

**STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF STATE PRINTING**

INSTRUCTIONS TO BIDDERS

Article I-1. Complete Competitive Sealed Bid with Authorized Signature. Bidders must submit a complete, signed competitive sealed bid, which at a minimum should include all of the pages of the Invitation to Bid that required the bidder to respond and any additional information or samples required by the Invitation to Bid. Bids should be signed, in ink (blue is preferred), on the front page of the Invitation to Bid. Bidders are requested not to use black ink to sign the Bid.

Article I-2. Delivery of Bids.

1-2.1 When Bids may be Delivered. The Department of Administrative Services ("DAS") must receive bids no later than 11:00 a.m. Eastern Standard Time the day the bids are scheduled for opening. DAS receives bids during the hours of 7:30 a.m. through 5:00 p.m. Eastern Standard Time, Monday through Friday, except state observed holidays. DAS does not accept bids with insufficient postage or collect on delivery.

I-2.2 Where Bids must be Delivered. Bids must be delivered to the following address:

Department of Administrative Services
General Services Division, Office of State Printing
ATTN.: Bid Desk
4200 Surface Rd.
Columbus, OH 43228-1395.

I-2.3 How Bids May be Delivered. Each bid must be submitted in a sealed envelope or similar container with the bid number clearly marked on the exterior. If a bidder uses an express mail or courier service, the bid number must be clearly marked on the exterior of the express mail or courier envelope or must be enclosed in a sealed envelope inside the express mail or courier service envelope, with the bid number clearly marked on the inside envelope. A bid that is not properly and clearly marked and is inadvertently opened before the scheduled bid opening time, may be disqualified without additional consideration.

Article I-3. Bids are a Public Record.

I-3.1 Interested bidders may attend the opening of the bids.

I-3.2 After bids are opened and certified by the Auditor of State, they are available for public review by interested parties who have registered at the bid opening to review the bids. Once bids have been reviewed, they will be forwarded to the buyer/analyst to begin the evaluation and award process.

I-3.3 After bids are opened they are public records as defined in Ohio Revised Code 149.43 and are subject to all laws appurtenant thereto.

Article I-4. Interpretation of Bid Specifications:

I-4.1 Bidder May Request Clarification. If a bidder discovers an inconsistency, error or omission in this Invitation to Bid, the bidder should request clarification from State Printing through the telephone number listed on page 2 of the Invitation to Bid. Such clarification may be made through the internet. Bidders should make their requests for clarification a minimum of five (5) working days before the date of bid opening unless otherwise noted in the ITB. No other form of clarification is acceptable. Failure of bidder to comply may result in the Bidder being deemed not responsive.

I-4.2 DAS Modifications through Written Addendum. When it is necessary to modify an Invitation to Bid, DAS does so by written addendum only.

I-4.3 Damages Arising from Bid Specifications. A bidder may not be compensated for damages arising from inaccurate or incomplete information in the Invitation to Bid specifications or from inaccurate assumptions based upon the specifications.

Article I-5. Evaluation of Bids

The contract will be awarded to the lowest responsive and responsible bidder as determined by DAS under the Ohio Revised Code (the "Code"). To protect the integrity of the competitive bid process, bids will be closed for public review once the evaluation and award process begins.

I-5.1 Lowest Bidder. A bidder is lowest if its bid offers the lowest-cost supply or service in comparison to all other bidders as set forth in the evaluation paragraph in the bid. While bidders may offer discounts for prompt payment and other similar incentives, discounts and incentives will not be used to determine the lowest bidder.

I-5.2 Responsive Bidder. A bidder is responsive if its bid responds to the bid specifications in all material respects and contains no irregularities or deviations from the specifications that would affect the amount of the bid or otherwise give the bidder an unfair competitive advantage.

I-5.3 Responsible Bidder. DAS' determination of a bidder's responsibility includes the following factors:

- (A) the experience of the bidder,
- (B) the bidder's financial condition,
- (C) the bidder's conduct and performance on previous contracts,
- (D) the bidder's facilities,
- (E) the bidder's management skills, and
- (F) the bidder's ability to execute the contract properly,
- (G) review of Federal and the Ohio Department of Transportation debarment list.

I-5.4 Preference for Ohio Products. The bid award may be subject to the domestic preference provisions of the Buy America Act, 41 U.S.C.A., 10a-10d, as amended, and to the preference for Ohio products under Ohio Revised Code Sections 125.09 and 125.11 and Ohio Administrative Code Rule 123:5-1-06.

I-5.5 Tied Bids. If two or more bidders offer the same cost and both are determined to be responsive and responsible, DAS may break the tie with the flip of a coin. DAS may assign "heads" and "tails" to the bidders. The coin flip may be conducted in the presence of the bidders, if they elect to be present, and is the final determination of the lowest, responsive and responsible bidder.

I-5.6 Rejected Bids. DAS may reject any bid, in whole or in part, if any of the following circumstances are true:

- (A) bids offer supplies or services that are not in compliance with the requirements, specifications, terms or conditions stated in the Invitation to Bid,
- (B) the price of the lowest responsive and responsible bid is excessive in comparison with market conditions or with the purchasing agency's available funds, or
- (C) DAS determines that awarding any item is not in the best interest of the State of Ohio.

I-5.7 Unit Costs. Bidders shall not insert a unit cost of more than three (3) digits to the right of the decimal point. Digit(s) beyond three (3) will be dropped and not used in the evaluation of the Bid.

I-5.8 Estimated Usage. Unless otherwise stated, the usage indicated for each item(s) are to be considered as estimates only and should be considered as information relative to potential purchases that may be made from the contract. The State makes no representation or guarantee as to the actual amount of item(s) to be purchased by the participating agencies.

I-5.9 Contractor's Warranty Against an Unresolved Finding for Recovery. Ohio Revised Code (O.R.C.) Section 9.24 prohibits the State from awarding a contract to any bidder against whom the Auditor of State has issued a finding for recovery if the finding for recovery is "unresolved" at the time of the award. By submitting a bid, bidder warrants that it is not now, and will not become subject to an "unresolved" finding for recovery under O.R.C. 9.24, prior to the award of any contract arising out of this ITB, without notifying DAS of such finding.

I-5.10 Suspension and Debarments. The Department of Administrative Services will not award a contract for goods or services, funded in whole or in part with Federal funds, to a person who has been suspended or debarred from doing business with the State of Ohio or who appears on the Federal Excluded Parties Listing System <http://epls.arnet.gov/>.

Article I-6. Withdrawal of Bids

I-6.1 Withdrawal before Bid Opening. A bidder may withdraw its bid, by written request, any time after DAS receives the bid and before bid opening.

I-6.2 Withdrawal after Bid Opening. A bidder may by written request withdraw its bid after bid opening, if there is reasonable proof that an inadvertent mistake was made and the correction cannot be determined with reasonable certainty. "Inadvertent" means inattentive or unobservant; heedless; due to oversight; unintentional. If DAS suspects that the lowest bid contains a mistake, DAS may ask the bidder for written confirmation of its bid.

Article I-7. Correction of Bids

I-7.1 Correction before Bid Opening. If a bidder withdraws its bid and resubmits it with revisions, the revisions should be clearly identified and signed or initialed by the bidder. The omission of a bidder's signature or initials to a modification may result in the bid being determined to be not responsive. Any corrections must be completed off the premises.

I-7.2 Correction after Bid Opening. DAS may permit a bidder alleging an inadvertent error to correct its bid, after opening, only if the mistake and the correction are clearly evident from the bid and correction does not affect the amount of the bid or otherwise give the bidder an unfair competitive advantage.

Article I-8. Bids are Firm for 90 Days. Unless stated otherwise, once opened all bids are irrevocable for ninety (90) days. Beyond ninety (90) days, bidder will have the option to honor their Bid or make a written request to withdraw their Bid from consideration.

