



**COMMONWEALTH OF VIRGINIA
DIVISION OF PURCHASES AND SUPPLY
PO BOX 1199, RICHMOND, VA 23218-1199**

CONTRACT # E194-1263

Contract Title: Single User Breast Pumps

NOTICE OF CONTRACT AWARD

1. DATE: June 7, 2011
2. CONTRACT PERIOD: June 7, 2011 through June 6, 2013
3. SUPERCEDES: New
4. AUTHORIZED USERS: Virginia Department of Health only
5. CONTRACTOR: Medela, Inc.
6. CONTRACTOR PHONE: Phone 815-578-2459
Fax 815-759-2459
7. TERMS: Net 30 Days
8. DELIVERY: 30 Days ARO
9. MINIMUM ORDER: \$200.00
10. FOR FURTHER CONTRACT INFORMATION CONTACT: Betsy G. Bratton, CPPB, VCO
Statewide Contract Officer
Phone: 804-786-3854
Fax: 804-786-5413
Email: betsy.bratton@dgs.virginia.gov
11. Additional copies of contracts may be viewed and printed at the DPS website: www.eva.virginia.gov
12. NOTE: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, §2.2-4343, or against a bidder or offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

Contractor Information

Contractor Name: Medela, Inc.

Contractor Address: 1101 Corporate Drive
McHenry, IL 60050

Contractor eVA ID Number: E48469

Contractor Contact & Phone: Bonnie Voigt
Supervisor, Government Contracts,
Breastfeeding
Phone 815-578-2459
Fax 815-759-2459
bonnie.voigt@medela.com

DPS Contract Officer Comments: None

Contract Instructions

1. If this is a mandatory use contract as indicated on page one of this notice and the commodity or services available under this contract cannot be used by an agency, a request to purchase other goods or services of a similar nature shall be submitted to the appropriate DGS/DPS contract/purchase officer for approval. A complete and factual written justification is necessary to support the request. Refer to Section 13.7 of the *Agency Procurement and Surplus Property Manual*.
2. Unless otherwise instructed by the Division of Purchases and Supply, all departments, institutions and agencies of the Commonwealth of Virginia shall order items listed by issuing orders through eVA.
3. When placing an eVA non-catalog order, each line of the requisition must be identified with the contract item number, the contract item description and the contract number. The contract number should be inserted in the contract number field.
4. Inspection on delivery and approval of vendor's invoice is the responsibility of the receiving entity.
5. Any complaint as to quality, faulty or delinquent delivery, or violation of contract provisions by contractor shall be reported by the contract user directly to the contractor, with a copy provided to the Division of Purchases and Supply. Preprinted forms (DGS-

41-024), by which to facilitate the notification of the contractor and this office of complaints, are available from the Division of Purchases and Supply (804-786-4634). The electronic version may be downloaded from the internet at the following link: <http://eva.virginia.gov/learn-about-eva/files/VendorComplaintForm.doc>

Additional Information

See Below for Product Descriptions and Warranty and Return Information.

Shipping and Billing Information

Shipping Location: Multiple, will vary by Purchase Order. See IFB Exhibit 3.

Billing Address: Division of WIC and Community Nutrition, P.O. Box 2448, Room 916, Richmond, VA 23219

Free On Board Name: FOB Destination-Freight Prepaid

Commodity Information

NIGP Commodity Code: 46578

Line: 1

Electric Breast Pump, Single User, per IFB Attachment A (Specifications, Instructions, Terms and Conditions). See Product Information Below.

Unit: Each
Unit Price: \$97.00
Color: BEIGE

Contractor Item No.: 57018W
Estimated Delivery Days: 30
Size: 22 X15X12 PER CASE OF 3

Packing Instructions: Packaged 3 pumps per case.

Detailed Instructions: Preferred method of ordering: case quantity. Each case contains 3 pumps. Shipped via UPS ground

Warranty Type: 1 Year - Limited Warranty

Line: 2

Manual Breast Pump, Single User, per IFB Attachment A (Specifications, Instructions, Terms and Conditions). See Product Information Below.

Unit: Each

Contractor Item No.: 67161W2

Unit Price: \$15.50

Estimated Delivery Days: 30

Color: N/A

Size: 11X25X11 PER CASE OF 20

Packing Instructions: Packaged 20 pumps per case.

