



Michigan Department of Natural Resources – Procurement Services
 P.O. Box 30028, Lansing, MI 48909
 OR
 525 W. Allegan, Lansing, MI 48933

CHANGE NOTICE NO. 1 TO CONTRACT NO. 751B4300006

**Between
 STATE OF MICHIGAN
 and**

Required by authority of 1984 PA 431, as amended.

Name and Address of Contractor Kalkomey Enterprises, Inc. 14086 Proton Road Dallas, Texas 75244	Primary Contact Kurt Kalkomey
	Email Kurt@kalkomey.com
	Telephone (972)715-7000
Contractor #, Mail Code *****3168/E00	

State Contact	Agency	Name	Telephone	Email
Project Manager	DNR Law Enforcement Division	Dorene Sandoval	(517) 284-6018	sandovald@michigan.gov
Buyer	DNR Procurement Services	Ruth Thole	(517) 284-5973	tholer@michigan.gov

Initial Contract Summary

Educational Materials for Outdoor Recreational Activities

Effective Date 10/21/2013	Initial Expiration Date 10/21/2016	Initial Available Options Two 1-year	Expiration Date Prior to Change 10/21/2016
Payment Terms Net 30 days	F.O.B. Destination	Delivery 30 days	Shipped From Dallas, TX
Minimum Delivery Requirements See Attachment A		Alternate Payment Options <input type="checkbox"/> -Card <input type="checkbox"/> Direct Voucher (DV)	Available to MiDeal Participants <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Description of Change Notice

Option Exercised: Yes No If Yes, New Expiration Date: _____

- Effective immediately, the following changes are made to the Contract:**
- 1. Hunter Safety Education Videos on DVD media are added to the Contract. Each DVD contains 14 videos. See attached for price schedule.**
 - 2. The Project Manager (formerly Contract Compliance Inspector) is changed to Dorene Sandoval.**
 - 3. The Buyer's telephone number is changed.**

All other terms, conditions, pricing and specifications remain unchanged.

Per Agency request, Contractor agreement, and Procurement Services approval.

Value/Cost of Change Notice \$37,500.00	Estimated Revised Aggregate Contract Value \$542,811.00
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FOR THE CONTRACTOR:

Kalkomey Enterprises, Inc.

Kurt Kalkomey
 Authorized Agent Signature

Kurt Kalkomey, President
 Authorized Agent and Title (Print or Type)

6-25-2015
 Date

FOR THE STATE:

Department of Natural Resources

Sharon M. Schaefer
 Authorized Buyer Signature

Sharon M. Schaefer
 Authorized Buyer (Print or Type)

6-25-2015
 Date

Attachment to Change Notice 1 to Contract 751B430006

Hunter Safety Education Videos; 14 Videos per DVD

Quantity ordered	Price per DVD
1 – 4	\$85.00
5 – 10	\$75.00
11 – 50	\$70.00
51 – 100	\$65.00
101 – 150	\$60.00
151 – 200	\$50.00
201 – 250	\$45.00
251 – 500	\$35.00
500+	\$25.00



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	Email Kurt@kalkomey.com	
	Telephone (972)715-7000	Contractor #, Mail Code *****3168/E00

State Contact	Agency	Name	Telephone	Email
Contract Compliance Inspector	DNR	Shar McConeghy	(517)335-3417	mcconeghys@michigan.gov
Buyer	DNR	Ruth Thole	(517)337-1553	tholer@michigan.gov

Contract Summary			
Description Educational Materials for Outdoor Recreational Activities			
Initial Term 3 years	Effective Date October 21, 2013	Initial Expiration Date October 21, 2016	Available Options 2- 1 year
Payment Terms Net 30	F.O.B. Destination	Shipped Lansing, MI	Shipped From Dallas, Texas
Minimum Delivery Requirements See Attachment A		Alternate Payment Options <input type="checkbox"/> P-Card <input type="checkbox"/> Direct Voucher (DV)	Available to MiDeal Participants <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Miscellaneous Information The terms and conditions of this Contract are those of ITB # RFP-JH-MOD-751R3201106, this Contract Agreement and the vendor's quote. In the event of any conflicts between the specifications, and terms and conditions, indicated by the State and those indicated by the vendor, those of the State take precedence.			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION: \$505,311.00			



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 STATE OF MICHIGAN
 and**

Required by authority of 1984 PA 431, as amended.

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	Email Kurt@kalkomey.com	
	Telephone (972)715-7000	Contractor #, Mail Code *****3168/E00

State Contact	Agency	Name	Telephone	Email
Contract Compliance Inspector	DNR	Shar McConeghy	(517)335-3417	mcconeghys@michigan.gov
Buyer	DNR	Ruth Thole	(517)337-1553	tholer@michigan.gov

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THIS IS NOT AN ORDER: This Contract Agreement is awarded on the basis of our inquiry bearing the ITB No.RFP-JH-MOD-751R3201106. Orders for delivery will be issued directly by the Michigan Department of Natural Resources through the issuance of a Purchase Order Form.

All terms and conditions of the invitation to bid are made a part hereof.

FOR THE CONTRACTOR:

Kalkomey Enterprises, Inc.

 Firm Name
 On-file in DNR Procurement

 Authorized Agent Signature
 Kurt Kalkomey, President

 Authorized Agent (Print or Type)
 10/21/2013

 Date

FOR THE STATE:

On-file in DNR Procurement

 Signature
 Sharon Walenga-Maynard, Manager

 Name/Title
 Finance and Operations/Procurement

 Division/Section
 10/21/2013

 Date

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Definitions

This section provides definitions for terms used throughout this document.

Business Day - whether capitalized or not, means any day other than a Saturday, Sunday, State employee temporary layoff day, or State-recognized legal holiday (as identified in the Collective Bargaining Agreement for State employees) from 8:00am through 5:00pm Eastern Time unless otherwise stated.

Buyer – the DNR Procurement Services employee identified on the cover page of this Contract.

Chronic Failure - as defined in applicable Service Level Agreements.

Contract –an agreement that has been approved and executed by the awarded bidder, the DNR Procurement Services Director, and the State Administrative Board.

Contractor – the awarded bidder after the Effective Date.

Days - Business Days unless otherwise specified.

Deliverable(s) - physical goods or commodities as required or identified in a Statement of Work.

Eastern Time – either Eastern Standard Time or Eastern Daylight Time, whichever is prevailing in Lansing, Michigan.

Effective Date - the date that a binding Contract is executed by the final party.

Final Acceptance - has the meaning provided in Section 2.8.7, Final Acceptance, unless otherwise stated in Article 1.

Key Personnel - any personnel designated as Key Personnel in Sections 1.3.3, Staff, Duties, and Responsibilities, and 2.4.2, Contractor Key Personnel, subject to the restrictions of Section 2.4.2.

Post-Industrial Waste - industrial by-products which would otherwise go to disposal and wastes generated after completion of a manufacturing process, but does not include internally generated scrap commonly returned to industrial or manufacturing processes.

Purchase Order - a written document issued by the State that requests full or partial performance of the Contract.

Reserved - the section is not applicable or included in this Contract. This is used as a placeholder to maintain consistent numbering.

State - the State of Michigan.

State Location - any physical location where the State performs work. State Location may include state-owned, leased, or rented space.

Stop Work Order - a notice requiring the Contractor to fully or partially stop work in accordance with the terms of the notice.

Subcontractor - a company or person that the Contractor delegates performance of a portion of the Deliverable(s) to, but does not include independent contractors engaged by the Contractor solely in a staff augmentation role.

Unauthorized Removal - the Contractor's removal of Key Personnel without the prior written consent of the State.

Article 1 – Statement of Work

1.1 Project Identification

1.1.1 Project Request

This Contract is for classroom curricula and educational materials relating to specific outdoor recreational activities (boating, hunting, off-road vehicles and snowmobiling) for the Department of Natural Resources (DNR). Kalkomey Enterprises, Inc. (hereafter known as Kalkomey) will be responsible for creating, developing, and publishing a complete curriculum – including instructor guides, classroom presentations, student manuals, and examination questions and materials – for each recreational activity; and for developing educational and safety publications – including handbooks in printed form or accessible on the Internet – which pertain to each recreational activity. Kalkomey must be knowledgeable of national and international laws applicable to each recreational activity. State specific laws will be provided by DNR.

1.1.2 Background

The DNR offers education classes for various outdoor recreational activities, including boating, hunting, operating an off-road vehicle, and snowmobiling. Before participating in an activity, an individual must pass the appropriate class that teaches the laws and safety of the activity.

Educational materials must be developed for both instructors and students and available for traditional classroom setting or Internet access. Many individuals participate in multiple outdoor recreational activities, therefore, information presented and educational materials provided during the various educational classes must be consistent in nature and appearance.

1.2 Scope of Work and Deliverable(s)

1.2.1 Reserved

1.2.2 Deliverable(s)

Instructor’s Guide – Guides for Boater Education, Hunter Education, Off-Road Vehicle Education, and Snowmobile Education. The Instructor’s Guide is a well-organized, concise syllabus that gives an instructor what he or she needs to know to conduct a successful classroom course.

- Instructor’s Guide will be booklets formatted to print on standard 8-1/2” x 11” letter-size paper, a self-cover, and saddle-stitch binding.
- Instructor’s Guide will be printed in black and white.
- Guide will be printed on 40 lb. offset paper.
- Text must be consistent with the text of the Student Manual.
- Contents will be organized in chapters exactly as the Student Manual.
- Teaching preparation and skills covering how to prepare to teach, how to conduct a class, and teaching do’s and don’ts will be included.
- Class Schedule with suggested timing and topics to be covered in each chapter will be included.
- Lesson Plans for each chapter including learning objectives, chapter material in outline format, chapter review questions with answers, and summary points will be included.
- Design will include cues to the instructor about Classroom Presentation (on CD or digital file) coverage on the subject matter.
- Design will include page number references to the page where topic is covered in the Student Manual.

- Instructor's Guide will include an answer key to the Comprehensive Certification Examination. Exam key may be provided as a separate supplement instead of being bound in the Instructor's Guide.

The Instructor's Guide and exam key will be provided to the State as a PDF or Microsoft Word file on a CD or digital file. Contractor will license to the State the right to make an unlimited number of copies of the Instructor's Guide and exam key for use in the State's classroom courses. It is the preference of the State that the master copy/file is provided at no charge to the State.

The State may request Contractor to provide the Instructor's Guides as printed copies. If printed copies are requested, price per guide will be as quoted on Attachment A.

Printed Student Manual – Manuals for Boater Education, Hunter Education, Off-Road Vehicle Education, and Snowmobile Education courses. The Student Manual is a printed student text covering all the National and/or State of Michigan laws and regulations pertaining to the recreational activity - boating, hunting, operating an ORV, or snowmobiling - and the student's responsibilities when participating in the activity. Student Manuals will be delivered to the State as printed copies.

- Student Manuals will be printed booklets approximately 8-1/2" x 11" in size with saddle stitch binding.
- Student Manuals will be printed in color.
- Four-page cover will be printed on 70 # glossy book stock paper.
- Text pages will be printed on 40 lb. offset paper.
- Technical terms will be highlighted and defined when terms are used first.
- Chapter review exercises will be included to aid students in retention of the material.
- Student Manuals will include a Comprehensive Certification Examination.
 - Contractor will develop and write a pool of test questions based on the information contained in the Student Manual. The State will select questions from this pool and Contractor will create a certification examination with selected questions.
 - The Certification Examination will be located at the back of the manual and must be easily removable.
 - If mutually agreed between the Contractor and the State, the Certification Examination may be provided as a separate supplement instead of being bound in the Student Manual.
 - Exams will be printed on 40# offset.

Printed Handbook – Handbooks for Boater Education, Off-Road Vehicle Education, and Snowmobile Education. Handbooks will focus on the State's laws and regulations, safety concerns, and other information needed by boat, ORV, or snowmobile operators.

- Handbooks will be printed booklets approximately 4" wide x 7" tall in size with saddle stitch binding.
- Handbooks will be printed in color.
- Four-page booklet cover will be printed on 100 lb. glossy book stock paper
- Text pages will be printed on 40 lb. offset paper.
- A complete table of contents will be included.
- Photographs must show only current model boats/personal watercraft, ORVs, or snowmobiles.

Online Handbook – Handbook for Boater Education, Off-Road Vehicle Education, and Snowmobile Education. Online Handbooks must contain exactly the same material (text, graphics, and photographs) contained in the Printed Handbooks.

Online Handbooks be provided at no charge to the State.

Printed Wildlife Identification Guide – Guide is provided for Hunter Education. The Wildlife Guide is a printed, four-color field identification booklet with visual and written descriptions of 90 species' appearance, tracks, habitat, habits and range.