Article I-9. Requests for Revisions or Additions to the Contract: Bidders are required to comply with all of the terms and conditions of the Invitation to Bid, whether the bidder had actual knowledge of the terms and conditions of the Invitation to Bid and regardless of any statement or omission in the bid that might indicate a bidder's contrary intention. DAS will not agree to any additional or inconsistent terms or conditions proposed by the bidder. The terms and conditions of the Invitation to Bid prevail over any inconsistent or additional terms or conditions of the bid proposed by the Bidder.

Article I-10. Information Requested: DAS may request additional information to evaluate a bidder's responsiveness to the Invitation to Bid or to evaluate a bidder's responsibility. If a bidder does not provide the requested information, it may adversely impact DAS' evaluation of the bidder's responsiveness or responsibility.

Article I-11. Samples: DAS may require bidders, by Invitation to Bid or by request during evaluation, to provide sample supplies or equipment or examples of work, at the bidder's expense. Samples must clearly identify the bidder, the bid number, and the item the sample represents in the bid. DAS will return samples that are not destroyed by testing, at the bidder's expense, upon the bidder's timely request. DAS may keep the samples of the bidder awarded the contract until the completion of the contract. Unsolicited samples submitted in response to this Invitation to Bid will not be evaluated and DAS may dispose of them in any way it chooses.

Article I-12. Bid Preparation. The State of Ohio assumes no responsibility for costs incurred by the bidder prior to the award of any Contract resulting from this Bid. Total liability of the State is limited to the terms and conditions of a resulting Contract.

Article I-13. Protests and Communications During Evaluation. Any bidder, who is not in agreement with the competitive bidding process used to make the award may file a protest. The protest must be timely and submitted in writing to the State Printing Administrator. Any attempt by the bidder, the bidder's agent(s), or any party representing the bidder to file a protest with any entity of the State of Ohio other than the Administrator may result in the bidder being deemed as not responsive. During the evaluation process, unless requested by State Printing as part of the evaluation process, any attempt on the part of the bidder, the bidder's agent(s), or any party representing the bidder, to submit correspondence that is determined by DAS to be an attempt to compromise the impartiality of the evaluation or any attempt on the part of the bidder, the bidder's agent(s), or any party representing the bidder to communicate with any member of the State regarding the evaluation process may be grounds for immediate disqualification of the bidder. A determination to stay the proceedings or reverse an award determination will be at the sole discretion of the State Printing Administrator. The decision of the Administrator shall be final and conclusive unless any person adversely affected by the decision commences an action in a court of law.

Article I-14. Ethics. All bidders and employees of the Office of State Printing are bound by the Ethics Laws of the State of Ohio. Any bidder or employee who violates any of these laws will be subject to penalties set forth by law.

Article 1-15. Registration with the Secretary of State. When applicable by the signature affixed to this Bid, the bidder attests that the Bidder is:

- (A) an Ohio corporation that is properly registered with the Ohio Secretary of State; or
- (B) a foreign corporation, not incorporated under the laws of the state of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Section 1703.03; or
- (C) a foreign corporation, not incorporated under the laws of the state of Ohio, and that is not registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.02 and 1703.03 (as applicable to interstate commerce).

Article 1-16. Certification Regarding Contract Eligibility With Other Governmental Entities: By the signature affixed on Page 1, Bidder hereby certifies that Bidder has not, within the last seven (7) years been the subject of any government action to limit the Bidder's right to do business with the government. If the Bidder cannot so certify, the Bidder must provide a written explanation with the bid response.

Article 1-17. Non-Collusion Certification: By the signature affixed on Page one (1) of the Bid, the Bidder certifies the he/she is (sole owner, partner, president, secretary, etc.) of the party making the forgoing bid; that such bid is genuine and not collusive or sham; that bidder has not colluded, conspired or agreed, directly or indirectly, with any bidder or person, to put in a sham bid; or colluded or conspired to have another not bid and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person to fix the bid price of its bid or any other bidder, or to fix any overhead, profit or cost element of the bid price, or of that of any other bidder, or to secure any advantage against any bidder or any person or persons interested in the proposed contract; and that all statements contained in the bid are true; and further, that the bidder has not, directly or indirectly, submitted this bid, or the contents thereof, or divulged any related information or data to any association or to any member or agent of any association.

I-18. Specifications. The Department of Administrative Services is authorized to prepare specifications to obtain supplies and services. The purpose of the specification is to describe the supplies or services to be purchased and will serve as a basis for comparison of bid responses. The department may use any form of specification it determines to be in the best interest of the State and that best describes the supplies or services to be purchased. Specifications may be in the form of a design specification, a performance specification or a combination thereof. If the department determines that a design, performance or combination specification is not in the best interest of the State, it may use brand name or equal specifications. **Where a brand name or equal specification is used, use of the brand name is for the purpose of describing the base standard of quality, performance and characteristics desired and is not intended to limit or restrict competition. Substantially equivalent supplies or services to those designated will be considered for award.** The department may also use a qualified products list of the federal government or may develop a qualified products list applicable to the State of Ohio. When developing a qualified products list, the department shall solicit a sufficient number of suppliers to ensure maximum coverage with providers of the supplies or services. Any supplier, not solicited, may request inclusion on the qualified products list. Potential suppliers will be required to furnish exact samples of the supplies or services to be provided for testing and examination by the State. **Only those supplies or services that conform to the state's requirements will be considered for inclusion on a qualified products list.** The department may also use a brand specific specification when it is determined that the identified brand name supplies or services will satisfy the State's need in the most cost-efficient manner, when the identified brand name supplies or services are necessary to protect the health and well-being of clients of the state, when emergency conditions will not permit acceptance of alternate brand name supplies or services, and when there are two or more authorized stocking distributors available to provide the required brand specific supplies or services. Final approval of, revisions to, and cancellation of the specifications for supplies and services or the proposed criteria and methodology for establishing and maintaining a qualified products list shall be the responsibility of the department.

I-19. FDA Registration. In accordance with the Public Health Security and Bioterrorism Preparedness Response Act of 2002, all domestic and foreign facilities that manufacture, process, pack or hold food for human or animal consumption in the United States are required to be registered with the Food and Drug Administration (FDA) no later than December 12, 2003. This registration includes owners, operators, or agents in charge of domestic or foreign facilities that manufacture/process, pack, or hold food for human or animal consumption in the United States. All domestic facilities, whether or not food enters interstate commerce, are required to register. Facilities may complete their registration with the FDA online at: <http://www.cfsan.fda.gov/~furls/ovffreg.html>. By the signature affixed to Page 1 of this ITB, Bidder certifies that Bidder, or his supplier(s) are properly registered with the FDA, unless otherwise exempted from such registration by the FDA.

I-20. Subcontracting. The bidder must be the prime contractor performing the work under the Contract. However, DAS recognizes that it may be necessary for the Bidder to use a subcontractor to perform a portion of the work under the Contract. In those circumstances, the Bidder shall submit a list identifying its subcontractors or joint venture partners performing portions of the work under the Contract. If any changes occur during the term of the contract, the Bidder shall supplement its list of subcontractors or joint venture business partners. In addition, all subcontractors or joint venture business partners agree to be bound by all of the Terms and Conditions and specifications of the Contract. DAS reserves the right to reject any subcontractor submitted by the prime contractor.

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STATE OF OHIO
DEPARTMENT OF ADMINISTRATIVE SERVICES
GENERAL SERVICES DIVISION
OFFICE OF STATE PRINTING

CONTRACT TERMS AND CONDITIONS

Article K-1. Contract Components; Entirety; Changes; Interpretation.

K-1.1 Contract Components. This Contract consists of the complete Invitation to Bid, including the Instructions to Bidders, the Contract Terms and Conditions, the Special Contract Terms and Conditions, the bid specifications and any written amendments to the Invitation to Bid; the completed competitive sealed bid, including proper modifications, clarifications and samples; and applicable, valid state of Ohio purchase orders or other ordering documents ("Contract").

