract. Unless otherwise modified by this Amendment, all terms and conditions contained in the Contract shall continue in full force and effect.

IN WITNESS THEREOF, the Parties hereto have caused this Amendment, which includes the attached and incorporated Exhibits, to be executed by their undersigned officials as duly authorized. This Amendment is not valid and binding until signed and dated by the Parties.



AMENDMENT NO.: 2
Contract Renewal
Contract No.: 44102100-17-1
Contract Name: Mail Processing Equipment

State of Florida:
Department of Management Services

Contractor:
Pitney Bowes Inc.

By: _____
Name: J. Todd Inman
Title: Secretary

By: _____
Name: Dean Merriott
Title: Major Account Manager

Date: _____


Date: _____



AMENDMENT NO.: 2
Contract Renewal
Contract No.: 44102100-17-1
Contract Name: Mail Processing Equipment

State of Florida:
Department of Management Services

Contractor:
Pitney Bowes Inc.

By: 
Name: J. Todd Inman
Title: Secretary
Date: 12/8/2021

By: Dean Merriott
Name: Dean Merriott
Title: Major Account Manager
Date: 12/02/2021



EXHIBIT D

ADDITIONAL SPECIAL CONTRACT CONDITIONS

A. Special Contract Conditions revisions: the corresponding subsections of the Special Contract Conditions referenced below are replaced in their entirety with the following:

2.2 Renewal.

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part only as set forth in the Contract documents, and in accordance with section 287.057(14), F.S.

2.3.1 Suspension of Work.

For purchases only, the Department may, at its sole discretion, suspend any or all activities under the Contract, at any time, when it is in the best interest of the State of Florida to do so. For leases only, any suspension of work shall be in accordance with Amendment 1, of this Contract.

2.3.3 Termination for Cause.

If the performance of the Contractor is not in compliance with the Contract requirements or the Contractor has defaulted, the Department may:

- (a) immediately terminate the Contract;
- (b) notify the Contractor of the noncompliance or default, require correction, and allow Contractor 30 calendar days to correct such noncompliance for default before the Contract is terminated; or
- (c) take other action deemed appropriate by the Department.

3.7 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(24), F.S. All payments issued by Customers to registered Vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, F.A.C., or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees when automatic deduction becomes available. Vendors will submit any monthly reports required pursuant to the rule. All such reports and payments will be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

5.1 Conduct of Business.

The Contractor must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor must

comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, if applicable, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. The provisions of subparagraphs 287.058(1)(a)-(c) and (g), F.S., are hereby incorporated by reference.

Nothing contained within this Contract shall be construed to prohibit the Contractor from disclosing information relevant to performance of the Contract or purchase order to members or staff of the Florida Senate or Florida House of Representatives.

Pursuant to section 287.057(26), F.S., the Contractor shall answer all questions of, and ensure a representative will be available to, a continuing oversight team.

The Contractor will comply with all applicable disclosure requirements set forth in section 286.101, F.S. In the event the Department of Financial Services issues the Contractor a final order determining a third or subsequent violation pursuant to section 286.101(7)(c), F.S., the Contractor shall immediately notify the Department and applicable Customers and shall be disqualified from Contract eligibility.

5.4 Convicted, Discriminatory, Antitrust Violator, and Suspended Vendor Lists.

In accordance with sections 287.133, 287.134, and 287.137, F.S., the Contractor is hereby informed of the provisions of sections 287.133(2)(a), 287.134(2)(a), and 287.137(2)(a), F.S. For purposes of this Contract, a person or affiliate who is on the Convicted Vendor List, the Discriminatory Vendor List, or the Antitrust Violator Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor must notify the Department if it or any of its suppliers, subcontractors, or consultants have been placed on the Convicted Vendor List, the Discriminatory Vendor List, or the Antitrust Violator Vendor List during the term of the Contract.

In accordance with section 287.1351, F.S., a vendor placed on the Suspended Vendor List may not enter into or renew a contract to provide any goods or services to an agency after its placement on the Suspended Vendor List.

A firm or individual placed on the Suspended Vendor List pursuant to section 287.1351, F.S., the Convicted Vendor List pursuant to section 287.133, F.S., the Antitrust Violator Vendor List pursuant to section 287.137, F.S., or the Discriminatory Vendor List pursuant to section 287.134, F.S., is immediately disqualified from Contract eligibility.

5.6 Cooperation with Inspector General and Records Retention.

Pursuant to section 20.055(5), F.S., the Contractor understands and will comply with its duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor must provide any information the Inspector General deems relevant. Such information may include, but will not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor will retain such records for the longer of five years after the expiration or termination of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State, at the Department of State's Records Management website. The Contractor agrees to reimburse the State of Florida for the reasonable costs of investigation incurred by the Inspector General or other authorized State of Florida official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State of Florida which results in the suspension or debarment of the

Contractor. Such costs will include but will not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor agrees to impose the same obligations to cooperate with the Inspector General and retain records on any subcontractors used to provide goods or services under the Contract.

7.5 Indemnification.

To the extent permitted by Florida law, the Contractor agrees to indemnify, defend, and hold the Customer and the State of Florida, its officers, employees, and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret, or intellectual property right or out of any acts, actions, breaches, neglect, or omissions of the Contractor, its employees, agents, subcontractors, assignees, or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Contractor or Contractor's employees, agents, subcontractors, assignees, or delegates are not independent contractors in relation to the Customer. The Contract does not constitute a waiver of sovereign immunity or consent by the Customer or the State of Florida or its subdivisions to suit by third parties. Without limiting this indemnification, the Customer shall provide the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense.

8.1.1 Termination of Contract.

The Department may terminate the Contract for refusal by the Contractor to comply with this section by not allowing access to all public records, as defined in Chapter 119, F.S., made or received by the Contractor in conjunction with the Contract unless the records are exempt from s. 24(a) of Art. I of the State Constitution and section 119.071(1), F.S.

8.1.2 Statutory Notice.

Pursuant to section 119.0701(2)(a), F.S., for contracts for services with a contractor acting on behalf of a public agency, as defined in section 119.011(2), F.S., the following applies:

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE DEPARTMENT'S CUSTODIAN OF PUBLIC RECORDS AT PUBLICRECORDS@DMS.FL.GOV, (850) 487-1082 OR 4050 ESPLANADE WAY, SUITE 160, TALLAHASSEE, FLORIDA 32399-0950.

Pursuant to section 119.0701(2)(b), F.S., for contracts for services with a contractor acting on behalf of a public agency as defined in section 119.011(2), F.S., the Contractor shall:

- (a) Keep and maintain public records required by the public agency to perform the service.
- (b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied

within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Contract term and following the completion of the Contract if the Contractor does not transfer the records to the public agency.

(d) Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the Contractor transfers all public records to the public agency upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

SECTION 9. DATA SECURITY

The Contractor will maintain the security of State of Florida data including, but not limited to, maintaining a secure area around any displayed visible data and ensuring data is stored and secured when not in use. Unless otherwise agreed in writing, the Contractor and subcontractors will not perform any of the services from outside of the United States, and the Contractor will not allow any State of Florida data to be sent by any medium, transmitted, or accessed outside the United States. In the event of a security breach involving State of Florida data, the Contractor shall give notice to the Customer and the Department within 48 hours. "Security breach" for purposes of this section will refer to a confirmed event that compromises the confidentiality, integrity, or availability of data. Once a data breach has been contained, the Contractor must provide the Department with a post-incident report documenting all containment, eradication, and recovery measures taken. The Department reserves the right in its sole discretion to enlist a third party to audit Contractor's findings and produce an independent report, and the Contractor will fully cooperate with the third party. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

11.2.1 Proposal of Corrective Action Plan.

In addition to the processes set forth in the Contract (e.g., service level agreements), if the Department or Customer determines that there is a performance deficiency that requires correction by the Contractor, then the Department or Customer will notify the Contractor. The correction must be made within 30 calendar days. The Contractor must provide the Department or Customer with a corrective action plan describing how the Contractor will address all performance deficiencies identified by the Department or Customer.

12.1 Performance or Compliance Audits.

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractors' data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with

subcontractors, partners, or agents of the Contractor, pertaining to the Contract, may be inspected by the Department upon fifteen (15) calendar days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners, or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The Inspector General, in accordance with section 5.6, the State of Florida's Chief Financial Officer, and the Office of the Auditor General shall also have authority to perform audits and inspections.

13.2 E-Verify.

The Contractor and its subcontractors have an obligation to utilize the U.S. Department of Homeland Security's (DHS) E-Verify system for all newly hired employees in accordance with section 448.095, F.S. By executing this Contract, the Contractor certifies that it is registered with, and uses, the E-Verify system for all newly hired employees in accordance with section 448.095, F.S. The Contractor must obtain an affidavit from its subcontractors in accordance with paragraph (2)(b) of section 448.095, F.S., and maintain a copy of such affidavit for the duration of the Contract. The Contractor shall provide a copy of its DHS Memorandum of Understanding (MOU) to the Department's Contract Manager within five days of Contract execution.

This section serves as notice to the Contractor regarding the requirements of section 448.095, F.S., specifically sub-paragraph (2)(c)1, and the Department's obligation to terminate the Contract if it has a good faith belief that the Contractor has knowingly violated section 448.09(1), F.S. If terminated for such reason, the Contractor will not be eligible for award of a public contract for at least one year after the date of such termination. The Department will promptly notify the Contractor and order the immediate termination of the contract between the Contractor and a subcontractor performing work on its behalf for this Contract should the Department have a good faith belief that the subcontractor has knowingly violated section 448.09(1), F.S.

B. Special Contract Conditions additions: the following subsection is added to the Special Contract Conditions:

12.3 Document Inspection.

In accordance with section 216.1366, F.S., the Department or a state agency is authorized to inspect the: (a) financial records, papers, and documents of the Contractor that are directly related to the performance of the Contract or the expenditure of state funds; and (b) programmatic records, papers, and documents of the Contractor which the Department or state agency determines are necessary to monitor the performance of the Contract or to ensure that the terms of the Contract are being met. The Contractor shall provide such records, papers, and documents requested by the Department or a state agency within 10 Business Days after the request is made.

C. Special Contract Conditions deletions: the following subsections are deleted in their entirety from the Special Contract Conditions:

3.2.2 Preferred Pricing.

Intentionally left blank.

