



**STATE OF MICHIGAN PROCUREMENT**  
 Michigan Department of Treasury  
 7285 Parsons Dr., Dimondale, MI 48821

**CONTRACT CHANGE NOTICE**

Change Notice Number 2  
 to  
 Contract Number 22000000118

<b>CONTRACTOR</b>	Thomson Reuters (Tax & Accounting), Inc.
	2395 Midway Road
	Carrollton, TX 75006
	John Nelson, Director
	763.326.4505
	john.s.nelson@tr.com
	CV0062933

<b>STATE</b>	Program Manager	Kyle Thelen	TREA
		517.636.4269	
	Thelenk7@michigan.gov		
	Contract Administrator	Adam Zanetti	TREA
517.667.1465			
zanettia@michigan.gov			

CONTRACT SUMMARY				
<b>DESCRIPTION: ONLINE TAX RESEARCH SUBSCRIPTION SERVICES</b>				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
November 1, 2021	October 31, 2024	2, 1-Year Options	October 31, 2025	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/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"/>	1 year	<input type="checkbox"/>		October 31, 2026
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$105,286.22		\$27,758.14	\$133,044.36	
<b>DESCRIPTION:</b> Effective 10/22/2025, this Contract is exercising the second option year and is increased by \$27,758.14 reflecting 251-300 users. The revised contract expiration date is 10/31/26.				
All other terms, conditions, specifications and pricing remain the same.				

**FOR THE CONTRACTOR:**

**Thomson Reuters (Tax & Accounting), Inc.**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Authorized Agent Signature**

**John Nelson**

\_\_\_\_\_  
**Authorized Agent** (Print or Type)

\_\_\_\_\_  
**Date**

**FOR THE STATE:**

\_\_\_\_\_  
**Signature**

**Adam Zanetti - Buyer**

\_\_\_\_\_  
**Name & Title**

**Treasury**

\_\_\_\_\_  
**Agency**

\_\_\_\_\_  
**Date**



# STATE OF MICHIGAN PROCUREMENT

Michigan Department of Treasury

7285 Parsons Dr., Dimondale, MI 48821

## CONTRACT CHANGE NOTICE

Change Notice Number 1

to

Contract Number 22000000118

<b>CONTRACTOR</b>	Thomson Reuters (Tax & Accounting), Inc.
	2395 Midway Road
	Carrollton, TX 75006
	John Nelson, Director
	972.250.7000
	john.s.nelson@tr.com
	CV0062933

<b>STATE</b>	Program Manager	Kyle Thelen	TREA
		517.636.4269	
	ThelenK7@michigan.gov		
	Contract Administrator	Adam Zanetti	TREA
517.667.1465			
zanettia@michigan.gov			

CONTRACT SUMMARY				
<b>DESCRIPTION: ONLINE TAX RESEARCH SUBSCRIPTION SERVICES</b>				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW	
November 1, 2021	October 31, 2024	2, 1-Year Options	October 31, 2024	
PAYMENT TERMS		DELIVERY TIMEFRAME		
Net 45		N/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"/>	1 year	<input type="checkbox"/>		October 31, 2025
CURRENT VALUE		VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE	
\$77,786.37		\$27,499.85	\$105,286.22	
<b>DESCRIPTION:</b> Effective 7/15/2024, this Contract is exercising the first option year and is increased by \$27,499.85 reflecting 301-350 users. The revised contract expiration date is 10/31/25.				
Please note the Treasury Contract Administrator has been changed to Adam Zanetti.				
All other terms, conditions, specifications and pricing remain the same.				