K-1.2 Entire Agreement; Parties to the Contract. This Contract is the entire agreement between the contractor ("Contractor") and the Department of Administrative Services ("DAS") on behalf of the State agencies that may purchase from this Contract. The State agencies that may purchase from this Contract are listed on the front page of the Invitation to Bid.

K-1.3 Contract Changes; Waiver. Changes or modifications to this Contract must be made in writing and signed by both parties. If a party to this Contract does not demand strict performance of any term of this Contract, the party has not waived or relinquished any of its rights; the party may at any later time demand strict and complete performance of the term.

Article K-2. Contract Orders. Orders for any item listed in this contract may be placed by DAS State Printing only unless otherwise indicated within the contract. Contractor will not accept orders placed by any other agency. The contractor is responsible for picking up orders on a daily basis at DAS, State Printing, 4200 Surface Road, Columbus, Ohio 43228. The Contractor may receive orders made by telephone, facsimile, electronically, in person, debit order or by State of Ohio purchase order (ORDE) from authorized employees of the participating agency. The State will not be responsible for orders placed by unauthorized employees. Contractor is not required to fill an order with a delivery date that is more than 30 days beyond the date of Contract expiration, termination or cancellation, unless the Contract provides for quarterly deliveries. Under a Contract that provides for quarterly deliveries, Contractor is not required to fill an order with a delivery date that is more than 90 days beyond the date of Contract expiration, termination or cancellation.

Article K-3. Standard Invoice & Payment.

K-3.1 Invoice. The Contractor shall submit an invoice to the ordering agency upon shipment of the supplies or performance of the service as described on the purchase order. Except when using Electronic Data Interchange (EDI) processes and unless otherwise requested by the ordering agency, the invoice must be in quadruplicate. The invoice must be a "proper invoice" to receive consideration for payment. A "proper invoice" is defined as being free of defects, discrepancies, errors, or other improprieties. Improper invoices will be returned to the Contractor noting the areas of discrepancy.

K-3.2 Compensation. In consideration for Contractor's performance each participating state agency will pay Contractor directly at the rate specified in the Contract. Payments may be made by the Ohio Payment Card, an Auditor of State warrant or by electronic funds transfer (EFT). For all transactions the Contractor must have a valid W-9 form on file with the Office of Budget and Management. In addition, for purchases of services, Contractor must also be registered with the Office of Budget and Management's (OBM) vendor database. Registration in OBM's database requires the Contractor to complete an IRS W-9 Form. The complete original form should be mailed to: Office of Budget and Management, Vendor Compliance Section, 30 East Broad Street, 34th Floor, Columbus, OH 43215.

K-3.3 Ohio Payment Card. Participating state agencies purchasing supplies from the contract may use the Ohio Payment Card. Such purchases may not exceed \$2,500 unless the Office of Budget & Management has approved the agency to exceed this limit. In the event that OBM increases the dollar limit for payment cards for all state agencies, notice of such increase will be posted on the State Purchasing website. Participating state agencies are required to use the Ohio Payment Card in accordance with the Ohio, Office of Budget and Management's current guidelines for the Ohio Payment Card and the participating agency's approved plan filed with the Office of Budget of Management. Contractor may process a payment in the payment card network only upon delivery and acceptance of the supplies or services ordered. For partial deliveries or performance Contractor may process a payment for the amount delivered or completed only and not for the entire amount ordered by the participating agency. Upon completion of the delivery of remaining supplies or services, Contractor may process a payment request in the payment card network for the remainder of the order. Contractor will receive payment through its merchant bank within the time frame agreed upon between Contractor and its merchant bank. The Contractor should expect normal processing fees from its merchant bank for payment card transaction which may not be passed on to the agency making the purchase.

K-3.4 Payment Due Date. Each participating state agency must make payments under this Contract no later than the 30th calendar day from the day it receives an invoice, that conforms to the State's current policy, for the supplies or services it has accepted. The participating agency may only process an invoice for payment after delivery and acceptance of the ordered supplies or services has transpired.

K-3.5 Interest on Overdue Payments. Participating state agencies will determine and pay interest for overdue payments on proper invoices in accordance with Section 126.30 of the Revised Code.

K-3.6 Taxes: Participating state agencies are exempt from all federal, state and local taxes. Participating state agencies will not pay any taxes on supplies or services purchased from Contractor, unless the Special Contract terms and conditions specifically state otherwise.

Article K-4. Time of Performance.

K-4.1 Term of Contract. This Contract is effective upon the projected beginning date on the Invitation to Bid cover page or upon signature of DAS whichever is later in time. This Contract will remain in effect until the projected ending date on the Invitation to Bid cover page or until the Contract is fully performed by both parties or until it terminates in accordance with the Ohio constitutional or statutory limitations in this Article, Section K4.3, or until it is canceled or terminated in accordance with Article K-6, whichever occurs first.

K-4.2 Contract Renewal. This Contract may be renewed solely at the discretion of DAS for a period of one month. Any further renewals will be by agreement any number of times for any period of time. The cumulative time of all renewals may not exceed two years.

K-4.3 Constitutional and Statutory Limitations:

(A) Appropriation may not be longer than two years. State contracts may not extend beyond a biennium. If the term of this Contract extends beyond a biennium, the Contract will terminate on the last day of the current biennium. At that time, DAS may renew this Contract by letter to Contractor no later than July 1, of the new biennium. The operating biennium expires June 30th of each odd-numbered calendar year.

(B) Appropriation of Funds. The State of Ohio's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments or any other obligations due by the State under this Contract, the State will be released from its obligations on the date funding expires.

(C) Certification of Funds. Under Revised Code Section 126.07, any purchase order (ORDE) placed under this Contract is not valid unless and until the Director of the Ohio Office of Budget and Management certifies that there is a balance in the appropriation not already obligated to pay existing commitments.

Article K-5. Delivery.

K-5.1 F.O.B. The Place of Destination. Contractor must provide supplies or services under this Contract F.O.B. the place of destination. The place of delivery will be specified by the participating state agency on the agency's purchase order or other ordering document. Freight will be prepaid unless otherwise stated.

K-5.2 Time of Delivery. If Contractor is not able to deliver the supplies or services on the date and time specified by the participating state agency on the agency's ordering document, Contractor must coordinate an acceptable date and time for delivery with the agency. If Contractor is not able to or does not provide the supplies or services to a participating state agency by the date and time provided on the agency's ordering document or by the date and time later agreed upon, the State may obtain any remedy under Article K-6 of this Contract or any other remedy at law.

K-5.3 Minimum Orders-Transportation Charges. For purchase orders placed that are less than the stated minimum order, transportation charges will be prepaid and added to the invoice by the Contractor to the delivery location designated by the ordering agency. Shipment is to be made by private or commercial freight service provider, air, rail, water, parcel post, express or commercial package delivery, whichever is the most economical and expeditious method for proper delivery of the item. Failure of the Contractor to utilize the most economical mode of transportation shall result in the Contractor reimbursing the ordering agency the difference between the most economical mode of transportation and the mode of transportation used by the Contractor. Failure to reimburse the ordering agency shall be considered as a default.

Article K-6. Contract Cancellation; Termination; Remedies.

K-6.1 Contract Cancellation. If Contractor fails to perform any one of its obligations under this Contract it will be in default and DAS may cancel this Contract, in accordance with this section. The cancellation will be effective on the date delineated by DAS.

(A) Contract Performance Substantially Endangered. If Contractor's default is substantial and cannot be cured within a reasonable time or if DAS determines that the performance of the Contract is substantially endangered through no fault of the State, DAS may cancel this contract by written notice to Contractor.