7.2 General Liability Insurance.

Intentionally left blank.

7.4 Performance Bond.
Intentionally left blank.

SPECIAL CONTRACT CONDITIONS JULY 1, 2019 VERSION

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In accordance with Rule 60A-1.002(7), F.A.C., Form PUR 1000 is included herein by reference but is superseded in its entirety by these Special Contract Conditions.

SECTION 1. DEFINITION.

The following definition applies in addition to the definitions in Chapter 287, Florida Statutes (F.S.), and Rule Chapter 60A-1, Florida Administrative Code (F.A.C.):

1.1 Customer.

The agency or eligible user that purchases commodities or contractual services pursuant to the Contract.

SECTION 2. CONTRACT TERM AND TERMINATION.

2.1 Initial Term.

The initial term will begin on the date set forth in the Contract documents or on the date the Contract is signed by all Parties, whichever is later.

2.2 Renewal.

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part only as set forth in the Contract documents, and in accordance with section 287.057(13), F.S.

2.3 Suspension of Work and Termination.

2.3.1 Suspension of Work.

The Department may, at its sole discretion, suspend any or all activities under the Contract, at any time, when it is in the best interest of the State of Florida to do so. The Customer may suspend a resulting contract or purchase order, at any time, when in the best interest of the Customer to do so. The Department or Customer will provide the Contractor written notice outlining the particulars of the suspension. After receiving a suspension notice, the Contractor must comply with the notice and will cease the performance of the Contract or purchase order. Suspension of work will not entitle the Contractor to any additional compensation. The Contractor will not resume performance of the Contract or purchase order until so authorized by the Department.

2.3.2 Termination for Convenience.

The Contract may be terminated by the Department in whole or in part at any time, in the best interest of the State of Florida. If the Contract is terminated before performance is completed, the Contractor will be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed an amount which is the same percentage of the Contract price as the amount of work satisfactorily performed. All work in progress will become the property of the Customer and will be turned over promptly by the Contractor.

2.3.3 Termination for Cause.

If the performance of the Contractor is not in compliance with the Contract requirements or the Contractor has defaulted, the Department may:

- (a) immediately terminate the Contract;
- (b) notify the Contractor of the noncompliance or default, require correction, and specify the date by which the correction must be completed before the Contract is terminated; or
- (c) take other action deemed appropriate by the Department.

SECTION 3. PAYMENT AND FEES.

3.1 Pricing.

The Contractor will not exceed the pricing set forth in the Contract documents.

3.2 Price Decreases.

The following price decrease terms will apply to the Contract:

3.2.1 Quantity Discounts. Contractor may offer additional discounts for one-time delivery of large single orders;

3.2.2 Preferred Pricing. The Contractor guarantees that the pricing indicated in this Contract is a maximum price. Additionally, Contractor's pricing will not exceed the pricing offered under comparable contracts. Comparable contracts are those that are similar in size, scope, and terms. In compliance with section 216.0113, F.S., Contractor must annually submit an affidavit from the Contractor's authorized representative attesting that the Contract complies with this clause.

3.2.3 Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, the Contractor may conduct sales promotions involving price reductions for a specified lesser period. The Contractor must submit documentation identifying the proposed: (1) starting and ending dates of the promotion, (2) commodities or contractual services involved, and (3) promotional prices compared to then-authorized prices.

3.3 Payment Invoicing.

The Contractor will be paid upon submission of invoices to the Customer after delivery and acceptance of commodities or contractual services is confirmed by the Customer. Invoices must contain sufficient detail for an audit and contain the Contract Number and the Contractor's Federal Employer Identification Number.

3.4 Purchase Order.

A Customer may use purchase orders to buy commodities or contractual services pursuant to the Contract and, if applicable, the Contractor must provide commodities or contractual services pursuant to purchase orders. Purchase orders issued pursuant to the Contract must be received by the Contractor no later than the close of business on the last day of the Contract's term. The Contractor is required to accept timely purchase orders specifying delivery schedules that extend beyond the Contract term even when such extended delivery will occur after expiration of the Contract. Purchase orders shall be valid through their specified term and performance by the Contractor, and all terms and conditions of the Contract shall survive the termination or expiration of the Contract and apply to the Contractor's performance. The duration of purchase orders for recurring deliverables shall not exceed the expiration of the Contract by more than twelve months. Any purchase order terms and conditions conflicting with these Special Contract Conditions shall not become a part of the Contract.

3.5 Travel.

Travel expenses are not reimbursable unless specifically authorized by the Customer in writing and may be reimbursed only in accordance with section 112.061, F.S.

3.6 Annual Appropriation.

Pursuant to section 287.0582, F.S., if the Contract binds the State of Florida or an agency for the purchase of services or tangible personal property for a period in excess of one fiscal year, the State of Florida's performance and obligation to pay under the Contract is contingent upon an annual appropriation by the Legislature.

3.7 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(22), F.S. All payments issued by Customers to registered Vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, F.A.C., or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees when automatic deduction becomes available. Vendors will submit any monthly reports required pursuant to the rule. All such reports and payments will be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

3.8 Taxes.

Taxes, customs, and tariffs on commodities or contractual services purchased under the Contract will not be assessed against the Customer or Department unless authorized by Florida law.

3.9 Return of Funds.

Contractor will return any overpayments due to unearned funds or funds disallowed pursuant to the terms of the Contract that were disbursed to the Contractor. The Contractor must return any overpayment within forty (40) calendar days after either discovery by the Contractor, its independent auditor, or notification by the Department or Customer of the overpayment.

SECTION 4. CONTRACT MANAGEMENT.

4.1 Composition and Priority.

The Contractor agrees to provide commodities or contractual services to the Customer as specified in the Contract. Additionally, the terms of the Contract supersede the terms of all prior agreements between the Parties on this subject matter.

4.2 Notices.

All notices required under the Contract must be delivered to the designated Contract Manager in a manner identified by the Department.

4.3 Department's Contract Manager.

The Department's Contract Manager, who is primarily responsible for the Department's oversight of the Contract, will be identified in a separate writing to the Contractor upon Contract signing in the following format:

Department's Contract Manager Name

Department's Name
Department's Physical Address
Department's Telephone #
Department's Email Address

If the Department changes the Contract Manager, the Department will notify the Contractor. Such a change does not require an amendment to the Contract.

4.4 Contractor's Contract Manager.

The Contractor's Contract Manager, who is primarily responsible for the Contractor's oversight of the Contract performance, will be identified in a separate writing to the Department upon Contract signing in the following format:

Contractor's Contract Manager Name
Contractor's Name
Contractor's Physical Address
Contractor's Telephone #
Contractor's Email Address

If the Contractor changes its Contract Manager, the Contractor will notify the Department. Such a change does not require an amendment to the Contract.

4.5 Diversity.

4.5.1 Office of Supplier Diversity.

The State of Florida supports its diverse business community by creating opportunities for woman-, veteran-, and minority-owned small business enterprises to participate in procurements and contracts. The Department encourages supplier diversity through certification of woman-, veteran-, and minority-owned small business enterprises and provides advocacy, outreach, and networking through regional business events. For additional information, please contact the Office of Supplier Diversity (OSD) at osdinfo@dms.myflorida.com.

4.5.2 Diversity Reporting.

Upon request, the Contractor will report to the Department its spend with business enterprises certified by the OSD. These reports must include the time period covered, the name and Federal Employer Identification Number of each business enterprise utilized during the period, commodities and contractual services provided by the business enterprise, and the amount paid to the business enterprise on behalf of each agency purchasing under the Contract.

4.6 RESPECT.

Subject to the agency determination provided for in section 413.036, F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), FLORIDA STATUTES;

AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THE STATE AGENCY INSOFAR AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED.

Additional information about RESPECT and the commodities or contractual services it offers is available at <https://www.respectofflorida.org>.

4.7 PRIDE.

Subject to the agency determination provided for in sections 287.042(1) and 946.515, F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES WHICH ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM THE CORPORATION IDENTIFIED UNDER CHAPTER 946, F.S., IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 946.515(2) AND (4), F.S.; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THIS AGENCY INSOFAR AS DEALINGS WITH SUCH CORPORATION ARE CONCERNED.

Additional information about PRIDE and the commodities or contractual services it offers is available at <https://www.pride-enterprises.org>.

SECTION 5. COMPLIANCE WITH LAWS.

5.1 Conduct of Business.

The Contractor must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor must comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, if applicable, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. The provisions of subparagraphs 287.058(1)(a)-(c), and (g), F.S., are hereby incorporated by reference.

5.2 Dispute Resolution, Governing Law, and Venue.

Any dispute concerning performance of the Contract shall be decided by the Department's designated Contract Manager, who will reduce the decision to writing and serve a copy on the Contractor. The decision of the Contract Manager shall be final and conclusive. Exhaustion of this administrative remedy is an absolute condition precedent to the Contractor's ability to pursue legal action related to the Contract or any other form of dispute resolution. The laws of the State of Florida govern the Contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action related to the Contract. Further, the Contractor hereby waives all privileges and rights relating to venue it may have under Chapter 47, F.S., and all such venue privileges and rights it may have under any other statute, rule, or case law, including, but not limited to, those based on convenience. The Contractor hereby submits to venue in the county chosen by the Department.

5.3 Department of State Registration.

Consistent with Title XXXVI, F.S., the Contractor and any subcontractors that assert status, other than a sole proprietor, must provide the Department with conclusive evidence of a certificate of status, not subject to qualification, if a Florida business entity, or of a certificate of authorization if a foreign business entity.

5.4 Suspended, Convicted, and Discriminatory Vendor Lists.

In accordance with sections 287.042, 287.133, and 287.134, F.S., an entity or affiliate who is on the Suspended Vendor List, Convicted Vendor List, or Discriminatory Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor must notify the Department if it or any of its suppliers, subcontractors, or consultants have been placed on the Suspended Vendor List, Convicted Vendor List, or Discriminatory Vendor List during the term of the Contract.