Detailed Instructions: Preferred method of ordering: case quantity. Each case contains 20 pumps. Shipped via UPS ground

Warranty Type: 90 Days Full Warranty - Parts & Labor

Contract Details / Attachments

3.0 SPECIFICATIONS / SCOPE OF WORK

3.1 General

1. The initial term of this contract will be for two (2) years. This contract may be renewed by the Commonwealth upon written agreement of both parties for three (3) additional successive one year periods under the terms and conditions of the current contract, and at a reasonable time (approximately 90 days) prior to the expiration. **The contract pricing will be fixed unit pricing.**

3.2 Scope

1. The estimated quantity for one calendar year is approximately 7,800 single user electric breast pumps and 3,000 single user manual breast pumps. Estimated quantities are expected to increase, with up to approximately five percent increase per year. Quantities set forth are estimates only, and the Contractor shall supply at bid prices actual quantities as ordered, regardless of whether such total quantities are more or less than those shown. The contract shall contain no minimum purchase volumes.
2. The Contractor must be able to consistently supply all of the materials required to meet DOH's workload.

3.3 Delivery:

1. The Contractor shall complete delivery within 30 days of receipt of order.
2. Materials must be packaged and shipped as defined by product manufacturer.
3. The Contractor shall pay all shipping and handling charges, unless otherwise specified.
4. Inside Delivery is required at each ship-to location.
5. See IFB Section 7.0 for DOH ordering frequency and methods that will be used for this contract.
6. Responsibility and liability for loss or damage shall remain with vendor until delivery is complete.
7. The Contractor shall provide a minimum of one week advance notice to the State Breastfeeding Coordinator of the approximate delivery date of the order so arrangements can be made at the delivery site for proper receipt of goods.
8. All purchase orders with this contract will be issued through the Virginia Department of Health's Central office in Richmond, VA.
9. Delivery shall be made during normal business hours, which are 8:00am-5:00pm.
10. Invoices shall be sent to the Virginia Department of Health, Division of Nutrition, Physical Activity, and Food Programs, Attn: Lisa Akers, State Breastfeeding Coordinator, at the following address: 109 Governor St, 9th Floor Richmond, VA 23219.
11. No partial shipments allowed

3.4 Code of Marketing Requirement

1. Product manufacturer shall adhere to the World Health Organization (WHO) International Code of Marketing of Breastmilk Substitutes or be free of mention or advertisement of infant formula.

3.5 Training

1. The Contractor shall provide a minimum of one ½ hour led by a sales representative and/or one free instructional video in English and Spanish for *each* of the 35 local health departments in Virginia (see Exhibit 3 for locations) on assembly, use, and cleaning of equipment, and handling and storage of pumped breast milk.
2. The Contractor shall provide all training materials.
3. The training shall be held at local WIC agency sites or regionally if local WIC agencies agree.

3.6 Warranty Requirements

1. All products furnished under the contract shall be new, unused equipment and products with full Original Equipment Manufacturer (OEM warranties. The bidder must include a copy of the equipment warranties with their bid.
2. The Contractor is responsible for packaging and shipping costs to and from the manufacturer.
3. The Contractor shall repair pumps or replace kits within 30 days of receipt of defective pumps.
4. The Contractor shall provide loaners or replacement equipment if equipment cannot be repaired or replaced and returned to the user within 30 days of receipt. The Contractor shall pay all shipping costs for the loaners.

See Next Pages for Additional Contract Details and Attachments



Medela Inc.

1101 Corporate Drive
McHenry, IL 60050
United States
Phone (800) 435-8316
(815) 363-1166
Fax (800) 995-7867
customer.service@medela.com
www.medela.com

State of Virginia Invitation to Bid #1433

Warranty:

Item #	Product Description	Warranty Coverage
57018W	Pump In Style® Advanced Breastpump	1 year – motor
67161W2	Harmony with 2-size PersonalFit flanges	90 days

All products bid are new, unused equipment.

All items listed above are warranted by Medela, Inc., to the original purchaser to be free from defects in material and workmanship from the date issued to end user. In the event of a defect, Medela will replace this product without charge.

Medela agrees to the requirements as specified in the IFB page 3 - 3.6 Warranty.

All returns require authorization from Medela, Inc. A Return Merchandise Authorization can be obtained by contacting a Customer Service Representative at 800-435-8316. Unauthorized returns may be refused by Medela, Inc. or returned to sender. The following steps should be taken when returning items to Medela, Inc.:

Medela, Inc. will be responsible for shipping costs from and to the manufacturer.

Call Tags will be provided to WIC agency and arrangements will be made for the pick-up of the pumps at no charge to the WIC agency. WIC agency is responsible to include the RMA number on outside of box of pump being returned.

Repaired or replacement items will ship within 30 days of receipt of defective pump.

Medela will provide loaners or replacement equipment if equipment cannot be repaired or replaced and returned to the user within 30 days of receipt. Medela will pay all shipping costs for the loaners.

All pumps owned and out of the Medela warranty period will be repaired with the WIC agency bearing the cost of spare parts, standard labor rates and shipping.