(B) Cancellation for Unremedied Default. If Contractor's default may be cured within a reasonable time, DAS will provide written notice to Contractor specifying the default and the time within which Contractor must correct the default. If Contractor fails to cure its default within the time required, DAS may cancel the contract by written notice to Contractor. If DAS does not give timely notice of a default to Contractor, DAS has not waived any of the State's rights or remedies concerning the default.

(C) Cancellation for Persistent Default. DAS may cancel this Contract by written notice to Contractor for defaults that are cured, but are persistent. "Persistent" means three or more defaults. After DAS has notified Contractor of its third default, DAS may cancel this Contract without providing Contractor with an opportunity to cure, if Contractor defaults for a fourth time. The four defaults are not required to be related in any way.

(D) Cancellation for Financial Instability. DAS may cancel this contract by written notice to Contractor if a petition in bankruptcy or similar proceeding has been filed by or against the Contractor.

(E) Cancellation for Delinquency; Violation of Law. DAS may cancel this Contract by written notice, if it determines that Contractor is delinquent in its payment of federal, state or local taxes, workers' compensation, insurance premiums, unemployment compensation contributions, child support, court costs or any other obligation owed to a state agency or political subdivision. However, DAS may not cancel this Contract if Contractor has entered into a repayment agreement with which Contractor is current. DAS also may cancel this Contract, if it determines that Contractor has violated any law during the performance of this Contract.

(F) Cancellation for Failure to Retain Certification. Pursuant to section 125.081 of the Revised Code DAS may set aside a bid for supplies or services for participation only by minority business enterprises (MBE'S) as certified by the DAS Equal Opportunity Coordinator. After award of the Contract, it is the responsibility of the MBE Contractor to maintain certification as a MBE. If the Contractor fails to renew its certification and/or is de-certified by the DAS Equal Opportunity Coordinator, DAS may immediately cancel the Contract.

K-6.2 Contract Termination. DAS may terminate this Contract for convenience after issuing 30 days written notice to the Contractor.

K-6.3 Remedies for Default.

(A) Actual Damages. Contractor is liable to the State of Ohio for all actual and direct damages caused by Contractor's default. The State may buy substitute supplies or services, from a third party, for those that were to be provided by Contractor. The State may recover the costs associated with acquiring substitute supplies or services, less any expenses or costs saved by Contractor's default, from Contractor.

(B) Liquidated Damages. If actual and direct damages are uncertain or difficult to determine, the State may recover liquidated damages in the amount of 1% of the value of the order, or \$250.00 per day, whichever is less, for every day the default is not cured by Contractor .

(C) Deduction of Damages from Contract Price. The participating state agency may deduct all or any part of the damages resulting from Contractor's default from any part of the price still due on the contract, with DAS' prior written notice to Contractor.

Article K-7. Force Majeure. If the State or Contractor is unable to perform any part of its obligations under this Contract by reason of force majeure, the party will be excused from its obligations, to the extent that its performance is prevented by force majeure, for the duration of the event. The party must remedy with all reasonable dispatch the cause preventing it from carrying out its obligations under this Contract. The term "force majeure" means without limitation: acts of God; such as epidemics; lightning; earthquakes; fires; storms; hurricanes; tornadoes; floods; washouts; droughts; any other severe weather; explosions; arrests; restraint of government and people; war; strikes; and other like events; or any other cause that could not be reasonably foreseen in the exercise of ordinary care, and that is beyond the reasonable control of the party.

Article K-8. Delegation of Duty and Assignment of Rights.

K-8.1 DAS Consent to Delegate. Contractor may not delegate any of its duties under this Contract unless DAS consents to the delegation in writing. DAS' consent to the delegation is not DAS' agreement to release Contractor from its duties under this Contract.

K-8.2 DAS Consent to Assign. Contractor may not assign any of its rights under this Contract unless DAS consents to the assignment in writing. Any purported assignment made without DAS' written consent is void. DAS may assert against an assignee any claim or defense DAS may have against the assignor.

K-8.3 Antitrust Assignment to DAS. Contractor assigns to DAS all of its rights to any claims and causes of action the Contractor now has or may acquire under state or federal antitrust laws if the claims or causes of action relate to the supplies or services provided under this Contract. Additionally, the State of Ohio will not pay excess charges resulting from antitrust violations by Contractor's suppliers and subcontractors.

Article K-9. Requirements Contract. The quantity of supplies or services to be provided under this Contract is the quantity determined by the actual, good faith, requirements of the participating state agencies. DAS may allow a participating state agency to purchase supplies or services identical to those provided under this Contract from a supplier other than Contractor, if one of the following conditions apply:

K-9.1. Large quantities. The supplies or services to be purchased were not anticipated by DAS at the time this Contract was let and the supplies or services are required in a large quantity.

K-9.2 Unique or Unusual Nature. The supplies or services to be purchased are unique or unusual from the supplies or services provided under this Contract.

K-9.3 Emergency Purchase. The agency requires the supplies or services to remedy an emergency and Contractor is not able to provide the supplies or services, as the emergency requires.

Article K-10. Contractor's Warranty Against an Unresolved Finding for Recovery. If, after the Contract is awarded it is determined that an "unresolved" finding for recovery had been issued against the Contractor prior to the award, the contract shall be void *ab initio*. The Contractor understands that Contractor shall be responsible to the State for any expenditures placed against the contract.

Article K-11. Price Adjustments.

K-11.1 Price Increases. If the Special Contract Terms and Conditions provide for a price increase, Contractor may request a price increase in accordance with the Special Contract Terms and Conditions.

K-11.2 Price Decreases. If DAS becomes aware of a general price decrease for the supplies or services provided under Contract, Contractor must provide a price decrease to the State of Ohio. Failure to provide a decrease will be considered as a default.

Article K-12. Equal Employment Opportunity. Contractor must comply with all federal and state laws pertaining to equal employment opportunity, including federal and state executive orders. Contractor will not by reason of race, color, religion, sex, sexual orientation, Vietnam veteran status, age, handicap, national origin, or ancestry, discriminate against any person in the hiring of employees for the performance of work under this Contract. Contractor, Contractor's subcontractors and any other agent acting on behalf of Contractor may not discriminate against, intimidate, or retaliate against any employee hired for the performance of work under this Contract on account of race, color, religion, sex, sexual orientation, Vietnam veteran status, age, handicap, national origin, or ancestry. During the performance of the Contract, Contractor agrees to comply with Revised Code Section 125.11.1(B), Administrative Code Sections 123:1-49-01 through 123:1-49-06 and Executive Order 2001-12T. The Contractor understands the State Equal Opportunity Division may conduct pre-award and post-award compliance reviews to determine if the Contractor maintains nondiscriminatory employment practices, maintains an affirmative action program and is exerting good faith efforts to accomplish the goals of the affirmative action program.

Article K-13. Drug-Free Workplace. Contractor must comply with all applicable state and federal laws regarding a drug free workplace. Contractor must exert good faith efforts to ensure that its employees do not purchase, transfer, and use or possess illegal drugs or alcohol or abuse prescription drugs, in any way, while working on State property. It is the responsibility of the Contractor to ensure that state employees and Ohio citizens are not exposed to dangers created by having one of the Contractor's employees at a state facility under the influence of controlled substances. At the option of the Contractor, the Contractor may enroll in the Drug Free Workplace discount program administered by the Bureau of Workers' Compensation. Information on this program may be obtained at the BWC website: www.ohio.bwc.com. If the Contractor fails to meet this responsibility, DAS may immediately cancel the contract by written notice to the Contractor.

Article K-14. Survivorship. In addition to Article K-6 Section 6.3, Remedies for Default, of this Contract, the following Articles, Article K-15 through Article K-20, survive the expiration of this Contract.