- Wildlife Guides will be booklets approximately 4” wide x 7” tall in size, with saddle stitch binding.
- Wildlife Guides will be printed in color.
- Four-page cover will be printed on 100 lb. glossy book stock paper.
- Text pages will be printed on 50 lb. gloss text.
- Text pages will have a page background color that is a neutral, camouflage color (non-white).
- Contents will be logically organized in species groups.
- A complete table of contents will be included.
- An observation checklist will be included for users to record their sightings.

Classroom Presentation – Power Point Presentation for Boater Education, Hunter Education, Off-Road Vehicle Education, and Snowmobile Education. The PowerPoint/ CD or digital file presentation is a companion tool, consistent with the Printed Student Manual and Instructor’s Guide. The PowerPoint/CD or digital file presentation is an attractive and well-organized presentation that an instructor can use to easily and thoroughly present material to students.

Contractor will license to the State the right to duplicate the master CD or digital file for an unlimited number of copies for use by instructors in the State’s classroom courses.

General Specifications for all Publications

Contractor will provide to the State a master copy in PDF format on CD or digital file of all publications and presentations. The state will sign an agreement not to make copies except in the case of bankruptcy as stated in section 2.24.1. Each CD or digital file will be clearly labeled with name of publication or presentation and revision date. Contractor will maintain a complete backup of all publications in digital format.

If laws or information change during the Contract term, Contractor will update the current publication(s) on line within 2 calendar weeks of notification and upon re-print of hardcopy publications at no cost to the State. If the scope of changes is substantial (affecting more than 5 pages of content), the updating project will be estimated and the State given a delivery date of when the on-line changes will be delivered.

All text must be written by Contractor.

- Text will be written in a clear, reader-friendly and consistent style.
- Text will use a bullet-style format to emphasize important points.
- Content will be logically organized with any applicable law(s) clearly distinguished from other information.

All graphics and photographs used will be designed/procured by Contractor.

- All graphics will be full-color, computer-designed, and realistic.
- All photographs will be high-resolution color photographs.
- Contractor will allow the State to use graphics for non-competitive, information activities (safety awareness campaign materials, posters, etc.).

Printed publication:

- Cover and layout of text pages will be designed by Contractor.
 - Cover will be designed to give a state-specific, attractive, and contemporary look.

- A new cover will be designed for each subsequent printing of the publication, if requested by the State, in order to maintain a current look and to make editions easy to distinguish visually.
- Layout of text pages will be consistent throughout and have an attractive, easy-to-use, and contemporary look and feel.
- Color printing will utilize a four-color process.
- Contractor will provide the desired press/print quality which includes:
 - Line screen of 133 dots per inch (dpi).
 - Registration within one row of dots.
 - No white space on traps.
- Contractor will guarantee a Government Printing Office (GPO) Level III Product Quality Level (PQL).

Online publication:

- Contractor will develop and publish on the Internet an interactive version and a downloadable version of the Boater Handbook, the Off Road Vehicle Handbook and the Snowmobiling Handbook.
- The online Handbooks will contain exactly the same material (text, graphics, and photographs) contained in the printed Handbooks.
- Contractor will supply a web server (hardware and software) to host both versions (interactive and downloadable) of the online Handbooks. Contractor will provide 24/7 network monitoring to insure web server be continuously available to the public. Contractor will notify DNR within one hour whenever web server is down or not available to the public for a period of 4 hours or more. Periods of planned maintenance are excluded from this provision.
- Contractor will supply an Internet domain (www address) to host both versions of the online Handbooks. Links to the Internet domain will be provided to DNR.
- Contractor will register the online Handbooks domain with all of the popular Internet search engines and directories.
- Contractor will provide continuous webmaster services for both versions of the online Handbooks.
- Interactive version:
 - Must be developed using HTML or an equivalent web-publishing language.
 - Must have a navigation scheme that provides the ability to navigate to all other pages of the interactive version of the online Handbook from every page of the interactive version of the online Handbook.
 - Must include hyperlinks which the State may use on their website.
- Downloadable version:
 - Must be provided as PDF files.
 - Must provide a web-interface to allow users to easily download the downloadable version of the online Handbook in whole or as individual sections.
 - Must have embedded hyperlinks to allow used to easily jump to information from the Table of Contents and to link to any Internet addresses included in the text.
- Online Handbooks will be available free of charge to users.

Classroom Presentations:

- Kalkomey will write, design and develop supporting text, graphics, and animations for a base presentation which will enable instructors to modify as best suits their classroom needs. The will be delivered in a presentation software (PowerPoint or similar).
 - Text and will be consistent with text of the Printed Student Manual.
 - Presentation contents will be organized in chapters exactly as the Printed Student Manual.

- Learning objectives in each chapter will be consistent with those in the Instructor's Guide.
- Lesson content in each chapter will be derived from the Printed Student Manual.
- Review questions in each chapter will be consistent with those in the Printed Student Manual.
- Summary points in each chapter will be consistent with those in the Instructor's Guide.
- Presentation will include animations where appropriate to illustrate concepts consistent with the Printed Student Manual and directly relate to and enhance the text content found within the Presentation.
- Presentation will be attractive, easy to read, and contemporary.
- Slide background, text colors, and graphics resolution will be selected to provide clear projection in a classroom setting.

Additional Requirements for Specific Publications

Boaters' Handbook

- A quick reference chart of the State's required boating equipment is included.
- All graphics and photographs illustrating persons in vessels show the persons wearing PFDs unless the graphic or photograph is marked clearly as a prohibited situation.
- Boating Handbook will be a 4 inches wide by 7 inches tall, full-color publication with 48 text pages plus 4-page cover.

Boater Education Student Manual

- Student Manual will be written to meet the latest National Association of State Boating Law Administrators (NASBLA) requirements and any subsequent NASBLA requirements. This includes requirements covering personal watercraft safety and laws. Contractor provides the State with the completed forms required to submit the Student Manual for NASBLA approval.
- Student Manual will cover all of the State's boating laws and regulations, navigational rules and aids, risk management, and responsibilities of both boat and personal watercraft (PWC) operators.
- Student Manual contents are organized such that state and federal boating laws are collected within a single chapter for easy reference.
- Student Manual will have seven pages available for state-specific information, which may include a quick reference chart of state-specific required equipment, practice test, or any other information desired by the State.
- All graphics and photographs illustrating persons in vessels will show persons wearing PFDs, unless the graphic or photograph is marked clearly as a prohibited situation.
- Contractor will develop a pool of at least 200 national exam questions and a pool of at least 50 state-specific exam questions; all questions must be written to meet NASBLA Education Standard 9. The State will select exam questions from available NASBLA test forms and/or from the pool of national and state-specific questions developed by the Contractor.
- Student Manual will be 8.375 inches wide by 10.75 inches tall full-color publication with 64 text pages plus 4-page glossy cover AND a 4-page exam supplement.

Boater Education Instructor Guide/Exam Key

- The Instructor's Guide will be a 8.375 inches wide by 10.75 inches tall, black-and-white publication with 32 pages including self-cover AND includes a separate one-page black-and-white Exam Key. Note the product provided is Kalkomey's *national* printed boater education instructor guide.

Boater Education PowerPoint/CD or digital file Presentation

- PowerPoint/CD or digital file presentation will include animation sequences to illustrate concepts including navigation rules, night navigation, aids to navigation, casting off and docking, anchoring, power loading a vessel on a trailer, passing through locks, and PWC operation and safety.

Hunter Education Student Manual

- Student Manual will be a national student text written to meet the latest International Hunter Education Associations (IHEA) standards and will include any future IHEA requirements. If requested by the State, Contractor will develop information to tailor the Student Manual to the state.
- Contractor will develop a pool of at least 100 exam questions for the comprehensive certification exam.
- The Student Manual will be an 8 3/4" x 10 7/8" full-color publication with 96 text pages plus 4-page glossy cover AND a 4-page exam supplement.

Wildlife Identification Guide

- The Wildlife Identification Guide will be a 4 inches wide by 7 inches tall, full-color publication with 80 text pages plus 4-page cover. This is Kalkomey's *national* publication.

Hunter Education Instructors Guide/Exam Key

- The Instructor's Guide and Exam Key will be 8.375 inches wide by 10.75 inches tall black-and-white publications with 64 pages including self-cover. Note that the pricing given below is for Kalkomey's *national* printed hunter education instructor guide.

Hunter Education PowerPoint/CD or digital file Presentation

- PowerPoint/CD or digital file presentation will include animation sequences to demonstrate how firearms fire and how different types of firearm actions work.

Off-Road Vehicle Education Student Manual

- Contractor will develop a pool of at least 150 exam questions for the comprehensive certification exam.
- The Off-road Student Manual will be an 8.375 inches wide by 10.75 inches tall, full-color publication with 64 text pages plus 4-page cover AND a 4-page black-and-white exam supplement.

Off-Road Handbook

- The Off-road Handbook will be a 4 inches wide by 7 inches tall, full-color publication with 48 text pages plus 4-page cover.

Off-Road Instructors Guide/Exam Key

- The Instructor's Guide will be an 8.375 inches wide by 10.75 inches tall, black-and-white publication with 32 pages including self-cover AND a separate one-page black-and-white Exam Key.

Snowmobile Education Student Manual

- Kalkomey will develop a pool of at least 150 exam questions for the comprehensive certification exam.
- The Snowmobile Manual/Exam will be an 8.375 inches wide by 10.75 inches tall, full-color publication with 48 text pages plus 4-page cover AND a 4-page black-and-white exam supplement.

Snowmobile Handbook

- The Snowmobile Handbook will be a 4 inches wide by 7 inches tall, full-color publication with 48 text pages plus 4-page cover.

Snowmobile Instructors Guide/Exam Key

- The Instructor's Guide will be an 8.375 inches wide by 10.75 inches tall, black-and-white publication with 32 pages including self-cover AND a separate one-page black-and-white Exam Key.

1.2.3 Quantity

The State is not obligated to purchase in any specific quantity.

1.2.4 Ordering

The State will issue a Purchase Order to order any Deliverable(s) covered under the Contract. Kalkomey is not authorized to fulfill an order until receipt of a Purchase Order.

1.2.5 Reserved

1.3 Management and Staffing

1.3.1 Project Management

Kalkomey will carry out this project under the direction and control of the Department of Natural Resources.

The DNR project manager and Kalkomey's project manager (or their designee) will be in contact weekly, at a minimum, during the developmental stages of this project to review progress and provide necessary guidance.

Time frame for review of materials and printing:

For the first year of this Contract the following time line will be adhered to:

Contract start date October 21, 2013.

Contractor must provide to DNR drafts of each publication for review by January 1, 2014.

The DNR will review and make changes to the publications within 20 business days.

Contractor will make necessary changes and re-submit for DNR review within 10 business days.

Hereafter until DNR has approved the publication for print, any reviews or changes must be completed by either party within 5 business days.

The final publications must be ready for print by March 1, 2014.

Subsequent years of the Contract must follow the timeline below:

DNR will complete review of previous year's materials by October 1st.

Within 15 business days, Contractor will make any changes requested by DNR, review and update any national or international law information, and make any text, graphic changes for the next year's guide.

DNR will review changes, provide feedback or sign for approval to print within 10 business days.

Hereafter until DNR has approved the publication for print, any reviews or changes must be completed by either party within 5 business days.

The final publications must be ready for print by December 1st.

1.3.2 Reports

- (a) Kalkomey will provide a brief written report detailing workflow processes, issues that arose, and resolution of issues each year upon request.
- (b) Kalkomey will provide an annual report on website traffic upon request. The report will be on that portion of Kalkomey’s websites that are related to the online handbooks for Michigan.

1.3.3 Staff, Duties, and Responsibilities

Name	Title	Role/Responsibility	Location
Kurt Kalkomey	President	Administration	Dallas, Texas
Cynthia Kalkomey	Vice President	Project Manager	Dallas, Texas
Janice Roff	Print Coordinator	Estimates and receives publication orders, arranges printing and shipping and tracks status	Dallas, Texas
Michael Reimer	Mgr Content and Publications	Manages course content and publication development and production	Dallas, Texas

1.3.4 Meetings

The State may request a kick-off meeting (either teleconference or in person) with Kalkomey within thirty (30) days of the Effective Date of the Contract. The State may request other meetings as it deems appropriate. The Contractor must be willing to travel to Michigan as requested by the Project Manager.