5.5 Scrutinized Companies - Termination by the Department.

The Department may, at its option, terminate the Contract if the Contractor is found to have submitted a false certification as provided under section 287.135(5), F.S., or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or been engaged in business operations in Cuba or Syria, or to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

5.6 Cooperation with Inspector General and Records Retention.

Pursuant to section 20.055(5), F.S., the Contractor understands and will comply with its duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor must provide any information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but will not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor will retain such records for the longer of five years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State, at the Department of State's Records Management website. The Contractor agrees to reimburse the State of Florida for the reasonable costs of investigation incurred by the Inspector General or other authorized State of Florida official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State of Florida which results in the suspension or debarment of the Contractor. Such costs will include but will not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor agrees to impose the same obligations to cooperate with the Inspector General and retain records on any subcontractors used to provide goods or services under the Contract.

SECTION 6. MISCELLANEOUS.

6.1 Subcontractors.

The Contractor will not subcontract any work under the Contract without prior written consent of the Department. The Contractor is fully responsible for satisfactory completion of all its subcontracted work. The Department supports diversity in its procurements and contracts, and requests that the Contractor offer subcontracting opportunities to certified woman-, veteran-, and minority-owned small businesses. The

Contractor may contact the OSD at osdhelp@dms.myflorida.com for information on certified small business enterprises available for subcontracting opportunities.

6.2 Assignment.

The Contractor will not sell, assign, or transfer any of its rights, duties, or obligations under the Contract without the prior written consent of the Department. However, the Contractor may waive its right to receive payment and assign same upon notice to the Department. In the event of any assignment, the Contractor remains responsible for performance of the Contract, unless such responsibility is expressly waived by the Department. The Department may assign the Contract with prior written notice to the Contractor.

6.3 Independent Contractor.

The Contractor and its employees, agents, representatives, and subcontractors are independent contractors and not employees or agents of the State of Florida and are not entitled to State of Florida benefits. The Department and Customer will not be bound by any acts or conduct of the Contractor or its employees, agents, representatives, or subcontractors. The Contractor agrees to include this provision in all its subcontracts under the Contract.

6.4 Inspection and Acceptance of Commodities.

6.4.1 Risk of Loss.

Matters of inspection and acceptance are addressed in section 215.422, F.S. Until acceptance, risk of loss or damage will remain with the Contractor. The Contractor will be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer will: record any evidence of visible damage on all copies of the delivering carrier's bill of lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's bill of lading and damage inspection report.

6.4.2 Rejected Commodities.

When a Customer rejects a commodity, Contractor will remove the commodity from the premises within ten (10) calendar days after notification of rejection, and the risk of loss will remain with the Contractor. Commodities not removed by the Contractor within ten (10) calendar days will be deemed abandoned by the Contractor, and the Customer will have the right to dispose of such commodities. Contractor will reimburse the Customer for costs and expenses incurred in storing or effecting removal or disposition of rejected commodities.

6.5 Safety Standards.

Performance of the Contract for all commodities or contractual services must comply with requirements of the Occupational Safety and Health Act and other applicable State of Florida and federal requirements.

6.6 Ombudsman.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this office are found in section 215.422, F.S., which include disseminating information relative to prompt payment and assisting contractors in receiving their payments in a timely manner from a Customer. The Vendor Ombudsman may be contacted at (850) 413-5516.

6.7 Time is of the Essence.

Time is of the essence regarding every obligation of the Contractor under the Contract. Each obligation is deemed material, and a breach of any such obligation (including a breach resulting from untimely performance) is a material breach.

6.8 Waiver.

The delay or failure by the Department or the Customer to exercise or enforce any rights under the Contract will not constitute waiver of such rights.

6.9 Modification and Severability.

The Contract may only be modified by written agreement between the Department and the Contractor. Should a court determine any provision of the Contract is invalid, the remaining provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Contract did not contain the provision held invalid.

6.10 Cooperative Purchasing.

Pursuant to their own governing laws, and subject to the agreement of the Contractor, governmental entities that are not Customers may make purchases under the terms and conditions contained herein, if agreed to by Contractor. Such purchases are independent of the Contract between the Department and the Contractor, and the Department is not a party to these transactions. Agencies seeking to make purchases under this Contract are required to follow the requirements of Rule 60A-1.045(5), F.A.C.

SECTION 7. LIABILITY AND INSURANCE.

7.1 Workers' Compensation Insurance.

The Contractor shall maintain workers' compensation insurance as required under the Florida Workers' Compensation Law or the workers' compensation law of another jurisdiction where applicable. The Contractor must require all subcontractors to similarly provide workers' compensation insurance for all of the latter's employees. In the event work is being performed by the Contractor under the Contract and any class of employees performing the work is not protected under Workers' Compensation statutes, the Contractor must provide, and cause each subcontractor to provide, adequate insurance satisfactory to the Department, for the protection of employees not otherwise protected.

7.2 General Liability Insurance.

The Contractor must secure and maintain Commercial General Liability Insurance, including bodily injury, property damage, products, personal and advertising injury, and completed operations. This insurance must provide coverage for all claims that may arise from performance of the Contract or completed operations, whether by the Contractor or anyone directly or indirectly employed by the Contractor. Such insurance must include the State of Florida as an additional insured for the entire length of the resulting contract. The Contractor is responsible for determining the minimum limits of liability necessary to provide reasonable financial protections to the Contractor and the State of Florida under the resulting contract.

7.3 Florida Authorized Insurers.

All insurance shall be with insurers authorized and eligible to transact the applicable line of insurance business in the State of Florida. The Contractor shall provide Certification(s) of Insurance evidencing that all appropriate coverage is in place and showing the Department to be an additional insured.

7.4 Performance Bond.

Unless otherwise prohibited by law, the Department may require the Contractor to furnish, without additional cost to the Department, a performance bond or irrevocable letter of credit or other form of security for the satisfactory performance of work hereunder. The Department shall determine the type and amount of security.

7.5 Indemnification.

To the extent permitted by Florida law, the Contractor agrees to indemnify, defend, and hold the Customer and the State of Florida, its officers, employees, and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret, or intellectual property right or out of any acts, actions, breaches, neglect, or omissions of the Contractor, its employees, agents, subcontractors, assignees, or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Contractor or Contractor's employees, agents, subcontractors, assignees, or delegates are not independent contractors in relation to the Customer. The Contract does not constitute a waiver of sovereign immunity or consent by the Customer or the State of Florida or its subdivisions to suit by third parties. Without limiting this indemnification, the Customer may provide the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense.

7.6 Limitation of Liability.

Unless otherwise specifically enumerated in the Contract or in the purchase order, neither the Department nor the Customer shall be liable for special, indirect, punitive, or consequential damages, including lost data or records (unless the Contract or purchase order requires the Contractor to back-up data or records), even if the Department or Customer has been advised that such damages are possible. Neither the Department nor the Customer shall be liable for lost profits, lost revenue, or lost institutional operating savings. The Department or Customer may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any claim for damages, penalties, costs, and the like asserted by or against them. The State may set off any liability or other obligation of the Contractor or its affiliates to the State against any payments due the Contractor under any contract with the State.

SECTION 8. PUBLIC RECORDS, TRADE SECRETS, DOCUMENT MANAGEMENT, AND INTELLECTUAL PROPERTY.

8.1 Public Records.

8.1.1 Termination of Contract.

The Department may terminate the Contract for refusal by the Contractor to comply with this section by not allowing access to all public records, as defined in Chapter 119, F. S., made or received by the Contractor in conjunction with the Contract.

8.1.2 Statutory Notice.

Pursuant to section 119.0701(2)(a), F.S., for contracts for services with a contractor acting on behalf of a public agency, as defined in section 119.011(2), F.S., the following applies:

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE TELEPHONE NUMBER, EMAIL ADDRESS, AND MAILING ADDRESS PROVIDED IN THE RESULTING CONTRACT OR PURCHASE ORDER.

Pursuant to section 119.0701(2)(b), F.S., for contracts for services with a contractor acting on behalf of a public agency as defined in section 119.011(2), F.S., the Contractor shall:

- (a) Keep and maintain public records required by the public agency to perform the service.
- (b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Contract term and following the completion of the Contract if the Contractor does not transfer the records to the public agency.
- (d) Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the Contractor transfers all public records to the public agency upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

8.2 Protection of Trade Secrets or Otherwise Confidential Information.

8.2.1 Contractor Designation of Trade Secrets or Otherwise Confidential Information. If the Contractor considers any portion of materials to be trade secret under section 688.002 or 812.081, F.S., or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as trade secret or otherwise confidential when submitted to the Department. The Contractor will be

responsible for responding to and resolving all claims for access to Contract-related materials it has designated trade secret or otherwise confidential.

8.2.2 Public Records Requests.

If the Department receives a public records request for materials designated by the Contractor as trade secret or otherwise confidential under Florida or federal law, the Contractor will be responsible for taking the appropriate legal action in response to the request. If the Contractor fails to take appropriate and timely action to protect the materials designated as trade secret or otherwise confidential, the Department will provide the materials to the requester.

8.2.3 Indemnification Related to Confidentiality of Materials.

The Contractor will protect, defend, indemnify, and hold harmless the Department for claims, costs, fines, and attorney's fees arising from or relating to its designation of materials as trade secret or otherwise confidential.

8.3 Document Management.

The Contractor must retain sufficient documentation to substantiate claims for payment under the Contract and all other records, electronic files, papers, and documents that were made in relation to this Contract. The Contractor must retain all documents related to the Contract for five (5) years after expiration of the Contract or, if longer, the period required by the General Records Schedules maintained by the Florida Department of State available at the Department of State's Records Management website.

8.4 Intellectual Property.

8.4.1 Ownership.

Unless specifically addressed otherwise in the Contract, the State of Florida shall be the owner of all intellectual property rights to all property created or developed in connection with the Contract.

8.4.2 Patentable Inventions or Discoveries.

Any inventions or discoveries developed in the course, or as a result, of services in connection with the Contract that are patentable pursuant to 35 U.S.C. § 101 are the sole property of the State of Florida. Contractor must inform the Customer of any inventions or discoveries developed or made through performance of the Contract, and such inventions or discoveries will be referred to the Florida Department of State for a determination on whether patent protection will be sought. The State of Florida will be the sole owner of all patents resulting from any invention or discovery made through performance of the Contract.

8.4.3 Copyrightable Works.

Contractor must notify the Department or State of Florida of any publications, artwork, or other copyrightable works developed in connection with the Contract. All copyrights created or developed through performance of the Contract are owned solely by the State of Florida.