Article K-15. Indemnification. Contractor will indemnify the State of Ohio, including its public officials and employees, for any and all claims, damages, lawsuits, costs, judgments, expenses, and any other liabilities that may arise out of or are related to Contractor's, performance under this Contract including Contractor's employees and agents.

Article K-16. Confidentiality. Contractor may learn of information, documents, data, records, or other material that is confidential in the performance of this Contract. Contractor may not disclose any information obtained by it as a result of the Contract, without written permission from DAS. Contractor must assume that all state information, documents, data, records or other material is confidential.

Article K-17. Publicity. Contractor and its subcontractors may not use or refer to this Contract to promote or solicit Contractor's or subcontractor's supplies or services. Contractor and its subcontractors may not disseminate information regarding this Contract, unless agreed to in writing by DAS.

Article K-18. Governing Law; Severability. The laws of the State of Ohio govern this Contract, and venue for any dispute will be exclusively with the appropriate court of competent jurisdiction in Franklin County, Ohio. If any provision of the Contract or the application of any provision is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of the Contract will remain in full force and effect to the extent that the remaining provisions continue to make sense.

Article K-19. Construction. This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

Article K-20. Worker's Compensation. The contractor shall be required to carry Workers' Compensation Liability Insurance as required by Ohio law for any work to be performed within the state of Ohio. If work is done outside of Ohio, the contractor shall be required to carry Workers' Compensation Insurance coverage to meet the laws of the appropriate state(s) where work on the Contract will be done. The contractor may also be required to show proof of Employer's Liability (Stop Gap) coverage with at least a \$1,000,000 limit. Proof of Workers' Compensation coverage will be considered as part of the evaluation process. If not listed in the bid or submitted as part of the bid response, the bidder will be required to provide said certificate within seven (7) calendar days after notification to the Office of State Printing. Failure to provide the certificate within the stated time period will result in the bidder being deemed not responsive. Failure to maintain Workers' Compensation Liability Insurance coverage for the duration of the contract and any renewal thereto, will be considered as a default.

Article K-21. Automobile and General Liability Requirements. During the term of the Contract and any renewal thereto, the bidder, and any agent of the bidder, at its sole cost and expense shall maintain a policy of automobile liability and commercial general liability insurance as described in this Article. If not submitted with the bidder's response, copies of the respective insurance certificates shall be filed with the Office of State Printing within seven (7) calendar days after notification. Failure to submit the insurance certificates within this time period will result in the bidder being deemed not responsive. Said certificates are subject to the approval of the Director, Department of Administrative Services and shall contain a clause or endorsement providing thirty (30) days prior written notice of cancellation, non-renewal or decrease in coverage will be given to the Director, Department of Administrative Services. Failure of the bidder to maintain this coverage for the duration of the Contract and any renewals thereto may be considered as a default.

ALL INSURANCE COMPANIES PROVIDING COVERAGE SHALL BE LICENSED TO DO BUSINESS IN THE STATE OF OHIO AND SHALL BE COVERED BY THE OHIO GUARANTY FUND. In addition, all insuring companies shall have and maintain at least an A- (excellent) rating from A.M. Best.

Article K-21.1 Commercial General Liability. Insurance coverage with a \$2,000,000 annual aggregate and a \$1,000,000 per occurrence limit for bodily injury, personal injury, wrongful death and property damage. The defense cost shall be outside of the policy limits. Such policy shall designate the State of Ohio as an Additional Insured, as its interest may appear. The policy shall also be endorsed to include a blanket waiver of subrogation. The certificate shall be endorsed to reflect a per project/per location General Aggregate limit. If the bidder uses an umbrella/excess policy to meet the required limits, it is understood that the policy shall follow form on a per project/per location basis. It is agreed upon that the bidder's commercial general liability insurance shall be primary over any other coverage. The Office of State Printing reserves the right to approve all policy deductibles and levels of self-insured retention.

Article K-21.2. Automobile Liability. Automobile insurance is required for anyone coming onto State property to deliver goods or to perform services using a vehicle, which is owned, leased or rented by the contractor. Any bidder, broker or sub-contractor who will be on State Property, but not delivering goods or performing services is required to carry Automobile Liability insurance that complies with the State and Federal laws regarding financial responsibility.

Article K-22. Contract Compliance. The participating state agency will be responsible for the administration of the Contract and will monitor the Contractor's performance and compliance with the terms, conditions and specifications of the Contract. If an agency observes any infraction(s), such shall be documented and conveyed to the Contractor for immediate correction. If the Contractor fails to rectify the infraction(s), the agency will notify DAS through a Complaint to Vendor (CTV) to help resolve the infraction(s). DAS will apply the provisions of Article K-6, "Contract Terms and Conditions" to resolve the infraction(s).

Article K-23. Quality Assurance. At the option of DAS or the participating agency, samples may be taken from deliveries made and submitted for laboratory tests. The State will bear the cost of testing when samples are found to be in compliance with the Contract. If samples do not conform to the Contract, Contractor will bear the costs of testing and the State will apply the provisions of Article K-6, "Contract Terms and Conditions".

Article K-24. Electronic Commerce Program. The State of Ohio is an active participant in E-Commerce to include Electronic Data Interchange (EDI). This program will benefit both the State and the contractor by reducing time delays in receiving orders and payments that are associated with the existing manual processes. It is the goal of the State of Ohio to eventually conduct all procurement activities through electronic commerce technologies. Contractor is encouraged to move toward compliance with electronic commerce technologies, as this will be the preferred method of doing business with the State of Ohio in the future. The following information is offered to assist all interested businesses in their efforts to move toward becoming a trading partner with the State of Ohio through the electronic commerce technologies. Electronic Data Interchange (EDI) is used for electronic purchase orders, invoicing, and payment of purchases. The program includes sending electronic purchase orders to the Contractor, the receipt of electronic invoices from the Contractor and the transmission of payment and remittance information back to the Contractor. A complete "Implementation Guide", for doing business with the State of Ohio using EDI, can be found on the Internet at: www.state.oh.us/ecedi/. This guide contains all of the information necessary for a company to become EDI compliant. By following all of the links, the entire guide may be viewed, downloaded and printed at your location. In addition, companies who are interested in becoming EDI trading partners with the State of Ohio should visit the Office of Budget and Management's website at www.state.oh.us/obm/BusinessCommunityPage/eCommerce.asp for additional information regarding E Commerce.

Article K-25. Warranties. Unless otherwise stated, all supplies shall be new and unused and when authorized, recycled or refurbished products. All products shall carry manufacturer warranties. The Contractor warrants all supplies to be free from defects in labor, material and manufacturer and to be in compliance with the Contract specifications.

Article K-26. Usage Reports. At no cost to the State, the Contractor shall be required to provide quarterly, bi-annual or annual usage reports as requested by the Office of State Printing. The reports will include information as to purchase activity under the Contract by all participating agencies. Report topics will include, but will not be limited to: customer name, date of purchase, item description, quantity, dollar value, aggregate sales to date for each customer and other such information as requested by the Office of State Printing. Electronic media is the preferred method for these reports. Failure to provide the requested reports will be deemed as an event of default.

Article K-27. Return Goods Policy. The State will apply the following Return Goods Policy on all purchases made under the Contract. The bidder acknowledges to have read, understood, and agrees to this Policy.

A) Return goods, when due to Contractor error (i.e. over-shipment, defective merchandise, unapproved substitution, etc.) shall be returned to the Contractor, at the Contractor's expense. The Contractor shall make arrangements to remove the return goods from the ordering agency premises within seven (7) calendar days after notification. The Contractor shall not apply any restocking or other charges to the ordering agency. At the option of the ordering agency, replacement items may be accepted and will be shipped within seven (7) calendar days of notification. Failure of the Contractor to arrange for return of the items within the specified time will result in the items being deemed as abandoned property and the ordering agency will dispose of accordingly.