**FOR THE CONTRACTOR:**

**Thomson Reuters (Tax & Accounting), Inc.**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Authorized Agent Signature**

**John Nelson**

\_\_\_\_\_  
**Authorized Agent** (Print or Type)

\_\_\_\_\_  
**Date**

**FOR THE STATE:**

\_\_\_\_\_  
**Signature**

**Adam Zanetti - Buyer**

\_\_\_\_\_  
**Name & Title**

**Treasury**

\_\_\_\_\_  
**Agency**

\_\_\_\_\_  
**Date**



**STATE OF MICHIGAN PROCUREMENT**  
 Michigan Department of Treasury  
 7285 Parsons Dr., Dimondale, MI 48821

**NOTICE OF CONTRACT**

NOTICE OF CONTRACT NO. **MA 271 22000000118**  
 between  
 THE STATE OF MICHIGAN  
 and

<b>CONTRACTOR</b>	Thomson Reuters (Tax & Accounting), Inc.
	2395 Midway Road
	Carrollton, TX 75006
	John Nelson, Director
	972.250.7000
	john.s.nelson@tr.com
	CV0062933

<b>STATE</b>	Program Manager	Kyle Thelen	TREA
		517.636.4269	
	ThelenK7@michigan.gov		
	Contract Administrator	Stacey Shaw	TREA
517.420.5328			
ShawS11@michigan.gov			

<b>CONTRACT SUMMARY</b>			
<b>DESCRIPTION: ONLINE TAX RESEARCH SUBSCRIPTION SERVICES</b>			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
November 1, 2021	October 31, 2024	2, 1-Year Options	October 31, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45		N/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			
MISCELLANEOUS INFORMATION			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			<b>\$77,786.37</b>

**FOR THE CONTRACTOR:**

\_\_\_\_\_  
**Company Name**

\_\_\_\_\_  
**Authorized Agent Signature**

\_\_\_\_\_  
**Authorized Agent** (Print or Type)

\_\_\_\_\_  
**Date**

**FOR THE STATE:**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name & Title**

\_\_\_\_\_  
**Agency**

\_\_\_\_\_  
**Date**



These terms govern your use of the Thomson Reuters products and services in your order form (in any format). “We”, “our” and “Thomson Reuters” means the Thomson Reuters entity identified in the order form and, where applicable, its affiliates; “you” and “your” or “the State” means the client, customer or subscriber identified in the order form.

Your order form identifies the products and services, and the quantities, and charges of your order (which will reflect the charges set forth in Schedule B). The order form also refers to and incorporates documents which may apply to the products or services you selected. This Agreement, which includes Schedule A – Statement of Work, and schedules and exhibits which are hereby expressly incorporated, is the entire agreement of the parties related to the Products and Services purchased pursuant to this Agreement. This Agreement supersedes and replaces all previous understandings and agreements between the parties related to the Products and Services.

This Contract (this “**Contract**”) is agreed to between the State of Michigan (the “**State**”) and Thomson Reuters (Tax and Accounting) Inc. (“**Contractor**”), a Texas Corporation. This Contract is effective on November 1, 2021 (“**Effective Date**”), and unless earlier terminated, will expire on October 31, 2024 (the “**Term**”).

This Contract may be renewed for up to two (2) additional one (1) year periods. 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 Change Notice.

## 1. OUR PRODUCTS & SERVICES

**a) Limited License.** Together with our licensors, we own and retain ownership of all rights of whatever nature in and to our products, services, and data (whether tangible or intangible). You may access, view, install, use, copy, modify and distribute our property only as expressly specified in the Agreement and each of us shall at all times act in accordance with applicable laws, including export controls and economic sanctions that apply to us in connection with the Agreement.

**b) Changes to Service.** Our products and services change from time to time, but we will not change the fundamental nature of our products.

**c) Passwords.** Your access to certain products and services is password protected. You are responsible for assigning the passwords and for ensuring that passwords are kept confidential. Sharing passwords is strictly prohibited. Each of us shall maintain industry standard computing environments to ensure that both your and our property is secure and inaccessible to unauthorized persons.

**d) Unauthorized Technology.** Unless previously authorized by Thomson Reuters, you must not (i) run or install any computer software or hardware on our products, services or network; use any technology to automatically download, mine, scrape or index our data; or (ii) automatically connect (whether through APIs or otherwise) our data to other data, software, services or networks. Neither of us will knowingly introduce any malicious software or technologies into any products, services or networks.