1.3.5 Place of Performance

Full address of place of performance	Owner/operator of facility to be used	Percent (%) of Contract value to be performed at listed location
Kalkomey Enterprises, Inc., 14086 Proton Rd Dallas, Texas 75244	Kurt and Cindy Kalkomey	100%

1.3.6 Reserved

1.3.7 Binding Commitments

The following representatives have the authority to make binding commitments on Kalkomey’s behalf.

Kurt or Cindy Kalkomey

1.3.8 Reserved

1.3.9 Reserved

1.4 Delivery and Acceptance

1.4.1 Time Frames

All Deliverable(s) must be delivered within 30 Calendar Days after receipt of order and approval from DNR Project Manager to print. The receipt of order date is governed in the same manner as notices sent under Section 2.3.6, Notices.

1.4.2 Minimum Order

Minimum order for publication or presentation is:

- (a) Instructor Guides - 200 each.
- (b) Student Manuals - 1000 each
- (c) Handbooks - 100 each.
- (d) Classroom Presentation (on CD or digital file) - 20 each.

If ordering less than the above stated minimum, the cost per unit will depend on the number of materials ordered. Pricing will be quoted when an order less than the minimum is placed.

1.4.3 Packaging

Kalkomey will package by the case. Packaging and containers, etc., shall be in accordance with supplier's commercial practice and shall meet the requirements of Department of Transportation (D.O.T.) and rail and motor carrier freight classifications in effect at the time of shipment, which will permit application of the lowest freight rate.

1.4.4 Palletizing

Shipments must be palletized whenever possible.

- (a) Manufacturer's standard 4-way shipping pallets are acceptable.
- (b) Maximum height is 64", including pallet.
- (c) Maximum weight is 2,500 pounds, including pallet.
- (d) Pallets must be securely banded or shrink wrapped.

1.4.5 Delivery Term

Unless specified otherwise below, delivery is governed by Section 2.8.2, Delivery Responsibilities.

Prices "F.O.B. Destination" with transportation charges included in the cost of the materials ordered on all orders that meet the minimum order requirement specified in Section 1.4.2, Minimum Order.

Freight Charges - If the State orders below the minimum order requirement specified in Section 1.4.2, Minimum Order, Kalkomey must use the State's current express delivery carrier, which is United Parcel Service, when the weight of the shipment is less than 150 lbs. or where shipments could be separated into smaller parcels. If the shipment weighs less than 150 lbs., but the Deliverable costs \$3000 or more, it must be sent by an appropriate carrier.

1.4.6 Acceptance Process

The acceptance process is defined in Section 2.8.4, Acceptance of Deliverable(s), unless otherwise defined in this section.

1.4.7 Criteria

The State will use the following criteria to determine acceptance of Deliverable(s) or Services provided under this SOW:

- (a) Kalkomey must receive written (or email) approval on samples submitted prior to moving to production.
- (b) Each order placed shall be delivered in the quantities ordered and within the timeframe outlined in the Contract.
- (c) The State will inspect shipments within 10 business days of Delivery for any defective items or items with specification deficiencies.

1.5 Proposal Pricing

1.5.1 Pricing

Pricing details are listed in **Attachment A**.

1.5.2 Reserved

1.5.3 Price Term

Prices in **Attachment A** are firm with prospective renegotiation per the criteria as stated under Section 2.3.5, Price Changes.

Payment is Net 30 days

1.5.4 Tax Excluded from Price

- (a) Sales Tax: The State is exempt from sales tax for direct purchases.
- (b) Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent upon request.

1.5.5 Invoices

Invoices must, at a minimum, include:

- (a) Date
- (b) PO #
- (c) Quantity
- (d) Deliverable
- (e) Unit Price
- (f) Shipping Cost (if any)
- (g) Total Price

1.6 Commodity Requirements

1.6.1 Customer Service

Kalkomey's estimator matches any order requests initiated by a DNR Project Manager against purchase orders received by the president of Kalkomey from a DNR Buyer. Kalkomey's estimator compares all requests to previous orders placed by the DNR for the same or similar product and will contact the DNR Project Manager if the volume or frequency of the order differs significantly from past orders.

Kalkomey can enforce any controls requested by the State to ensure that only authorized individuals with the State place orders. Kalkomey will verify with the State any orders that have quantities that appear to be abnormal or excessive.

Kalkomey is able to receive orders electronically, by facsimile and by written order. Kalkomey has a nationwide toll-free phone number for phone orders and customer service calls: 1-800-830-2268.

Kalkomey has five full time customer service staff to handle all calls from public users, including users of Kalkomey's on-line handbooks.

Kalkomey's estimator, Janice Roff, will be the DNR's primary contact for initiating a re-order of publications or presentations.

1.6.2 Research and Development

Kalkomey has a record of continuously improving its products. Kalkomey's staff attends and presents at technology conferences and attends training courses to stay current on the latest technology and to be ahead of advances that can enhance products. Kalkomey has historically invested in developing new products and tools for use by state agencies.

1.6.3 Quality Assurance Program

Kalkomey actively participates in national/international standards setting organizations for recreational safety, and keeps aware of changes in law and/or educational standards. Kalkomey also engages subject matter experts to review and suggest improvements for its education products. Kalkomey has an extensive checklist, specific to each publication type, of items to be checked each time a publication is re-ordered.

An overview of Kalkomey's development process for print products is as follows:

1. Editor develops detailed outline of publication content based on requirements of customer and any other content-governing body.
2. Professional technical writers develop the text of the publication per the outline under the guidance of the subject-matter experts. The writer also describes illustrations needed to aid in explaining the content.
3. Illustrators create the needed graphics using Adobe Illustrator and/or Adobe Photoshop. Rights to any photographs needed are obtained.
4. Graphic designers create a page layout design and set the color palette and text styles. Designers then place text and illustrations within the page layout. Designers create a cover design.
5. Professional proofreader thoroughly reviews the draft publication. Proofing corrections are made by designers. Corrections are checked by a second proofreader.
6. The draft publication is sent to the State customer for review and comments. Any changes requested by the State are made by the technical writer or designer. All changes made are reviewed by a professional proofreader.
7. Final draft is sent to the State customer for approval to go to press.
8. A pre-press designer prepares publication files and color proofs for the press. Proofreader does final review of press proofs.
9. Publication is printed. Pressmen continuously monitor printed publication against color proofs during print run.
10. Samples of printed publications are checked.
11. Printed publication is boxed and palletized per State customer's requirements and delivered to customer.

1.6.4 Warranty for Deliverable(s)

DNR will have final approval of content and design of the publication prior to printing; therefore no warranty period is required. If laws or information change during the Contract period, Kalkomey will update the publication(s) at no cost to the DNR and submit changes to the DNR for approval prior to the next printing.

The print quality of Kalkomey's publications will comply with GPO Level III Standards as required in the specifications. If print quality does not meet GPO Level III Standards, the publication will be reprinted if the DNR so requires at no cost to the State of Michigan. Warranty problems should be reported in writing and include a sample of the problem if appropriate.

1.6.5 Reserved

1.6.6 Reserved

1.6.7 Environmental Requirements

- (a) The State prefers to purchase products that impact the environment less than competing products. Environmental components that may be considered include: recycled content, recyclability, and the presence of undesirable materials in the products, especially persistent, bioaccumulative, and toxic chemicals.

Kalkomey's printed publications; the only tangible product being provided under this Contract, may be recycled similar to other paper products.

- (b) **Environmental Permits and Requirements.** Kalkomey's facilities are not in violation of any environmental laws. If in the future Kalkomey receives any communication from any EPA, State or local agency indicating that any of their facilities are in violation of applicable environmental laws they must immediately notify DNR Procurement Services.

1.6.8 Recycled Content and Recyclability

- (a) **Deliverable(s).** None of the materials provided under this Contract contain recycled materials.
- (b) **Packaging.** The State prefers packaging materials that:
- i) are made from recycled content that meets or exceeds all federal and state recycled content guidelines (currently 35% post-consumer for all corrugated cardboard);
 - ii) minimize or eliminate the use of polystyrene and other difficult to recycle materials;
 - iii) minimize or eliminate the use of packaging and containers or, in the alternative, minimize or eliminate the use of non-recyclable packaging and containers;
 - iv) provide for a return program where packaging can be returned to a specific location for recycling; and
 - v) contain materials that are easily recyclable in Michigan.

Kalkomey's publications and the packaging of the publications are all paper products, and thus are easily recyclable in Michigan.

1.6.9 Additional Terms

Kalkomey acknowledges the Michigan Printing Act (stated in Section 2.23.2) requires publications printed specifically for the Michigan DNR must be printed in the State of Michigan. It is Kalkomey's responsibility prior to printing any publication to notify the DNR Project Manager what printer will be used and show compliance with the Michigan Printing Act.

The following publications are required to be printed in Michigan:

- Boater Student Manual and Exam
- Boater Handbook
- Hunter Student Manual
- Off-Road Student Manual
- Off-Road Handbook
- Off-Road Instructor Guide and Exam Key
- Snowmobile Student Manual and Exam
- Snowmobile Handbook
- Snowmobile Instructors Guide and Exam Key

Article 2 – Terms and Conditions

2.1 Contract Term

2.1.1 Contract Term

The Contract term begins October 21, 2013 and expires October 21, 3016. All outstanding Purchase Orders will expire upon the termination of the Contract for any of the reasons listed in Section 2.16, Termination by the State, unless otherwise agreed to in writing by DNR Procurement Services. Absent an early termination, Purchase Orders issued, but not expired, by the end of the Contract's term will remain in effect for the balance of the fiscal year for which they were issued.

2.1.2 Options to Renew

This Contract may be renewed for up to two additional one-year period(s). Renewal must be by mutual written agreement of the parties, not less than 30 days before expiration of the Contract.

2.2 Payments and Taxes

2.2.1 Fixed Prices for Deliverable(s)

Prices are fixed for all Deliverable(s) and for all of the associated payment milestones and amounts.

2.2.2 Payment Deadlines

Undisputed invoices will be due and payable by the State, in accordance with the State's standard payment procedure as specified in 1984 PA 279, MCL 17.51 *et seq.*, within 45 days after receipt.

2.2.3 Reserved

2.2.4 Reserved

2.2.5 Final Payment and Waivers

The Contractor's acceptance of final payment by the State constitutes a waiver of all claims by the Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed. For other claims, final payment by the State will not constitute a waiver by either party of any rights as to the other party's continuing obligations, nor will it constitute a waiver of any claims under this Contract, including claims for Deliverable(s) not reasonably known to be defective or substandard.

2.2.6 Electronic Payment Requirement

As required by MCL 18.1283a, the Contractor must electronically register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer (EFT) payments.

2.2.7 Employment Taxes

The Contractor must collect and pay all applicable federal, state, and local employment taxes.

2.2.8 Sales and Use Taxes

The Contractor must register and remit sales and use taxes on taxable sales of tangible personal property or services delivered into the State. If the Contractor lacks sufficient presence in Michigan to be required to register and pay taxes, it must do so on a voluntary basis. The requirement to register and remit sales and use taxes extends to (a) all members of a "controlled group of corporations" as defined in § 1563(a) of the Internal Revenue Code, 26 USC 1563(a), and applicable regulations; and (b) all organizations under common control that make sales at retail for delivery into the State. Any United States Department of Treasury regulation that references "two or more trades or businesses under common control" includes

organizations such as sole proprietorships, partnerships (as defined in § 7701(a)(2) of the Internal Revenue Code, 26 USC 7701(a)(2)), trusts, estates, corporations, or limited liability companies.

2.3 Contract Administration

2.3.1 Issuing Office

This Contract is issued Department of Natural Resources, Procurement Services (State). **DNR Procurement Services is the only entity authorized to modify the terms and conditions of this Contract, including the prices and specifications.** The Contract Administrator within DNR Procurement Services for this Contract is:

Ruth Thole, Buyer
Department of Natural Resources
Procurement Services
P. O. Box 30028
Lansing, MI 48909
517-337-1553
E-mail: tholer@michigan.gov
Fax: 517-373-6507

2.3.2 Reserved

2.3.3 Project Manager

The Project Manager, named below, will oversee the project. However, management of the project implies **no authority to modify the terms and conditions of this Contract, including the prices and specifications.**

Shar McConeghy, Program Manager
Department of Natural Resources
Marketing & Outreach-Recruitment & Retention
530 W. Allegan St.
Lansing, MI 48933
517-335-3417
mcconeighys@michigan.gov

2.3.4 Contract Changes

(a) If the State requests or directs the Contractor to provide any Deliverable(s) that the Contractor believes are outside the scope of the Contractor's responsibilities under the Contract, the Contractor must notify the State before performing the requested activities. If the Contractor fails to notify the State, any activities performed will be considered in-scope and not entitled to additional compensation or time. If the Contractor begins work outside the scope of the Contract and then ceases performing that work, the Contractor must, at the request of the State, retract any out-of-scope work that would adversely affect the Contract.