SECTION 9. DATA SECURITY.

The Contractor will maintain the security of State of Florida data including, but not limited to, maintaining a secure area around any displayed visible data and ensuring data is stored and secured when not in use. The Contractor and subcontractors will not perform any of the services from outside of the United States, and the Contractor will not allow any State of Florida data to be sent by any medium, transmitted, or accessed outside the United States due to Contractor's action or inaction. In the event of a security breach involving State of Florida data, the Contractor shall give notice to the Customer and the Department within one business day. "Security breach" for purposes of this section will refer to a confirmed event that compromises the confidentiality, integrity, or availability of data. Once a data breach has been contained, the Contractor must provide the Department with a post-incident report documenting all containment, eradication, and recovery measures taken. The Department reserves the right in its sole discretion to enlist a third party to audit Contractor's findings and produce an independent report, and the Contractor will fully cooperate with the third party. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

SECTION 10. GRATUITIES, LOBBYING, AND COMMUNICATIONS.

10.1 Gratuities.

The Contractor will not, in connection with this Contract, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any State of Florida officer's or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any State of Florida officer or employee.

10.2 Lobbying.

In accordance with sections 11.062 and 216.347, F.S., Contract funds are not to be used for the purpose of lobbying the Legislature, the judicial branch, or the Department. Pursuant to section 287.058(6), F.S., the Contract does not prohibit the Contractor from lobbying the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding the Contract after the Contract is executed and during the Contract term.

10.3 Communications.

10.3.1 Contractor Communication or Disclosure.

The Contractor shall not make any public statements, press releases, publicity releases, or other similar communications concerning the Contract or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with the Contract, without first notifying the Customer's Contract Manager and securing the Customer's prior written consent.

10.3.2 Use of Customer Statements.

The Contractor shall not use any statement attributable to the Customer or its employees for the Contractor's promotions, press releases, publicity releases, marketing, corporate communications, or other similar communications, without first notifying the Customer's Contract Manager and securing the Customer's prior written consent.

SECTION 11. CONTRACT MONITORING.

11.1 Performance Standards.

The Contractor agrees to perform all tasks and provide deliverables as set forth in the Contract. The Department and the Customer will be entitled at all times, upon request, to be advised as to the status of work being done by the Contractor and of the details thereof.

11.2 Performance Deficiencies and Financial Consequences of Non-Performance.

11.2.1 Proposal of Corrective Action Plan.

In addition to the processes set forth in the Contract (e.g., service level agreements), if the Department or Customer determines that there is a performance deficiency that requires correction by the Contractor, then the Department or Customer will notify the Contractor. The correction must be made within a time-frame specified by the Department or Customer. The Contractor must provide the Department or Customer with a corrective action plan describing how the Contractor will address all performance deficiencies identified by the Department or Customer.

11.2.2 Retainage for Unacceptable Corrective Action Plan or Plan Failure.

If the corrective action plan is unacceptable to the Department or Customer, or implementation of the plan fails to remedy the performance deficiencies, the Department or Customer will retain ten percent (10%) of the total invoice amount. The retainage will be withheld until the Contractor resolves the performance deficiencies. If the performance deficiencies are resolved, the Contractor may invoice the Department or Customer for the retained amount. If the Contractor fails to resolve the performance deficiencies, the retained amount will be forfeited to compensate the Department or Customer for the performance deficiencies.

11.3 Performance Delay.

11.3.1 Notification.

The Contractor will promptly notify the Department or Customer upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any commodity or contractual service. The Contractor will use commercially reasonable efforts to avoid or minimize any delays in performance and will inform the Department or the Customer of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Department or the Customer has caused or will cause the Contractor to be unable to perform its obligations on time, the Contractor will promptly so notify the Department and use commercially reasonable efforts to perform its obligations on time notwithstanding the Department's delay.

11.3.2 Liquidated Damages.

The Contractor acknowledges that delayed performance will damage the Department/Customer, but by their nature such damages are difficult to ascertain. Accordingly, the liquidated damages provisions stated in the Contract documents will apply. Liquidated damages are not intended to be a penalty and are solely intended to compensate for damages.

11.4 Force Majeure, Notice of Delay, and No Damages for Delay.

The Contractor will not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents contributed to the delay, and the delay is due directly to fire, explosion, earthquake, windstorm, flood, radioactive or toxic chemical hazard, war, military hostilities, terrorism, civil emergency, embargo, riot, strike, violent civil unrest, or other similar cause wholly beyond the Contractor's reasonable control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. The foregoing does not excuse delay which could have been avoided if the Contractor implemented any risk mitigation required by the Contract. In case of any delay the Contractor believes is excusable, the Contractor will notify the Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten (10) calendar days after the cause that created or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five (5) calendar days after the date the Contractor first had reason to believe that a delay could result. The foregoing will constitute the Contractor's sole remedy or excuse with respect to delay. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages will be asserted by the Contractor. The Contractor will not be entitled to an increase in the Contract price or payment of any kind from the Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Contractor will perform at no increased cost, unless the Department determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State of Florida or to Customers, in which case the Department may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers and the Department with respect to commodities or contractual services subjected to allocation, or (2) purchase from other sources (without recourse to and by the Contractor for the related costs and expenses) to replace all or part of the commodity or contractual services that are the subject of the delay, which purchases may be deducted from the Contract quantity, or (3) terminate the Contract in whole or in part.

SECTION 12. CONTRACT AUDITS.

12.1 Performance or Compliance Audits.

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractors' data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners, or agents of the Contractor, pertaining to the Contract, may be inspected by the Department upon fifteen (15) calendar days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners, or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The Inspector General, in accordance with section 5.6, the State of Florida's Chief Financial Officer, the Office of the Auditor General also have authority to perform audits and inspections.

12.2 Payment Audit.

Records of costs incurred under terms of the Contract will be maintained in accordance with section 8.3 of these Special Contract Conditions. Records of costs incurred will include the Contractor's general accounting records, together with supporting documents and records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by the Department, the State of Florida's Chief Financial Officer, or the Office of the Auditor General.

SECTION 13. BACKGROUND SCREENING AND SECURITY.

13.1 Background Check.

The Department or Customer may require the Contractor to conduct background checks of its employees, agents, representatives, and subcontractors as directed by the Department or Customer. The cost of the background checks will be borne by the Contractor. The Department or Customer may require the Contractor to exclude the Contractor's employees, agents, representatives, or subcontractors based on the background check results. In addition, the Contractor must ensure that all persons have a responsibility to self-report to the Contractor within three (3) calendar days any arrest for any disqualifying offense. The Contractor must notify the Contract Manager within twenty-four (24) hours of all details concerning any reported arrest. Upon the request of the Department or Customer, the Contractor will re-screen any of its employees, agents, representatives, and subcontractors during the term of the Contract.

13.2 E-Verify.

The Contractor must use the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired during the term of the Contract for the services specified in the Contract. The Contractor must also include a requirement in subcontracts that the subcontractor must utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Contract term. In order to implement this provision, the Contractor must provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five (5) calendar days of Contract execution. If the Contractor is not enrolled in DHS E-Verify System, it will do so within five (5) calendar days of notice of Contract award and provide the Contract Manager a copy of its MOU within five (5) calendar days of Contract execution. The link to E-Verify is <https://www.uscis.gov/e-verify>. Upon each Contractor or subcontractor new hire, the Contractor must provide a statement within five (5) calendar days to the Contract Manager identifying the new hire with its E-Verify case number.

13.3 Disqualifying Offenses.

If at any time it is determined that a person has been found guilty of a misdemeanor or felony offense as a result of a trial or has entered a plea of guilty or nolo contendere, regardless of whether adjudication was withheld, within the last six (6) years from the date of the court's determination for the crimes listed below, or their equivalent in any jurisdiction, the Contractor is required to immediately remove that person from any position with access to State of Florida data or directly performing services under the Contract. The disqualifying offenses are as follows:

- (a) Computer related crimes;
- (b) Information technology crimes;

- (c) Fraudulent practices;
- (d) False pretenses;
- (e) Frauds;
- (f) Credit card crimes;
- (g) Forgery;
- (h) Counterfeiting;
- (i) Violations involving checks or drafts;
- (j) Misuse of medical or personnel records; and
- (k) Felony theft.

13.4 Confidentiality.

The Contractor must maintain confidentiality of all confidential data, files, and records related to the commodities or contractual services provided pursuant to the Contract and must comply with all state and federal laws, including, but not limited to sections 381.004, 384.29, 392.65, and 456.057, F.S. The Contractor's confidentiality procedures must be consistent with the most recent version of the Department security policies, protocols, and procedures. The Contractor must also comply with any applicable professional standards with respect to confidentiality of information.

SECTION 14. WARRANTY OF CONTRACTOR'S ABILITY TO PERFORM.

The Contractor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish the Contractor's ability to satisfy its Contract obligations. The Contractor warrants that neither it nor any affiliate is currently on the Suspended Vendor List, Convicted Vendor List, or the Discriminatory Vendor List, or on any similar list maintained by any other state or the federal government. The Contractor shall immediately notify the Department in writing if its ability to perform is compromised in any manner during the term of the Contract.



AMENDMENT NO.: 3
Contract Renewal
Contract No.: 44102100-17-1
Contract Name: Mail Processing Equipment

This Amendment (“Amendment”), effective as of February 20, 2022, to the Mail Processing Equipment Contract No. 44102100-17-1 (“Contract”), is between the State of Florida, Department of Management Services (“Department”) and Quadient, Inc. (“Contractor”), collectively referred to herein as the “Parties.” All capitalized terms used herein shall have the meaning assigned to them in the Contract unless otherwise defined herein.

WHEREAS, the Department awarded the above referenced Contract to Quadient, Inc. for the provisions of mail processing equipment;

WHEREAS, the Parties agreed that the Contract may be amended by mutual agreement as provided in the “Renewal Term” section of the Contract; and,

WHEREAS, the Parties agree to renew the Contract as provided in the Renewal Term section of the Contract.

