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

Notice of Contract Award

CONTRACT # E194-211
Contract Title: PRINTING – VEC QUARTERLY REPORT FORMS

1	DATE:	July 10, 2013
2	CONTRACT PERIOD:	July 16, 2013 – July 15, 2014
3	SUPERCEDES:	E194-491
4	AUTHORIZED USERS:	A182 – Virginia Employment Commission
5	CONTRACTOR'S eVA VENDOR ID#:	**C2366**
6	**CONTRACTOR / VENDOR**	**RR Donnelley**
7	**CONTRACTOR CONTACT**	Mark Costanzo
8	TERMS	Net 30
9	DELIVERY	30 Days
10	F.O.B.	Destination
11	CONTRACT PRICES	See pricing Schedule
12	DPS CONTRACT OFFICER	Name: Kirby L. Battle, Jr. Phone: (804) 786-5414 Email: kirby.battle@dgs.virginia.gov

ADDITIONAL COPIES OF CONTRACTS AND ANY ASSOCIATED CONTRACT CHANGES ARE AVAILABLE ON THE DPS WEBSITE: www.eva.virginia.gov under the State Contracts webpage

AUTHORIZED USERS: This contract is the result of a competitive bid program and its use is Mandatory Use for the Virginia Employment Commission.

__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.

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1. CONTRACTOR / VENDOR INFORMATION

Contractor Name	eVA Vendor ID#	Location Address(es)	Contact Information (Name, Phone, Fax and Email)
RR Donnelley	**C2366**	7202 Glen Forest Drive Ste 100 Richmond, VA 23226	Mark Costanzo (804) 281-1838 (804) 281-1863, Fax Mark.Costanzo@rrd.com

2. GENERAL INSTRUCTIONS

1. Ordering Method: Unless otherwise instructed or exempted by DPS, all departments, institutions and agencies of the Commonwealth of Virginia using this contract must order items by issuing purchase orders through eVA. The orders will be governed by this agreement and the terms and conditions contained in the separate agreement for participation in eVA executed by the contractor. If this contract is authorized for use by localities, Virginia cities, counties, town and political subdivisions, they should place all purchase orders through eVA or eVA Lite.

2. Purchase Order Information: When placing an eVA non-catalog order, each line of the requisition must be identified with the correct Contractor Name and Location (eVA Vendor ID#), contract item number, full item description and the contract unit price. The exact Contract Number, as shown on page 1, **must** be inserted in the Contract Number field for each line item of the eVA requisition. Purchase orders not bearing the correct contract number in the appropriate location will be non-compliant and may not be considered a purchase against this contract.

3. Ordering Entity Acceptance: Inspection and acceptance upon delivery and approval of vendor's invoice is the responsibility of the receiving entity.

4. Complaints: Any complaint that is due to a violation or breach of the Contract provisions, shall be reported on an official DPS "PROCUREMENT COMPLAINT FORM" (Form # DGS-41-024). To facilitate notification, this form shall be completed by the ordering entity and sent to the contract vendor, with a copy sent to DPS to the address shown on the form. Contract vendors shall also use this form to initiate complaints concerning entities. Contract vendors shall also use this form to initiate complaints concerning entities. This form may be downloaded from the internet at www.eva.virginia.gov (Click on the Buyer tab, then on "Procurement Complaint Form").

5. Changes: Any changes whether for increases or decreases in pricing, delivery terms or additional options must be approved by the Division of Purchases and Supply in advance of issuance of the purchase order. Disputes between the ordering agency and the vendor will be resolved in accordance with the terms of the contract and any change orders/renewals unless prior approval was granted by DPS.

