



Contract Change Notice

State of Michigan Procurement

Department of Treasury
7285 Parsons Dr. Dimondale, MI 48821

Change Notice Number. 3
to
Contract Number 271 18000000790

Contractor	State
Dri-Stick Decal Corp. d.b.a. Rydin Corporation	Program Manager
700 Phoenix Lake Ave.	Heather Case TREA
Streamwood, IL 60107	
Contract Administrator	caseh@michigan.gov
Fred Lenn	Contract Administrator
800-448-1991 ext. 440	Adam Zanetti TREA
flenn@rydin.com	517-667-1465
CV0017231	zanettia@michigan.gov

Contract Summary

Description: Motor Vehicle Decal Printing Services

Initial Effective Date	Initial Expiration Date	Initial Options Available	Expiration Date Before Change(s) Noted Below
7/1/2018	6/30/2023	5, 1-year	6/30/2028
Payment Terms		Delivery Timeframe	
Net 45		Per Schedule A	
Alternate Payment Options		Extended Purchasing	
N/A		No	
Minimum Delivery Requirements			
N/A			

Description of Change Notice

Option	Length of Option	Extension	Length of Extension	Revised Exp. Date
No		No		
Current Value	Value of Change Notice	Estimated Aggregate Contract Value		
\$154,150.00	\$0.00	\$154,150.00		

Change Notice Summary

Description: Effective 5/14/2026, Schedule B – Pricing is updated as shown in the attached document.

George Lane is replaced by Fred Lenn (flenn@rydin.com; 800-448-1991 ext. 440) in Schedule A Section 3.1 Contractor Representative, 3.2 Key Personnel, Standard Contract Terms Section 2. Notices, 3. Contract Administrator and 4 Program Manager.

All other terms, conditions, and specifications remain the same

STATE OF MICHIGAN

Contract - Master Agreement (MA) No. 271 180000000790
Motor Vehicle Decal Printing Services

SCHEDULE B

PRICING MATRIX – Change Notice 3

Item	Unit	Description	Estimated Annual Quantity	Unit Cost	Estimated Total Cost
1	TH	Printing of Michigan IFTA Commercial Motor Carrier Decal (sets of 2)	90,000	\$0.182	\$16,470



STATE OF MICHIGAN PROCUREMENT

Department of Treasury

7285 Parsons Dr.
Dimondale, MI 48821

CONTRACT CHANGE NOTICE

Change Notice Number 2

to

Contract Number 271 18000000790

CONTRACTOR	Dri-Stick Decal Corp. d.b.a. Rydin Corporation
	700 Phoenix Lake Ave.
	Streamwood, IL 60107
	George Lane
	800.448.1991 x440
	glane@rydin.com
	CV0017231

STATE	Program Manager	Heather Case	TREAS
		517-636.6825	
		caseh@michigan.gov	
	Contract Administrator	Adam Zanetti	TREAS
		517-667-1465	
		zanettia@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Motor Vehicle Decal Printing Services				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
7/1/2018	6/30/2023	5, 1-year	6/30/2023	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		Per Schedule A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	5, 1-year	<input type="checkbox"/>		6/30/2028
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$64,150.00		\$90,000	\$154,150.00	
DESCRIPTION: Effective 7/1/2023:				
1. This contract is exercising 5 option years and increased by \$90,000. Revised expiration date is 6/30/2028. See revised Schedule B attached.				
2. Section 1.1.Q. IFTA Decal Color Rotation (may be subject to change) is hereby updated to:				
a. 2024 – Red Pantone # 485C				
b. 2025 – Blue Pantone #299C				
c. 2026 – Green Pantone #354C				

- d. 2027 – Red Pantone #485C
- e. 2028 – Blue Pantone #299C

CHANGE NOTICE NO. 2 TO CONTRACT NO. 271 180000000790.

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name & Title

Agency

Date

STATE OF MICHIGAN

Contract - Master Agreement (MA) No. 271 180000000790
Motor Vehicle Decal Printing Services

SCHEDULE B PRICING MATRIX

1. ALL decal production costs must be included in the price quoted. These costs must include, but are not limited to:
 - a. shipping (terms F.O.B. delivered)
 - b. all material costs
 - c. all production costs
 - d. all administrative costs
 - e. all overhead - direct and indirect
 - f. all labor costs
 - g. all maintenance costs
 - h. all dies, plates, negatives, etc. (these will become the property of the State).
2. By submitting its proposal, the Contractor certifies that the prices were arrived at independently, and without consultation, communication, or agreement with any other Contractor.