THEREFORE, in consideration of the mutual promises contained below, and other good and valuable consideration, receipt, and sufficiency of which are hereby acknowledged, the Parties agree to the following:

I. Contract Amendment.

- a) Contract Exhibit D, Additional Special Contract Conditions, is hereby added in its entirety and incorporated into the Contract by reference herein.
- b) Contract Exhibit A, General Contract Conditions, is hereby deleted and replaced in its entirety with the attached Exhibit A, Special Contract Conditions, which is incorporated into the Contract by reference herein. Any and all references in the Contract to the General Contract Conditions shall, upon the amendment effective date, be a reference to the attached and incorporated Exhibit A, Special Contract Conditions.
- c) The Contractor has agreed to provide the Department with the renewal pricing provided in Contract Exhibit C, Price Sheet.
- d) Section III of the Contract is hereby deleted and replaced with the following:

III. Contract



AMENDMENT NO.: 3
Contract Renewal
Contract No.: 44102100-17-1
Contract Name: Mail Processing Equipment

As used in this document, "Contract" (whether or not capitalized) shall, unless the context requires otherwise, include this document and all incorporated Exhibits, which set forth the entire understanding of the Parties and supersedes all prior agreements. All modifications to this Contract must be in writing and signed by all Parties.

All Exhibits attached and listed below are incorporated in their entirety into, and form part of this Contract. The Contract Exhibits shall have priority in the order listed:

- a) Exhibit D: Additional Special Contract Conditions
- b) Exhibit A: Special Contract Conditions
- c) Exhibit B: ITB 22-44102100-Z and any addenda in reverse order of issuance
- d) Exhibit C: Price Sheet

II. Contract Renewal. Pursuant to the Renewal Term section of the State Term Contract, the State Term Contract No. 44102100-17-1 is renewed for a period of five years with a new contract expiration date of February 19, 2027, under the same terms and conditions, except as amended herein.

III. Conflict. To the extent any of the terms of this Amendment conflict with the terms of the Contract, the terms of this Amendment shall control.

IV. Warranty of Authority. Each person signing this Amendment warrants that he or she is duly authorized to do so and to bind the respective party.

V. Effect. Unless otherwise modified by this Amendment, all terms and conditions contained in the Contract shall continue in full force and effect.



AMENDMENT NO.: 3
 Contract Renewal
 Contract No.: 44102100-17-1
 Contract Name: Mail Processing Equipment

State of Florida:
Department of Management Services

Contractor:
Quadient, Inc.

By: _____

DocuSigned by:
Kevin O'Connor
By: _____
705BE3D66ACC45E...

Name: J. Todd Inman
Title: Secretary

Name: Kevin O'Connor
Title: VP Channel Marketing and Planning

Date: _____

Date: 11/9/2021 | 11:18 AM PST



AMENDMENT NO.: 3
 Contract Renewal
 Contract No.: 44102100-17-1
 Contract Name: Mail Processing Equipment

State of Florida:
Department of Management Services

By: 

Name: J. Todd Inman
Title: Secretary

Date: 11/17/2021

Contractor:
Quadient, Inc.

By: DocuSigned by:

705BE3D66ACC43E...

Name: Kevin O'Connor
Title: VP Channel Marketing and Planning

Date: 11/9/2021 | 11:18 AM PST



EXHIBIT D

ADDITIONAL SPECIAL CONTRACT CONDITIONS

A. Special Contract Conditions revisions: the corresponding subsections of the Special Contract Conditions referenced below are replaced in their entirety with the following:

2.2 Renewal.

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part only as set forth in the Contract documents, and in accordance with section 287.057(14), F.S.

2.3.1 Suspension of Work.

For purchases only, the Department may, at its sole discretion, suspend any or all activities under the Contract, at any time, when it is in the best interest of the State of Florida to do so. The Department or Customer will provide the Contractor written notice outlining the particulars of the suspension. After receiving a suspension notice, the Contractor must comply with the notice and will cease the performance of the Contract or purchase order. Suspension of work will not entitle the Contractor to any additional compensation. The Contractor will not resume performance of the Contract or purchase order until so authorized by the Department. For leases only, any suspension of work shall be in accordance with Amendment 2, of this Contract.

3.7 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(24), F.S. All payments issued by Customers to registered Vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, F.A.C., or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees when automatic deduction becomes available. Vendors will submit any monthly reports required pursuant to the rule. All such reports and payments will be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

5.1 Conduct of Business.

The Contractor must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor must comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, if applicable, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. The provisions of subparagraphs 287.058(1)(a)-(c) and (g), F.S., are hereby incorporated by reference.

Nothing contained within this Contract shall be construed to prohibit the Contractor from disclosing information relevant to performance of the Contract or purchase order to members or staff of the Florida Senate or Florida House of Representatives.

Pursuant to section 287.057(26), F.S., the Contractor shall answer all questions of, and ensure a representative will be available to, a continuing oversight team.

The Contractor will comply with all applicable disclosure requirements set forth in section 286.101, F.S. In the event the Department of Financial Services issues the Contractor a final order determining a third or subsequent violation pursuant to section 286.101(7)(c), F.S., the Contractor shall immediately notify the Department and applicable Customers and shall be disqualified from Contract eligibility.

5.4 Convicted, Discriminatory, Antitrust Violator, and Suspended Vendor Lists.

In accordance with sections 287.133, 287.134, and 287.137, F.S., the Contractor is hereby informed of the provisions of sections 287.133(2)(a), 287.134(2)(a), and 287.137(2)(a), F.S. For purposes of this Contract, a person or affiliate who is on the Convicted Vendor List, the Discriminatory Vendor List, or the Antitrust Violator Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor must notify the Department if it or any of its suppliers, subcontractors, or consultants have been placed on the Convicted Vendor List, the Discriminatory Vendor List, or the Antitrust Violator Vendor List during the term of the Contract.

In accordance with section 287.1351, F.S., a vendor placed on the Suspended Vendor List may not enter into or renew a contract to provide any goods or services to an agency after its placement on the Suspended Vendor List.

A firm or individual placed on the Suspended Vendor List pursuant to section 287.1351, F.S., the Convicted Vendor List pursuant to section 287.133, F.S., the Antitrust Violator Vendor List pursuant to section 287.137, F.S., or the Discriminatory Vendor List pursuant to section 287.134, F.S., is immediately disqualified from Contract eligibility.

5.6 Cooperation with Inspector General and Records Retention.

Pursuant to section 20.055(5), F.S., the Contractor understands and will comply with its duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor must provide any information the Inspector General deems relevant. Such information may include, but will not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor will retain such records for the longer of five years after the expiration or termination of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State, at the Department of State's Records Management website. The Contractor agrees to reimburse the State of Florida for the reasonable costs of investigation incurred by the Inspector General or other authorized State of Florida official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State of Florida which results in the suspension or debarment of the Contractor. Such costs will include but will not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor agrees to impose the same obligations to cooperate with the Inspector General and retain records on any subcontractors used to provide goods or services under the Contract.

8.1.1 Termination of Contract.

The Department may terminate the Contract for refusal by the Contractor to comply with this section by not allowing access to all public records, as defined in Chapter 119, F.S., made or received by the Contractor in conjunction with the Contract unless the records are exempt from s. 24(a) of Art. I of the State Constitution and section 119.071(1), F.S.

8.1.2 Statutory Notice.

Pursuant to section 119.0701(2)(a), F.S., for contracts for services with a contractor acting on behalf of a public agency, as defined in section 119.011(2), F.S., the following applies:

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE DEPARTMENT'S CUSTODIAN OF PUBLIC RECORDS AT PUBLICRECORDS@DMS.FL.GOV, (850) 487-1082 OR 4050 ESPLANADE WAY, SUITE 160, TALLAHASSEE, FLORIDA 32399-0950.

Pursuant to section 119.0701(2)(b), F.S., for contracts for services with a contractor acting on behalf of a public agency as defined in section 119.011(2), F.S., the Contractor shall:

- (a) Keep and maintain public records required by the public agency to perform the service.
- (b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Contract term and following the completion of the Contract if the Contractor does not transfer the records to the public agency.
- (d) Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the Contractor transfers all public records to the public agency upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

SECTION 9. DATA SECURITY

The Contractor will maintain the security of State of Florida data including, but not limited to, maintaining a secure area around any displayed visible data and ensuring data is stored and secured when not in use. The Contractor and subcontractors will not perform any of the

services from outside of the United States, and the Contractor will not allow any State of Florida data to be sent by any medium, transmitted, or accessed outside the United States due to Contractor's action or inaction. In the event of a security breach involving State of Florida data, the Contractor shall give notice to the Customer and the Department within 48 hours. "Security breach" for purposes of this section will refer to a confirmed event that compromises the confidentiality, integrity, or availability of data. Once a data breach has been contained, the Contractor must provide the Department with a post-incident report documenting all containment, eradication, and recovery measures taken. The Department reserves the right in its sole discretion to enlist a third party to audit Contractor's findings and produce an independent report, and the Contractor will fully cooperate with the third party. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

12.1 Performance or Compliance Audits.

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractors' data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners, or agents of the Contractor, pertaining to the Contract, may be inspected by the Department upon fifteen (15) calendar days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners, or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The Inspector General, in accordance with section 5.6, the State of Florida's Chief Financial Officer, and the Office of the Auditor General shall also have authority to perform audits and inspections.

13.2 E-Verify.

The Contractor and its subcontractors have an obligation to utilize the U.S. Department of Homeland Security's (DHS) E-Verify system for all newly hired employees in accordance with section 448.095, F.S. By executing this Contract, the Contractor certifies that it is registered with, and uses, the E-Verify system for all newly hired employees in accordance with section 448.095, F.S. The Contractor must obtain an affidavit from its subcontractors in accordance with paragraph (2)(b) of section 448.095, F.S., and maintain a copy of such affidavit for the duration of the Contract. The Contractor shall provide a copy of its DHS Memorandum of Understanding (MOU) to the Department's Contract Manager within five days of Contract execution.

This section serves as notice to the Contractor regarding the requirements of section 448.095, F.S., specifically sub-paragraph (2)(c)1, and the Department's obligation to terminate the Contract if it has a good faith belief that the Contractor has knowingly violated section 448.09(1), F.S. If terminated for such reason, the Contractor will not be eligible for award of a public contract for at least one year after the date of such termination. The Department will promptly notify the Contractor and order the immediate termination of the contract between the Contractor and a subcontractor performing work on its behalf for this Contract should the Department have a good faith belief that the subcontractor has knowingly violated section 448.09(1), F.S.