6. See Additional Information Section 4 below.

3. COMMODITY INFORMATION & PRICING

COMMODITY CODE: 96600

Form VEC-T-FC-20/21, Employer's Quarterly Report Forms Set 5-PART FORM			
LINE/ITEM NO.	**DESCRIPTION**	**UM**	**PRICE**
1	VEC Quarterly Report **5-Part** Forms -- September, 2013 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$310.00**
2	Additional 1,000's Overruns -- September, 2013 Mailing	**M**	**$309.99**
3	VEC Quarterly Report **5-Part** Forms -- December, 2013 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$310.00**
4	Additional 1,000's Overruns -- December, 2013 Mailing	**M**	**$309.99**
5	VEC Quarterly Report **5-Part** Forms -- March, 2014 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$310.00**
6	Additional 1,000's Overruns -- March, 2014 Mailing	**M**	**$309.99**
7	VEC Quarterly Report **5-Part** Forms -- June, 2014 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$310.00**
8	Additional 1,000's Overruns -- June, 2014 Mailing	**M**	**$309.99**
9	Alterations per hour: Additional Charges for changes to **5-Part** Form	**HOUR**	**$125.00**

Form VEC-T-FC-20/21, Employer's Quarterly Report Forms Set 6-PART FORM			
LINE/ITEM NO.	**DESCRIPTION**	**UM**	**PRICE**
10	VEC Quarterly Report **6-Part** Forms -- September, 2013 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$328.00**
11	Additional 1,000's Overruns -- September, 2013 Mailing	**M**	**$327.99**
12	VEC Quarterly Report **6-Part** Forms -- December, 2013 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$328.00**
13	Additional 1,000's Overruns -- December, 2013 Mailing	**M**	**$327.99**
14	VEC Quarterly Report **6-Part** Forms -- March, 2014 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$328.00**
15	Additional 1,000's Overruns -- March, 2014 Mailing	**M**	**$327.99**
16	VEC Quarterly Report **6-Part** Forms -- June, 2014 Mailing (The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013)	**M**	**$328.00**
17	Additional 1,000's Overruns -- June, 2014 Mailing	**M**	**$327.99**
18	Alterations per hour: Additional Charges for changes to **6-Part** Form	**HOUR**	**$125.00**

4. ADDITIONAL INFORMATION

Renewal Periods

Line Number	Renewal Period Length	Renewal Period Unit	Effective Date	Expiration Date	Notification Days (Prior to Expiration)	Attachments(Name - Desc)
1	1	Years	7/16/2014	7/15/2015	90	
2	1	Years	7/16/2015	7/15/2016	90	
3	1	Years	7/16/2016	7/15/2017	90	
4	1	Years	7/16/2017	7/15/2018	90	

5. SCOPE OF WORK / GENERAL & TECHNICAL SPECIFICATIONS

SCOPE

SCOPE SCOPE The purpose of this Invitation For Bid (IFB) is to establish a term contract to Print, Mail and/or furnish the Virginia Employment Commission with Quarterly Report Forms beginning with 3rd Quarter Y2013, as described in the attached specification. The agency is in a transition period between using the current 6 part form and is moving to a 5 part form. The estimated start date of the new formset (5 Part form) is approximately 4th quarter 2013. Quantities set forth in this solicitation are estimates only, and the contractor shall supply at bid prices actual quantities of the agency's required form (5 Part or 6 Part) as ordered, regardless of when ordered and whether such total quantities are more or less than those shown. The forms will be read by a Kodak Model i1860 scanner. The award will be made based on Grand Total. The initial term of the contract will be for 1 year (with 4, optional, one year renewal periods).

SPECIFICATION FOR 5-PART FORM

Form VEC-T-FC-20/21, Employer's Quarterly Report Forms Set

The agency is in a transition period between using the 6 part forms and is moving to the 5 part forms. The start date of the new formset is approximately 4th quarter 2013

QUANTITY: Approximately 717,332 (annual basis)
300,000 annual quantity to mail
1,500,000 finished sheets
3,000,000 images

CONSTRUCTION: **Form shall consist of 5 parts, including mailing envelope**

- Parts 1-5 are 8-1/2" x 11" overall,
- Parts 1-2 print white 20# scanform
- Parts 1-2 prints 2/0
- Part 3 print 0/0
- Parts 1-3 duplex laser
- Part 4 prints 1/1 static,
  prints white 22# dry gum 1/0 w/perfs and variables.
- Parts 5 is 6" x 9-1/2" OGWE (Outgoing Window Envelope), prints 24# wove 1/1
- All parts match mail and insert

The forms must meet US Postal Service specifications for the First Class Presort postal rate. The agency will consider alternate designs for forms packet provided Postal Service

mailing requirements as well as OCR and ABA specifications are met.