Item	Unit	Description	Estimated Annual Quantity	Unit Cost	Estimated Total Cost
1	TH	Printing of Michigan IFTA Commercial Motor Carrier Decal (sets of 2)	95,000	\$0.182	\$17,290.00
				Estimated 5-year total:	\$86,450.00



STATE OF MICHIGAN PROCUREMENT

Department of Treasury

7285 Parsons Dr.
Dimondale, MI 48821

CONTRACT CHANGE NOTICE

Change Notice Number 1

to

Contract Number **271 18000000790**

CONTRACTOR	Dri-Stick Decal Corp. d.b.a. Rydin Corporation
	700 Phoenix Lake Ave.
	Streamwood, IL 60107
	George Lane
	800.448.1991 x440
	glane@rydin.com
	CV0017231

STATE	Program Manager	Heather Case	TREAS
		517-636.6825	
		caseh@michigan.gov	
	Contract Administrator	Adam Zanetti	TREAS
		517-667-1465	
		zanettia@michigan.gov	

CONTRACT SUMMARY				
DESCRIPTION: Motor Vehicle Decal Printing Services				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
7/1/2018	6/30/2023	5, 1-year	6/30/2023	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		Per Schedule A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-card <input type="checkbox"/> Payment Request (PRC) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$58,650.00		\$5,500	\$64,150	
DESCRIPTION: Effective immediately:				
1. This contract is increased by \$5,500				
2. The Contract Administrator has been changed to Adam Zanetti				

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent (Print or Type)

Date

FOR THE STATE:

Signature

Name & Title

Agency

Date



**STATE OF MICHIGAN
ENTERPRISE PROCUREMENT**

Department of Treasury
7285 Parsons Dr.
Lansing, MI 48821

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. **271 180000000790**
between
THE STATE OF MICHIGAN
and

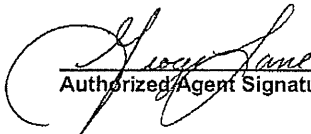
CONTRACTOR	Dri-Stick Decal Corp. d.b.a. Rydin Corporation
	700 Phoenix Lake Ave.
	Streamwood, IL 60107
	George Lane
	800.448.1991 x440
	glane@rydin.com
	CV0017231

STATE	Program Manager	Heather Case	TREAS
		517.636.6825	
	caseh@michigan.gov		
	Contract Administrator	Andy Marple	TREAS
517.636.6819			
marplea@michigan.gov			

CONTRACT SUMMARY			
DESCRIPTION: Motor Vehicle Decal Printing Services			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
7/1/2018	6/30/2023	5, 1-year	6/30/2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		Per Schedule A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
MINIMUM DELIVERY REQUIREMENTS			
N/A			
MISCELLANEOUS INFORMATION			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$58,650.00

FOR THE CONTRACTOR:

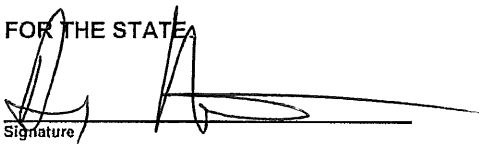
Dai-Suek Dental Corp (dba) Rydial
Company Name


Authorized Agent Signature

GEORGE LANE
Authorized Agent (Print or Type)

6/19/18
Date

FOR THE STATE


Signature

ANDY MARBLE - PURCHASING
Name & Title

DEPT. OF TREASURY
Agency

6/19/2018
Date

STATE OF MICHIGAN

Contract - Master Agreement (MA) No. 271 180000000790
Motor Vehicle Decal Printing Services

SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

This is a Contract to produce International Fuel Tax Agreement (IFTA) Decals. The IFTA decals are required by law (per the IFTA Agreement and the enabling legislation in the Motor Carrier Fuel Tax Act - PA 119 of 1980).

This schedule identifies the anticipated requirements of the Contract. The term "Contractor" in this document refers to the awarded bidder.

BACKGROUND

Each year, the Department of Treasury (Treasury) produces the IFTA Decals. Decal Production typically occurs in June of each year with delivery completed in early September.

The IFTA motor carrier decal is an adhesive permit to be mounted on the outside of both cab doors of trucks authorized to use roadways in all IFTA jurisdictions. The permit has monetary value that makes it subject to theft and fraud. It must have features to discourage this.

It is critical for tax law enforcement that decals be delivered timely. These specifications are for license year January 1, 2019 - December 31, 2019; January 1, 2020 - December 31, 2020; January 1, 2021 - December 31, 2021; January 1, 2022 – December 31, 2022; and January 1, 2023 – December 31, 2023.

SCOPE

The Contractor will be responsible for coordinating the production of International Fuel Tax Agreement (IFTA) Decals. The Contractor will be notified of delivery instructions and production quantities by the Program Manager. Due to security concerns, decals cannot be in transit for more than 48 hours. The full order of IFTA Decals must be delivered to the State, in the greater Lansing, MI area. Receipt of decals by the State must occur within 30 business days after final approval to begin production is given by the Program Manager. The Program Manager must be notified of a delivery date prior to delivery. Delivery must be made between the hours of 7:30 am and 3:30 pm.

REQUIREMENTS

Contractor must provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

1. General Requirements

1.1. Product Specifications

A. Size, Construction and Numbering

- a. Size
 - i. 6" wide by 3" high with square corners
- b. Construction
 - i. There must be a vertical score 3" from the left edge dividing this into two decals that are 3" wide x 3" high. The score should separate the vinyl and adhesive only and not the carrier. No slit is to be in the carrier.
- c. Numbering
 - i. Decals must be numbered consecutively in black ink. Duplicate numbers will appear on each set of two decals. Contractor must guarantee that there will be no missing or duplicate numbers on sets of decals. Serial number on each decal shall be no less than 3/16" high.