B) For orders of custom manufactured items, the Contractor will provide a production sample of the item to the ordering agency for acceptance. The production sample will be identical to the item to be provided. The ordering agency will provide written acceptance of the item prior to the Contractor continuing with production. Once delivery and acceptance has been completed and the ordering agency determines for any reason that any remaining quantities will not be used, the agency may request the return of the custom manufactured items. Acceptance of the return of custom manufactured items will be at the option of the Contractor. If the Contractor agrees to the return of these items, the agency will be responsible for all costs associated with packaging, shipment and transportation, to include the original shipment to the agency and subsequent return of goods to the location designated by the Contractor. The Contractor may assess restocking fees that are equivalent to restocking fees that are normally assessed to other customers or as published by the Contractor. Failure of the Contractor to provide a production sample and obtain written approval from the ordering agency will result in the Contractor bearing all responsibility and costs associated with the return of these goods.

C) Return goods of regular catalog stock merchandise, when due to agency error (i.e. over purchase, discontinued use, inventory reduction, etc.) will be accepted by the Contractor if notice is given by the agency within six (6) months of delivery and acceptance. All items to be returned must be unused and in their original containers and in suitable condition for resale. The ordering agency will be responsible for all transportation costs associated with both the original shipment of items to the agency and the subsequent return of the items to the location designated by the Contractor. The Contractor may assess a restocking fee associated with the return of the items to the location designated by the Contractor. The Contractor may assess a restocking fee not to exceed their standard published restocking fee or equivalent restocking fee that is assessed to other customers of the Contractor. Return of regular stock catalog merchandise, when delivery and acceptance exceed six (6) months will be at the option of Contractor.

Article K-28. Product Recall. In the event product delivered has been recalled, seized, or embargoed and/or has been determined to be misbranded, adulterated, or found to be unfit for human consumption by the packer, processor, manufacturer or by any State or Federal regulatory agency, the Contractor shall be responsible to notify DAS-State Printing and all ordering agencies/entities within two business days after notice has been given. Contractor shall, at the option of the ordering agency, either reimburse the purchase price or provide an equivalent replacement product at no additional cost. Contractor shall be responsible for removal and/or replacement of the affected product within a reasonable time as determined by the ordering agency. At the option of the ordering agency, Contractor may be required to reimburse storage and/or handling fees to be calculated from time of delivery and acceptance to actual removal. Contractor will bear all costs associated with the removal and proper disposal of the affected product. Failure to reimburse the purchase price or provide equivalent replacement product will be considered a default.

Article K-29. Contractor Disclosure; Location of Services, Data.

(A) As part of the Agreement, Contractor shall disclose the following:

1. The location(s) where all services will be performed; and
2. The location(s) where any state data applicable to the contract will be maintained or made available; and
3. The principal location of business for the contractor and all subcontractors.

(B) Contractor shall not, during the performance of this contract, change the location(s) of the country where the services are performed or change the location(s) of the country where the data is maintained or made available without prior approval of the State.

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ADDITIONAL SPECIFICATIONS

1. PACKING AND SHIPPING OF ORDERS: Shipping and packing labels must be furnished by the contractor in accordance with the description contained in the specifications. Contractors are not permitted to display advertising matter on labels, packages, cartons or skids containing matter printed for the state. Shrink-film wrapped packages must not exceed 5" in height or the size and quantities specified in each order. A piece of lightweight chipboard (or equal) cut to the same size as the printed work will be placed on the bottom of the material, and wrapped with heat-shrink film of suitable thickness and quality to insure arrival at destination in a satisfactory and usable condition. The label may be placed inside the wrap, on the top or on the end. Only new corrugated (or equal) containers may be used. Unless otherwise provided in the specifications, bursting strength shall be 200 p.s.i. minimum. Cartons must be packed solidly with the material laid flat on the bottom of the containers. If the material does not fit snugly, open-cell pads or thickness of corrugated board must be added. Top and bottom flaps must be closed and fastened firmly with water-resistant adhesive, or sealed with tape which must completely cover the butted edges of the flaps and extend at least 2" on the ends of the containers. Cartons must be packed with a minimum weight of 35 pounds and a maximum of 45 pounds, unless otherwise specified on the order. Most agencies cannot receive skids or pallets, however, some agencies may require 40" x 48" four (4) way pallets with heights not to exceed 52". In instances where skids or pallets are acceptable, the state will indicate this kind of packing on the order, and provide the specifications for the skids or pallets.

2. DELIVERY SCHEDULES: Delivery under this contract shall be made within the number of working days specified in the contract. Delivery under a one-time purchase shall be on or before the date specified in the contract. The number of working days shall be counted as beginning on the working day immediately following the date of contractor's receipt of the order and all materials necessary to begin work. Proofs will be withheld by the state for the number of working days specified in the contract. The working day immediately following contractor's delivery of the proof to the ordering agency is the first working day counted as time withheld by the state. A returned proof may be picked up at DAS, State Printing or at the "proof to" address, on the first working day it is made available to the contractor. The contractor will be responsible for any working days lost because of failure to pick up a returned proof. If printer's errors on proofs are serious enough to require revised proofs, such proofs will be withheld by the state for the number of working days specified in the contract, but no additional days will be allowed in the schedule for making and checking such revised proofs. All requests for extensions beyond the original delivery date shall be directed to DAS, State Printing. The awarded contractor shall not contact the ordering agency for delivery extensions. Full delivery of this order must be completed by the date specified to avoid late delivery charges. Partial deliveries will not satisfy delivery requirements, unless a written request from the vendor is received and approved, prior to the delivery date, by DAS, State Printing. Delays caused by any action of the state will allow the contractor an extension of the schedule. The required delivery date will appear on each order along with the dates for transmittal of the order, copy and all materials to be furnished to the contractor. When the state furnishes paper stock, each contract shall specify the fewest number of working days after receipt of paper stock in which the contractor shall be required to make delivery.

3. ACCELERATED/INSIDE/MULTIPLE LOCATION DELIVERIES: If, by reason of urgency, delivery of an item covered by a term contract is necessary prior to the earliest delivery date required by the contract, DAS may request an accelerated delivery schedule from the contractor. If the contractor will not accept an order providing for the accelerated delivery, the state may procure this order from another source. If inside delivery is requested by DAS, a price will be negotiated with the printing contractor for this service. If orders require delivery to more than one location, the contractor may include on the invoice the actual freight charge for each additional location. If an order requires delivery to more than one location, the delivery location closest to the job production location will be the F.O.B. prepaid destination point. The contractor's copies of freight bill shall be attached to the invoice for job having multiple delivery locations.

4. COMPLIANCE WITH DELIVERY SCHEDULES: In order to maintain necessary progress records, DAS, State Printing must have certain information concerning deliveries of proofs and orders which only the contractor can provide. The contractor, therefore, must furnish the required information as follows:

- a). If material such as copy, negatives, paper, etc. to be furnished by DAS, State Printing has not been received on the date scheduled, the contractor shall immediately notify DAS, State Printing by telephone and follow up in writing.
- b). If delivery of the order has not been made on the scheduled date, the contractor shall immediately notify DAS, State Printing by telephone on that date of the failure to deliver as scheduled, the reasons for the failure and a request for delivery extension.
- c). All delivery and job status reports must be completed within 24 hours, when requested. The contractor will assign specific, qualified personnel to answer all questions concerning job status, delivery, or any other inquiries by DAS.

5. EXTENSION OF DELIVERY SCHEDULES: In the event a delay is caused by any action of the state, including failure to furnish a request order, copy and/or materials as scheduled, the delivery schedule will be extended upon request of the printing vendor by the total number of working days that work was delayed plus one (1) working day for each day of delay; such period of grace not to exceed three (3) working days. For example:

- a). Order, etc., 1 working day late + 1 working day grace = 2 working days extension.
- b). Order, etc., 2 working days late + 2 working days grace = 4 working days extension.
- c). Order, etc., 3 working days late + 3 working days grace = 6 working days extension.

d). Order, etc., over 3 working days late: total number of working days late + 3 working days grace = total number of working days extension.