(b) The State or the Contractor may propose changes to the Contract. If the Contractor or the State requests a change to the Deliverable(s) or if the State requests additional Deliverable(s), the Contractor must provide a detailed outline of all work to be done, including tasks, timeframes, listing of key personnel assigned, estimated hours for each individual per Deliverable, and a complete and detailed cost justification. If the parties agree on the proposed change, DNR Procurement Services will prepare and issue a notice that describes the change, its effects on the Deliverable(s), and any affected components of the Contract (Contract Change Notice).

(c) No proposed change may be performed until DNR Procurement Services issues a duly executed Contract Change Notice for the proposed change.

2.3.5 Price Changes

If allowed by Section 1.5.3, Price Term, the State and the Contractor will complete a pricing review (Review) every 365 days following the Effective Date, to allow for changes based on actual costs incurred. Requested changes may include increases or decreases in price and must be accompanied by supporting information indicating market support of proposed modifications (such as the CPI and PPI, US City Average, as published by the US Department of Labor, Bureau of Labor Statistics).

(a) The State may request a Review upon 30 days written notice that specifies what Deliverable is being reviewed. At the Review, each party may present supporting information including information created by, presented, or received from third parties.

(b) Following the presentation of supporting information, both parties will have 30 days to review the supporting information and prepare any written response.

(c) In the event the Review reveals no need for modifications of any type, pricing will remain unchanged unless mutually agreed to by the parties. However, if the Review reveals that changes may be recommended, both parties will negotiate in good faith for 30 days unless extended by mutual agreement of the parties.

(d) If the supporting information reveals a reduction in prices is necessary and Contractor agrees to reduce rates accordingly, then the State may elect to exercise the next one year option, if available.

(e) If the supporting information reveals a reduction in prices is necessary and the parties are unable to reach agreement, then the State may eliminate all remaining Contract renewal options.

(f) Any changes based on the Review must be implemented through the issuance of a Contract Change Notice.

2.3.6 Notices

All notices and other communications required or permitted under this Contract must be in writing and will be considered given when delivered personally, by fax (if provided) or by e-mail (if provided), or by registered mail, return receipt requested, addressed as follows (or any other address that is specified in writing by either party):

If to State:

State of Michigan
DNR Procurement Services
Attention: Ruth Thole
PO Box 30028
530 West Allegan
Lansing, MI 48909
Tholer@michigan.gov

If to Contractor:

Kalkomey Enterprises, Inc.
Kurt Kalkomey
14086 Proton Road
Dallas, Texas 75244
kurt@kalkomey.com

Delivery by a nationally recognized overnight express courier will be treated as personal delivery.

2.3.7 Covenant of Good Faith

Each party must act reasonably and in good faith. Unless otherwise provided in this Contract, the parties will not unreasonably delay, condition or withhold their consent, decision, or approval any time it is

requested or reasonably required in order for the other party to perform its responsibilities under the Contract.

2.3.8 Assignments

(a) Neither party may assign this Contract, or assign or delegate any of its duties or obligations under the Contract, to another party (whether by operation of law or otherwise), without the prior approval of the other party. The State may, however, assign this Contract to any other State agency, department, or division without the prior approval of the Contractor.

(b) If the Contractor intends to assign this Contract or any of the Contractor's rights or duties under the Contract, the Contractor must notify the State and provide adequate information about the assignee at least 90 days before the proposed assignment or as otherwise provided by law or court order. The State may withhold approval from proposed assignments, subcontracts, or novations if the State determines, in its sole discretion, that the transfer of responsibility would decrease the State's likelihood of receiving performance on the Contract or the State's ability to recover damages.

(c) If the State permits an assignment of the Contractor's right to receive payments, the Contractor is not relieved of its responsibility to perform any of its contractual duties. All payments must continue to be made to one entity.

2.3.9 Equipment

The State will not provide equipment and resources unless specifically identified in the Statement(s) of Work or other Contract exhibits.

2.3.10 Reserved

2.4 Contract Management

2.4.1 Contractor Personnel Qualifications

All persons assigned by the Contractor to perform work must be employees of the Contractor or its majority-owned subsidiaries, or a State-approved Subcontractor, and must be fully qualified to perform the work assigned to them. The Contractor must include this requirement in any subcontract.

2.4.2 Reserved

2.4.3 Reserved

2.4.4 Reserved

2.4.5 Contractor Identification

The Contractor's employees must clearly identify themselves and the company they work for whenever making contact with State personnel by telephone or other means.

2.4.6 Cooperation with Third Parties

The Contractor and its Subcontractors must cooperate with the State and its agents and other contractors, including the State's quality assurance personnel. The Contractor must provide reasonable access to its personnel, systems, and facilities related to the Contract to the extent that access will not interfere with or jeopardize the safety or operation of the systems or facilities.

2.4.7 Relationship of the Parties

The relationship between the State and Contractor is that of client and independent contractor. No agent, employee, or servant of the Contractor, or any of its subcontractors, is an employee, agent or servant of the State. The Contractor will be solely and entirely responsible for its acts and the acts of its agents, employees, servants, and subcontractors during the performance of the Contract.

2.5 Subcontracting by Contractor

2.5.1 Contractor Responsible

The Contractor is responsible for the completion of all Deliverable(s). The State will consider the Contractor to be the sole point of contact with regard to all contractual matters, including payment of any charges for Deliverable(s). The Contractor must make all payments to its Subcontractors or suppliers. Except as otherwise agreed in writing, the State is not obligated to make payments for the Deliverable(s) to any party other than the Contractor.

2.5.2 State Approval of Subcontractor

(a) The Contractor may not delegate any duties under this Contract to a Subcontractor unless DNR Procurement Services gives prior approval to the delegation. The State is entitled to receive copies of and review all subcontracts. The Contractor may delete or redact any proprietary information before providing it to the State.

(b) The State may require the Contractor to terminate and replace any Subcontractor the State reasonably finds unacceptable. The required replacement of a Subcontractor must be written and contain reasonable detail outlining the State's reasons. If the State exercises this right, and the Contractor cannot immediately replace the Subcontractor, the State will agree to an equitable adjustment in the schedule or other terms that may be affected by the State's required replacement. If this requirement results in a delay, the delay will not be counted against any applicable Service Level Agreement (SLA).

2.5.3 Subcontract Requirements

Except where specifically approved by the State, Contractor must include the obligations in Sections 2.24.2, Media Releases, 2.4, Contract Management, 2.11, Confidentiality, 2.12, Records and Inspections, 2.13, Warranties, 2.14, Insurance, and 2.23, Laws, in all of its agreements with Subcontractors.

2.5.4 Competitive Selection

Contractor must select Subcontractors (including suppliers) on a competitive basis to the maximum practical extent consistent with the objectives and requirements of this Contract.

2.6 Administrative Fee and Reporting

If the Contractor agrees to the Extended Purchasing provisions of the Contract, Section 2.22.1, the Contractor must remit an administrative fee of 1% on all payments remitted to Contractor under the Contract from MiDEAL members. Contractor must submit an itemized purchasing activity report, which includes at a minimum, the name of the purchasing entity and the total dollar volume in sales.

Itemized purchasing activity reports should be mailed to DTMB-Procurement and the administrative fee payments shall be made by check payable to the State of Michigan and mailed to:

The Department of Technology, Management and Budget
Financial Services – Cashier Unit
Lewis Cass Building
320 South Walnut St.
P.O. Box 30681
Lansing, MI 48909

The administrative fee and purchasing activity report are due within 30 calendar days from the last day of each quarter.

2.7 Performance

2.7.1 Time of Performance

(a) The Contractor must immediately notify the State upon becoming aware of any circumstances that may reasonably be expected to jeopardize the completion of any Deliverable(s) by the scheduled due dates in the latest State-approved delivery schedule and must inform the State of the projected actual delivery date.

(b) If the Contractor believes that a delay in performance by the State has caused or will cause the Contractor to be unable to perform its obligations according to specified Contract time periods, the Contractor must immediately notify the State and, to the extent practicable, continue to perform its obligations according to the Contract time periods. The Contractor will not be in default for a delay in performance to the extent the delay is caused by the State.

2.7.2 Reserved

2.7.3 Reserved

2.7.4 Excusable Failure

Neither party will be liable for any default, damage or delay in the performance of its obligations that is caused by government regulations or requirements, power failure, electrical surges or current fluctuations, war, forces of nature or acts of God, delays or failures of transportation, equipment shortages, suppliers' failures, acts or omissions of common carriers, fire, riots, civil disorders, labor disputes, embargoes, injunctions (provided the injunction was not issued as a result of any fault or negligence of the party seeking to have its default or delay excused), or any other cause beyond the reasonable control of a party; provided the non-performing party and any Subcontractors are without fault in causing the default or delay, and the default or delay could not have been prevented by reasonable precautions and cannot reasonably be circumvented by the non-performing party through the use of alternate sources, workaroud plans, or other means, including disaster recovery plans.

If a party does not perform its contractual obligations for any of the reasons listed, the non-performing party will be excused from any further performance of its affected obligation(s) for as long as the circumstances prevail. The non-performing party must promptly notify the other party immediately after the excusable failure occurs, and when it abates or ends. Both parties must use commercially reasonable efforts to resume performance.

If any of the reasons listed substantially prevent, hinder, or delay the Contractor's performance of the Deliverable(s) for more than 10 Days, and the State reasonably determines that performance is not likely to be resumed within a period of time that is satisfactory to the State, the State may: (a) procure the affected Deliverable(s) from an alternate source without liability for payment so long as the delay in performance continues; or (b) terminate any portion of the Contract so affected and equitably adjust charges payable to the Contractor to reflect those Deliverable(s) that are terminated. The State must pay for all Deliverable(s) for which Final Acceptance has been granted before the termination date.

The Contractor will not have the right to any additional payments from the State as a result of any Excusable Failure or to payments for Deliverable(s) not provided as a result of the Excusable Failure. The Contractor will not be relieved of a default or delay caused by acts or omissions of its Subcontractors except to the extent that a Subcontractor experiences an Excusable Failure and the Contractor cannot reasonably circumvent the effect of the Subcontractor's default or delay in performance through the use of alternate sources, workaroud plans, or other means, including disaster recovery plans.

2.8 Acceptance of Deliverable(s)

2.8.1 Quality Assurance

By tendering any Deliverable to the State, the Contractor certifies to the State that (a) it has performed reasonable quality assurance activities; (b) it has performed any reasonable testing; and (c) it has corrected all material deficiencies discovered during the quality assurance activities and testing. To the extent that testing occurs at State Locations, the State is entitled to observe and otherwise participate in the testing.

2.8.2 Delivery Responsibilities

Unless otherwise specified by the State in Section 1.4.5, Delivery Term, the following are applicable to all deliveries:

(a) The Contractor is responsible for delivering the Deliverable(s) by the applicable delivery date to the location(s) specified in the SOW or individual Purchase Order.

(b) The Contractor must ship the Deliverable(s) "F.O.B. Destination, within Government Premises."

(c) The State will examine all packages at the time of delivery. The quantity of packages delivered must be recorded and any obvious visible or suspected damage must be noted at the time of delivery using the shipper's delivery document(s) and appropriate procedures to record the damage.

2.8.3 Process for Acceptance of Deliverable(s)

For any publication, Kalkomey will require a written approval by the DNR Project Manager or his/her designee before the publication will be printed. DNR approval given by email will suffice. DNR will not consider the content of any publication deficient as long as it is printed as approved.

The State's review period for acceptance of the Deliverable(s) is governed by the applicable Statement of Work, and if the Statement of Work does not specify the State's review period, it is by default 30 Days for a Deliverable (State Review Period). The State will notify the Contractor by the end of the State Review Period that either:

(a) the Deliverable is accepted in the form delivered by the Contractor;

(b) the Deliverable is accepted, but noted deficiencies must be corrected; or

(c) the Deliverable is rejected along with notation of any deficiencies that must be corrected before acceptance of the Deliverable.

If the State delivers to the Contractor a notice of deficiencies, the Contractor will correct the described deficiencies and within 30 Days resubmit the Deliverable(s) with an explanation that demonstrates all corrections have been made to the original Deliverable(s). The Contractor's correction efforts will be made at no additional charge. Upon receipt of a corrected Deliverable from the Contractor, the State will have a reasonable additional period of time, not to exceed 30 Days, to accept the corrected Deliverable.

2.8.4 Acceptance of Deliverable(s)

(a) The State's obligation to comply with any State Review Period is conditioned on the timely delivery of the Deliverable(s). The State Review Period will begin on the first Business Day following the State's receipt of the Deliverable(s).