COPY: Contractor shall be responsible for all typesetting, paste-up, layout, desktop publishing, etc. Typefaces and/or fonts will be chosen from contractor's available inventory. All parts shall match mail and insert.

Text information may change on Form: part FC 20 C for each quarter's reports. Text information may change on the balance of the form each quarter if changes to the Unemployment Tax Laws require. No changes to form format will be required.

It is the responsibility of the bidder, upon notification of award to contact the agency to arrange pickup of copy.

PROOF: One trimmed blue line (or Digital) is required each quarter. Proofs will be received and reviewed only during normal working hours.

Should additional proof(s) be required due to contractor's errors, such proofs shall be furnished at no additional charge. Delivery by the specified date shall be required.

Proofs shall be delivered to Nancy Broaddus, Chief of Tax-room 115 Virginia Employment Commission, 703 East Main Street, , Richmond, VA 23219 in approximately week four in the first month of each new quarter. Approved proof will be returned to contractor within 5 business days.

STOCK:

Part 1, FC-20 – White 20# Recycled Bond
Part 2, FC-21 – White 20# Recycled Bond
Part 3, FC-20C – White 20# Recycled Bond
Part 4, Instruction page – White 20# Recycled Bond
Part 5, Return labels – White 22 dry gum# Bond
Part 5, Mailing envelope – White Wove 24# Recycled Bond

ACCEPTABLE BRANDS: Only papers designated as "mill brand" on the Grade Finders' PaperBuyersOnline website (http://www.paperbuyersonline.com/) will be used to determine the acceptable brands for the purpose of this bid invitation. Private brand papers and business equipment brand papers are not considered equal to mill brand papers.

Papers which have been accepted by Grade Finders/NAPCO for publication in subsequent editions of any of its paper buyer guides or publication on its website will be considered. For products not listed, a copy of Grade Finders' letter of acceptability should be

included with your returned bid. Failure to provide this requested information as specified may be cause for your bid to be rejected.

SAMPLES

With the bidders returned bid, bidders shall provide two samples, labeled paper dummies using the same paper/paperweights that will be used if awarded the contract. Vendor must provide samples of previous work and contact individuals for reference, which demonstrates their ability to produce forms, which can be successfully read by the Kodak scanner equipment.

NON-VARIABLE INK:

Part 1 – **FC -20**, Black and drop out Pantone Gray.
Form prints one side only.

Part 2 – **FC -21**, Black and drop out Pantone Gray. Form prints one side only. – Drop out areas shall print in drop out Pantone Gray (except for the decimal points between the dollar and cents block that prints in black ink). Balance shall print in black ink. The VEC reserves the right to change from drop out Pantone Gray to a shade of black should the Xerox forms processing project require it.
Form prints one side only.

Part 3 – **FC-20 C (1 of 2 and 2 of 2)**, No preprint.
Form Prints 2-sided (FC-20C, 1 of 2 print front and FC-20C, 2 of 2 print back)

Part 4 - INSTRUCTION SHEET & MAILING LABEL, Black/Black. Black and green/0 with partial horizontal perfs (2), partial vertical perfs (2), and dry gum laser safe adhesive.
Form Prints 2-sided (Instructions print front, Mailing Label print back)

Part 5 - Mailing envelope prints 1/1

All inks shall be water resistant and smear proof.

VARIABLE INFORMATION:

Contractor shall print in OCR-A black ink 10 character per inch letter-quality laser print, (10 pitch). **Ink jet is not acceptable except for variable data printed on the front of part 1 and on part 2 that is not scanned**. OCR-A shall have a read rate of 99%. Vendor must produce forms with variable information collated from part to part with 100% accuracy. The vendor must be able to print account specific information. Read shall be at least .375 or greater from left or right edge and ½ inch from bottom edge of coupon.

Part 1 – Will contain postal address information and other VEC information.

Part 2 – Multiple data entry lines on the front, plus barcode.