**e) Usage Information.** We may collect anonymized information related to your use of our products, services and data. We may use this information to test, develop and improve our products and services and to protect and enforce our rights under the Agreement, and we may pass this information to our third party providers for the same purposes.

**f) Third Party Providers.** Our products and services may include data and software from third parties. Some third-party providers require Thomson Reuters to pass additional terms through to you. The third-party providers change their terms occasionally and new third party providers are added from time to time. To see the current third-party additional terms for our products and services click the following URL: [www.thomsonreuters.com/thirdpartyterms](http://www.thomsonreuters.com/thirdpartyterms). You agree to comply with all applicable third-party terms to

the extent allowed by law. We understand that you cannot indemnify third parties and do not agree to be bound by anything other than the laws of Michigan and applicable federal law.

**g) Third Party Supplemental Software.** You may be required to license third party software to operate some of our products and services. Additional terms may apply to the third-party software.

**h) Limitations.** Unless otherwise expressly permitted in the Agreement, you may not: (i) sell, sublicense, distribute, display, store, copy, modify, decompile or disassemble, reverse engineer, translate or transfer our property in whole or in part, or as a component of any other product, service or material; (ii) use our property or our third party providers' property to create any derivative works or competitive products; or (iii) allow any third parties to access, use or benefit from our property in any way. Exercising legal rights that cannot be limited by agreement is not precluded. If you are a governmental agency that provides audit, tax, accounting, or legal services to your clients (including other government agencies) or that otherwise provides governmental services to the general public, this Section 1(h) does not preclude you from using our products to benefit your clients or the general public in the ordinary course of providing governmental services.

**i) Services.** We will provide the services using reasonable skill and care. The professional services applicable to your order, if any, are described in the Order Form or a statement of work.

**j) Security.** Each of us will use and will require any third-party data processors to use industry standard organizational, administrative, physical and technical safeguards to protect the other's information. Each party will inform the other in accordance with applicable law if such party becomes aware of any unauthorized third-party access to the other party's content and will use reasonable efforts to remedy identified security vulnerabilities.

## 2. INFORMATION SERVICES

**a) License.** In the ordinary course of your governmental services and for your governmental purposes only you may view, use, download and print data from our information services for individual use and may on an infrequent, irregular and ad hoc basis, distribute limited extracts of our data. Neither such extracts nor downloaded, printed or stored data may reach such quantity as to have independent commercial value and using such data as a substitute for any service (or a substantial part of it) provided by Thomson Reuters, our affiliates or our third-party providers is prohibited. Thomson Reuters and the third-party content provider, if applicable, must be cited and credited as the source where data is permitted to be used or distributed. Copyright notices must be retained on transmitted or printed items. Access to certain data may be restricted depending on the scope of your license.

**b) Further Distribution.** You may also distribute our data: (i) to authorized users; (ii) to government and regulatory authorities, during the ordinary course of your governmental business or for governmental purposes; and (iii) to third party advisors, limited to the extent required to advise you and provided they are not competitors of Thomson Reuters. Laws applicable in your jurisdiction may allow additional uses.

## 3. INSTALLED SOFTWARE

**a) License.** You may install and use our software and documentation only for your own governmental purposes. Software licenses include updates (bug fixes, patches, maintenance releases), and do not include upgrades (releases or versions that include new features or additional functionality) or APIs unless expressly stated in the order form. Your order form details your permitted installations, users, locations, the specified operating environment and other permissions. You may use our software in object code only. You may make necessary copies of our software only for backup and archival purposes.

**b) Delivery.** We deliver our software by making it available for download. When you download our software and documentation, if any, you are accepting it for use in accordance with the Agreement.

## 4. THOMSON REUTERS HOSTED SOFTWARE

**a) License.** You may use our hosted software only for your own governmental purposes.

**b) Delivery.** We deliver our hosted software by providing you with online access to it. When you access our hosted software, you are accepting it for use in accordance with the Agreement.