Contact Customer Service for all returns at 800-435-8316.

Medela, Inc.

Bonnie Voigt, Supervisor Government Contracts

Date: May 24, 2011

Product Description Data
Advanced Personal Double Pump
Item 57018W
Date: 5-24-11

Product Description:

A portable, two-phase, autocycling, Professional Grade, personal use Breastpump for stimulation and extraction of breastmilk then subsequent safe storage. Can be used for single and double pumping, and contains accessories to allow manual pumping. Ideal for daily or full time use for mothers with established milk supplies.

Specifications:

- User Level
 - Proven to maximize pumping efficiency (more milk in less time)
 - Proven to maintain milk supply
- Works safely and effectively with manufacturer's original equipment kits (included).
 - Single patient suction source for hygiene and safety
 - Isolation membrane at pump allows for complete cleaning in case of overflow
 - All kit components cleanable and reusable, including dishwashing and microwave cleaning methods
 - All kit components are capable of being sterilized or sanitized
- For both double, and single pumping applications
 - Vacuum performance is consistent between double and single pumping
- Automatic, programmed stimulation and expression patterns, proven to be effective
 - Cycles per minute:
 - Stimulation: Fixed rate falls within 100-120 cycles per minute (per peer reviewed published research)
 - Expression: 60 cycles per minute
 - Automatic changeover from stimulation to expression at 2 minutes
 - Manual override at mom's discretion
 - Can return to stimulation as needed at mom's discretion
- Vacuum performance range: 100mmHg – 250mmHg (maximum)
 - Engineered features prevent exceeding maximum safe vacuum levels
 - Discrete, single knob vacuum control
 - Maximum vacuum limits maintained with single pumping
- Contains all accessories required for pumping (personal use kit)
 - Breastshield connector pieces: two (2) each
 - Tubing: two (2) each
 - Valve and membrane: two (2) each
 - Spare valve membranes: two (2) each
 - 150 ml milk collection containers: four (4) each
 - Solid lids: four (4) each
 - Bottle stands: two (2) each
- Includes manual pump for occasional use
- Provides breastshield options to assure safe, effective, and comfortable pumping
 - Includes 2 sets of breastshields (2 – 24 mm and 2 – 27 mm)
 - Available additional breastshield sizes (21 mm, 30mm, 36mm, Soft Specialty Flange)
- Storage options

Compatible with Collection Storage Bags (Product Number 14)

Compatible with 250 ml storage bottles

- Breastshield and kit components meet moms' needs
 - Connects with collection containers with common 39mm thread
 - Free of sharp edges
 - Special internal design inhibits overflow
 - Readily cleanable by dishwashing, boiling, and microwaving (with appropriate cleaning bag)
- Separate compartments for kit accessories
- Pump built into durable carrying bag
- Milk storage compartment
 - Separate from main pump
 - Contains 3 cooling elements
 - Provides safe and proper storage for expressed breast milk for up to 12 hours
 - Tested and proven to maintain milk storage temperatures of less than 15 degrees C (59 degrees F) for 12 hours per HMBANA guidelines
- Includes written instructions covering assembly, use and cleaning with storage guidelines in English and Spanish
- Includes instruction DVD on assembly, use and cleaning with storage guidelines in English and Spanish

Performance and Durability

- Approved by Underwriters Laboratory to meet standard UL 1431 for personal Hygiene and Health care Appliances.
- Durable and rugged, with proven operating life data
 - Laboratory tested to a minimum of 375 hours
 - Validated by clinicians and mom use (minimum five years and 20,000 pumps in the field)
- Top quality product with low, industry leading return rates
- Warranty: One year on pump motor
- Auxiliary power supply
 - Optional battery pack
 - Optional vehicle lighter adapter

Environmental

- BPA free kit components contacting mother's milk
- Meets US Consumer Product Safety Improvement Act (USCPSIA), 2008 and CA AB 1108 requirements for DEHP and other phthalates for all components that contact mothers milk

Physical

- Power Supply:
 - Class 2 wall mount transformer
 - 120 VAC, 60Hz, 15W input
 - 9VDC, 1.0 A output
- UL, CUL

- o Packaged 3 pumps per shipping carton
- o Weight: 6 lbs., 13 oz

Other

- o All components manufactured by facilities meeting standards based on the United Nations Global Compact Initiative, including :
 - Respect for human rights
 - No forced or child labor
 - Fair and reasonable employment terms and pay
 - Free of discrimination
 - Healthy and safe working environments
 - Environmental respect
 - Anti-corruption standards
 - Certifications on file at vendor, available upon request

Product Description Data**Product Description: Harmony Manual Breast Pump, One-Handed****Item 67161W2****Date: 5-24-11****Product Description:**

A portable, personal use, manual breastpump that stimulates the breast then expresses and collects breastmilk. Designed for occasional use by moms who nurse their babies for most feedings.