Part 3 – Variable employer information on the front plus barcode.
Part 4 – Instructions. Non variable.
Part 5 – Postal address information for two (2) reply label options. Barcode plus variable OCR line variable and unique to each recipient
* **Variable messages in black ink**.

All inks shall be water resistant and smear proof.

Forms will be read by a Kodak i1860 scanner.

Contractor shall transfer specific portions of the variable data (supplied by the VEC) into 3 of 9 bar code format. Bar code shall be placed on parts as detailed above, must have a least one-fourth inch of white space to the right and left of the barcode, and must have human readable character translation below each barcode block. Laser printed barcode must be of sufficient quality to meet the readability standards of the Kodak scanner.

F.T.P FILES:

Variable information will be supplied to the contractor via F.T.P. Files. F.T.P. files will be produced and submitted to the contractor in First Class Presort format containing US Zip Codes. A second file will be produced containing foreign zip codes. Initially, the contractor should contact the VEC Information Technology Tax Team Supervisor at 804-786-7663 to secure layout information or to answer questions.

The secure F.T.P. file will be provided four weeks prior to the mailing date. Within two weeks of the receipt of the F.T.P. file the contractor must provide the VEC for approval, a random sample of 50 records from the F.T.P. file and 50 sets completely printed with both live and static data. Loose forms are unacceptable. These proofs will be available for pickup within seven business days of their receipt.

The contractor shall be responsible for all data input costs incurred by the VEC which result from print errors, form alignment, OCR-A print not readable by the Kodak or Fujitsu equipment detailed above.

MAILING:

Quarter Ending	Quantity	Mail No Later Than
September 30, 2013	75,000	September 17, 2013
December 31, 2013	75.000	December 17, 2013
March 31, 2014	75.000	March 19, 2014
June 30, 2014	75,000	June 18, 2014

The VEC will be able to provide the final counts as to the correct

number of forms that shall be mailed at the time the F.T.P. file is submitted. Contractor shall produce and mail only the number of forms required by the VEC at the rates quoted in the pricing schedule. **Quantities are estimated and as such, the VEC reserves the right to adjust the quantity of forms printed each quarter based on need**. Each quarter contractor will choose at random 25 form sets to be duplicated and sent to the VEC along with 25 dummy forms sets. The dummy form sets will have numeric zeros entered where account specific information is entered and will also have bar codes and human readable character translation that represents these numeric zeros. These duplicates and dummies shall be sent to the VEC at the time of production.

At the beginning of each quarter (first month of each quarter), the contractor and the agency will mutually determine the production schedule in writing for the quarter (production tape availability date, random sample availability and return dates, etc) in order to insure that the mailing dates will be met. A copy of the written production schedule shall me mailed to the Purchasing Office of the VEC.

Contractor shall be responsible for mailing at the First Class Presort rate. Contractor must obtain a G-12 mailing permit authorization from the US Postal Service.

Contractor shall obtain a letter of certification (USPS Form 3605-R) of the number of actual forms mailed as well as a statement indicating the breakout from the US Postal Service and fax it to the Supervisor, Administrative Services Planning & Budget Unit, 804-786-6091, within 5 calendar days after mailing. This information is required each quarter. The Certification shall include the post office name, date, and amount of actual forms mailed.

SECURITY: **FOR SECURITY PURPOSES THE PRODUCT MUST BE PRODUCED UNDER ONE ROOF; NO MULTIPLE PLANTS**

CONFIDENTIALITY OF INFORMATION: **ALL VARIABLE INFORMATION PROVIDED TO THE VENDOR BY THE VIRGINIA EMPLOYMENT COMMISSION IN ELECTRONIC FORMAT IS THE PROPERTY OF THE VIRGINIA EMPLOYMENT COMMISSION. THE INFORMATION IS EXTREMELY CONFIDENTIAL AND ACCESS TO THE INFORMATION IN THE ELECTRONIC AND PRINTED FORMAT MUST BE LIMITED TO THOSE INDIVIDUALS WORKING ON THE**

PRINT JOB. GREAT CARE MUST BE TAKEN WHEN STORING THE DATA ELECTRONICALLY AND IN PAPER FORM TO SECURE IT FROM THEFT OR UNAUTHORIZED VIEWING.