**c) Content.** Our hosted software is designed to protect the content you upload. You grant Thomson Reuters permission to use, store and process your content in accordance with applicable law. Access and use of your content by Thomson Reuters, our employees and contractors will be directed by you and limited to the extent necessary to deliver the hosted software, including training, research assistance, technical support and other services. We may delete or disable your content if required under applicable laws and in such instances, we will use our reasonable efforts to provide notice to you. If your content is lost or damaged, we will assist you in restoring the content to the hosted software from any available backup copy.

## 5. CHARGES

**a) Payment and Taxes.** All undisputed amounts are payable within 45 days of the State's receipt in accordance with MCL 17.52 and MCL 17.54. Thomson Reuters may only charge for Products and Services performed or provided as specified in Schedule A and Schedule B or an order form (which will reflect the charges set forth in Schedule B). The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if the Products and Services purchased under this Agreement are for the State's exclusive use. All prices are exclusive of taxes, and Thomson Reuters 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 Agreement.

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 Thomson Reuters of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Thomson Reuters' continuing obligations, including claims for deficiencies or substandard Products or Services. Thomson Reuters' acceptance of final payment by the State constitutes a waiver of all claims by Thomson Reuters against the State for payment under this Agreement, 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). Thomson Reuters must register with the State at <http://www.michigan.gov/SIGMAVSS> to receive electronic fund transfer payments. If Thomson Reuters 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 Thomson Reuters against any amount payable by the State to Thomson Reuters under this Agreement.

**b) Changes.** Except as otherwise specifically stated in the order form, we may change the charges for our products and services with effect from the start of each renewal term by giving you at least 90 days written notice. However, new prices will only be applicable to the State if the changes are appended to this Agreement through a Change Notice.

**c) Excess Use.** You must pay additional charges if you exceed the scope of use specified in your order form, based on the rates specified on the order form. Payment under this provision shall be Thomson Reuters' sole and exclusive remedy to cure these issues.

## 6. PRIVACY

Each of us will at all times process, protect and disclose personally identifiable information received as a result of this Agreement ("PII") in accordance with applicable law. Each of us will use reasonable efforts to assist one another in relation to the investigation and remedy of any claim, allegation, action, suit, proceeding or litigation with respect to the unauthorized or unlawful destruction, loss, alteration, disclosure or access to PII. You acknowledge and agree to the transfer and processing of PII in the geographical regions necessary for Thomson Reuters to fulfill our obligations. When applicable to your location, additional terms will apply to the Agreement, including the General Data Protection Regulation (2016/679) (GDPR) terms located at [www.tr.com/privacy-information](http://www.tr.com/privacy-information).

## 7. CONFIDENTIALITY

Confidential information received from each other will not be disclosed to anyone else except to the extent required by law or as permitted under the Agreement. If a court or government agency orders either of us to disclose the confidential information of the other, the other will be promptly notified so that an appropriate

protective order or other remedy can be obtained unless the court or government agency prohibits prior notification. This section shall survive three (3) years after the termination of the Agreement or until the information is no longer deemed confidential under applicable law, whichever occurs first.

## **8. WARRANTIES AND DISCLAIMERS**

**THE WARRANTIES IN THIS SECTION ARE THE EXCLUSIVE WARRANTIES FROM US AND EXCLUDE ALL OTHER WARRANTIES, CONDITIONS OR OTHER TERMS (EXPRESS OR IMPLIED), INCLUDING WARRANTIES OF PERFORMANCE, MERCHANTABILITY, NON-INFRINGEMENT, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, COMPLETENESS AND CURRENTNESS. IN ENTERING THIS AGREEMENT, NEITHER PARTY HAS RELIED UPON ANY STATEMENT, REPRESENTATION, WARRANTY OR AGREEMENT OF THE OTHER PARTY EXCEPT FOR THOSE EXPRESSLY CONTAINED IN THIS AGREEMENT.**