(b) The State may inspect the Deliverable to confirm that all components have been delivered without material deficiencies. If the State determines that the Deliverable or one of its components has material deficiencies, the State may reject the Deliverable without performing any further inspection or testing.

(c) The State will only approve a Deliverable after confirming that it conforms to and performs according to its specifications without material deficiency. The State may, in its discretion, conditionally approve a Deliverable that contains material deficiencies if the State elects to permit the Contractor to correct those deficiencies post-approval. The Contractor remains responsible for working diligently to correct, within a reasonable time at the Contractor's expense, all deficiencies in the Deliverable that remain outstanding at the time of State approval.

(d) If, after three opportunities the Contractor is unable to correct all deficiencies, the State may: (i) demand that the Contractor cure the failure and give the Contractor additional time to do so at the sole expense of the Contractor; (ii) keep the Contract in force and perform, either itself or through other parties, whatever the Contractor has failed to do, and recover the difference between the cost to cure the deficiency and the Contract price plus an additional amount equal to 10% of the State's cost to cure the deficiency; or (iii) fully or partially terminate the Contract for default by giving notice to the Contractor. Notwithstanding the foregoing, the State cannot use, as a basis for exercising its termination rights under this Section, deficiencies discovered in a repeat State Review Period that could reasonably have been discovered during a prior State Review Period.

(e) The State, at any time and in its reasonable discretion, may reject the Deliverable without notation of all deficiencies if the acceptance process reveals deficiencies in a sufficient quantity or of a sufficient severity that renders continuing the process unproductive or unworkable.

2.8.5 Reserved

2.8.6 Reserved

2.8.7 Final Acceptance

Unless otherwise stated in the Statement of Work, "Final Acceptance" of a Deliverable occurs when that Deliverable has been accepted by the State following the applicable State Review Period.

2.9 Reserved

2.10 State Standards

2.10.1 Electronic Receipt Processing Standard

All electronic commerce applications that allow for electronic receipt of credit/debit card and electronic check (ACH) transactions must be processed via the Centralized Electronic Payment Authorization System (CEPAS).

2.11 Confidentiality

2.11.1 Confidential Information

As used in this Section, "Confidential Information" means all information of the parties, except information that is:

- (a) disclosable under the Michigan Freedom Of Information Act (FOIA);
- (b) now available or becomes available to the public without breach of this Contract;
- (c) released in writing by the disclosing party;
- (d) obtained from a third party or parties having no obligation of confidentiality with respect to such information;
- (e) publicly disclosed pursuant to federal or state law; or
- (f) independently developed by the receiving party without reference to Confidential Information of the furnishing party.

2.11.2 Protection and Destruction of Confidential Information

(a) Each party must use the same care to prevent unauthorized disclosure of Confidential Information as it uses to prevent disclosure of its own information of a similar nature, but in no event less than a reasonable degree of care. Neither the Contractor nor the State will: (i) make any use of the Confidential Information of the other except as contemplated by this Contract; (ii) acquire any interest or license in or assert any lien against the Confidential Information of the other; or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information.

(b) Each party will limit disclosure of the other party's Confidential Information to employees, agents, and Subcontractors who must have access to fulfill the purposes of this Contract. Disclosure to, and use by, a Subcontractor is permissible where: (i) use of a Subcontractor is authorized under this Contract; (ii) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's scope of responsibility; and (iii) Contractor obligates the Subcontractor in a written contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of Contractor and of any Subcontractor having access to the State's Confidential Information may be required to execute a separate agreement to be bound by the confidentiality requirements of this Section.

(c) Upon termination of the Contract, Contractor must promptly return the State's Confidential Information or certify to the State that Contractor has destroyed all of the State's Confidential Information.

2.11.3 Exclusions

The provisions of Section 2.11, Confidentiality, will not apply where the receiving party is required by law to disclose the other party's Confidential Information, provided that the receiving party: (i) promptly provides the furnishing party with notice of the legal request; and (ii) assists the furnishing party in resisting or limiting the scope of the disclosure as reasonably requested by the furnishing party.

2.11.4 No Obligation to Disclose

Nothing contained in Section 2.11, Confidentiality, will be construed as obligating a party to disclose any particular Confidential Information to the other party.

2.11.5 Security Breach Notification

If Contractor breaches this Section, it must (i) promptly cure any deficiencies in Contractor's internal security controls; and (ii) comply with any applicable federal and state laws and regulations pertaining to unauthorized disclosures. Contractor and the State will cooperate to mitigate, to the extent practicable, the effects of any breach, intrusion, or unauthorized access, use, or disclosure. Contractor must notify the State of any unauthorized use or disclosure of Confidential Information, whether suspected or actual, within 10 days of becoming aware of the use or disclosure or a shorter time period as is reasonable under the circumstances. The State may require Contractor to purchase credit monitoring services for any individuals affected by the breach.

2.11.6 Reserved

2.12 Records and Inspections

2.12.1 Inspection of Work Performed

The State's authorized representatives, at reasonable times and with 10 days prior notice, have the right to enter the Contractor's premises or any other places where work is being performed in relation to this Contract. The representatives may inspect, monitor, or evaluate the work being performed, to the extent the access will not reasonably interfere with or jeopardize the safety or operation of Contractor's systems or facilities. The Contractor must provide reasonable assistance for the State's representatives during inspections.

2.12.2 Retention of Records

(a) The Contractor must retain all financial and accounting records related to this Contract for a period of seven years after the Contractor performs any work under this Contract (Audit Period).

(b) If an audit, litigation, or other action involving the Contractor's records is initiated before the end of the Audit Period, the Contractor must retain the records until all issues arising out of the audit, litigation, or other action are resolved or until the end of the Audit Period, whichever is later.

2.12.3 Examination of Records

The State, upon 10 days notice to the Contractor, may examine and copy any of the Contractor's records that relate to this Contract. The State does not have the right to review any information deemed confidential by the Contractor if access would require the information to become publicly available. This requirement also applies to the records of any parent, affiliate, or subsidiary organization of the Contractor, or any Subcontractor that performs services in connection with this Contract.

2.12.4 Audit Resolution

If necessary, the Contractor and the State will meet to review any audit report promptly after its issuance. The Contractor must respond to each report in writing within 30 days after receiving the report, unless the report specifies a shorter response time. The Contractor and the State must develop, agree upon, and monitor an action plan to promptly address and resolve any deficiencies, concerns, or recommendations in the report.

2.12.5 Errors

(a) If an audit reveals any financial errors in the records provided to the State, the amount in error must be reflected as a credit or debit on the next invoice and subsequent invoices until the amount is paid or refunded in full. However, a credit or debit may not be carried forward for more than four invoices or beyond the termination of the Contract. If a balance remains after four invoices, the remaining amount will be due as a payment or refund within 45 days of the last invoice on which the balance appeared or upon termination of the Contract, whichever is earlier.

(b) In addition to other available remedies, if the difference between the State's actual payment and the correct invoice amount, as determined by an audit, is greater than 10%, the Contractor must pay all reasonable audit costs.

2.13 Warranties

2.13.1 Warranties and Representations

The Contractor represents and warrants:

(a) It is capable of fulfilling and will fulfill all of its obligations under this Contract. The performance of all obligations under this Contract must be provided in a timely, professional, and workmanlike manner and must meet the performance and operational standards required under this Contract.

(b) The Contract appendices, attachments, and exhibits identify the equipment, software, and services necessary for the Deliverable(s) to comply with the Contract's requirements.

(c) It is the lawful owner or licensee of any Deliverable licensed or sold to the State by Contractor or developed by the Contractor for this Contract, and Contractor has all of the rights necessary to convey to the State the ownership rights or licensed use, as applicable, of any Deliverable(s). None of the Deliverable(s) provided by Contractor to the State, nor their use by the State, will infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party.

(d) If the Contractor procures any equipment, software, or other Deliverable(s) for the State (including equipment, software, and other Deliverable(s) manufactured, re-marketed or otherwise sold by the Contractor or under the Contractor's name), then the Contractor must assign or otherwise transfer to the State or its designees, or afford the State the benefits of, any manufacturer's warranty for the Deliverable(s).

(e) The Contract signatory has the authority to enter into this Contract on behalf of the Contractor.

(f) It is qualified and registered to transact business in all locations where required.

(g) Neither the Contractor nor any affiliates, nor any employee of either, has, will have, or will acquire, any interest that would conflict in any manner with the Contractor's performance of its duties and responsibilities to the State or otherwise create an appearance of impropriety with respect to the award or

performance of this Contract. The Contractor must notify the State about the nature of any conflict or appearance of impropriety within two days of learning about it.

(h) Neither the Contractor nor any affiliates, nor any employee of either, has accepted or will accept anything of value based on an understanding that the actions of the Contractor, its affiliates, or its employees on behalf of the State would be influenced. The Contractor must not attempt to influence any State employee by the direct or indirect offer of anything of value.

(i) Neither the Contractor nor any affiliates, nor any employee of either, has paid or agreed to pay any person, other than bona fide employees and consultants working solely for the Contractor or the affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Contract.

(j) The Contractor arrived at its proposed prices independently, without communication or agreement with any other bidder for the purpose of restricting competition. The Contractor did not knowingly disclose its quoted prices for this Contract to any other bidder before the award of the Contract. The Contractor made no attempt to induce any other person or entity to submit or not submit a proposal for the purpose of restricting competition.

(k) All financial statements, reports, and other information furnished by the Contractor to the State in connection with the award of this Contract fairly and accurately represent the Contractor's business, properties, financial condition, and results of operations as of the respective dates covered by the financial statements, reports, or other information. There has been no material adverse change in the Contractor's business, properties, financial condition, or results of operation.

(l) All written information furnished to the State by or for the Contractor in connection with the award of this Contract is true, accurate, and complete, and contains no false statement of material fact nor omits any material fact that would make the submitted information misleading.

(m) It will immediately notify DNR Procurement Services if any of the certifications, representations, or disclosures made in the Contractor's original bid response change after the Contract is awarded.

2.13.2 Warranty of Merchantability

The Deliverable(s) provided by the Contractor must be merchantable.

2.13.3 Warranty of Fitness for a Particular Purpose

The Deliverable(s) provided by the Contractor must be fit for the purpose(s) identified in this Contract.

2.13.4 Warranty of Title

The Contractor must convey good title to any Deliverable(s) provided to the State. All Deliverable(s) provided by the Contractor must be delivered free from any security interest, lien, or encumbrance of which the State, at the time of contracting, has no knowledge. Deliverable(s) provided by the Contractor must be delivered free of any rightful claim of infringement by any third person.

2.13.5 Reserved

2.13.6 New Deliverable(s)

The Contractor must provide new Deliverable(s) where the Contractor knows or has the ability to select between new or like-new. Unless specified in Article 1, Statement of Work, equipment that is assembled from new or serviceable used parts that are like new in performance is acceptable only where the Contractor does not have knowledge or the ability to select one or the other.

2.13.7 Prohibited Products

Shipping of salvage, distressed, outdated, or discontinued goods to any State agency will be considered a material default by the Contractor. The brand and product number offered for all items will remain consistent for the term of the Contract, unless DNR Procurement Services has approved a change order under Section 2.3.4, Contract Changes.

2.13.8 Consequences For Breach

In addition to any remedies available in law, if the Contractor breaches any of the warranties contained in Section 2.13, Warranties, the breach may be considered a material default.

2.14 Insurance

2.14.1 Liability Insurance

For the purpose of this Section, "State" includes its departments, divisions, agencies, offices, commissions, officers, employees, and agents.

(a) The Contractor must provide proof that it has obtained the minimum levels of insurance coverage indicated or required by law, whichever is greater. The insurance must protect the State from claims that may arise out of, or result from, or are alleged to arise out of, or result from, the Contractor's or a Subcontractor's performance, including any person directly or indirectly employed by the Contractor or a Subcontractor, or any person for whose acts the Contractor or a Subcontractor may be liable.

(b) The Contractor waives all rights against the State for the recovery of damages that are covered by the insurance policies the Contractor is required to maintain under this Section. The Contractor's failure to obtain and maintain the required insurance will not limit this waiver.

(c) All insurance coverage provided relative to this Contract is primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State.

(d) The State, in its sole discretion, may approve the use of a fully-funded self-insurance program in place of any specified insurance identified in this Section.

(e) Unless the State approves otherwise, any insurer must have an A.M. Best rating of "A" or better and a financial size of VII or better, or if those ratings are not available, a comparable rating from an insurance rating agency approved by the State. All policies of insurance must be issued by companies that have been approved to do business in the State.