B. Copy Layout

- a. Any special application instructions and restrictions the Contractor defines must be provided to the Contract Compliance Inspector.
- b. Front of Decal

- i. National standards require that the letters I F T A are to be printed in a minimum height of 3/4" (1.88 centimeters) with the letter I located in the upper left-hand corner, the letter A to be located in the lower right corner, with the letters F, and T evenly spaced between to form a diagonal design from the upper left to lower right corner. The letters I F T A are to be printed in Arial Black 72 font in the color white. The two-letter jurisdiction designation shall be displayed in the lower left-hand corner, and the last two numbers of the appropriate year are to be displayed in the upper right-hand corner. The two-letter jurisdiction designation and the last two numbers of the appropriate year are to be printed in Arial Black 36 font in the color white. The geographical outline of the jurisdiction shall be centered behind the letters I F T A and the outline shall be white. Consecutive numbering shall be located on the bottom of the decal between the two-letter jurisdiction designation and the letter A.
- ii. A 1/8" white border is required on both decals. The white border shall be
- iii. 1/8" from the outside edge of the decal.
- iv. IFTA decal sample provided as Attachment A to Proposal.

C. Stock

Quality of vinyl used must be 3.5 mils in thickness, permanent adhesive of 1.0 - 1.1 mils in thickness and a carrier of 6.7 mils in thickness.

D. Adhesive

- a. Permanent transfer adhesive must be used to ensure that, once the decal is affixed to a truck, any effort to remove the decal **MUST DEFACE IT**. Perforations or cuts on the face of the decal are not acceptable to ensure defacing.
- b. Adhesive must be adequate to hold the decal to the truck cab for a minimum of eighteen (18) months.
- c. Adhesive must begin to bond immediately upon application at 30 degrees F or above; and after 72 hours, must maintain adherence to truck through temperature range of -40 degrees F. to 150 degrees F. Many of these decals are applied to truck cabs out-of-doors during winter months in Michigan and other cold climates.
- d. The adhesive must not exude from edges of the sheeting when processed into finished decals so as to cause stacked pieces to stick together during shearing, cutting, printing, handling, or packaged in shipment and distribution.

E. Laminate/Clear Coating

- a. The Contractor must use a laminate overlay, or overprint with clear ink in place of the laminate overlay.
- b. All decals must be clear coated with a Coating Clear U10V or R101 or equivalent which will guarantee surface exposure to the elements for a period of 18 months
- c. A minimum dry thickness of .0004 inches (.4 mil) must be obtained.
- d. Testing facility must verify that the laminate overlay (or overprint of clear ink) is present and that the color does not scrape off easily.

F. Durability

- a. Decal stock, inks and adhesive must be of sufficient quality to withstand all types of weather, repeated washings at high pressure, solvents, dirt and grease.
- b. The surface must be sufficiently solvent resistant to permit cleaning with solvents such as VM & P naphtha, mineral spirits, turpentine or other solvents commonly used on vehicle finishes.
- c. Inks must be fade resistant, so the decal will remain legible to enforcement personnel and fuel vendors for 18 months after placement on a truck.
- d. Decals must be flexible enough to allow application to the slightly curved surface of a truck cab.
- e. The Contractor must submit any special instructions for affixing the decals to the trucks.
 - i. Application restrictions that place an undue burden on licensees are not acceptable.

G. Ink

Ink must be Nazdar 3600 series or equivalent. Inks must be fade resistant so that the decal will remain legible to enforcement personnel and fuel vendors for eighteen (18) months after placement on a truck per Section 1.022.4.c. The color of the background will be as specified to match sunfast inks.

H. Composition

- a. The Contractor must do composition (layout, design, artwork) as directed by the Program Manager.
- b. All dies, plates, negatives and other artwork will become the property of the State.

I. Proof

- a. The Contractor must provide a proof showing all type and clearly identifying all areas of color prior to start of production.
- b. Production of decals may not begin without The State's written authorization and A State Issued Delivery Order.

J. Printing/Color

- a. Ink may bleed off four sides.
- b. IFTA decals will be printed in different colors each year.

K. Numbering

The numbers will be specified when an order is placed. These numbers are used for auditing purposes and must meet the durability requirements.

L. Carrier

Decals are to be attached to a carrier material that peels away to leave adhesive exposed on the back of the decal. Contract Compliance Inspect reserves the right to change the application instructions on the back of the carrier after the award is made.

M. Samples and Testing

- a. After the contract is awarded, the Contractor must supply 50 numbered production test samples of the decal for testing (testing is scheduled to occur in the 1st year of contract).
- b. Samples are due 10 days after proof is approved by the Program Manager.
- c. The samples will be forwarded to an independent testing lab where they will be tested at the Contractor's expense for thickness, adhesion and defacing, resistance to weathering and resistance to high pressure washing.
- d. If the samples fail to pass the testing, the contract may be canceled and samples from the next best value bidder will be tested until adequate test samples are found. The State will have no financial obligation to the Contractor if test samples fail to pass testing.
- e. Labels will be tested in accordance with ASTM (American Society for Testing and Materials) G-53 using a 313 bulb and moisture; 500 hours of exposure.
- f. High pressure washing: Test samples will be applied to painted metal cooled to -15 degrees centigrade for four hours and remain at that temperature for 24 hours. After waiting another 48 hours the test panel will be sprayed with a high-pressure steam hose similar to those used in commercial truck washes. The decal must remain attached to the test panel over at least 90% of its bonded surface through at least 60 seconds of high pressure spray directed from angles of approach ranging from 45 to 90 degrees.
- g. At the State's discretion, the State can elect to waive testing provided identical materials and adhesives are used during the life of the contract. Any changes to adhesives and materials will require prior approval of the Program Manager and retesting at Contractor's expense.
- h. Should any issues with the decal arise during the course of the contract, the State reserves the right to retest the decals at the contractor's expense.