Specifications:

- User Level
 - Ergonomic design
 - One handed operation
 - Swivel handle
- Two section lever provides two distinct pumping modes
 - Stimulation arm controls vacuum to appropriate levels, enables rapid cycling to initiate let down
 - Expression arm allows safe, comfortable and effective milk collection
 - Visual cues on arm prevent confusion between stimulation and expression arm functions
- Fully disassembles for cleaning
- All markings permanently etched or molded into components or assembly (no stickers)
- Vacuum performance:
 - Up to 150 mm Hg for stimulation and 250mmHg for expression
 - Vacuum draw and hold capability
 - Continuous and smooth vacuum control
- Contains all accessories required for pumping (personal use kit)
 - 150 ml milk collection container with solid lid and bottle stand (1 each)
 - Spare valve membranes: two (2) each
- Storage options
 - Compatible with Collection Storage Bags (Product Number 14)
 - Compatible with 250 ml storage bottles
- Provides breastshield options to assure safe, effective, and comfortable pumping
 - Includes 2 sets of breastshields (1 – 24 mm and 1 – 27 mm)
 - Available additional breastshield sizes (21 mm, 30mm, 36mm, Soft Specialty Flange)
- All pump components meet moms needs
 - Connects with collection containers with common 39mm thread
 - Free of sharp edges in any area that contacts breast tissue
 - Special internal designs inhibit overflow
 - Readily cleanable by boiling and dishwashing
- Product requires no lubricants
- Performance and Durability
 - Durable and rugged, with proven operating life data
 - Laboratory tested to a minimum of 500,000 cycles
 - Validated by field service (minimum five years and 20,000 pumps in the field)
- Warranty: 90 days Product



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- Environmental
 - BPA free
 - Meets US Consumer Product Safety Improvement Act (WSCPSIA), 2008 and CA AB 1108 requirements for DEHP and other phthalates
 - Compliant with California Proposition 65
- Other
 - Includes written instructions covering assembly, use and cleaning with storage guidelines in English, Spanish, or as specified by agencies
- All components manufactured by facilities meeting standards based on the United Nations Global Compact Initiative, including:
 - Respect for human rights
 - No forced or child labor
 - Fair and reasonable employment terms and pay
 - Free of discrimination
 - Healthy and safe working environments
 - Environmental respect
 - Anti-corruption standards
 - Certifications on file at vendor, available upon request
- Physical
 - All components packaged together as single unit
 - Packaged 20 units per case

Special Terms and Conditions

- A. ADVERTISING:** In the event a contract is awarded for supplies, equipment, or services resulting from this bid, no indication of such sales or services to the Virginia Department of Health will be used in product literature or advertising. The Contractor shall not state in any of its advertising or product literature that the Virginia Department of Health has purchased or uses any of its products or services, and the Contractor shall not include the Virginia Department of Health in any client list in advertising and promotional materials.
- B. AUDIT:** The Contractor shall retain all books, records, and other documents relative to this contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
- C. CANCELLATION OF CONTRACT:** The purchasing agency reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 60 days written notice to the contractor. In the event the initial contract period is for more than 12 months, the resulting contract may be terminated by either party, without penalty, after the initial 12 months of the contract period upon 60 days written notice to the other party. Any contract cancellation notice shall not relieve the contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.
- D. CONTRACT TERM:** The initial term of this contract will be for two (2) years.
- E. CONTRACT RENEWAL:** This contract may be renewed by the Commonwealth upon written agreement of both parties for three (3) additional successive one (1) year periods, under the terms and conditions of the current contract, and at a reasonable time (approximately 90 days) prior to the expiration.
- F. DELIVERY:** All orders shall be received at DOH within 30 days after receipt of purchase order. The Contractor shall carry an adequate stock to ensure such delivery service for the duration of the contract. Contractor shall communicate to the ordering agency by telephone any situation which will delay delivery beyond 30 days from receipt of order, indicating which items are back-ordered and when delivery will be completed. Repetitive back orders will not be tolerated; if notification is not received within 10 days from receipt of purchase order regarding completion of back orders within 30 days, the contract may be regarded as being in default. Two such defaults during the period of the contract may be cause for removal from the Commonwealth's bidder's list for those items or similar products and cancellation of the items and award to other parties.
- G. eVA BUSINESS-TO-GOVERNMENT CONTRACTS AND ORDERS:** The solicitation/contract will result in approximately five (5) purchase order(s) per year with the eVA transaction fee specified below assessed for each order. The Vendor Transaction Fee is:
- (i) DMBE-certified Small Businesses: 1%, Capped at \$500 per order.