(f) Where specific coverage limits are listed in this Section, they represent the minimum acceptable limits. If the Contractor's policy contains higher limits, the State is entitled to coverage to the extent of the higher limits.

(g) The Contractor must maintain all required insurance coverage throughout the term of this Contract and any extensions. However, in the case of claims-made Commercial General Liability policies, the Contractor must secure tail coverage for at least three (3) years following the termination of this Contract.

(h) The Contractor must provide, within five (5) business days, written notice to DNR Procurement Services if any policy required under this section is cancelled. The notice must include the applicable Contract or Purchase Order number.

(i) The minimum limits of coverage specified are not intended, and may not be construed, to limit any liability or indemnity of the Contractor to any indemnified party or other persons.

(j) The Contractor is responsible for the payment of all deductibles.

(k) If the Contractor fails to pay any premium for a required insurance policy, or if any insurer cancels or significantly reduces any required insurance without the State's approval, the State may, after giving the Contractor at least 30 days' notice, pay the premium or procure similar insurance coverage from another company or companies. The State may deduct any part of the cost from any payment due the Contractor, or require the Contractor to pay that cost upon demand.

(l) In the event the State approves the representation of the State by the insurer's attorney, the attorney may be required to be designated as a Special Assistant Attorney General by the Michigan Attorney General.

(m) The Contractor is required to pay for and provide the type and amount of insurance listed below:

(i) Commercial General Liability

Minimal Limits:

\$2,000,000 General Aggregate Limit other than Products/Completed Operations;
\$2,000,000 Products/Completed Operations Aggregate Limit;
\$1,000,000 Personal & Advertising Injury Limit; and
\$1,000,000 Each Occurrence Limit.

Deductible maximum:

\$50,000 Each Occurrence

Additional Requirements:

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the Commercial General Liability certificate. The Contractor also agrees to provide evidence that the insurance policy contains a waiver of subrogation by the insurance company.

(ii) Motor Vehicle

Minimal Limits:

If a motor vehicle is used in relation to the Contractor's performance, the Contractor must have vehicle liability insurance on the motor vehicle for bodily injury and property damage as required by law.

(iii) Workers' Compensation

Minimal Limits:

The Contractor must provide Workers' Compensation coverage according to applicable laws governing work activities in the state of the Contractor's domicile. If the applicable coverage is provided by a self-insurer, the Contractor must provide proof of an approved self-insured authority by the jurisdiction of domicile.

For employees working outside of the state of the Contractor's domicile, the Contractor must provide certificates of insurance proving mandated coverage levels for the jurisdictions where the employees' activities occur.

Additional Requirements:

The Contractor must provide the applicable certificates of insurance and a list of states where the coverage is applicable. Contractor must provide proof that the Workers' Compensation insurance policies contain a waiver of subrogation by the insurance company, except where such a provision is prohibited or limited by the laws of the jurisdiction in which the work is to be performed.

(iv) Employers Liability

Minimal Limits:

\$100,000 Each Accident;
\$100,000 Each Employee by Disease
\$500,000 Aggregate Disease

Additional Requirements:

The Contractor must list the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents as additional insureds on the certificate.

2.14.2 Subcontractor Insurance Coverage

Except where the State has approved a subcontract with other insurance provisions, the Contractor must require any Subcontractor to purchase and maintain the insurance coverage required in Section 2.14.1,

Liability Insurance. Alternatively, the Contractor may include a Subcontractor under the Contractor's insurance on the coverage required in that Section. The failure of a Subcontractor to comply with insurance requirements does not limit the Contractor's liability or responsibility.

2.14.3 Certificates of Insurance

Before the Contract is signed, and not less than 20 days before the insurance expiration date every year thereafter, the Contractor must provide evidence that the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents are listed as additional insureds as required. The Contractor must provide DNR Procurement Services with all applicable certificates of insurance verifying insurance coverage or providing, if approved, satisfactory evidence of self-insurance as required in Section 2.14.1, Liability Insurance. Each certificate must be on the standard "Acord" form or equivalent and MUST IDENTIFY THE APPLICABLE CONTRACT NUMBER.

2.15 Indemnification

2.15.1 General Indemnification

The Contractor must indemnify, defend, and hold the State harmless from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest and penalties), accruing or resulting to any person, firm, or corporation that may be injured or damaged by the Contractor in the performance of this Contract and that are attributable to the negligence or tortious acts of the Contractor, any of its subcontractors, or by anyone else for whose acts any of them may be liable.

2.15.2 Reserved

2.15.3 Employee Indemnification

In any claims against the State, its departments, agencies, commissions, officers, employees, and agents, by any employee of the Contractor or any of its subcontractors, the indemnification obligation will not be limited in any way by the amount or type of damages, compensation, or benefits payable by or for the Contractor or any of its subcontractors under worker's disability compensation acts, disability benefit acts, or other employee benefit acts. This indemnification clause is intended to be comprehensive. Any overlap in provisions, or the fact that greater specificity is provided as to some categories of risk, is not intended to limit the scope of indemnification under any other provisions.

2.15.4 Patent/Copyright Infringement Indemnification

(a) The Contractor must indemnify and hold the State harmless from liability, including all claims and losses, and all related costs and expenses (including reasonable attorneys' fees and costs of investigation, litigation, settlement, judgments, interest, and penalties) resulting from any action threatened or brought against the State to the extent that the action is based on a claim that any piece of equipment, software, commodity, or service supplied by the Contractor or its subcontractors, or its operation, use, or reproduction, infringes any United States patent, copyright, trademark or trade secret of any person or entity.

(b) If, in the State's or the Contractor's opinion, any piece of equipment, software, commodity or service supplied by the Contractor or its subcontractors, or its operation, use, or reproduction, is likely to become the subject of an infringement claim, the Contractor must, at its expense: (i) procure for the State the right to continue using the equipment, software, commodity or service or, if this option is not reasonably available to the Contractor; (ii) replace or modify to the State's satisfaction the same with equipment, software, commodity or service of equivalent function and performance so that it becomes non-infringing, or, if this option is not reasonably available to Contractor; (iii) accept its return by the State with appropriate credits to the State against the Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.

(c) Notwithstanding the foregoing, the Contractor has no obligation to indemnify or defend the State for, or to pay any costs, damages or attorneys' fees related to, any infringement claim based upon: (i) equipment, software, commodity or service developed based on written specifications of the State; (ii) use of the equipment, software, or commodity in a configuration other than implemented or approved by the Contractor, including any modification of the same by the State; or (iii) the combination, operation, or use of the equipment, software, or commodity with equipment, software, or commodities not supplied by the Contractor under this Contract.

2.15.5 Continuing Obligation

The Contractor's duty to indemnify under Section 2.15, Indemnification, continues in full force and effect, notwithstanding the expiration or early cancellation of the Contract, with respect to any claims based on facts or conditions that occurred before expiration or cancellation.

2.15.6 Indemnification Procedures

These procedures apply to all indemnity obligations:

(a) After the State receives notice of an action or proceeding involving a claim for which it will seek indemnification, the State must promptly notify the Contractor of the claim and take, or assist the Contractor in taking, any reasonable action to avoid a default judgment against the Contractor. Failure to notify the Contractor does not relieve the Contractor of its indemnification obligations except to the extent that the Contractor can prove damages attributable to the notification failure. Within 10 days following receipt of notice from the State relating to any claim, the Contractor must notify the State whether the Contractor agrees to assume control of the defense and settlement of that claim (a "Notice of Election"). After notifying the Contractor of a claim and before the State receives the Contractor's Notice of Election, the State is entitled to defend against the claim, at the Contractor's expense, and the Contractor will be responsible for any reasonable costs, including attorney fees, incurred by the State in defending against the claim during that period.

(b) If the Contractor delivers a Notice of Election relating to any claim: (i) the State is entitled to participate in the defense of the claim and to employ counsel at its own expense to assist in handling the claim and to monitor and advise the State about the status and progress of the defense; (ii) the Contractor must, at the request of the State, demonstrate the Contractor's financial ability to carry out its defense and indemnity obligations under this Contract; (iii) the Contractor must periodically advise the State about the status and progress of the defense and must obtain prior approval of the State before entering into any settlement of the claim or ceasing to defend against the claim; and (iv) to the extent that any principles of Michigan governmental or public law may be involved or challenged, the State has the right, at its own expense, to control the defense of that portion of the claim. The State may retain control of the defense and settlement of a claim by notifying the Contractor within 10 days after the State's receipt of the Contractor's information requested by the State under clause (ii) of this paragraph, if the State determines that the Contractor has failed to demonstrate to the reasonable satisfaction of the State the Contractor's financial ability to carry out its defense and indemnity obligations under this Section. Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. In the event the insurer's attorney represents the State under this Section, the insurer's attorney may be required to be designated as a Special Assistant Attorney General by the Attorney General of the State of Michigan.

(c) If the Contractor does not deliver a Notice of Election relating to any claim of which it is notified, the State may defend the claim in a manner it deems appropriate, at the cost and expense of the Contractor. If it is determined that the claim was one against which the Contractor was required to indemnify the State, upon request of the State, the Contractor must promptly reimburse the State for all reasonable costs and expenses.

2.15.7 Limitation of Liability

Neither the Contractor nor the State is liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability does not apply to

claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the Contractor; to claims covered by other specific provisions of this Contract calling for liquidated damages; or to court costs or attorneys' fees awarded by a court in addition to damages after litigation based on this Contract.

2.16 Termination by the State

2.16.1 Notice and Right to Cure

If the Contractor breaches the Contract, and the State, in its sole discretion, determines that the breach is curable, the State will provide the Contractor notice of the breach and a period of at least 30 days to cure the breach. The State does not need to provide notice or an opportunity to cure for successive or repeated breaches or if the State determines, in its sole discretion, that a breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

2.16.2 Termination for Cause

(a) The State may fully or partially terminate this Contract for cause by notifying the Contractor if the Contractor: (i) breaches any of its material duties or obligations (including a Chronic Failure to meet any SLA); or (ii) fails to cure a breach within the time period specified in a notice of breach provided by the State.

(b) The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees and court costs, and any additional costs the State incurs to procure the Deliverable(s) from other sources. Re-procurement costs are not consequential, indirect, or incidental damages, and cannot be excluded by any other terms otherwise included in this Contract, provided the costs are not in excess of 50% more than the prices for the Deliverable(s).

(c) If the State partially terminates this Contract for cause, any charges payable to the Contractor will be equitably adjusted to reflect those Deliverable(s) that are terminated. The State must pay for all Deliverable(s) for which Final Acceptance has been granted before the termination date. Any services or related provisions of this Contract that are terminated for cause must cease on the effective date of the termination.

(d) If the State terminates this Contract for cause and it is determined, for any reason, that the Contractor was not in breach of the Contract, the termination will be deemed to have been a termination under Section 2.16.3, Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in that Section.

2.16.3 Termination for Convenience

The State may fully or partially terminate this Contract for its convenience if the State determines that a termination is in the State's best interest. Reasons for the termination are within the sole discretion of the State and may include: (a) the State no longer needs the Deliverable(s) specified in this Contract; (b) a relocation of office, program changes, or changes in laws, rules, or regulations make the Deliverable(s) no longer practical or feasible for the State; (c) unacceptable prices for Contract changes; or (d) falsification or misrepresentation, by inclusion or non-inclusion, of information material to a response to any RFP issued by the State. The State may terminate this Contract for its convenience by giving Contractor notice at least 30 days before the date of termination. If the State chooses to terminate this Contract in part, any charges payable to the Contractor must be equitably adjusted to reflect those Deliverable(s) that are terminated.

2.16.4 Termination for Non-Appropriation

(a) If this Contract extends for more than one fiscal year, continuation of this Contract is subject to the appropriation or availability of funds. If sufficient funds to enable the State to continue payment

are not appropriated or otherwise made available, the State must fully or partially terminate this Contract at the end of the last period for which funds have been appropriated or otherwise made available. The State must give the Contractor notice at least 30 days before the date of termination, unless the State receives notice of the non-appropriation or unavailability less than 30 days before the end of the last period for which funds have been appropriated or otherwise made available.

(b) If funding for this Contract is reduced by law, or funds to pay the Contractor for the Deliverable(s) are not appropriated or are otherwise unavailable, the State may, upon 30 days notice to the Contractor, change the Deliverable(s) in the manner and for the periods of time the State may elect. The charges payable under this Contract will be equitably adjusted to reflect any Deliverable(s) not provided because of the reduction.

(c) If the State fully or partially terminates this Contract for non-appropriation, the State must pay the Contractor for all work-in-progress performed through the effective date of the termination to the extent funds are available.