THE VENDOR WILL PAY ANY COSTS ASSOCIATED WITH A BREECH OF THIS CONFIDENTIAL INFORMATION THAT IS THE FAULT OF THE VENDOR. THE VENDOR MUST PREPARE AND DOCUMENT RECEIPT BY STAFF AND CONTRACTORS OF A NOTICE REMINDING OF THE CONFIDENTIALITY OF THE INFORMATION AND THEIR RESPONSIBILITY TO KEEP IT SO AND THE PENALTY FOR DISCLOSURE.

BILLING: The original certification shall be mailed with the invoice to the Supervisor, Administrative Services Planning & Budget Unit, PO Box 1358, Room 308, Richmond, VA 23218-1358. ***The agency will not release the invoice for payment until this certification has been received.***

SAMPLE: Sample is available for inspection at the division of purchases and Supply, 1111 East Broad Street, Richmond, VA 23219 during normal business hours. Contact Kirby Battle, (804) 786-5414

SPECIFICATION FOR 6-PART FORM

Form VEC-FC-20/21, Employer's Quarterly Report Forms Set

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CONSTRUCTION: **Form shall consist of 6 parts, including mailing envelope**

- Parts 1-5 are 8-1/2" x 11" overall,
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NON-VARIABLE INK:

Part 1 – Black and drop out green, one side. (FC -20)
Part 2 – Black and drop out green, one side (FC -21)
– Drop out areas shall print in drop out green (except for the decimal points between the dollar and cents block that prints in black ink). Balance shall print in black ink. The VEC reserves the right to change from drop out green to a shade of grey or black should the Xerox forms processing project require it. Form prints one side only.
Part 3 – No preprint. (FC-20 C)
Part 4- Black/Black. Instruction sheet
Part 5 – Black and green/0 with partial horizontal perfs (2), partial vertical perfs (2), and dry gum laser safe adhesive
Part 6- Mailing envelope prints 1/1
All inks shall be water resistant and smear proof.

VARIABLE INFORMATION:

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SAMPLE: Sample is available for inspection at the division of purchases and Supply, 1111 East Broad Street, Richmond, VA 23219 during normal business hours. Contact Kirby Battle, (804) 786-5414

6 GENERAL TERMS AND CONDITIONS

A. 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.

B. APP. LAWS AND COURTS

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.

C. ANTI-DISCRIMINATION:

ANTI-DISCRIMINATION: 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). 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.

D.ETHICS IN PUBLIC CONTRACTING

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.

E. IMMIGRATION REFORM

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.

F. DEBARMENT STATUS

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.

G. ANTITRUST

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.

H. MANDATORY USE OF STATE FORM

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.

I. CLARIFICATION OF TERMS

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.

J. PAYMENT (1 of 4)

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)

J. PAYMENT (2 of 4)

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)

J. PAYMENT (3 of 4)

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.

J. PAYMENT (4 of 4)

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

K. PRECEDENCE OF TERMS

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.

L. QUALIFICATIONS

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.

M. TESTING AND INSPECTION

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.

N. ASSIGNMENT OF CONTRACT

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

O. CHANGES TO THE CONTRACT

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: a. By mutual agreement between the parties in writing; or b. 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 c. 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.

P. DEFAULT

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.

Q. TAXES

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.

R. USE OF BRAND NAMES

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.

S.TRANSPORTATION AND PACKAGING

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.

T. INSURANCE (1 of 3)

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)

T. INSURANCE (2 of 3)

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)

T. INSURANCE (3 of 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

U. ANNOUNCEMENT OF AWARD

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.

V. DRUG-FREE WORKPLACE

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.

W. NONDISCRIMINATION

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.

X. eVA REGISTRATION (1 of 2)

eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION: (part 1 of 2) The eVA Internet electronic procurement solution, website 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 eprocurement solution either through the eVA Basic Vendor Registration Service or eVA Premium Vendor Registration Service. All bidders or offerors must register in eVA and pay the Vendor Transaction Fees specified below; failure to register will result in the bid/proposal being rejected. Effective July 1, 2011, vendor registration and registration-renewal fees have been discontinued. Registration options are as follows: a. eVA Basic Vendor Registration Service: 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: 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.