N. Estimated Quantities

- a. 85,000 decal sets are needed for each year of contract (425,000 over five-year contract).
- b. Quantities ordered are exact. No over or under runs will be allowed. Quantities may be amended before production at the price submitted in Contractor's bid. Additional quantities may be ordered after production is complete. Include a separate price for additional quantities in increments of 1,000 up to 10,000 (Appendix A).

O. Carton Labelling

Each carton is to be labeled as follows: "IFTA Commercial Motor Carrier Decal," along with the appropriate delivery order number and beginning and ending decal numbers that each carton contains. Any special storage requirements must also be printed on the cartons and identified.

P. Production Schedule

July 1	Copy, color selection and numbering range supplied to the Contractor.
July 8	Contractor delivers proofs to the Program Manager.
July 15	Treasury reviews and approves proofs.
July 29	Contractor submits 50 numbered production test samples to Program Manager for Treasury review and approval (samples are due 10 business days after proof approval).
July 29 – Aug. 29	Testing Period (Treasury may elect to waive testing).
Sept. 3	Program Manager authorizes Contractor, through a Delivery Order, to begin IFTA decal production.
Oct. 3	Decal delivery to Treasury

Or as otherwise applicable. Any changes in the above schedule will be communicated to the Contractor by the Program Manager.

- Q. IFTA Decal Color Rotation (may be subject to change)**
- 2019 - Blue (Pantone #299C)/White Lettering
 - 2020 - Green (Pantone #354C)/White Lettering
 - 2021 - Red (Pantone #485C)/White Lettering
 - 2022 - Blue (Pantone #299C)/White Lettering
 - 2023 - Green (Pantone #354C)/White Lettering

R. Changes/Modifications

No changes to adhesive and materials will be allowed during the contract period without prior approval of Program Manager. Proposed changes to adhesive and materials will require retesting at Contractor's expense.

Brands or trade names are for identification purposes only and do not limit the Contractor to such brands or trade names.

1.2. Warranties

Contractor offers a one-year warranty against fading. Any issues should be reported to the Contractor Representative for immediate action.

The State reserves the right to require additional warranties other than those identified by the Contractor.

1.3. Recall Requirements and Procedures

Contractor will report any recalls immediately to the Program Manager.

1.4. Quality Assurance Program

- The Contractor must maintain and demonstrate a thorough quality assurance program. Contractor shall describe their quality assurance program.
- Any damaged or mutilated decals due to Contractor error MUST be corrected and reproduced at Contractor's expense.
- Provide a copy of procedures used to ensure quality standards with the bid response.

2. Service Levels

2.1. Time Frames

All Contract Activities must be delivered within 30 calendar days from receipt of order unless otherwise approved by the Program Manager. The receipt of order date is pursuant to Section 2, Notices, of the Standard Contract Terms.

2.2. Delivery

Delivery will be within 30 calendar days upon date of order. Delivery will be made to:

Department of Treasury
 Operations Center
 7285 Parsons Dr.
 Dimondale, MI 48821
 Attn: Heather Case

2.3. Contingency

- The Contractor must have at least two currently operational presses capable of producing this job.
- Contractor must guarantee that in the event of equipment failure, production will resume on the backup press within 24 hours.

- C. In the event of the inability to complete contract activities, Contractor accepts reassignment of contract to the next qualified bidder.

2.4. Equipment Maintenance

The Contractor must include proof of current maintenance contract or schedule of maintenance.

All equipment is licensed and fully owned by the Contractor. Maintenance is under secure contracts with onsite regular maintenance from Contractor's vendor manufacturers for all equipment. Contractor also maintains backup equipment to support operations on three shifts.

2.5. Meetings

No mandatory meetings are required; however, the State reserves the right to request meetings as it deems appropriate.

3. Staffing

3.1. Contractor Representative

The Contractor must appoint 1 individual, specifically assigned to State of Michigan accounts, that will respond to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative").

Contractor Representative
George Lane
800.448.1991 x440
glane@rydin.com

The Contractor must notify the Contract Administrator at least 15 calendar days before removing or assigning a new Contractor Representative. the State reserves the right to interview and approve any Contractor Representatives associated with the Contract.

3.2. Key Personnel

The Contractor must appoint 1 individual who will be directly responsible for the day to day operations of the Contract ("Key Personnel"). Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquires within 24 hours.

The Contractor may not remove or assign Key Personnel without the prior consent of the State. Prior consent is not required for reassignment for reasons beyond the Contractor's control, including illness, disability, death, leave of absence, personal emergency circumstances, resignation, or termination for cause. The State may request a résumé and conduct an interview before approving a change. The State may require a 30-calendar day training period for replacement personnel. The State reserves the right to interview and approve any changes to key personnel associated with the Contract.