B. Special Contract Conditions additions: the following subsection is added to the Special Contract Conditions:

12.3 Document Inspection.

In accordance with section 216.1366, F.S., the Department or a state agency is authorized to inspect the: (a) financial records, papers, and documents of the Contractor that are directly related to the performance of the Contract or the expenditure of state funds; and (b) programmatic records, papers, and documents of the Contractor which the Department or state agency determines are necessary to monitor the performance of the Contract or to ensure that the terms of the Contract are being met. The Contractor shall provide such records, papers, and documents requested by the Department or a state agency within 10 Business Days after the request is made.

C. Special Contract Conditions deletions: the following subsections are deleted in their entirety from the Special Contract Conditions:

3.2.2 Preferred Pricing.

Intentionally left blank.

7.2 General Liability Insurance.

Intentionally left blank.

7.4 Performance Bond.

Intentionally left blank.

Exhibit A
SPECIAL CONTRACT CONDITIONS
JULY 1, 2019 VERSION

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In accordance with Rule 60A-1.002(7), F.A.C., Form PUR 1000 is included herein by reference but is superseded in its entirety by these Special Contract Conditions.

SECTION 1. DEFINITION.

The following definition applies in addition to the definitions in Chapter 287, Florida Statutes (F.S.), and Rule Chapter 60A-1, Florida Administrative Code (F.A.C.):

1.1 Customer.

The agency or eligible user that purchases commodities or contractual services pursuant to the Contract.

SECTION 2. CONTRACT TERM AND TERMINATION.

2.1 Initial Term.

The initial term will begin on the date set forth in the Contract documents or on the date the Contract is signed by all Parties, whichever is later.

2.2 Renewal.

Upon written agreement, the Department and the Contractor may renew the Contract in whole or in part only as set forth in the Contract documents, and in accordance with section 287.057(13), F.S.

2.3 Suspension of Work and Termination.

2.3.1 Suspension of Work.

The Department may, at its sole discretion, suspend any or all activities under the Contract, at any time, when it is in the best interest of the State of Florida to do so. The Customer may suspend a resulting contract or purchase order, at any time, when in the best interest of the Customer to do so. The Department or Customer will provide the Contractor written notice outlining the particulars of the suspension. After receiving a suspension notice, the Contractor must comply with the notice and will cease the performance of the Contract or purchase order. Suspension of work will not entitle the Contractor to any additional compensation. The Contractor will not resume performance of the Contract or purchase order until so authorized by the Department.

2.3.2 Termination for Convenience.

The Contract may be terminated by the Department in whole or in part at any time, in the best interest of the State of Florida. If the Contract is terminated before performance is completed, the Contractor will be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed an amount which is the same percentage of the Contract price as the amount of work satisfactorily performed. All work in progress will become the property of the Customer and will be turned over promptly by the Contractor.

2.3.3 Termination for Cause.

If the performance of the Contractor is not in compliance with the Contract requirements or the Contractor has defaulted, the Department may:

- (a) immediately terminate the Contract;
- (b) notify the Contractor of the noncompliance or default, require correction, and specify the date by which the correction must be completed before the Contract is terminated; or
- (c) take other action deemed appropriate by the Department.

SECTION 3. PAYMENT AND FEES.

3.1 Pricing.

The Contractor will not exceed the pricing set forth in the Contract documents.

3.2 Price Decreases.

The following price decrease terms will apply to the Contract:

3.2.1 Quantity Discounts. Contractor may offer additional discounts for one-time delivery of large single orders;

3.2.2 Preferred Pricing. The Contractor guarantees that the pricing indicated in this Contract is a maximum price. Additionally, Contractor's pricing will not exceed the pricing offered under comparable contracts. Comparable contracts are those that are similar in size, scope, and terms. In compliance with section 216.0113, F.S., Contractor must annually submit an affidavit from the Contractor's authorized representative attesting that the Contract complies with this clause.

3.2.3 Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, the Contractor may conduct sales promotions involving price reductions for a specified lesser period. The Contractor must submit documentation identifying the proposed: (1) starting and ending dates of the promotion, (2) commodities or contractual services involved, and (3) promotional prices compared to then-authorized prices.

3.3 Payment Invoicing.

The Contractor will be paid upon submission of invoices to the Customer after delivery and acceptance of commodities or contractual services is confirmed by the Customer. Invoices must contain sufficient detail for an audit and contain the Contract Number and the Contractor's Federal Employer Identification Number.

3.4 Purchase Order.

A Customer may use purchase orders to buy commodities or contractual services pursuant to the Contract and, if applicable, the Contractor must provide commodities or contractual services pursuant to purchase orders. Purchase orders issued pursuant to the Contract must be received by the Contractor no later than the close of business on the last day of the Contract's term. The Contractor is required to accept timely purchase orders specifying delivery schedules that extend beyond the Contract term even when such extended delivery will occur after expiration of the Contract. Purchase orders shall be valid through their specified term and performance by the Contractor, and all terms and conditions of the Contract shall survive the termination or expiration of the Contract and apply to the Contractor's performance. The duration of purchase orders for recurring deliverables shall not exceed the expiration of the Contract by more than twelve months. Any purchase order terms and conditions conflicting with these Special Contract Conditions shall not become a part of the Contract.

3.5 Travel.

Travel expenses are not reimbursable unless specifically authorized by the Customer in writing and may be reimbursed only in accordance with section 112.061, F.S.

3.6 Annual Appropriation.

Pursuant to section 287.0582, F.S., if the Contract binds the State of Florida or an agency for the purchase of services or tangible personal property for a period in excess of one fiscal year, the State of Florida's performance and obligation to pay under the Contract is contingent upon an annual appropriation by the Legislature.

3.7 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(22), F.S. All payments issued by Customers to registered Vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, F.A.C., or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees when automatic deduction becomes available. Vendors will submit any monthly reports required pursuant to the rule. All such reports and payments will be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

3.8 Taxes.

Taxes, customs, and tariffs on commodities or contractual services purchased under the Contract will not be assessed against the Customer or Department unless authorized by Florida law.

3.9 Return of Funds.

Contractor will return any overpayments due to unearned funds or funds disallowed pursuant to the terms of the Contract that were disbursed to the Contractor. The Contractor must return any overpayment within forty (40) calendar days after either discovery by the Contractor, its independent auditor, or notification by the Department or Customer of the overpayment.

SECTION 4. CONTRACT MANAGEMENT.

4.1 Composition and Priority.

The Contractor agrees to provide commodities or contractual services to the Customer as specified in the Contract. Additionally, the terms of the Contract supersede the terms of all prior agreements between the Parties on this subject matter.

4.2 Notices.

All notices required under the Contract must be delivered to the designated Contract Manager in a manner identified by the Department.

4.3 Department's Contract Manager.

The Department's Contract Manager, who is primarily responsible for the Department's oversight of the Contract, will be identified in a separate writing to the Contractor upon Contract signing in the following format:

Department's Contract Manager Name

Department's Name
Department's Physical Address
Department's Telephone #
Department's Email Address

If the Department changes the Contract Manager, the Department will notify the Contractor. Such a change does not require an amendment to the Contract.

4.4 Contractor's Contract Manager.

The Contractor's Contract Manager, who is primarily responsible for the Contractor's oversight of the Contract performance, will be identified in a separate writing to the Department upon Contract signing in the following format:

Contractor's Contract Manager Name
Contractor's Name
Contractor's Physical Address
Contractor's Telephone #
Contractor's Email Address

If the Contractor changes its Contract Manager, the Contractor will notify the Department. Such a change does not require an amendment to the Contract.

4.5 Diversity.

4.5.1 Office of Supplier Diversity.

The State of Florida supports its diverse business community by creating opportunities for woman-, veteran-, and minority-owned small business enterprises to participate in procurements and contracts. The Department encourages supplier diversity through certification of woman-, veteran-, and minority-owned small business enterprises and provides advocacy, outreach, and networking through regional business events. For additional information, please contact the Office of Supplier Diversity (OSD) at osdinfo@dms.myflorida.com.

4.5.2 Diversity Reporting.

Upon request, the Contractor will report to the Department its spend with business enterprises certified by the OSD. These reports must include the time period covered, the name and Federal Employer Identification Number of each business enterprise utilized during the period, commodities and contractual services provided by the business enterprise, and the amount paid to the business enterprise on behalf of each agency purchasing under the Contract.

4.6 RESPECT.

Subject to the agency determination provided for in section 413.036, F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), FLORIDA STATUTES;

AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THE STATE AGENCY INSOFAR AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED.

Additional information about RESPECT and the commodities or contractual services it offers is available at <https://www.respectofflorida.org>.

4.7 PRIDE.

Subject to the agency determination provided for in sections 287.042(1) and 946.515, F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES WHICH ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM THE CORPORATION IDENTIFIED UNDER CHAPTER 946, F.S., IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 946.515(2) AND (4), F.S.; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THIS AGENCY INSOFAR AS DEALINGS WITH SUCH CORPORATION ARE CONCERNED.

Additional information about PRIDE and the commodities or contractual services it offers is available at <https://www.pride-enterprises.org>.

SECTION 5. COMPLIANCE WITH LAWS.

5.1 Conduct of Business.

The Contractor must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Contractor must comply with section 274A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, if applicable, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. The provisions of subparagraphs 287.058(1)(a)-(c), and (g), F.S., are hereby incorporated by reference.

5.2 Dispute Resolution, Governing Law, and Venue.

Any dispute concerning performance of the Contract shall be decided by the Department's designated Contract Manager, who will reduce the decision to writing and serve a copy on the Contractor. The decision of the Contract Manager shall be final and conclusive. Exhaustion of this administrative remedy is an absolute condition precedent to the Contractor's ability to pursue legal action related to the Contract or any other form of dispute resolution. The laws of the State of Florida govern the Contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action related to the Contract. Further, the Contractor hereby waives all privileges and rights relating to venue it may have under Chapter 47, F.S., and all such venue privileges and rights it may have under any other statute, rule, or case law, including, but not limited to, those based on convenience. The Contractor hereby submits to venue in the county chosen by the Department.