2.16.5 Termination for Criminal Conviction

The State may terminate this Contract immediately and without further liability or penalty if the Contractor, an officer of the Contractor, or an owner of a 25% or greater share of the Contractor is convicted of a criminal offense related to a State, public, or private Contract or subcontract.

2.16.6 Termination for Approvals Rescinded

The State may terminate this Contract if any final administrative or judicial decision or adjudication disapproves a previously approved request for purchase of personal services under Constitution 1963, Article 11, § 5, and Civil Service Rule 7-1. In that case, the State will pay the Contractor for all work-in-progress performed through the effective date of the termination. The Contract may be fully or partially terminated and will be effective as of the date stated in the notice.

2.16.7 Rights and Obligations upon Termination

(a) If the State terminates this Contract for any reason, the Contractor must:

- (i) stop all work as specified in the notice of termination;
- (ii) take any action that may be necessary, or that the State may direct, to preserve and protect Deliverable(s) or other State property in the Contractor's possession;
- (iii) return all materials and property provided directly or indirectly to the Contractor by any entity, agent, or employee of the State;
- (iv) transfer title in and deliver to the State, unless otherwise directed, all Deliverable(s) intended to be transferred to the State at the termination of the Contract (which will be provided to the State on an "As-Is" basis except to the extent the State compensated the Contractor for warranty services related to the materials);
- (v) to the maximum practical extent, take any action to mitigate and limit potential damages, including terminating or limiting subcontracts and outstanding orders for materials and supplies; and
- (vi) take all appropriate action to secure and maintain State information confidentially in accordance with Section 2.11, Confidentiality.

(b) If the State terminates this Contract under Section 2.16.3, Termination for Convenience, the State must pay the Contractor all charges due for Deliverable(s) provided before the date of termination and, if applicable, as a separate item of payment, for work-in-progress, based on a percentage of completion determined by the State. All completed or partially completed Deliverable(s) prepared by the Contractor, at the option of the State, become the State's property, and the Contractor is entitled to receive equitable compensation for those Deliverable(s). Regardless of the basis for the termination, the State is not obligated to pay or otherwise compensate the Contractor for any lost expected future profits, costs, or expenses incurred with respect to Deliverable(s) not actually completed.

(c) If the State terminates this Contract for any reason, the State may assume, at its option, any subcontracts and agreements for Deliverable(s), and may pursue completion of the Deliverable(s) by replacement contract or as the State deems expedient.

2.16.8 Reservation of Rights

In the event of any full or partial termination of this Contract, each party reserves all rights or remedies otherwise available to the party.

2.16.9 Contractor Transition Responsibilities

If this Contract terminates under Section 2.16, Termination by the State, the Contractor must make reasonable efforts to transition the performance of the work, including all applicable equipment, services, software, and leases, to the State or a third party designated by the State within a reasonable period of time that does not exceed 30 days from the date of termination. The Contractor must provide any required reports and documentation.

2.16.10 Transition Payments

If the transition responsibilities outlined in Section 2.16.9, Contractor Transition Responsibilities, arise based on a termination of this Contract, reimbursement will be governed by the provisions of Section 2.16, Termination by the State. If the transition results from expiration, the Contractor will be reimbursed for all reasonable transition costs (i.e., costs incurred after the expiration within the time period in Section 2.16.9 that result from transition operations) at the Contract rates. The Contractor must prepare an accurate accounting from which the State and the Contractor may reconcile all outstanding accounts.

2.17 Termination by the Contractor

2.17.1 Termination

If the State breaches the Contract and the Contractor, in its sole discretion, determines that the breach is curable, then the Contractor will provide the State with notice of the breach and a time period (not less than 30 days) to cure the breach.

The Contractor may terminate this Contract if the State: (a) materially breaches its obligation to pay the Contractor undisputed amounts due; (b) breaches its other obligations to an extent that makes it impossible or commercially impractical for the Contractor to complete the Deliverable(s); or (c) does not cure the breach within the time period specified in a notice of breach. The Contractor must discharge its obligations under Section 2.20, Dispute Resolution, before it terminates the Contract.

2.18 Reserved

2.19 Reserved

2.20 Dispute Resolution

2.20.1 General

(a) The Contractor must submit any claim related to this Contract to the State under Section 2.3.6, Notices, together with all supporting documentation for the claim.

(b) The representatives of the Contractor and the State must meet as often as the parties reasonably deem necessary to gather and furnish to each other all information related to the claim.

(c) During the course of negotiations, each party will honor all reasonable requests made by the other for non-privileged information reasonably related to the claim.

2.20.2 Informal Dispute Resolution

(a) If, after a reasonable time following submission of a claim under Section 2.20.1, General, the parties are unable to resolve the claim, the parties must meet with the Manager of DNR Procurement Services, or his or her designee, for the purpose of attempting to resolve the dispute without the need for formal legal proceedings.

(b) Within 60 calendar days of the meeting with the Manager of DNR Procurement Services, or such other time as agreed to by the parties, the Manager of DNR Procurement Services will issue a written recommendation regarding settlement of the claim. The Contractor must notify DNR Procurement Services within 21 days after the recommendation is issued whether the Contractor accepts or rejects the recommendation. Acceptance by the Contractor constitutes the final resolution of the claim addressed in the recommendation, and the Contractor may not assert that claim in any future litigation or other proceeding between the parties.

(c) The recommendation of the Manager of DNR Procurement Services is not admissible in any future litigation or other proceeding between the parties. The conduct and statements made during the course of negotiations or dispute resolution under Section 2.20, Dispute Resolution, are subject to Michigan Rule of Evidence 408 and are not admissible in any future litigation or other proceeding between the parties.

(d) This section will not be construed to prohibit either party from instituting formal proceedings to avoid the expiration of any applicable limitations period, to preserve a superior position with respect to other creditors, or under Section 2.20.3, Injunctive Relief.

(e) DNR Procurement Services will not mediate disputes between the Contractor and any other entity, except State agencies, concerning responsibility for performance of work.

2.20.3 Injunctive Relief

A claim between the State and the Contractor is not subject to the provisions of Section 2.20.2, Informal Dispute Resolution, where a party makes a good faith determination that a breach of the Contract by the other party will result in damages so immediate, so large or severe, and so incapable of adequate redress that a temporary restraining order or other injunctive relief is the only adequate remedy.

2.20.4 Continued Performance

Each party will continue performing its obligations under the Contract while a claim is being resolved, except to the extent the claim precludes performance and without limiting either party's right to terminate the Contract as provided in Section 2.16, Termination by the State or Section 2.17, Termination by the Contractor. A claim involving payment does not preclude performance.

2.21 Disclosure Responsibilities

2.21.1 Disclosure of Litigation

(a) Within 30 days after receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "Proceeding") that arises during the term of this Contract, the Contractor must disclose the following to the Contract Administrator:

- (i) A criminal Proceeding involving the Contractor (or any Subcontractor) or any of its officers or directors;
- (ii) A parole or probation Proceeding;
- (iii) A Proceeding involving the Contractor (or any Subcontractor) or any of its officers or directors under the Sarbanes-Oxley Act; and
- (iv) A civil Proceeding to which the Contractor (or, if the Contractor is aware, any Subcontractor) is a party, and which involves (A) a claim that might reasonably be expected to adversely affect the viability or financial stability of the Contractor or any Subcontractor; or (B) a claim or written allegation of fraud against the Contractor (or, if the Contractor is aware, any Subcontractor) by a governmental or public entity arising out of the Contractor's business dealings with governmental or public entities.

(b) Information provided to the State from the Contractor's publicly filed documents will satisfy the requirements of this Section.

(c) If any Proceeding that is disclosed to the State or of which the State otherwise becomes aware, during the term of this Contract, would cause a reasonable party to be concerned about: (i) the ability of the Contractor (or a Subcontractor) to continue to perform this Contract; or (ii) whether the Contractor (or a Subcontractor) is engaged in conduct that is similar in nature to the conduct alleged in the Proceeding and would constitute a breach of this Contract or a violation of federal or state law, regulations, or public policy, then the Contractor must provide the State all requested reasonable assurances that the Contractor and its Subcontractors will be able to continue to perform this Contract.

2.21.2 Other Disclosures

The Contractor must notify DNR Procurement Services within 30 days of:

- (a) becoming aware that a change in the Contractor's ownership or officers has occurred or is certain to occur; or
- (b) any changes to company affiliations.

2.21.3 Reserved

2.22 Extended Purchasing Program

2.22.1 Extended Purchasing Program

The Agreement may be extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon mutual written agreement between the State of Michigan and the Contractor, this Agreement may be extended other states (including governmental subdivisions and authorized entities).

If extended, the Contractor must supply all goods and services at the established Agreement prices and terms. The State reserves the right to negotiate additional discounts based on any increased volume generated by such extensions.

The Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.”

2.23 Laws

2.23.1 Governing Law

This Contract is governed by, and construed according to, the substantive laws of the State of Michigan without regard to any Michigan choice of law rules that would apply the substantive law of another jurisdiction to the extent not inconsistent with or preempted by federal law.

2.23.2 Compliance with Laws

The Contractor must comply with all applicable federal, state, and local laws and ordinances in providing the Deliverable(s).

The Contractor must abide by the State Printing Law – Act 153 of 1937 (MCL 24.62). The law states: All printing for the State of Michigan, except that which is printed for primary school districts, local government units and legal publications for elective state officers, must be printed in Michigan.

The link to the Michigan Printing Law for Contractor’s Review is:

<http://legislature.mi.gov/doc.aspx?mcl-Act-153-of-1937>

2.23.3 Jurisdiction

Any dispute arising from the Contract must be resolved in the State of Michigan. With respect to any claim between the parties, the Contractor consents to venue in Ingham County, Michigan, and irrevocably waives any objections to this venue that it may have, such as lack of personal jurisdiction or *forum non conveniens*. The Contractor must appoint agents in the State of Michigan to receive service of process.

2.23.4 Nondiscrimination

In the performance of the Contract, the Contractor agrees not to discriminate against any employee or applicant for employment, with respect to his or her hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, or physical or mental disability. The Contractor further agrees that every subcontract entered into for the performance of this Contract will contain a provision requiring non-discrimination in employment, as specified here, binding upon each Subcontractor. This covenant is required under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and any breach of this provision may be regarded as a material breach of the Contract.

2.23.5 Unfair Labor Practices

Under 1980 PA 278, MCL 423.321, *et seq.*, the State must not award a Contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under MCL 423.322. This information is compiled by the United States National Labor Relations Board. A Contractor of the State, in relation to the Contract, must not enter into a contract with a Subcontractor, manufacturer, or supplier whose name appears in this register. Under MCL 423.324, the State may void any Contract if, after award of the Contract, the name of the Contractor as an employer or the name of the Subcontractor, manufacturer or supplier of the Contractor appears in the register.

2.23.6 Reserved

2.23.7 Freedom of Information

This Contract and all information submitted to the State by the Contractor is subject to the Michigan Freedom of Information Act (FOIA), 1976 PA 442, MCL 15.231, *et seq.*

2.23.8 Reserved

2.23.9 Reserved

2.23.10 Abusive Labor Practices

The Contractor may not furnish any Deliverable(s) that were produced fully or partially by forced labor, convict labor, forced or indentured child labor, or indentured servitude.

“Forced or indentured child labor” means all work or service (1) exacted from any person under the age of 18 under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily; or (2) performed by any person under the age of 18 under a contract the enforcement of which can be accomplished by process or penalties.

2.24 General Provisions

2.24.1 Bankruptcy and Insolvency

The State may, without prejudice to any other right or remedy, fully or partially terminate this Contract and, at its option, take possession of the work-in-progress and finish the work-in-progress by whatever method the State deems appropriate if:

- (a) the Contractor files for bankruptcy protection;
- (b) an involuntary petition is filed against the Contractor and not dismissed within 30 days;
- (c) the Contractor becomes insolvent or a receiver is appointed due to the Contractor's insolvency;
- (d) the Contractor makes a general assignment for the benefit of creditors; or
- (e) the Contractor or its affiliates are unable to provide reasonable assurances that the Contractor or its affiliates can provide the Deliverable(s) under this Contract.

Contractor will place appropriate notices or labels on the work-in-progress to indicate ownership by the State. To the extent reasonably possible, work-in-progress must be stored separately from other stock and marked conspicuously with labels indicating State ownership.

In addition, Contractor will make available to the State upon request, the complete backup of the digital files of all contracted publications. The State agrees to hold the files securely and to use them only in the event that Kalkomey files for bankruptcy. If Kalkomey files for bankruptcy, Kalkomey agrees to grant the State a perpetual license and copyright of these digital files to the State.