The Contractor must identify the Key Personnel, indicate where they will be physically located, and describe the functions they will perform.

Key Personnel
George Lane – Bid Account Representative
glane@rydin.com
800.448.1991 x440
700 Phoenix Lake Ave.
Streamwood, IL 60103

Mike Witecha – Production Manager
mwitecha@rydin.com
800.448.1991 x420
700 Phoenix Lake Ave.
Streamwood, IL 60103

Jenny Chavez – Bid Business Manager
jchavez@rydin.com
800.448.1991 x461
700 Phoenix Lake Ave.
Streamwood, IL 60103

Dave Gonzalez – Production and Quality Assurance Team Manager
dgonzalez@rydin.com
800.448.1991 x448
700 Phoenix Lake Ave.
Streamwood, IL 60103

Jim Brouch – Art Manager
jbrouch@rydin.com
800.448.1991 x435
700 Phoenix Lake Ave.
Streamwood, IL 60103

Sergio Rivera – Finishing and Shipping Manager
srivera@rydin.com
800.448.1991 x475
700 Phoenix Lake Ave.
Streamwood, IL 60103

3.3. Organizational Chart

Provide an overall organizational chart that details staff members by name and title.

See Attachment B

3.4. Security

The Contractor will be subject to the following security procedures:

- A. All work in process and finished decals awaiting shipment must be stored in a locked, secured area.
- B. All artwork (files, negatives, plates, etc.) must be kept in a separate, locked area when not being used to produce this job.
- C. All waste and spoilage created during production of this job must be shredded or otherwise made unusable before disposal. Contractor must provide written certification of destruction to the Program Manager.
- D. All entrances to the production and storage facilities must be guarded against unauthorized entry by security guards and/or electronic surveillance (alarm, camera, electronic entry password, or card) systems.
- E. All production and storage must be done on Contractor's premises.
- F. Because of security considerations, subcontracting will not be allowed.

4. Pricing

4.1. Price Term

Pricing is firm for the entire length of the Contract.

4.2. Price Changes

Adjustments will be based on changes in actual Contractor costs. Any request must be supported by written evidence documenting the change in costs. The State may consider sources, such as the Consumer Price Index; Producer Price Index; other pricing indices as needed; economic and industry data; manufacturer or supplier letters noting the increase in pricing; and any other data the State deems relevant.

Following the presentation of supporting documentation, both parties will have 30 days to review the information and prepare a written response. If the review reveals no need for modifications, pricing will remain unchanged unless mutually agreed to by the parties. If the review reveals that changes are needed, both parties will negotiate such changes, for no longer than 30 days, unless extended by mutual agreement.

The Contractor remains responsible for Contract Activities at the current price for all orders received before the mutual execution of a Change Notice indicating the start date of the new Pricing Period.

5. Ordering

5.1. Authorizing Document

The appropriate authorizing document for the Contract will be a Delivery Order (DO) issued through the SIGMA VSS system.

5.2 Order Verification

The Contractor must have internal controls, approved by the State, to verify orders and to ensure that only authorized individuals place orders.

6. Delivery

6.1. Delivery Programs

- A. Contractor must inform Program Manager what carrier (UPS, Fed Ex, USPS, etc.) will be delivering the order and provide tracking information.
- B. Due to security concerns, decals cannot be in transit for more than 48 hours. The full order must be delivered to the greater Lansing, MI area. Receipt of decals by the State must occur within 30 calendar days after final approval to begin production is given by the Program Manager. The Program Manager must be notified of a delivery date prior to delivery. Delivery must be made between the hours of 7:30 am and 3:30 pm.

6.2. Packaging and Palletizing

- A. Sets of two decals (with identical consecutive numbers) are to be separated from adjoining decal sets and stacked individually, front-to-back, for packing. Decals are to be grouped in lots of 500. The lowest consecutive numbered decal must be at the front of each lot. Contractor must take precautions to prevent the decals from sticking together.

- B. Each 500-decal lot is to be packaged in a separate box. Place a cardboard separator between every 100 decals in each box of 500 (do not use rubber bands). Decals may be shrink- wrapped in groups of 100 as an alternative packing method to using boxes. Each box must be sealed with security tape imprinted with the name of the Contractor. Beginning and ending decal numbers are to be indicated on each box. Boxes must be sturdy enough to hold up under shipping. Internal dimensions of box must be approximately 1/4" greater than the width and 1/2" greater than the length of decal lot packaged.
- C. Boxes of decals must be packed as follows: Pack 3,000 decals in each carton (6 boxes). Cartons must be 9 3/4" W x 7 1/2" H x 13-3/4" D
- D. Cartons are to be taped securely shut and must be able to withstand considerable handling.
- E. Shipments shall be palletized whenever possible and shall conform to the following:
 - a. Manufacturers standard 4-way shipping pallets are acceptable.
 - b. Maximum height: 5'6"; including pallet.
 - c. Maximum weight: 3500 pounds; including pallet.
 - d. Pallets are to be securely banded or shrink-wrapped.
 - e. The cost of palletizing must be included in the unit price.
- F. Acceptance of the shipment for inspection is not considered to be acceptance of the final product.