- (ii) Businesses that are not DMBE-certified Small Businesses: 1%, Capped at \$1,500 per order.

The eVA transaction fee will be assessed approximately 30 days after each purchase order is issued. Any adjustments (increases/decreases) will be handled through eVA change orders.

Internet electronic procurement solution, website portal www.eva.virginia.gov, streamlines and automates government purchasing activities in the Commonwealth. The portal is the gateway for vendors to conduct business with state agencies and public bodies.

Vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution and agree to comply with the following:

If this solicitation is for a term contract, failure to provide an electronic catalog (price list) or index page catalog for items awarded will be just cause for the Commonwealth to reject your bid or terminate this contract for default. The format of this electronic catalog shall conform to the eVA Catalog Interchange Format (CIF) Specification that can be accessed and downloaded from www.eVA.virginia.gov. Contractors should email Catalog or Index Page information to eVA-catalog-manager@dgs.virginia.gov.

- H. MINIMUM ORDER:** Minimum Orders are set at \$200.00. Orders will be F.O.B. Destination to ordering agency within the Commonwealth of Virginia. For orders of less than \$200.00 the Contractor will be permitted to add actual transportation cost (prepaid) to invoice for payment, or the agency may purchase such orders off contract from other sources. Partial shipments of less than minimum order value which are made at the option of the Contractor shall be made F.O.B. Destinations with no transportation charges added. If at the agency's request shipments are below the minimum order value, the Contractor may add actual transportation to invoice for payment.
- I. NEW EQUIPMENT:** All products furnished under the contract shall be new, unused equipment and products.
- J. PRICE ESCALATION / DEESCALATION:** The Contract pricing is fixed unit pricing. Price adjustments may be permitted only for changes in the Contractor's cost of materials based on the current market for this or similar products. Consumers Price Indices, Producers Price Indices, other appropriate indices or other supporting documentation as approved by the Division of Purchases and Supply, will be used as a guide to determine price increases or decreases. No price increases will be authorized for **365** calendar days after the effective date of the contract. Price escalation may be permitted only at the end of this period and each **365** days thereafter and only where verified to the satisfaction of the purchasing office. However, "across the board" price decreases are subject to implementation at any time and shall be immediately conveyed to the Commonwealth. **Contractor shall give not less than 30 days advance notice of any price increase to the purchasing office. Any approved price changes will be effective only at the beginning of the calendar month following the end of the full 30 day notification period.** The Contractor shall document the amount and proposed effective date of any general change in the price of materials. Documentation shall be supplied with the Contractor's request for increase which will: (1) verify that the requested price increase is general in scope and not applicable just to the Commonwealth of

Virginia; and (2) verify the amount or percentage of increase which is being passed on to the Contractor by the Contractor's suppliers. The purchasing office will notify the using agencies and Contractor in writing of the effective date of any increase which it approves. However, the Contractor shall fill all purchase orders received prior to the effective date of the price adjustment at the old contract prices. The Contractor is further advised that decreases which affect the cost of materials are required to be communicated immediately to the purchasing office.

K. PRIME CONTRACTOR RESPONSIBILITIES: The Contractor shall be responsible for completely supervising and directing the work under this contract and all subcontractors that he may utilize, using his best skill and attention. Subcontractors who perform work under this contract shall be responsible to the prime Contractor. The Contractor agrees that he is as fully responsible for the acts and omissions of his subcontractors and of persons employed by them as he is for the acts and omissions of his own employees.

L. PRODUCT AVAILABILITY/SUBSTITUTION: Substitution of a product, brand or manufacturer after the award of contract is expressly prohibited unless approved in advance in writing by the Contract Officer. The Agency may, at its discretion, require the contractor to provide a substitute item of equivalent or better quality subject to the approval of the Contract Officer, for a price no greater than the contract price, if the product for which the contract was awarded becomes unavailable to the contractor.

In the event any item on the contract is to be discontinued and/or replaced by a new item, the Contractor must notify DOH and the Contract Officer in writing in advance of the product discontinuance/replacement. A formal contract modification will be processed by the Contract Officer to reflect these types of changes.

M. REPORTS/SURCHARGE ADJUSTMENT FEE (SCA):

a. CONTRACTOR'S QUARTERLY REPORT OF SALES: Contractors shall provide electronic reports in Microsoft Excel format on a quarterly basis showing invoiced sales data. See Exhibit 4 for the report template, which identifies the information and format to be provided. Reports are due no later the 30th of the month following the end of the calendar year quarter, reporting total invoiced sales and returns transactions that took place in the immediately three prior months. **Quarterly reports shall be sent to the contract officer AND to the following email address: VappReport@dgs.virginia.gov.** Consistent report tardiness may be cause for contract termination.