**EXCLUSION OF WARRANTIES. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAWS, WE DO NOT WARRANT OR REPRESENT OR INCLUDE ANY OTHER TERM THAT THE PRODUCTS OR SERVICES WILL BE DELIVERED FREE OF ANY INACCURACIES, INTERRUPTIONS, DELAYS, OMISSIONS OR ERRORS, OR THAT ANY OF THESE WILL BE CORRECTED WE WILL NOT BE LIABLE FOR ANY DAMAGES RESULTING FROM SUCH FAULTS. WE DO NOT WARRANT THE LIFE OF ANY URL OR THIRD-PARTY WEB SERVICE.**

**INFORMATION. OUR INFORMATION PRODUCTS ARE PROVIDED "AS IS" WITHOUT ANY WARRANTY, CONDITION OR ANY OTHER TERM OF ANY KIND.**

**SOFTWARE. WE WARRANT OUR SOFTWARE PRODUCTS WILL CONFORM TO OUR DOCUMENTATION FOR 90 DAYS AFTER DELIVERY. IF WE ARE UNABLE TO CORRECT A SOFTWARE ERROR YOU REPORT IN A REASONABLE PERIOD AND MANNER, YOU MAY TERMINATE THE ORDER FORM FOR THE AFFECTED SOFTWARE BY PROMPT WRITTEN NOTICE TO US FOLLOWING THE REASONABLE PERIOD. YOUR ONLY REMEDY AND OUR ENTIRE LIABILITY FOR BREACH OF THIS WARRANTY WILL BE A REFUND OF THE APPLICABLE CHARGES. THE LICENSES WILL IMMEDIATELY TERMINATE.**

**DISCLAIMER. YOU ARE SOLELY RESPONSIBLE FOR THE PREPARATION, CONTENT, ACCURACY AND REVIEW OF ANY DOCUMENTS, DATA, OR OUTPUT PREPARED OR RESULTING FROM THE USE OF ANY PRODUCTS OR SERVICES AND FOR ANY DECISIONS MADE OR ACTIONS TAKEN BASED ON THE DATA CONTAINED IN OR GENERATED BY THE PRODUCTS OR SERVICES. IN NO EVENT SHALL WE OR OUR THIRD-PARTY PROVIDERS BE LIABLE FOR ANY PENALTIES, INTEREST, TAXES OR OTHER AMOUNTS IMPOSED BY ANY GOVERNMENTAL OR REGULATORY AUTHORITY.**

**NO ADVICE. WE ARE NOT PROVIDING FINANCIAL, TAX AND ACCOUNTING, LEGAL AND ANY OTHER PROFESSIONAL ADVICE BY ALLOWING YOU TO ACCESS AND USE OUR PRODUCTS, SERVICES OR DATA. YOUR DECISION MADE IN RELIANCE ON THE PRODUCTS OR SERVICES OR YOUR INTERPRETATIONS OF OUR DATA ARE YOUR OWN FOR WHICH YOU HAVE FULL RESPONSIBILITY. WE ARE NOT RESPONSIBLE FOR ANY DAMAGES RESULTING FROM ANY DECISIONS BY YOU OR ANYONE ACCESSING THE SERVICES THROUGH YOU MADE IN RELIANCE ON THE SERVICES, INCLUDING LEGAL, TAX AND ACCOUNTING, COMPLIANCE, FINANCIAL AND/OR RISK MANAGEMENT DECISIONS. YOU AGREE THAT YOU USE THE SERVICES AT YOUR OWN RISK IN THESE RESPECTS.**

## **9. LIABILITY**

**a) LIMITATION. EACH PARTY'S OR ANY OF ITS THIRD-PARTY PROVIDERS' ENTIRE LIABILITY IN ANY CALENDAR YEAR FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT, INCLUDING FOR NEGLIGENCE, WILL NOT EXCEED THE AMOUNT YOU PAID IN THE PRIOR 12 MONTHS FOR THE PRODUCT OR SERVICE THAT IS THE SUBJECT OF THE CLAIM FOR DAMAGES. NEITHER PARTY IS LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, FOR LOSS OF DATA, OR LOSS OF PROFITS (IN EITHER CASE, WHETHER DIRECT OR INDIRECT) OR BUSINESS INTERRUPTION EVEN IF SUCH DAMAGES OR LOSSES COULD HAVE BEEN FORESEEN OR PREVENTED.**