X. eVA REGISTRATION (2 of 2)

X. eVA BUSINESS-TO-GOVERNMENT VENDOR REGISTRATION: (part 2 of 2) Vendor transaction fees are determined by the date the original purchase order is issued and are as follows: a. For orders issued prior to August 16, 2006, the Vendor Transaction Fee is 1%, capped at a maximum of $500 per order. b. For orders issued August 16, 2006 thru June 30, 2011, 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. c. For orders issued July 1, 2011 thru June 30, 2013, the Vendor Transaction Fee is: (i) DMBE-certified Small Businesses: 0.75%, capped at $500 per order. (ii) Businesses that are not DMBE-certified Small Businesses: 0.75%, capped at $1,500 per order. d. For orders issued July 1, 2013 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 specified vendor transaction fee will be invoiced, by the Commonwealth of Virginia Department of General Services, 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.

Y. AVAILABILITY OF FUNDS

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.

Z. SET ASIDES

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.

AA. BID PRICE CURRENCY:

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

BB. BUSINESS AUTHORIZATION

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.

7. SPECIAL TERMS AND CONDITIONS

BID PRICES

BID PRICES: Bid shall be in the form of a firm unit price for each item during the contract period. Prices must be provided for both lots (5 Part and 6 Part forms).

FINANCIAL WARRANTY

FINANCIAL WARRANTY: Contractor shall ensure that the prices, discounts, incentives, and other financial terms (collectively, the "financial deal") applicable to purchases under this Contract is always at least as favorable to the purchaser as the financial deal that the Contractor or its affiliates make available to any public body in Virginia for the same good(s)/service(s) outside this Contract. Throughout the term of this Contract, if Contractor (or any affiliate) makes a better financial deal available to a public body in Virginia for any good(s)/service(s) available under this Contract, Contractor shall immediately notify DGS of the details and, at DGS's option, sign an amendment to this Contract, so that an equivalent financial deal for the affected good(s)/service(s) is also available as an option under this Contract. Contractor may request exemption if the better financial deal was for a spot purchase, and DGS shall grant such request if DGS in good faith finds that the spot purchase involved special circumstances affecting cost that would make it unfair to apply an equivalent financial deal outside of that spot purchase. Upon DGS's request (and annually on August 1), Contractor shall submit to DGS an affidavit certifying full compliance with this Section. The Contractor (and any affiliate) shall waive any contractual or other right that inhibits any public body in Virginia from disclosing to DGS or others the financial terms made available to the public body, and upon request from DGS, Contractor shall ensure that a signed confirmation of the waiver is provided to the public body and DGS. As used in this Section, an affiliate is any entity that controls, is controlled by, or is under common control with, the Contractor.

BID ACCEPTANCE

BID ACCEPTANCE PERIOD: Any bid in response to this solicitation shall be valid for 45 days. At the end of the 45 days the bid may be withdrawn at the written request of the bidder. If the bid is not withdrawn at that time it remains in effect until an award is made or the solicitation is canceled.

SAMPLES

SAMPLES shall be representative of the quality of product that will be provided by bidder if awarded the contract. Samples shall be provided to the Department of Purchases and Supplies within 7 days of the request for samples. The samples shall be addressed and labeled the same as PAPER SUBMISSIONS (section 02).

ORDERS

The Virginia Employment Commission will place orders through eVA.

QUANTITIES

QUANTITIES: Quantities set forth in this solicitation 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.

DELIVERY/ DELIVERY POINT

The Bidder shall include in their submitted solicitation response, where requested, the appropriate delivery days. This date may be a factor in making an award. All items shall be quoted F.O.B. delivered per specification.

RENEWAL

RENEWAL OF CONTRACT: At the sole discretion of the Commonwealth of Virginia Department of Purchases and Supplies, and within a reasonable time (approximately 90 days) prior to the expiration date, this contract may be renewed for four (4) successive OPTIONAL one year periods upon the agreement of both parties.