Further extension or adjustments of schedule may be permitted if requested in writing to DAS, State Printing. In the event no adjustment of schedule has been requested, the contractor may be considered to be in default if delivery has not been made by the date established. When an adjustment of schedule has been requested by the contractor and approved by DAS, the contractor will be required to meet the adjusted delivery date and may be considered to be in default if it is not met. Extension of delivery may not exceed the original number of days allotted for production.

6. SUBMISSION OF INVOICES: Upon delivery of the order or performance of the service described on the order request placed pursuant to the contract, the contractor shall submit a proper invoice, unless otherwise requested, in quadruplicate to DAS, State Printing. The invoice is proper if it is free from defects, discrepancies, errors or other improprieties. Incomplete or defective invoices may be returned to the contractor. This includes but is not limited to the following:

a) Contractor's name and address as listed in the contract.

b) Contractor's Federal Tax Identification Number.

c) Remittance address for payment.

d) Job request number as assigned by DAS, State Printing.

e) Description, quantity, unit price, total price, etc. as it appears on the order request.

f) Two (2) complete samples of the finished job will be included with the job invoice and provided in a manner to prevent any damage to the samples.

g) A copy of a signed and dated delivery receipt which shall include the following information: name of ordering agency, name of person accepting delivery, job number, document number, quantity ordered, quantity shipped, requested delivery date, actual date of delivery, title of material and change order(s) if applicable.

7. TERM CONTRACT BILLING INSTRUCTIONS: The term contractor shall submit invoices in quadruplicate indicating all prices and where derived in the contract to DAS, State Printing, Invoice Processing Section, 4200 Surface Road, Columbus, Ohio 43228-1395, within 15 calendar days after delivery of completed job. Contractor's E. I. Number, (Federal tax identification number) must be included on all statements and invoices. Each contractor for DAS shall file and preserve one copy of each document or other matter printed and/or bound, to be submitted to DAS, State Printing with the invoice for the work performed. Such invoices shall specifically show the job title, name of agency, job and document number, the number of copies ordered and shipped, and any allowed charges for materials or services necessary for producing the job. The amount of paper received, used and remaining shall also be itemized on the invoice. DAS shall carefully examine all invoices, compare them with the orders and if errors are found, DAS shall require the contractor to correct them. Any changes to an order not approved by DAS shall not be paid. All invoices involving overruns and underruns will be pro-rated based on the cost of the requested quantity and shall be restricted to only press work and bindery operations excluding packaging. (Example: When press work and bindery operations excluding packaging initially cost \$250.00 for 5,000 forms, the contractor will be allowed to invoice an additional \$10.00 for an overrun of 200 forms.)

8. STATE PROPERTY: The contractor shall maintain materials separated by each individual state agency. All materials, except plates, produced by the contractor or provided by the state for the purpose of producing printed products under this contract will remain the property of the state and must be returned to DAS, State Printing without unnecessary delay upon completion of the contract. Return of materials, to the ordering agency, for individual orders may be requested throughout the term of the contract. Under no circumstances will camera copy, negatives or any other state property be used for any purpose beyond the scope of this contract. In the event it is determined that state property has been used for other purposes not specified in the contract, the contractor will be found in default and the contract will be terminated.

9. QUALITY CONTROL: All workmanship on printing furnished under the contract must meet commercially accepted quality standards for the type of work ordered, as determined by DAS. The use of inadequate or deficient equipment or materials, poor press work, poor bindery work or failure to meet all specifications for each order may be cause for rejection of the work and refusal of payment. Press sheet inspections may be required at the option of the state and will be specified at time of orders. Prior notice of 48 hours shall be given by the printer to DAS, State Printing. At the option of DAS, random samples will be taken from delivered orders and submitted for professional evaluation. Such evaluation will consider (but not be limited to) quality deficiencies in printing, including hickies and spots, extraneous marks, moiré pattern in screens or halftones, registration from one sheet to another, registration of one color to another, position of text and illustration images, Newton's rings, type quality and uniformity, halftone match to copy, dot structure and ink density, solid or screen tint color match, process color match, and any other quality deficiency that may make an order unacceptable. Such evaluation will consider quality deficiencies in finishing processes, including the finished trim size, misplacement and misalignment of cover image, cover position, folding register, perfect-bound book durability, loose covers, loose pages, excess glue, damaged pages, damaged edges, damaged covers, missing pages, wrong pagination, loss of information, and any other deficiency, patent or latent, that may render the products unacceptable. DAS will make the final determination of quality acceptance or rejection. Failure to meet specification requirements and/or failure to correct or replace unacceptable work, at the contractor's expense, may be cause for finding the contractor in default, and may be reason for immediate cancellation of the contract.

10. OVERRUNS AND UNDERRUNS: Acceptable delivery relative to overruns or underruns will be based on the quantity ordered and should not exceed the percentages indicated below. However, the state will not pay for overruns exceeding the spoilage allowance percentage for paper without prior approval from DAS.

Quantities

- 1,000-9,999 - plus or minus 10%
- 10,000-49,999 - plus or minus 5%
- 50,000-99,999 - plus or minus 4%
- 100,000-999,999 - plus or minus 2%
- 1,000,000 and over - plus or minus 1%

11. PAPER FURNISHED BY THE STATE: When DAS furnishes paper, the kind and quantity of paper will be specified for each order. Paper will be furnished in the most appropriate size for each order to insure the most efficient method of production as determined by DAS. Contractors using roll stock must be prepared to receive rolls in whatever position they are shipped. The state may provide recycled content stock which will be printed without any increase in contract pricing or extension of delivery requirements. The printing contractor will be held accountable for all state owned paper in its possession, shall report the actual amount of paper used and shall provide insurance coverage for said paper and all state property in the care, custody and control of the printing contractor.

12. PAPER ACCOUNTABILITY: When DAS furnishes paper, all paper to be delivered to the printing contractor shall be delivered to their receiving area whereupon the contractor shall sign a receipt verifying quantity, type and condition. The printing contractor shall, within 24 hours, notify DAS, State Printing of any damaged shipments with a receiving and excess stock report. Upon receipt of the receiving and excess stock report, DAS, State Printing shall determine disposition of the damaged stock. If damage occurs after delivery, while stock is being handled by the printer's personnel, circumstances of such damage shall be reported to DAS, State Printing for disposition and necessary adjustments. A record shall be kept for each order of paper received, used, and remaining after completion of the job. The printing contractor shall account for all paper consumed by indicating the quantity and kind on their invoice. The contractor shall furnish DAS, State Printing with copies of the usage sheets as verification of the actual roll stock consumed on each job. The printer shall keep all cartons and/or roll wrappers from the paper received until the job is printed for the paper vendor's use to track stock when a claim for bad stock is made.

13. EXCESS PAPER: When DAS furnishes paper, excess paper shall be defined as any paper delivered over and above the quantity estimated by DAS, State Printing or as paper remaining after completion of work if usage is less than estimated amount. The printing contractor may not use, for any purpose, any excess paper, without prior approval from DAS. The printing contractor shall not print more copies of a job than the amount ordered, plus the allowable overrun, except in those instances when a written authorization for run-outs has been specifically provided for in the order to fully utilize paper.

14. DISPOSITION OF EXCESS PAPER: All paper shall be properly identified and labeled and replaced in mill shipping cartons or any method acceptable to the paper industry, so as to prevent damage resulting from dirt, moisture, weather, or handling, and subject to inspection by the state at all reasonable times. When DAS furnishes paper, excess paper shall be disposed of as follows:

- a. Sheets and/or rolls may be returned to the paper vendor, transferred to another order, or delivered to the agency with the completed job as determined by DAS.
- b. Non-returnable partial rolls will be picked up by the state for disposal.