2.24.2 Media Releases

News releases (including promotional literature and commercial advertisements) pertaining to the RFP and this Contract or the project to which it relates will not be made without prior approval by the State, and only in accordance with the instructions from the State.

2.24.3 Contract Distribution

DNR Procurement Services retains the sole right of Contract distribution to all State agencies and local units of government unless other arrangements are authorized by DNR Procurement Services.

2.24.4 Permits

Contractor must obtain and pay any associated costs for all required governmental permits, licenses, and approvals for the delivery, installation, and performance of the Contract.

2.24.5 Website Incorporation

The State is not bound by any content on the Contractor's website unless incorporated directly into this Contract.

2.24.6 Reserved

2.24.7 Antitrust Assignment

The Contractor assigns to the State any claim for overcharges resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract.

2.24.8 Disaster Recovery

Contractor and the State recognize that the State provides essential services in times of natural or man-made disasters. Therefore, except as mandated by federal disaster response requirements, Contractor personnel dedicated to providing Deliverable(s) under this Contract will provide the State with priority.

2.24.9 Legal Effect

The State is not liable for costs incurred by the Contractor or for payment(s) under this Contract until the Contractor is authorized to perform under Section 1.2.4, Ordering.

2.24.10 Entire Agreement

This Contract constitutes the entire agreement between the parties and supersedes all prior agreements, whether written or oral, with respect to the subject matter. All attachments referenced in this Contract are incorporated in their entirety and form part of this Contract.

2.24.11 Order of Precedence

Any inconsistency in the terms associated with this Contract will be resolved by giving precedence to the terms in the following descending order:

(a) Mandatory sections (2.1.1, Contract Term, 2.24.9, Legal Effect, 2.2.2, Payment Deadlines, 2.14, Insurance, 2.15, Indemnification, 2.16, Termination, 2.23, Governing Law, 2.15.7, Limitation of Liability);

(b) The most recent Statement of Work related to this Contract;

(c) All sections from Article 2 - Terms and Conditions, not listed in subsection (a);

(d) Any attachment or exhibit to the Contract documents;

(e) Any Purchase Order, Direct Voucher, or Procurement Card Order issued under the Contract;
and

(f) Bidder Responses contained in any of the RFP documents.

2.24.12 Headings

The captions and section headings used in this Contract are for convenience only and may not be used to interpret the scope and intent of this Contract.

2.24.13 Form, Function and Utility

If this Contract is for statewide use, but the Deliverable(s) does not meet the form, function, and utility required by a State agency, that agency may, subject to State purchasing policies, procure the Deliverable(s) from another source.

2.24.14 Reformation and Severability

Each provision of the Contract is severable from all other provisions of the Contract. If any provision of this Contract is held unenforceable, then the Contract will be modified to reflect the parties' original intent. All remaining provisions of the Contract remain in full force and effect.

2.24.15 Approval

Unless otherwise provided in this Contract, approval(s) must be in writing and must not be unreasonably withheld or delayed.

2.24.16 No Waiver of Default

Failure by a party to insist upon strict adherence to any term of the Contract does not waive that party's right to later insist upon strict adherence to that term, or any other term, of the Contract.

2.24.17 Survival

The provisions of this Contract that impose continuing obligations, including warranties, indemnification, and confidentiality, will survive the expiration or termination of this Contract.

Attachment A, Price Proposal

A.1 Minimum Order Requirement:

Publication Name	Minimum Order
Boater Instructor Guide/Exam Key	200
Boater Student Manual/Exam	1000
Boater Handbook	100
Boater CD PowerPoint Presentation	20
Hunter Instructor Guide	200
Hunter Student Manual	1000
Wildlife Identification Guide	100
Hunter CD PowerPoint Presentation	20
Off-Road Instructor Guide/Exam Key	200
Off-Road Student Manual/Exam	1000
Off-Road Handbook	100
Off-Road CD PowerPoint Presentation	20
Snowmobile Instructor Guide/Exam Key	200
Snowmobile Student Manual/Exam	1000
Snowmobile Handbook	100
Snowmobile CD PowerPoint Presentation	20

SHIP-TO ADDRESS: **Michigan Department of Management and Budget
Business Services
Materials management
7461 Crowner Drive
Lansing, MI 48913**

A.2 Pricing Sheets:

Item	Cost
Instructor's Guides - PDF file, or Microsoft Word file with licensed rights to make an unlimited number of copies.	Licensed master copy provided at no charge if it is Kalkomey's standard national Instructor's Guide, which the DNR or its instructors can then customize as they wish
Classroom Presentation (on CD or digital file)s - master CD or digital file with licensed rights to make an unlimited number of duplicates.	Licensed master copy provided at no charge if it is Kalkomey's standard national Classroom Presentation, which the DNR or its instructors can then customize as they wish.
Online Handbooks – Develop and maintain on the Internet an interactive version and a downloadable version.	No Charge

Boater Education Materials

	Printed Instructor Guide/Exam Key	Student Manual/Exam	Handbook	Duplicate Classroom Presentation (on CD or digital file)
Minimum number of TEXT pages required for publication	32	64	48	XXXX
Quantity Ordered	Price per Guide	Price per Manual	Price per Handbook	Price per Presentation
20 to 29	XXXX	XXXX	XXXX	\$6.37
30 to 39	XXXX	XXXX	XXXX	\$5.62
40 to 49	XXXX	XXXX	XXXX	\$5.54
50 to 99	XXXX	XXXX	XXXX	\$4.72
100 to 199	XXXX	XXXX	\$53.26	\$3.85
200 to 499	\$1.43	XXXX	\$53.26	\$3.85
500 to 999	\$1.36	XXXX	\$11.74	\$2.97
1,000 to 4,999	\$1.44	\$10.03	\$6.07	\$1.72
5,000 to 9,999	\$.85	\$2.64	\$1.29	\$1.38
10,000 to 14,999	\$.57	\$1.65	\$0.68	\$1.25
15,000 to 15,999	\$0.49	\$1.33	\$0.68	\$1.12
16,000 to 19,999	\$0.49	\$1.19	\$0.66	\$1.12
20,000 to 24,999	\$0.44	\$1.03	\$0.47	\$0.96
25,000 to 29,999	\$0.39	\$0.95	\$0.41	\$0.96
30,000 to 34,999	\$0.37	\$0.90	\$0.38	\$0.96
35,000 to 39,999	\$0.36	\$0.85	\$0.36	\$0.96
40,000 to 44,999	\$0.34	\$0.81	\$0.34	\$0.96
45,000 to 49,999	\$0.33	\$0.79	\$0.33	\$0.80
50,000 to 54,999	\$0.33	\$0.76	\$0.32	\$0.80
55,000 to 59,999	\$0.32	\$0.74	\$0.30	\$0.80
60,000 and over	\$0.31	\$0.74	\$0.29	\$0.80

Hunter Education Materials

	Printed Instructor Guide/Exam Key	Student Manual/Exam	Wildlife Identification Guide	Duplicate Classroom Presentation (on CD or digital file)
Minimum number of TEXT pages required for publication	64	96	80	XXXX
Quantity Ordered	Price per Guide	Price per Manual	Price per Guide	Price per Presentation
20 to 29	XXXX	XXXX	XXXX	\$6.37

30 to 39	XXXX	XXXX	XXXX	\$5.62
40 to 49	XXXX	XXXX	XXXX	\$5.54
50 to 99	XXXX	XXXX	XXXX	\$4.72
100 to 199	XXXX	XXXX	\$0.95	\$3.85
200 to 499	\$2.15	XXXX	\$0.95	\$3.85
500 to 999	\$1.98	XXXX	\$0.58	\$2.97
1,000 to 4,999	\$1.93	\$14.16	\$0.68	\$1.72
5,000 to 9,999	\$1.22	\$3.16	\$0.52	\$1.38
10,000 to 14,999	\$0.84	\$2.03	\$0.48	\$1.25
15,000 to 15,999	\$0.74	\$1.67	\$0.45	\$1.12
16,000 to 19,999	\$0.72	\$1.62	\$0.45	\$1.12
20,000 to 24,999	\$0.69	\$1.47	\$0.44	\$0.96
25,000 to 29,999	\$0.61	\$1.32	\$0.44	\$0.96
30,000 to 34,999	\$0.59	\$1.22	\$0.43	\$0.96
35,000 to 39,999	\$0.57	\$1.17	\$0.43	\$0.96
40,000 to 44,999	\$0.55	\$1.07	\$0.43	\$0.96
45,000 to 49,999	\$0.53	\$1.04	\$0.43	\$0.80
50,000 to 54,999	\$0.52	\$1.00	\$0.42	\$0.80
55,000 to 59,999	\$0.51	\$0.98	\$0.42	\$0.80
60,000 and over	\$0.50	\$0.96	\$0.42	\$0.80

Off Road Vehicle Education Materials

	Printed Instructor Guide/Exam Key	Student Manual/Exam	Handbook	Duplicate Classroom Presentation (on CD or digital file)
Minimum number of TEXT pages required for publication	40	64	48	XXXX
Quantity Ordered	Price per Guide	Price per Manual	Price per Handbook	Price per Presentation
20 to 29	XXXX	XXXX	XXXX	\$6.37
30 to 39	XXXX	XXXX	XXXX	\$5.62
40 to 49	XXXX	XXXX	XXXX	\$5.54
50 to 99	XXXX	XXXX	XXXX	\$4.72
100 to 199	XXXX	XXXX	\$53.26	\$3.85
200 to 499	\$15.27	XXXX	\$53.26	\$3.85
500 to 999	\$5.35	\$XXXX	\$11.74	\$2.97
1,000 to 4,999	\$3.15	\$10.03	\$6.07	\$1.72
5,000 to 9,999	\$0.99	\$2.64	\$1.29	\$1.38
10,000 to 14,999	\$0.68	\$1.65	\$0.68	\$1.25
15,000 to 15,999	\$0.59	\$1.33	\$0.68	\$1.12
16,000 to 19,999	\$0.58	\$1.19	\$0.66	\$1.12

20,000 to 24,999	\$0.55	\$1.03	\$0.47	\$0.96
25,000 to 29,999	\$0.48	\$0.95	\$0.41	\$0.96
30,000 to 34,999	\$0.46	\$0.90	\$0.38	\$0.96
35,000 to 39,999	\$0.45	\$0.85	\$0.36	\$0.96
40,000 to 44,999	\$0.43	\$0.81	\$0.34	\$0.96
45,000 to 49,999	\$0.42	\$0.79	\$0.33	\$0.80
50,000 to 54,999	\$0.41	\$0.76	\$0.32	\$0.80
55,000 to 59,999	\$0.40	\$0.74	\$0.30	\$0.80
60,000 and over	\$0.39	\$0.74	\$0.29	\$0.80

Snowmobile Education Materials

	Printed Instructor Guide/Exam Key	Student Manual/Exam	Handbook	Duplicate Classroom Presentation (on CD or digital file)
Minimum number of TEXT pages required for publication	32	48	48	XXXX
Quantity Ordered	Price per Guide	Price per Manual	Price per Guide	Price per Presentation
20 to 29	XXXX	XXXX	XXXX	\$6.37
30 to 39	XXXX	XXXX	XXXX	\$5.62
40 to 49	XXXX	XXXX	XXXX	\$5.54
50 to 99	XXXX	XXXX	XXXX	\$4.72
100 to 199	XXXX	XXXX	\$53.26	\$3.85
200 to 499	\$10.31	XXXX	\$53.26	\$3.85
500 to 999	\$4.66	XXXX	\$11.74	\$2.97
1,000 to 4,999	\$2.73	\$9.73	\$6.07	\$1.72
5,000 to 9,999	\$0.85	\$2.30	\$1.29	\$1.38
10,000 to 14,999	\$0.57	\$1.26	\$0.68	\$1.25
15,000 to 15,999	\$0.49	\$1.18	\$0.68	\$1.12
16,000 to 19,999	\$0.49	\$1.06	\$0.66	\$1.12
20,000 to 24,999	\$0.44	\$0.90	\$0.47	\$0.96
25,000 to 29,999	\$0.39	\$0.83	\$0.41	\$0.96
30,000 to 34,999	\$0.37	\$0.79	\$0.38	\$0.96
35,000 to 39,999	\$0.36	\$0.73	\$0.36	\$0.96
40,000 to 44,999	\$0.34	\$0.68	\$0.34	\$0.96
45,000 to 49,999	\$0.33	\$0.65	\$0.33	\$0.80
50,000 to 54,999	\$0.33	\$0.63	\$0.32	\$0.80
55,000 to 59,999	\$0.32	\$0.62	\$0.30	\$0.80
60,000 and over	\$0.31	\$0.62	\$0.29	\$0.80