7. Acceptance

7.1. Acceptance, Inspection and Testing

The State will use the following criteria to determine acceptance of the Contract Activities:

Acceptance of the Services and/or Deliverables provided under the contract will be determined by the Program Manager based on criteria described in Section 1.1 Product Specifications.

8. Invoice and Payment

8.1. Invoice Requirements

All invoices submitted to the State must include: (a) date; (b) delivery order number; (c) quantity; (d) description of the Contract Activities; (e) unit price; and (f) total price.

8.2. Payment Methods

The State will make payment for Contract Activities via EFT.

9. Licensing Agreement

The Contractor must provide a copy of any applicable licensing agreement.

10. Liquidated Damages

Late or improper completion of the Contract Activities will cause loss and damage to the State and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, if there is late or improper completion of the Contract Activities the State is entitled to collect liquidated damages based on the number of days that the Contractor fails to remedy the late or improper completion of the Work.

Days Late	Penalty
1-7	5% of invoice
8-14	10% of invoice
15-21	15% of invoice
22-29	20% of invoice
30+	30% of invoice, termination of contract

Unauthorized Removal of Key Personnel will interfere with the timely and proper completion of the Contract, to the loss and damage of the State, and it would be impracticable and extremely difficult to fix the actual damage sustained by the State. Therefore, the State may assess liquidated damages against Contractor as specified below.

The State is entitled to collect \$100 per individual per day for the removal of any Key Personnel without prior approval of the State.

The State is entitled to collect \$100 per individual per day for an unapproved or untrained key personnel replacement.

11. Additional Requirements

11.1. Environmental and Energy Efficient Products

The Contractor must identify any energy efficient, bio-based, or otherwise environmental friendly products used in the products. Contractor must include any relevant third-party certification, including the verification of a United States department of agriculture certified bio-based product label.

11.2. Hazardous Chemical Identification

In accordance with the federal Emergency Planning and Community Right-to-Know Act, 42 USC §11001, *et seq.*, as amended, the Contractor must provide a Material Safety Data Sheet listing any hazardous chemicals, as defined in 40 CFR §370.2, to be delivered. Each hazardous chemical must be properly identified, including any applicable identification number, such as a National Stock Number or Special Item Number.

The Contractor must identify any hazardous chemicals that will be provided under any resulting contract.

11.3. Mercury Content

Pursuant to MCL 18.1261d, mercury-free products must be procured when possible. The Contractor must explain if it intends to provide products containing mercury, the amount or concentration of mercury, and whether cost competitive alternatives exist. If a cost competitive alternative does exist, the Contractor must provide justification as to why the particular product is essential. All products containing mercury must be labeled as containing mercury.

11.4. Brominated Flame Retardants

The State prefers to purchase products that do not contain brominated flame retardants (BFRs) whenever possible. The Contractor must disclose whether the products contain BFRs.

STATE OF MICHIGAN

Contract - Master Agreement (MA) No. 271 180000000790
Motor Vehicle Decal Printing Services

SCHEDULE B PRICING MATRIX

1. ALL decal production costs must be included in the price quoted. These costs must include, but are not limited to:
 - a. shipping (terms F.O.B. delivered)
 - b. all material costs
 - c. all production costs
 - d. all administrative costs
 - e. all overhead - direct and indirect
 - f. all labor costs
 - g. all maintenance costs
 - h. all dies, plates, negatives, etc. (these will become the property of the State).

2. By submitting its proposal, the Contractor certifies that the prices were arrived at independently, and without consultation, communication, or agreement with any other Contractor.

Item	Unit	Description	Estimated Annual Quantity	Unit Cost	Estimated Total Cost
1	TH	Printing of Michigan IFTA Commercial Motor Carrier Decal (sets of 2)	85,000	\$0.138	\$11,730.00
Estimated 5-year total:					\$58,650.00

Indicate below the pricing for the printing of additional thousands of decals if needed.

Additional Quantity	Cost/M
1,000 – 2,000	\$594.00
2,000 – 5,000	\$371.00
5,000 – 7,000	\$233.00
7,000 – 10,000	\$208.00



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT (“**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Dri-Stick Decal Corp. d.b.a. Rydin Corporation (“**Contractor**”), an Illinois Corporation. This Contract is effective on July 1, 2018 (“**Effective Date**”), and unless terminated, expires on June 30, 2023.

This Contract may be renewed for up to 5 additional 1-year period(s). Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.

The parties agree as follows:

1. **Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Schedule A – Statement of Work** (the “**Contract Activities**”). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Schedule A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State’s operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State’s quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims 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; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.

If to State:	If to Contractor:
Andy Marple 7285 Parsons Dr. Dimondale, MI 48821 marplea@michigan.gov 517.636.6819	George Lane 720 Phoenix Lake Ave. Streamwood, IL 60107 glane@rydin.com 800.448.1991 x440

3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a “**Contract Administrator**”):

State: Andy Marple 7285 Parsons Dr. Dimondale, MI 48821 marplea@michigan.gov 517.636.6819	Contractor: George Lane 720 Phoenix Lake Ave. Streamwood, IL 60107 glane@rydin.com 800.448.1991 x440
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4. **Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State: Heather Case 7285 Parsons Dr. Dimondale, MI 48821 caseh@michigan.gov 517.636.4802	Contractor: George Lane 720 Phoenix Lake Ave. Streamwood, IL 60107 glane@rydin.com 800.448.1991 x440
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5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A) if, in the opinion of the State, it will ensure performance of the Contract.
6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor’s or a subcontractor’s performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of “A” or better, and a financial size of VII or better.