At the request of DAS, the printing contractor shall prepare excess stock for return of the paper. The printing contractor shall promptly provide to DAS a record of such shipments, i.e., a signed pick-up form. DAS shall coordinate with the printing contractor on mutually satisfactory schedules for excess paper pick-ups.

15. STORAGE OF PAPER: When DAS furnishes paper, the printing contractor shall be required to provide a separate and satisfactory storage area for all paper. All paper shall be properly stored so as to prevent damage resulting from dirt, moisture, weather, or handling and subject to inspection by the state at all reasonable times.

16. AUTHOR'S ALTERATIONS: All corrections should be marked according to the printers' code of standardized proofreader's marks, in pen or colored pencil, never in soft lead. Invoices containing changes for author's alterations shall be accompanied by a DAS, State Printing change order. When making changes from the author's original copy, the contractor's shall indicate the changes in the margin of the proof sheet. The contractor may be required to document all author's alteration charges in a manner acceptable to DAS. Unless approved by DAS at the time such work is in production, alteration charges in excess of the original charge for the page will not be paid. Additional changes resulting from author's alterations shall be invoiced at the same rate stated within the contract. Author's alterations shall be billed from artwork pricing.

17. PROOFS: The contractor shall deliver a proof, and the original material within 5 working days after receipt of order, to the agency designated on each order. The proof will be returned to the contractor and may have errors marked for correction. The contractor shall make the corrections and, if requested, deliver a revised proof to the agency. The contractor shall deliver one set of proofs, rendered in blue line or equal, laser or color, showing position of printing, backed up if second side prints; folded, gathered or bound as required. Colors and screen values shall be noted on the proof, by the printer. This proof will be returned to the contractor marked: "O.K. to print", "O.K. to print with corrections" or "Make corrections and furnish a revised proof". A charge for revised proofs shall be paid (see Artwork pricing). When a proof is requested, the contractor will not proceed with production until a final proof, marked "O.K. to print" or "O.K. to print with corrections" signed by an employee of the ordering agency, has been received. All copy and proof sheets will be held by the contractor after the job has been completed and delivered, and will be subject to inspection by DAS, at any time during the duration of this contract.

18. ARTWORK: The contractor will invoice for artwork at the price indicated in the contract. An accurate estimate of all artwork changes shall be submitted, and approved in writing by authorized personnel at DAS before artwork is produced. Any changes for artwork in excess of the approved charges will not be paid. Artwork pricing shall be used for author's alterations, all 2nd and subsequent proofs, original color and laser proofs and electronic media. When this pricing is used for the output of electronic media, to be stripped to the contract printer's specifications, no charge will be allowed for film/camera work. Film and plates are priced from the offset camera and plate preparation, per the pricing or comments on the order request.

19. PRESSWORK: DAS will pay for presswork from the appropriate prices in each contract. Presswork charges for printing in black ink or color ink shall include all make-ready, ink, wash-up, and all other materials and operations to execute the work on press. DAS requires presswork be billed for in the size specified by DAS for each press form. Pricing shall be based on the largest possible specified form and page sizes in the contract for each order. For example: a 144 page self cover book, 6" X 9" or smaller will be estimated, invoiced and paid for as four 32 page press forms and one 16 page press form, and the folding signatures will be the same. Further, a 144 page self cover book that is over 6" X 9" up to 8.5" X 11" will be estimated, invoiced and paid for as nine 16 page press forms, and the folding signatures will be the same. DAS, State Printing will not dictate which press the vendor must use, however, DAS will select for estimating, the largest press form listed in the "Schedule of Prices." Books of seven (7) or less text pages will be excluded from general term contracts. No additional charges shall be paid for close register work, unusual sizes or weights of stock or printing on recycled papers. The contractor shall not be required to run stock lighter or heavier in substance than meets the equipment specifications. No more than one charge for sequential numbering on forms will be allowed when more than one identical number is printed simultaneously.

20. BINDERY: DAS will pay for bindery from the appropriate prices in each contract. DAS requires bindery be billed for as specified for folding signatures, saddle stitching and perfect binding. Pricing for folding signatures shall be based on the largest possible specified signature in the contract for each order. For example: a 144 page self cover book, 6" X 9" or smaller will be estimated, invoiced and paid for as four 32 page folding signature and one 16 page folding signature. Further, a 144 page self cover book that is over 6" X 9" up to 8.5" X 11" will be estimated, invoiced and paid for as nine 16 page folding signatures. DAS, State Printing will not dictate which folding equipment the vendor must use, however, DAS will select for estimating, the largest signature listed in the "Schedule of Prices." This is based upon not knowing which press will be used for the printing. DAS will select for estimating, the largest signature listed in the "Schedule of Prices. Books of seven (7) or less text pages will be excluded from general term contracts. No charges for cutting or slitting paper prior to presswork shall be paid.

21. STANDARD SPOILAGE ALLOWANCE SCHEDULES: The standard spoilage allowance schedules, A and B below, will become a part of each term contract. When the state furnishes paper stock, the spoilage allowance will be computed from the schedules by DAS for each order. The cost of any additional paper beyond the stipulated spoilage allowance, necessary to produce the minimum requirements, shall be paid for by the contractor. Prior to production, the contractor shall notify DAS of any discrepancies or disagreements involving shortages or overages in the amount of paper allocated for a printed order. If a request order requires guaranteed "no less than" delivery, spoilage percentage tolerance of stock shall be doubled.

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Schedule A
Paper Spoilage Allowance Schedule
 (Sheet Fed Printing)

<u>QUANTITY</u>	<u>BASE PERCENTAGE</u>
1,000 - 4,999	15%
5,000 - 9,999	10%
10,000 - 19,999	5%
20,000 and over	3%

Note: Base percentage applies to all press plans. Jobs delivered in sheet form, spoilage applies to final trim size quantity. Book jobs, base spoilage applies to quantity of largest press sheet plan the stock provided permits.

Press Plans Percentage Formulas

1 SIDE - 1 COLOR: Base percentage.

1 SIDE - MORE THAN ONE COLOR: Base percentage, plus 1/2 base percentage for each additional color.

2 SIDES - WORK & TURN - 1 COLOR: Base percentage plus 1/2 base percentage for turn run.

2 SIDES - WORK & TURN - MORE THAN 1 COLOR: Base percentage plus 1/2 base percentage for turn run base color, plus 1/2 base percentage for each additional color each side.

2 SIDES, SHEETWISE - 1 COLOR: Base percentage each side.

2 SIDES, SHEETWISE - MORE THAN 1 COLOR: Base percentage each side for base color, plus 1/2 base percentage for each additional color each side used.

Note:

Scoring – 1%

Perforating on Press – 1%

Double spoilage allowance for “no less than delivery.”

BINDERY SPOILAGE ALLOWANCES

In addition to the above press spoilage, contractors may add the following percentage for each major bindery operation listed:

Trim - 1%	Drill - 1%
Fold - 1%	Perfect Bind - 3%
Collate – 1%	Saddle Stitch – 1%

Note: For quantities of 100,000 or more, allowance at one half percentage listed for bindery.

Schedule B
Paper Spoilage Allowance Schedule
 (Web Press Printing)

BASIC WEB PRESS SPOILAGE

One Web - One Color

First 10,000 impressions	10%
Each additional 10,000 impressions	5%

Additional Web Press Spoilage

(To be added to basic figures when required)

Second Web	1%
Second, Third & Fourth, etc. Colors	1%
Half Web	1%
Perforating on Press	1%

BINDERY SPOILAGE ALLOWANCES

In addition to the above press spoilage, contractors may add the following percentage for each major bindery operation listed:

Trim	1%	Drill	1%
Fold	1%	Perfect Bind	3%
Collate	1%	Saddle Stitch	1%