RECYCLED PAPER

RECYCLED PAPER: The agency in determining the award of any contract for paper and paper products, shall procure using competitive bidding and shall award to the lowest responsive and responsible bidder bidding recycled paper and paper products of a quality suitable for the purpose intended, and in accordance with current EPA procurement guidelines for paper and paper products, so long as the bid price is not more than ten percent (10%) greater than the bid price of the lowest responsive and responsible bidder offering a product that does not contain recycled materials. Bidder agrees to furnish upon request, a minimum of fifty (50) sheets of paper stock offered. Paper stock to be used for testing on the Virginia Employment Commission equipment (as described in the scope of this solicitation) to ensure compatibility. If requested, samples must be delivered within five (5) days.

ACCEPTABLE MILL BRAND PAPERS

ACCEPTABLE BRANDS: Only papers designated as "mill brand" on the Grade Finders' *PaperBuyersOnline* website (http://www.paperbuyersonline.com/) will be used to determine the acceptable brands for the purpose of this bid invitation. *Private brand papers and business equipment brand papers are not considered equal to mill brand papers.*

Papers which have been accepted by Grade Finders/NAPCO for publication in subsequent editions of any of its paper buyer guides or publication on its website will be considered. For products not listed, a copy of Grade Finders' letter of acceptability should be included with your returned bid. Failure to provide this requested information as specified may be cause for your bid to be rejected.

EXCELLENT QUALITY PRINTING

CLASS 2 - EXCELLENT QUALITY PRINTING: This class shall be used when good clean, crisp reproduction is required. One color or multiple color jobs may be classified as "Class 1." Four-color process subjects shall have pleasing color matches with good skin tones; some color correction may be necessary. PMS color matches may be required. Very fine lines and drawings may be required. Normally half-tones or screen tints will require 133, 150, or 200 line screens. There is to be large reverse areas, and/or large solid areas where good even ink coverage is necessary. Because of the overall design, very accurate registration is required. Camera-ready copy is generally furnished. Metallic inks may be used. Finishing and bindery operations shall be of the same excellent quality.

OVERRUNS/UNDERRUNS

OVERRUNS/UNDERRUNS: Bids for printing will be rejected if the quoted overrun cost equals or exceeds the base lot price quoted for the equivalent incremental unit quantity. On bids for multiple part forms, envelopes, and signage, the additional overrun quoted shall not exceed the base lot price quoted for the equivalent incremental quantity. The agency may at its discretion accept an underrun,

provided credit is allowed the agency at the full base price per unit for the quantity of the underrun.

PRINTING PICK UPS/DELIVERIES

PRINTING PICK UPS/DELIVERIES: Contractor shall be responsible for all pick ups and deliveries of all materials.

OWNERSHIP OF MATERIALS

OWNERSHIP OF PRINTING MATERIALS: All artwork, camera-ready copy, negative, dies, photos, and similar materials used to produce a printing job shall become the property of the Commonwealth. Any furnished materials shall remain the property of the Commonwealth. All such items and materials shall be delivered to the ordering agency in usable condition after completion of the work, and prior to submission of the invoice for payment.

PRICE ESCALATION, 1-3

PRICE ESCALATION/DE-ESCALATION: Price adjustments may be permitted for changes in the contractor's cost of materials not to exceed the increase in the following index/indices: PPI and/or CPI. 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.

PRICE ESCALATION, 2-3

PRICE ESCALATION/DE-ESCALATION: 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.

PRICE ESCALATION, 3-3

PRICE ESCALATION/DE-ESCALATION: 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.

CANCELLATION OF CONTRACT

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.

SWaM COMPLIANCE, 1-3

It is the goal of the Commonwealth that 40% of its purchases be made from small businesses. This includes discretionary spending in prime contracts and subcontracts. All potential bidders/offerors are required to submit a Small Business Subcontracting Plan. Unless the bidder/offeror is registered as a DMBE-certified small business and where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the contractor is encouraged to offer such subcontracting opportunities to DMBE-certified small businesses. This shall not exclude DMBE-certified women-owned and minority-owned businesses when they have received DMBE small business certification. No bidder/offeror or subcontractor shall be considered a Small Business, a Women-Owned Business or a Minority-Owned Business unless certified as such by the Department of Minority Business Enterprise (DMBE) by the due date for receipt of bids or proposals. If small business subcontractors are used, the prime contractor agrees to report the use of small business subcontractors by providing the purchasing office at a minimum the following information: name of small business with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided.