5.3 Department of State Registration.

Consistent with Title XXXVI, F.S., the Contractor and any subcontractors that assert status, other than a sole proprietor, must provide the Department with conclusive evidence of a certificate of status, not subject to qualification, if a Florida business entity, or of a certificate of authorization if a foreign business entity.

5.4 Suspended, Convicted, and Discriminatory Vendor Lists.

In accordance with sections 287.042, 287.133, and 287.134, F.S., an entity or affiliate who is on the Suspended Vendor List, Convicted Vendor List, or Discriminatory Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor must notify the Department if it or any of its suppliers, subcontractors, or consultants have been placed on the Suspended Vendor List, Convicted Vendor List, or Discriminatory Vendor List during the term of the Contract.

5.5 Scrutinized Companies - Termination by the Department.

The Department may, at its option, terminate the Contract if the Contractor is found to have submitted a false certification as provided under section 287.135(5), F.S., or been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or been engaged in business operations in Cuba or Syria, or to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

5.6 Cooperation with Inspector General and Records Retention.

Pursuant to section 20.055(5), F.S., the Contractor understands and will comply with its duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor must provide any information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but will not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor will retain such records for the longer of five years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State, at the Department of State's Records Management website. The Contractor agrees to reimburse the State of Florida for the reasonable costs of investigation incurred by the Inspector General or other authorized State of Florida official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State of Florida which results in the suspension or debarment of the Contractor. Such costs will include but will not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor agrees to impose the same obligations to cooperate with the Inspector General and retain records on any subcontractors used to provide goods or services under the Contract.

SECTION 6. MISCELLANEOUS.

6.1 Subcontractors.

The Contractor will not subcontract any work under the Contract without prior written consent of the Department. The Contractor is fully responsible for satisfactory completion of all its subcontracted work. The Department supports diversity in its procurements and contracts, and requests that the Contractor offer subcontracting opportunities to certified woman-, veteran-, and minority-owned small businesses. The

Contractor may contact the OSD at osdhelp@dms.myflorida.com for information on certified small business enterprises available for subcontracting opportunities.

6.2 Assignment.

The Contractor will not sell, assign, or transfer any of its rights, duties, or obligations under the Contract without the prior written consent of the Department. However, the Contractor may waive its right to receive payment and assign same upon notice to the Department. In the event of any assignment, the Contractor remains responsible for performance of the Contract, unless such responsibility is expressly waived by the Department. The Department may assign the Contract with prior written notice to the Contractor.

6.3 Independent Contractor.

The Contractor and its employees, agents, representatives, and subcontractors are independent contractors and not employees or agents of the State of Florida and are not entitled to State of Florida benefits. The Department and Customer will not be bound by any acts or conduct of the Contractor or its employees, agents, representatives, or subcontractors. The Contractor agrees to include this provision in all its subcontracts under the Contract.

6.4 Inspection and Acceptance of Commodities.

6.4.1 Risk of Loss.

Matters of inspection and acceptance are addressed in section 215.422, F.S. Until acceptance, risk of loss or damage will remain with the Contractor. The Contractor will be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer will: record any evidence of visible damage on all copies of the delivering carrier's bill of lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's bill of lading and damage inspection report.

6.4.2 Rejected Commodities.

When a Customer rejects a commodity, Contractor will remove the commodity from the premises within ten (10) calendar days after notification of rejection, and the risk of loss will remain with the Contractor. Commodities not removed by the Contractor within ten (10) calendar days will be deemed abandoned by the Contractor, and the Customer will have the right to dispose of such commodities. Contractor will reimburse the Customer for costs and expenses incurred in storing or effecting removal or disposition of rejected commodities.

6.5 Safety Standards.

Performance of the Contract for all commodities or contractual services must comply with requirements of the Occupational Safety and Health Act and other applicable State of Florida and federal requirements.

6.6 Ombudsman.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this office are found in section 215.422, F.S., which include disseminating information relative to prompt payment and assisting contractors in receiving their payments in a timely manner from a Customer. The Vendor Ombudsman may be contacted at (850) 413-5516.

6.7 Time is of the Essence.

Time is of the essence regarding every obligation of the Contractor under the Contract. Each obligation is deemed material, and a breach of any such obligation (including a breach resulting from untimely performance) is a material breach.

6.8 Waiver.

The delay or failure by the Department or the Customer to exercise or enforce any rights under the Contract will not constitute waiver of such rights.

6.9 Modification and Severability.

The Contract may only be modified by written agreement between the Department and the Contractor. Should a court determine any provision of the Contract is invalid, the remaining provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Contract did not contain the provision held invalid.

6.10 Cooperative Purchasing.

Pursuant to their own governing laws, and subject to the agreement of the Contractor, governmental entities that are not Customers may make purchases under the terms and conditions contained herein, if agreed to by Contractor. Such purchases are independent of the Contract between the Department and the Contractor, and the Department is not a party to these transactions. Agencies seeking to make purchases under this Contract are required to follow the requirements of Rule 60A-1.045(5), F.A.C.

SECTION 7. LIABILITY AND INSURANCE.

7.1 Workers' Compensation Insurance.

The Contractor shall maintain workers' compensation insurance as required under the Florida Workers' Compensation Law or the workers' compensation law of another jurisdiction where applicable. The Contractor must require all subcontractors to similarly provide workers' compensation insurance for all of the latter's employees. In the event work is being performed by the Contractor under the Contract and any class of employees performing the work is not protected under Workers' Compensation statutes, the Contractor must provide, and cause each subcontractor to provide, adequate insurance satisfactory to the Department, for the protection of employees not otherwise protected.

7.2 General Liability Insurance.

The Contractor must secure and maintain Commercial General Liability Insurance, including bodily injury, property damage, products, personal and advertising injury, and completed operations. This insurance must provide coverage for all claims that may arise from performance of the Contract or completed operations, whether by the Contractor or anyone directly or indirectly employed by the Contractor. Such insurance must include the State of Florida as an additional insured for the entire length of the resulting contract. The Contractor is responsible for determining the minimum limits of liability necessary to provide reasonable financial protections to the Contractor and the State of Florida under the resulting contract.

7.3 Florida Authorized Insurers.

All insurance shall be with insurers authorized and eligible to transact the applicable line of insurance business in the State of Florida. The Contractor shall provide Certification(s) of Insurance evidencing that all appropriate coverage is in place and showing the Department to be an additional insured.

7.4 Performance Bond.

Unless otherwise prohibited by law, the Department may require the Contractor to furnish, without additional cost to the Department, a performance bond or irrevocable letter of credit or other form of security for the satisfactory performance of work hereunder. The Department shall determine the type and amount of security.

7.5 Indemnification.

To the extent permitted by Florida law, the Contractor agrees to indemnify, defend, and hold the Customer and the State of Florida, its officers, employees, and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret, or intellectual property right or out of any acts, actions, breaches, neglect, or omissions of the Contractor, its employees, agents, subcontractors, assignees, or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Contractor or Contractor's employees, agents, subcontractors, assignees, or delegates are not independent contractors in relation to the Customer. The Contract does not constitute a waiver of sovereign immunity or consent by the Customer or the State of Florida or its subdivisions to suit by third parties. Without limiting this indemnification, the Customer may provide the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense.

7.6 Limitation of Liability.

Unless otherwise specifically enumerated in the Contract or in the purchase order, neither the Department nor the Customer shall be liable for special, indirect, punitive, or consequential damages, including lost data or records (unless the Contract or purchase order requires the Contractor to back-up data or records), even if the Department or Customer has been advised that such damages are possible. Neither the Department nor the Customer shall be liable for lost profits, lost revenue, or lost institutional operating savings. The Department or Customer may, in addition to other remedies available to them at law or equity and upon notice to the Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any claim for damages, penalties, costs, and the like asserted by or against them. The State may set off any liability or other obligation of the Contractor or its affiliates to the State against any payments due the Contractor under any contract with the State.

SECTION 8. PUBLIC RECORDS, TRADE SECRETS, DOCUMENT MANAGEMENT, AND INTELLECTUAL PROPERTY.

8.1 Public Records.

8.1.1 Termination of Contract.

The Department may terminate the Contract for refusal by the Contractor to comply with this section by not allowing access to all public records, as defined in Chapter 119, F. S., made or received by the Contractor in conjunction with the Contract.

8.1.2 Statutory Notice.

Pursuant to section 119.0701(2)(a), F.S., for contracts for services with a contractor acting on behalf of a public agency, as defined in section 119.011(2), F.S., the following applies:

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE TELEPHONE NUMBER, EMAIL ADDRESS, AND MAILING ADDRESS PROVIDED IN THE RESULTING CONTRACT OR PURCHASE ORDER.

Pursuant to section 119.0701(2)(b), F.S., for contracts for services with a contractor acting on behalf of a public agency as defined in section 119.011(2), F.S., the Contractor shall:

- (a) Keep and maintain public records required by the public agency to perform the service.
- (b) Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
- (c) Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the Contract term and following the completion of the Contract if the Contractor does not transfer the records to the public agency.
- (d) Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the Contractor transfers all public records to the public agency upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency.

8.2 Protection of Trade Secrets or Otherwise Confidential Information.

8.2.1 Contractor Designation of Trade Secrets or Otherwise Confidential Information. If the Contractor considers any portion of materials to be trade secret under section 688.002 or 812.081, F.S., or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as trade secret or otherwise confidential when submitted to the Department. The Contractor will be

responsible for responding to and resolving all claims for access to Contract-related materials it has designated trade secret or otherwise confidential.

8.2.2 Public Records Requests.

If the Department receives a public records request for materials designated by the Contractor as trade secret or otherwise confidential under Florida or federal law, the Contractor will be responsible for taking the appropriate legal action in response to the request. If the Contractor fails to take appropriate and timely action to protect the materials designated as trade secret or otherwise confidential, the Department will provide the materials to the requester.

8.2.3 Indemnification Related to Confidentiality of Materials.

The Contractor will protect, defend, indemnify, and hold harmless the Department for claims, costs, fines, and attorney's fees arising from or relating to its designation of materials as trade secret or otherwise confidential.