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	

If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **Reserved**

8. **Reserved**

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.

10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.

11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.

12. **Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.

13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.

14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. **Delivery.** Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in Schedule A. All containers and packaging becomes the State's exclusive property upon acceptance.
18. **Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property. Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.
19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period the State may return such non-conforming Contract Activities to the Contractor for a full refund.
20. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under

this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
22. **Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

24. **Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
25. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 90 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.

- 26. General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

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. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

- 27. Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against 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.
- 28. Limitation of Liability and Disclaimer of Damages. IN NO EVENT WILL THE STATE'S AGGREGATE LIABILITY TO CONTRACTOR UNDER THIS CONTRACT, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR BY STATUTE OR OTHERWISE, FOR ANY CLAIM RELATED TO OR ARISING UNDER THIS CONTRACT, EXCEED THE MAXIMUM AMOUNT OF FEES PAYABLE UNDER THIS CONTRACT.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
- 29. Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
- 30. State Data.** All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State ("**State Data**"); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing purposes.
- 31. Reserved**

32. Non-Disclosure of Confidential Information. The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.

- a. Meaning of Confidential Information. For the purposes of this Contract, the term “**Confidential Information**” means all information and documentation of a party that: (a) has been marked “confidential” or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked “confidential” or with words of similar meaning, was subsequently summarized in writing by the disclosing party and marked “confidential” or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term “Confidential Information” does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.
- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor’s responsibilities; and (c) 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 or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party’s possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State’s legal ability to destroy Contractor data may be restricted by its

retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

33. **Reserved**

34. **Reserved**

35. **Reserved**

36. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

37. **Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading; and that (i) Contractor is neither currently engaged in nor will engage in the boycott of a person based in or doing business with a strategic partner as described in 22 USC 8601 to 8606. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.

38. **Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

39. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.

40. **Prevailing Wage.** This Contract and any subcontract is subject to the Prevailing Wage Act, 1965 PA 166. Contractor must comply with the state prevailing wage law and its requirements.

41. **State Printing.** All printing in Michigan must be performed by a business that meets *one* of the following: (a) have authorized use of the Allied Printing Trades Council union label in the locality in which the printing services will be performed; (b) have on file with the Michigan Secretary of State, a sworn statement

indicating that employees producing the printing are receiving prevailing wages and are working under conditions prevalent in the locality in which the printing services will be performed; or (c) have a collective bargaining agreement in effect and the employees are represented by an operations that is not influenced or controlled by management.

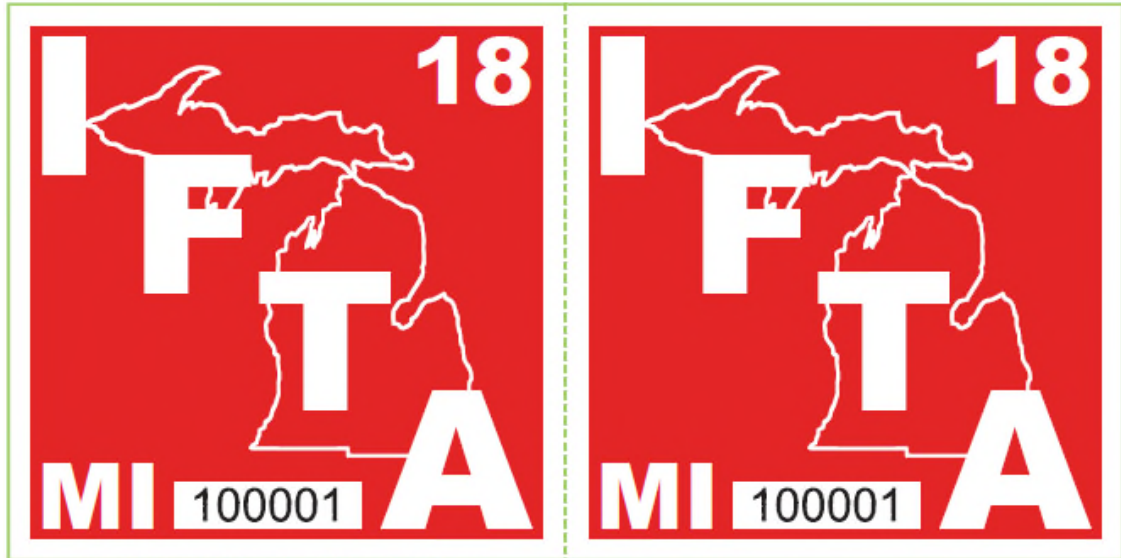
42. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
43. **Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
44. **Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
45. **Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
46. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
47. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.

Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
48. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.
49. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
50. **Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and expressly incorporated schedules and exhibits, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH

OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.

51. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
52. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
53. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
54. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.