	<u>Sales Months</u>	<u>Quarterly Report Due:</u>
1 st Quarter	January, February, March	Due 30 th of April
2 nd Quarter	April, May, June	Due 30 th of July
3 rd Quarter	July, August, September	Due 30 th of October
4 th Quarter	October, November, December	Due 30 th of January

b. SURCHARGE ADJUSTMENT: The Contractor must pay the Department of General Services (DGS), a Surcharge Adjustment (SCA) fee under this Contract. The SCA fee reimburses the Commonwealth and defrays the costs for Spend Management procurements and the administration of the subsequent awards. The Contractor must remit the SCA fee within 45 days after the end of each calendar year quarter. It is the intent of the Commonwealth to capture 2% of all invoiced transactions under the Contract. The SCA fee equals two percent (2%) of the total invoiced sales as reported in the Contractor's quarterly reports for the previous calendar year quarter. The SCA fee amount due must be paid by check.

The check stub or other remittance material must include “VAPP SCA fee”, the contract number, and dates of the three-month reporting period. DGS may at its discretion, agree to an electronic funds transfer, in lieu of a check, however in the absence of an express written agreement from DGS that validates agreement, then the payment shall be made by check as described herein made payable to the Treasurer of Virginia.

Checks are to be payable to: **Treasurer of Virginia.**

Checks are to be mailed to:

Department of General Services
P.O. Box 267
Richmond, VA 23218-0267

SCA FEES DUE:

1 st Quarter (sales reports Jan, Feb, March)	Due 15 th of May
2 nd Quarter (sales reports Apr, May, June)	Due 15 th of August
3 rd Quarter (sales reports July, Aug, Sept)	Due 15 th of September
4 th Quarter (sales reports Oct, Nov, Dec)	Due 15 th of February

If the full amount of the SCA fee is not paid within 30 calendar days of due date, it shall constitute a Contract debt to the Commonwealth of Virginia, and the State may exercise all rights and remedies available under law. Failure to submit sales reports, falsification of sales reports, and or failure to pay the SCA fee in a timely manner may result in termination or cancellation of this Contract.

N. STANDARD ITEMS: No standard items shall be deleted. Standard items shall be those listed in the manufacturers most recent published literature for the item(s) offered.

O. SUBCONTRACTS: In the event that the Contractor desires to subcontract some part of its obligation hereunder, the Contractor shall furnish the Commonwealth with the names, qualifications and experience of their proposed Subcontractors. No portion of the contract shall be subcontracted without prior written consent of the Commonwealth. The Contractor shall remain fully liable and responsible for its Subcontractor(s) and shall assure compliance with all requirements of the contract. The bidder must include all planned subcontractors in the space provided on Exhibit 1 – Bidder Data Sheet.

P. WARRANTY (COMMERCIAL): The contractor agrees that the supplies or services furnished under any award resulting from this solicitation shall be covered by the most favorable commercial warranties the manufacturer and contractor gives any customer for such supplies or services and that the rights and remedies provided therein are in addition to and do not limit those available to the Commonwealth by any other clause of this solicitation. Copies of these warranties shall be furnished with the bid.

General Terms and Conditions

VENDORS MANUAL: This solicitation is subject to the provisions of the Commonwealth of Virginia Vendors Manual and any changes or revisions thereto, which are hereby incorporated

into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the Vendors Manual. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at www.eva.virginia.gov under "Vendors Manual" on the "Vendor" tab.

APPLICABLE LAWS AND COURTS: This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The agency and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (Code of Virginia, § 2.2-4366). ADR procedures are described in Chapter 9 of the Vendors Manual. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.

ANTI-DISCRIMINATION (part 1 of 2): By submitting their (bids/proposals), (bidders/offerors) certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the Virginia Public Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (Code of Virginia, § 2.2-4343.1E). (continued on part 2)

ANTI-DISCRIMINATION (part 2 of 2): In every contract over \$10,000 the provisions in 1. and 2. below apply: 1.) During the performance of this contract, the contractor agrees as follows: (a.) The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. (b.) The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer. (c.) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements. 2.) The contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

ETHICS IN PUBLIC CONTRACTING: By submitting their (bids/proposals), (bidders/offerors) certify that their (bids/proposals) are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other (bidder/offeror), supplier, manufacturer or subcontractor in connection with their (bid/proposal), and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

IMMIGRATION REFORM AND CONTROL ACT OF 1986: By entering into a written contract with the Commonwealth of Virginia, the Contractor certifies that the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

DEBARMENT STATUS: By submitting their (bids/proposals), (bidders/offerors) certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

ANTITRUST: By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.

MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS FOR IFB's: Failure to submit a bid on the official state form provided for that purpose shall be a cause for rejection of the bid. Modification of or additions to any portion of the Invitation for Bids may be cause for rejection of the bid; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a bid as nonresponsive. As a precondition to its acceptance, the Commonwealth may, in its sole discretion, request that the bidder withdraw or modify nonresponsive portions of a bid which do not affect quality, quantity, price, or delivery. No modification of or addition to the provisions of the contract shall be effective unless reduced to writing and signed by the parties.

CLARIFICATION OF TERMS: If any prospective (bidder/offeror) has questions about the specifications or other solicitation documents, the prospective (bidder/offeror) should contact the

buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

PRECEDENCE OF TERMS: The following General Terms and Conditions VENDORS MANUAL, APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

QUALIFICATIONS OF (BIDDERS/OFFERORS): The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the (bidder/offeror) to perform the services/furnish the goods and the (bidder/offeror) shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect (bidder's/offeror's) physical facilities prior to award to satisfy questions regarding the (bidder's/offeror's) capabilities. The Commonwealth further reserves the right to reject any (bid/proposal) if the evidence submitted by, or investigations of, such (bidder/offeror) fails to satisfy the Commonwealth that such (bidder/offeror) is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

ASSIGNMENT OF CONTRACT: A contract shall not be assignable by the contractor in whole or in part without the written consent of the Commonwealth.

CHANGES TO THE CONTRACT (part 1 of 2): Changes can be made to the contract in any of the following ways: (1.) The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract. (2.) The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The contractor shall comply with the notice upon receipt. The contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be

determined by one of the following methods: (2a.) By mutual agreement between the parties in writing; or (2b.) By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the contractor accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or (continued on part 2)

CHANGES TO THE CONTRACT (part 2 of 2): (2c.) By ordering the contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The contractor shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia Vendors Manual. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract generally.

DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.

TAXES: Sales to the Commonwealth of Virginia are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

USE OF BRAND NAMES: Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict (bidders/offerors) to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the public body, in its sole discretion, determines to be the equivalent of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The (bidder/offeror) is responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the Commonwealth to determine if the product offered

meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified. Normally in competitive sealed bidding only the information furnished with the bid will be considered in the evaluation. Failure to furnish adequate data for evaluation purposes may result in declaring a bid nonresponsive. Unless the (bidder/offeror) clearly indicates in its (bid/proposal) that the product offered is an equivalent product, such (bid/proposal) will be considered to offer the brand name product referenced in the solicitation.

TRANSPORTATION AND PACKAGING: By submitting their (bids/proposals), all (bidders/offerors) certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.

INSURANCE (part 1 of 3): By signing and submitting a bid or proposal under this solicitation, the bidder or offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the Code of Virginia. The bidder or offeror further certifies that the contractor and any subcontractors will maintain these insurance coverage during the entire term of the contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.
(continued in part 2)

INSURANCE (part 2 of 3) MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS: 1) Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the Code of Virginia during the course of the contract shall be in noncompliance with the contract. 2). Employer's Liability - \$100,000. 3) Commercial General Liability - \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy 4). Automobile Liability - \$1,000,000 per occurrence. (Only used if motor vehicle is to be used in the contract.). (continued in part 3)

INSURANCE (part 3 of 3): NOTE: In addition, various Professional Liability/Errors and Omissions coverage are required when soliciting those services as follows: Profession/Service /Limits, Accounting /\$1,000,000 per occurrence, \$3,000,000 aggregate Architecture/\$2,000,000 per occurrence, \$6,000,000 aggregate, Asbestos Design, Inspection or Abatement Contractors/ \$1,000,000 per occurrence, \$3,000,000 aggregate, Health Care Practitioner (to include Dentists,

Licensed Dental, Hygienists, Optometrists, Registered or Licensed, Practical Nurses, Pharmacists, Physicians, Podiatrists, Chiropractors, Physical Therapists, Physical ,Therapist Assistants, Clinical Psychologists, Clinical Social Workers, Professional Counselors, Hospitals, or Health Maintenance Organizations.) \$1,750,000 per occurrence, \$3,000,000 aggregate, (Limits increase each July 1 through fiscal year 2008, as follows: July 1, 2005 - \$1,800,000, July 1, 2006 - \$1,850,000, July 1, 2007 - \$1,925,000, July 1, 2008 - \$2,000,000. This complies with §8.01-581.15 of the Code of Virginia. Insurance/Risk Management /\$1,000,000 per occurrence, \$3,000,000 aggregate, Landscape/Architecture/\$1,000,000 per occurrence, \$1,000,000 aggregate, Legal/\$1,000,000 per occurrence, \$5,000,000 aggregate. Professional Engineer/\$2,000,000 per occurrence, \$6,000,000 aggregate, Surveying/\$1,000,000 per occurrence, \$1,000,000 aggregate

ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a contract over \$50,000, as a result of this solicitation, the purchasing agency will publicly post such notice on the DGS/DPS eVA website (www.eva.virginia.gov) for a minimum of 10 days.