8.3 Document Management.

The Contractor must retain sufficient documentation to substantiate claims for payment under the Contract and all other records, electronic files, papers, and documents that were made in relation to this Contract. The Contractor must retain all documents related to the Contract for five (5) years after expiration of the Contract or, if longer, the period required by the General Records Schedules maintained by the Florida Department of State available at the Department of State's Records Management website.

8.4 Intellectual Property.

8.4.1 Ownership.

Unless specifically addressed otherwise in the Contract, the State of Florida shall be the owner of all intellectual property rights to all property created or developed in connection with the Contract.

8.4.2 Patentable Inventions or Discoveries.

Any inventions or discoveries developed in the course, or as a result, of services in connection with the Contract that are patentable pursuant to 35 U.S.C. § 101 are the sole property of the State of Florida. Contractor must inform the Customer of any inventions or discoveries developed or made through performance of the Contract, and such inventions or discoveries will be referred to the Florida Department of State for a determination on whether patent protection will be sought. The State of Florida will be the sole owner of all patents resulting from any invention or discovery made through performance of the Contract.

8.4.3 Copyrightable Works.

Contractor must notify the Department or State of Florida of any publications, artwork, or other copyrightable works developed in connection with the Contract. All copyrights created or developed through performance of the Contract are owned solely by the State of Florida.

SECTION 9. DATA SECURITY.

The Contractor will maintain the security of State of Florida data including, but not limited to, maintaining a secure area around any displayed visible data and ensuring data is stored and secured when not in use. The Contractor and subcontractors will not perform any of the services from outside of the United States, and the Contractor will not allow any State of Florida data to be sent by any medium, transmitted, or accessed outside the United States due to Contractor's action or inaction. In the event of a security breach involving State of Florida data, the Contractor shall give notice to the Customer and the Department within one business day. "Security breach" for purposes of this section will refer to a confirmed event that compromises the confidentiality, integrity, or availability of data. Once a data breach has been contained, the Contractor must provide the Department with a post-incident report documenting all containment, eradication, and recovery measures taken. The Department reserves the right in its sole discretion to enlist a third party to audit Contractor's findings and produce an independent report, and the Contractor will fully cooperate with the third party. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

SECTION 10. GRATUITIES, LOBBYING, AND COMMUNICATIONS.

10.1 Gratuities.

The Contractor will not, in connection with this Contract, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any State of Florida officer's or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any State of Florida officer or employee.

10.2 Lobbying.

In accordance with sections 11.062 and 216.347, F.S., Contract funds are not to be used for the purpose of lobbying the Legislature, the judicial branch, or the Department. Pursuant to section 287.058(6), F.S., the Contract does not prohibit the Contractor from lobbying the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding the Contract after the Contract is executed and during the Contract term.

10.3 Communications.

10.3.1 Contractor Communication or Disclosure.

The Contractor shall not make any public statements, press releases, publicity releases, or other similar communications concerning the Contract or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with the Contract, without first notifying the Customer's Contract Manager and securing the Customer's prior written consent.

10.3.2 Use of Customer Statements.

The Contractor shall not use any statement attributable to the Customer or its employees for the Contractor's promotions, press releases, publicity releases, marketing, corporate communications, or other similar communications, without first notifying the Customer's Contract Manager and securing the Customer's prior written consent.

SECTION 11. CONTRACT MONITORING.

11.1 Performance Standards.

The Contractor agrees to perform all tasks and provide deliverables as set forth in the Contract. The Department and the Customer will be entitled at all times, upon request, to be advised as to the status of work being done by the Contractor and of the details thereof.

11.2 Performance Deficiencies and Financial Consequences of Non-Performance.

11.2.1 Proposal of Corrective Action Plan.

In addition to the processes set forth in the Contract (e.g., service level agreements), if the Department or Customer determines that there is a performance deficiency that requires correction by the Contractor, then the Department or Customer will notify the Contractor. The correction must be made within a time-frame specified by the Department or Customer. The Contractor must provide the Department or Customer with a corrective action plan describing how the Contractor will address all performance deficiencies identified by the Department or Customer.

11.2.2 Retainage for Unacceptable Corrective Action Plan or Plan Failure.

If the corrective action plan is unacceptable to the Department or Customer, or implementation of the plan fails to remedy the performance deficiencies, the Department or Customer will retain ten percent (10%) of the total invoice amount. The retainage will be withheld until the Contractor resolves the performance deficiencies. If the performance deficiencies are resolved, the Contractor may invoice the Department or Customer for the retained amount. If the Contractor fails to resolve the performance deficiencies, the retained amount will be forfeited to compensate the Department or Customer for the performance deficiencies.

11.3 Performance Delay.

11.3.1 Notification.

The Contractor will promptly notify the Department or Customer upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any commodity or contractual service. The Contractor will use commercially reasonable efforts to avoid or minimize any delays in performance and will inform the Department or the Customer of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Department or the Customer has caused or will cause the Contractor to be unable to perform its obligations on time, the Contractor will promptly so notify the Department and use commercially reasonable efforts to perform its obligations on time notwithstanding the Department's delay.

11.3.2 Liquidated Damages.

The Contractor acknowledges that delayed performance will damage the Department/Customer, but by their nature such damages are difficult to ascertain. Accordingly, the liquidated damages provisions stated in the Contract documents will apply. Liquidated damages are not intended to be a penalty and are solely intended to compensate for damages.

11.4 Force Majeure, Notice of Delay, and No Damages for Delay.

The Contractor will not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents contributed to the delay, and the delay is due directly to fire, explosion, earthquake, windstorm, flood, radioactive or toxic chemical hazard, war, military hostilities, terrorism, civil emergency, embargo, riot, strike, violent civil unrest, or other similar cause wholly beyond the Contractor's reasonable control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. The foregoing does not excuse delay which could have been avoided if the Contractor implemented any risk mitigation required by the Contract. In case of any delay the Contractor believes is excusable, the Contractor will notify the Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten (10) calendar days after the cause that created or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five (5) calendar days after the date the Contractor first had reason to believe that a delay could result. The foregoing will constitute the Contractor's sole remedy or excuse with respect to delay. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages will be asserted by the Contractor. The Contractor will not be entitled to an increase in the Contract price or payment of any kind from the Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Contractor will perform at no increased cost, unless the Department determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State of Florida or to Customers, in which case the Department may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers and the Department with respect to commodities or contractual services subjected to allocation, or (2) purchase from other sources (without recourse to and by the Contractor for the related costs and expenses) to replace all or part of the commodity or contractual services that are the subject of the delay, which purchases may be deducted from the Contract quantity, or (3) terminate the Contract in whole or in part.

SECTION 12. CONTRACT AUDITS.

12.1 Performance or Compliance Audits.

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractors' data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners, or agents of the Contractor, pertaining to the Contract, may be inspected by the Department upon fifteen (15) calendar days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners, or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The Inspector General, in accordance with section 5.6, the State of Florida's Chief Financial Officer, the Office of the Auditor General also have authority to perform audits and inspections.

12.2 Payment Audit.

Records of costs incurred under terms of the Contract will be maintained in accordance with section 8.3 of these Special Contract Conditions. Records of costs incurred will include the Contractor's general accounting records, together with supporting documents and records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by the Department, the State of Florida's Chief Financial Officer, or the Office of the Auditor General.

SECTION 13. BACKGROUND SCREENING AND SECURITY.

13.1 Background Check.

The Department or Customer may require the Contractor to conduct background checks of its employees, agents, representatives, and subcontractors as directed by the Department or Customer. The cost of the background checks will be borne by the Contractor. The Department or Customer may require the Contractor to exclude the Contractor's employees, agents, representatives, or subcontractors based on the background check results. In addition, the Contractor must ensure that all persons have a responsibility to self-report to the Contractor within three (3) calendar days any arrest for any disqualifying offense. The Contractor must notify the Contract Manager within twenty-four (24) hours of all details concerning any reported arrest. Upon the request of the Department or Customer, the Contractor will re-screen any of its employees, agents, representatives, and subcontractors during the term of the Contract.

13.2 E-Verify.

The Contractor must use the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired during the term of the Contract for the services specified in the Contract. The Contractor must also include a requirement in subcontracts that the subcontractor must utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Contract term. In order to implement this provision, the Contractor must provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five (5) calendar days of Contract execution. If the Contractor is not enrolled in DHS E-Verify System, it will do so within five (5) calendar days of notice of Contract award and provide the Contract Manager a copy of its MOU within five (5) calendar days of Contract execution. The link to E-Verify is <https://www.uscis.gov/e-verify>. Upon each Contractor or subcontractor new hire, the Contractor must provide a statement within five (5) calendar days to the Contract Manager identifying the new hire with its E-Verify case number.

13.3 Disqualifying Offenses.

If at any time it is determined that a person has been found guilty of a misdemeanor or felony offense as a result of a trial or has entered a plea of guilty or nolo contendere, regardless of whether adjudication was withheld, within the last six (6) years from the date of the court's determination for the crimes listed below, or their equivalent in any jurisdiction, the Contractor is required to immediately remove that person from any position with access to State of Florida data or directly performing services under the Contract. The disqualifying offenses are as follows:

- (a) Computer related crimes;
- (b) Information technology crimes;

- (c) Fraudulent practices;
- (d) False pretenses;
- (e) Frauds;
- (f) Credit card crimes;
- (g) Forgery;
- (h) Counterfeiting;
- (i) Violations involving checks or drafts;
- (j) Misuse of medical or personnel records; and
- (k) Felony theft.

13.4 Confidentiality.

The Contractor must maintain confidentiality of all confidential data, files, and records related to the commodities or contractual services provided pursuant to the Contract and must comply with all state and federal laws, including, but not limited to sections 381.004, 384.29, 392.65, and 456.057, F.S. The Contractor's confidentiality procedures must be consistent with the most recent version of the Department security policies, protocols, and procedures. The Contractor must also comply with any applicable professional standards with respect to confidentiality of information.

SECTION 14. WARRANTY OF CONTRACTOR'S ABILITY TO PERFORM.

The Contractor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish the Contractor's ability to satisfy its Contract obligations. The Contractor warrants that neither it nor any affiliate is currently on the Suspended Vendor List, Convicted Vendor List, or the Discriminatory Vendor List, or on any similar list maintained by any other state or the federal government. The Contractor shall immediately notify the Department in writing if its ability to perform is compromised in any manner during the term of the Contract.