**b) Unlimited Liability.** Section 9(a) does not limit either party's liability for (i) fraud, fraudulent misrepresentation, willful misconduct, or conduct that demonstrates reckless disregard for the rights of others; (ii) negligence causing death or personal injury; or (iii) infringement of intellectual property rights. Section 9(a) does not limit your requirement to pay the charges on the order form and all amounts for use of the products and services that exceed the usage permissions and restrictions granted to you.

**c) Third Party Intellectual Property.** If a third party sues you claiming that our products, services or data, excluding any portions of the same provided by our third party providers infringes their intellectual property rights and your use of such products, services or data has been in accordance with the terms of the Agreement, we will defend you against the claim and pay damages that a court finally awards against you or that are included in a settlement approved by Thomson Reuters, provided the claim does not result from: (i) a combination of all or part of our products, services or data with technology, products, services or data not supplied by Thomson Reuters and that were not designed to work with Thomson Reuters' products; (ii) modification of all or part of our products, services or data other than by Thomson Reuters or our subcontractors; (iii) use of a version of our products, services or data after we have notified you of a requirement to use a subsequent version; or (iv) your breach of the intellectual property protections found in this Agreement. Our obligation in this Section 9(c) is conditioned on you (A) promptly notifying Thomson Reuters in writing of the claim; (B) supplying information we reasonably request; and (C) allowing Thomson Reuters to control Thomson Reuters' portion the defense and settlement. The State will notify Thomson Reuters in writing if indemnification is sought; however, failure to do so will not relieve Thomson Reuters, except to the extent that Thomson Reuters is materially prejudiced.

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. Thomson Reuters 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.

**d) Your Responsibilities.** You are responsible for (i) complying with this Agreement; (ii) proper use of our products and services in accordance with all usage instructions and operating specifications; (iii) adhering to the minimum recommended technical requirements; (iv) changes you make to our product, services or data; (v) your combination of our products, services or other property with any other materials; (vi) implementing and maintaining proper and adequate virus or malware protection and proper and adequate backup and recovery systems; (vii) installing updates; (viii) claims brought by third parties using or receiving the benefit of our products, services or data through you, except claims covered by Section 9(c); and (ix) claims resulting from your violation of law, or violation of our or any third party rights. We will not be responsible if our product fails to perform because of your third-party software, your hardware malfunction, or your actions or inaction. If we learn that our product failed because of one of these, at your request we will assist you in resolving the failure at a fee to be agreed upon.

## **10. TERM, TERMINATION**

**a) Term.** The term and any renewal terms for the products and services are described in Schedule A.

**b) Suspension.** We may on notice terminate, suspend or limit your use of any portion or all of our products, services or other property if (i) requested to do so by a court or regulator; (ii) there has been or it is reasonably likely that there will be: a breach of security; a breach of your obligations under the Agreement; or a violation of third party rights or applicable laws. Our notice will specify the cause of the termination, suspension or limitation and, if the cause of the termination suspension or limitation is reasonably capable of being remedied, we will inform you of the actions you must take to reinstate the product or service. If you do not take the actions or the cause cannot be remedied within 60 days, we may suspend, limit or terminate the Agreement in whole or in part.

**c) Termination.** We may, upon reasonable notice, terminate all or part of the Agreement in relation to a product or service which is being discontinued. Either of us may terminate the Agreement immediately upon written notice if the other commits a material breach and fails to cure the material breach within 30 days of being notified to do so. Any failure to fully pay any amount when due under this Agreement may be considered a material breach for this purpose if the State has not disputed an invoice pursuant to Section 5(a) of this Agreement and applicable Michigan law. The State may immediately terminate this Contract in whole or in part without penalty due to lack of appropriation or budget shortfalls. Except for print products, the State may terminate this Contract in whole or in part, without penalty and for any reason, after completing the initial 12-month term of the applicable Order Form being terminated. Except in the case of termination for non-appropriation or negative appropriation, 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 as defined in Schedule A, the Statement of Work.