SWaM COMPLIANCE, 2-3

Each prime contractor who wins an award in which provision of a small business subcontracting plan is a condition of the award, shall deliver to the contracting agency or institution on a quarterly basis, evidence of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the small business subcontracting plan. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm with the DMBE certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product or service provided. Payment(s) may be withheld until compliance with the plan is received and confirmed by the agency or institution. The agency or institution reserves the right to pursue other appropriate remedies to include, but not be limited to, termination for default.

SWaM COMPLIANCE, 3-3

Each prime contractor who wins an award valued over $200,000 shall deliver to the contracting agency or institution on a quarterly basis, information on use of subcontractors that are not DMBE-certified small businesses. When such business has been subcontracted to these firms and upon completion of the contract, the contractor agrees to furnish the purchasing office at a minimum the following information: name of firm, phone number, total dollar amount subcontracted, and type of product or service provided.

CHARGE CARDS

Mandatory Acceptance of Small Purchase Charge Card: Purchasing charge cards offer State agencies and Institutions the opportunity to streamline their procedures for procuring and paying for small dollar goods and services. Vendors responding to this solicitation should note that acceptance of payment by purchase card is mandatory (unless waived by DPS) within 90 days of contract award. For current contracts where acceptance of the purchasing card is not in effect, Contractors must (unless waived by DPS) accept purchase card payments within 90 days of contract renewal. Payment for orders issued against the contract(s) resulting from this solicitation must allow for the Purchase Order Number to be passed at the time of charge so that the Purchase Order Number is received by the card platform and passed to the Card provider. This can be accomplished by vendors establishing

their card account at Level 2, which is mandatory or Level 3 which is optional. Information on the various levels for the GE MasterCard is indicated below. Charge Card Levels: The amount of data passed for each charge card payment depends on the level at which the charge card is established. The levels are delineated below and the preferred level by the Commonwealth is level 2. Level 1 vendors provide basic credit card purchase information, including but not limited to the data listed below. By passing "Basic Data", the vendor has a standard interchange cost. • Supplier Name • Merchant Category Code • Date • Total Purchase Amount Level 2 vendors provide additional information to the Level 1 elements, including, but not limited to the data listed below. By passing level 2 detail, the vendor will receive lower interchange costs. Level 2 is mandatory for any vendors who do business with the Commonwealth of Virginia and accept GE MasterCard. • Customer Code (PCO Number from eVA) • Vendor Tax ID Level 3 vendors provide line item detail, in addition to the Level 1 and Level 2 elements, including, but not limited to the data listed below. By passing Level 3 (which is optional) data which is considered Superior data, the vendor will receive the lowest interchange costs. • Item Description • Item Quantity • Item Unit of Measure • Product Code • Freight Amount • Extended line Item Amount

AUDIT

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.

PURCHASE DOLLAR REPORT

The contractor shall furnish the Division of Purchases and Supply a statement covering the total dollar volume of purchases made under this contract for approximately 90 days prior to the contract expiration.

PURCHASE VOLUME REPORT

The contractor shall furnish the Division of Purchases and Supply a report of the total number of each item delivered under this contract at approximately 90 days prior to the contract expiration.

REFERENCES

REFERENCES: As a verification of the bidder's ability to satisfactorily perform under any resulting contract and to establish to the Commonwealth its ability to produce printing of similar complexity, the Division of Purchases and Supply reserves the right to request recent references and/or representative samples of similar publications as offered in this invitation. The award of any resulting contract may be based on an examination of the quality of sample publications and/or references submitted to the division within 10 calendar days after request for such samples. Failure to submit samples within the specified calendar days may cause bid to be considered non responsive. Samples shall have been produced on the same equipment and in the same plant as bidder proposes for this work. The inspection, verification and acceptance by the Commonwealth of any samples or references prior to contract award shall not relieve the contractor for full performance under any part of this specification.