DRUG-FREE WORKPLACE: During the performance of this contract, the contractor agrees to (i) provide a drug-free workplace for the contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the contractor that the contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor. For the purposes of this section, "drug-free workplace" means a site for the performance of work done in connection with a specific contract awarded to a contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

NONDISCRIMINATION OF CONTRACTORS: A bidder, offeror, or contractor shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or

disbursements from an alternative provider.

It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

This solicitation is set-aside for DMBE-certified small business participation only when designated "SET-ASIDE FOR SMALL BUSINESSES" in the solicitation. DMBE-certified small businesses are those businesses that hold current small business certification from the Virginia Department of Minority Business Enterprise. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received the DMBE small business certification. For purposes of award, bidders/offerors shall be deemed small businesses if and only if they are certified as such by DMBE on the due date for receipt of bids/proposals.

PAYMENT (part 1 of 4): To Prime Contractor: a.) Invoices for items ordered, delivered and accepted shall be submitted by the contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations). b.) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however. c.) All goods or services provided under this contract or purchase order, that are to be paid for with public funds, shall be billed by the contractor at the contract price, regardless of which public agency is being billed. d.) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act. e.) Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed.(Continued on part 2)

PAYMENT (part 2 of 4): In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (Code of Virginia, § 2.2-4363). 2. To Subcontractors: a.) A contractor awarded a contract under this solicitation is hereby obligated: (1) To pay the subcontractor(s) within seven (7) days of the contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for

work performed by the subcontractor(s) under the contract; or (2) To notify the agency and the subcontractor(s), in writing, of the contractor's intention to withhold payment and the reason.
(continued on part 3)

PAYMENT (part 3 of 4): b.) The contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth. 3.) Each prime contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution, on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

PAYMENT (part 4 of 4): The Commonwealth of Virginia encourages contractors and subcontractors to accept electronic and credit card payments.

eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION (part 1 of 2): The eVA Internet electronic procurement solution, web site portal www.eVA.virginia.gov streamlines and automates government purchasing activities in the Commonwealth. The eVA portal is the gateway for vendors to conduct business with state agencies and public bodies. All vendors desiring to provide goods and/or services to the Commonwealth shall participate in the eVA Internet e-procurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA; failure to register will result in the bid/proposal being rejected. (Continued on part 2)

eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION (part 2 of 2): a. eVA Basic Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Basic Vendor Registration Service includes electronic order receipt, vendor catalog posting, on-line registration, electronic bidding, and the ability to research historical procurement data available in the eVA purchase transaction data warehouse. b. eVA Premium Vendor Registration Service: \$25 Annual Registration Fee plus the appropriate order Transaction Fee specified below. eVA Premium Vendor Registration Service includes all benefits of the eVA Basic Vendor Registration Service plus automatic email or fax notification of solicitations and amendments. c. For orders issued prior to August 16, 2006, the Vendor

Transaction Fee is 1%, capped at a maximum of \$500 per order. d. For orders issued August 16, 2006 and after, the Vendor Transaction Fee is: (i)DMBE-certified Small Businesses: 1%, capped at \$500 per order. (ii)Businesses that are not DMBE-certified Small Businesses: 1%, capped at \$1,500 per order. The eVA transaction fee will be invoiced approximately 30 days after the corresponding purchase order is issued and payable 30 days after the invoice date. Any adjustments (increases/decreases) will be handled through purchase order changes.

BID PRICE CURRENCY: Unless stated otherwise in the solicitation, bidders/offerors shall state bid/offer prices in US dollars.

AUTHORIZATION TO CONDUCT BUSINESS IN THE COMMONWEALTH: A contractor organized as a stock or nonstock corporation, limited liability company, business trust, or limited partnership or registered as a registered limited liability partnership shall be authorized to transact business in the Commonwealth as a domestic or foreign business entity if so required by Title 13.1 or Title 50 of the Code of Virginia or as otherwise required by law. Any business entity described above that enters into a contract with a public body pursuant to the Virginia Public Procurement Act shall not allow its existence to lapse or its certificate of authority or registration to transact business in the Commonwealth, if so required under Title 13.1 or Title 50, to be revoked or cancelled at any time during the term of the contract. A public body may void any contract with a business entity if the business entity fails to remain in compliance with the provisions of this section.