Attachment A
IFTA Decal Sample



Size: H=+ 6.000 inch x V=+ 3.000 inch

- Black
- PANTONE 485 C

Decal Display

1. Apply to clean, smooth, wax free surface at moderate temperature.
2. Peel decal from the paper backing by bending backward at corner and lifting edge.
3. Position decal on surface and rub firmly.

Placement of Decals

Each qualified motor vehicle will be issued two (2) fuel decals. One decal **must** be placed on the exterior portion of both the passenger and driver side of each vehicle. Failure to display the fuel decals in the required location may result in the issuance of a citation and/or additional fuel purchase requirements.

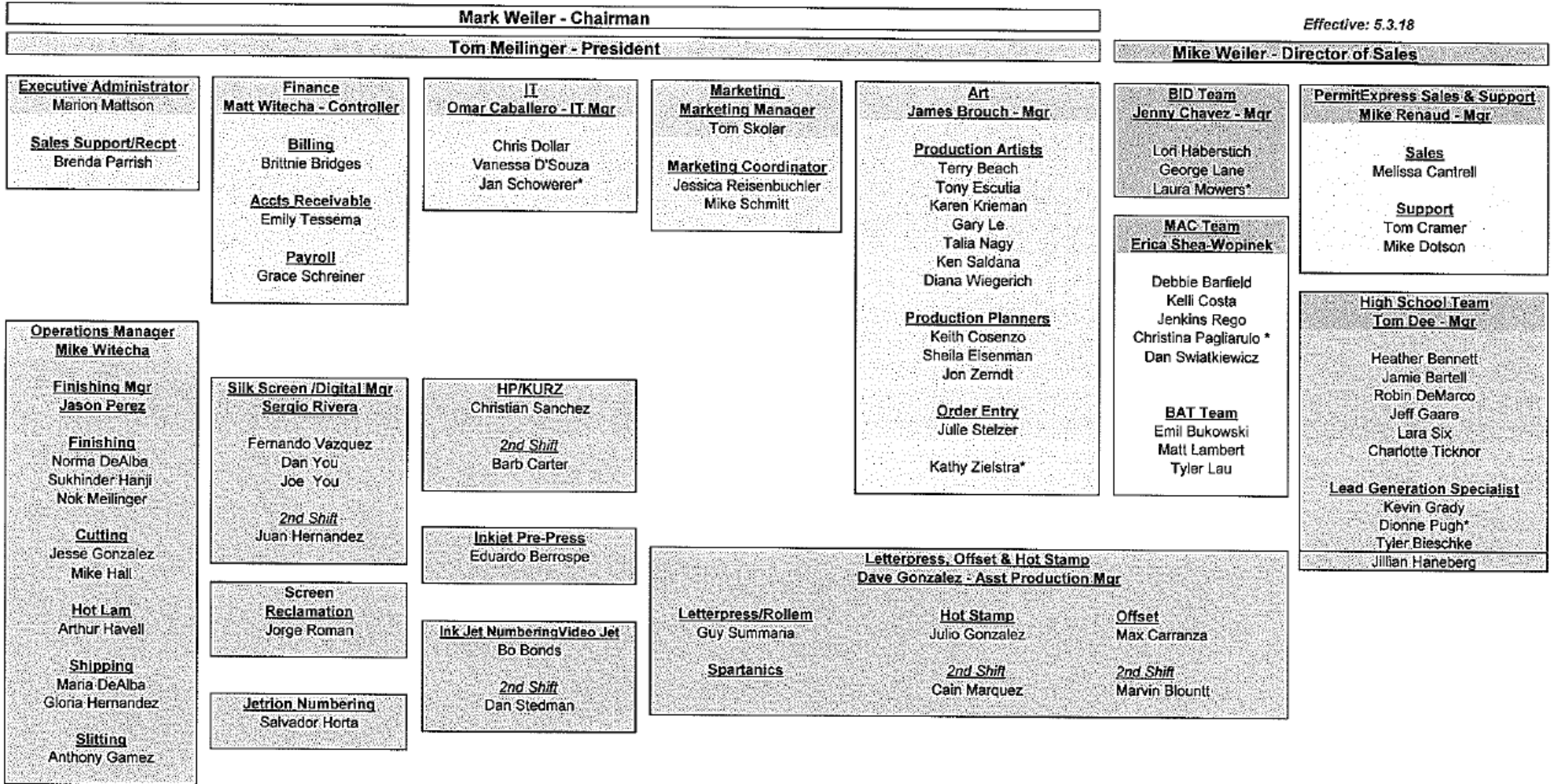
PLACE THESE DECALS ON POWER UNITS TRAVELING INTO INTERNATIONAL FUEL TAX AGREEMENT JURISDICTIONS.



Size: H=+ 6.000 inch x V=+ 3.000 inch

Attachment B Organizational Chart

Rydin Organizational Structure



* Part-time Employee
** Temporary Part-time Employee
*** FMLA Leave

Reports to Tom Meilinger	Reports to Mike Witecha	Reports to Mike Weiler
Reports to Mike Weiler	Reports to Tom Dee	Reports to Jim Brouch
Reports to Jim Brouch	Reports to Jenny Chavez	Reports to Omar Caballero
Reports to Omar Caballero	Reports to Mike Renaud	Reports to Matt Witecha
Reports to Matt Witecha	Erica Shea-Wopinek	