**d) Effect of Termination.** Except to the extent we have agreed otherwise, upon termination, all your usage rights end immediately and each of us must uninstall or destroy all property of the other, to the extent permitted by law and applicable record retention policies, and, if requested, confirm this in writing. Termination of the Agreement will not (i) relieve you of your obligation to pay Thomson Reuters any amounts you owe up to and including the date of termination; (ii) affect other accrued rights and obligations; or (iii) terminate those parts of the Agreement that by their nature should continue.

**e) Amendments.** We may amend these General Terms and Conditions from time to time by giving you at least 90 days prior written notice and the parties agree to incorporate such changes to the Agreement via Change Notice. You may request good faith negotiations regarding the amended terms and conditions. If the parties cannot reach mutual agreement on the amended terms and conditions within 90 days, you may terminate the agreement immediately upon written notice.

## 11. FORCE MAJEURE

Neither party may be liable for any damages or failure to perform our obligations under the Agreement because of circumstances beyond our reasonable control. If those circumstances cause material deficiencies in the products or services and continue for more than 30 days, either of us may terminate any affected product or service on notice to the other.

## 12. THIRD PARTY RIGHTS

No other third parties have any rights or remedies under the Agreement.

## 13. GENERAL

**a) Assignment.** You may not assign, delegate or otherwise transfer the Agreement (including any of your rights or remedies) to anyone else without our prior written consent, unless otherwise required by law or Executive Order. We may assign or otherwise transfer the Agreement (including any of our rights or remedies) in whole or in part to an affiliate or any entity qualified to do business in the State of Michigan that succeeds to all or substantially all of the assets or business associated with one or more products or services, and will notify you of any such assignment or transfer. We may subcontract any of the services in our sole discretion. Any assignment, delegation or other transfer in contravention of this Section 13(a) is void.

**b) Feedback.** You grant Thomson Reuters a perpetual, irrevocable, transferable, non-exclusive right to use any comments, suggestions, ideas or recommendations you provide related to any of our products or services in any manner and for any purpose.

**c) Agreement Compliance.** We or our professional representatives may review your compliance with the Agreement throughout the term of the Agreement; provided, however, that We will not seek access to the State's systems to complete this review. If the review reveals that you have exceeded the authorized use permitted by the Agreement, you will pay all unpaid or underpaid charges.

**d) Governing Law.** The Agreement will be governed by the laws of the State of Michigan and each of us hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts of the State of Michigan located in Ingham County to settle all disputes or claims arising out of or in connection with the Agreement.

**e) Precedence.** If there is a conflict between documents, the order of precedence is: (a) first, the General Terms and Conditions, 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 Agreement as of the Effective Date. NO TERMS ON THOMSON REUTERS' INVOICES, ORDERING FORMS OR DOCUMENTS (with the exception of the products, services, charges (which will be consistent with those set forth in Schedule B) Account Validation and Certification Form, and quantities provided on the Order Forms), WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE PRODUCTS OR SERVICES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON YOU (IE. THE STATE AND ITS AGENCIES) FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY YOU (IE. THE STATE AND ITS AGENCIES), EVEN IF ACCESS TO OR USE OF THE PRODUCTS OR SERVICES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS. For avoidances of doubt, all schedules and exhibits that are referenced herein and attached hereto are hereby incorporated by reference. The following schedules are attached hereto and incorporated herein:

**Schedule A – Statement of Work**

**Exhibit 1 to Schedule A – Products and Services**

**Schedule B – Pricing**

**Schedule C – Reserved**

**Schedule D – Order Forms**

**Schedule E – Insurance Requirements**

**f) Trials.** All trials of our products and services are subject to the terms of these General Terms & Conditions, unless we notify you otherwise. Access to our products and services for trials may only be used for your evaluation purposes.

**g) Support Provided.** To assist in resolving technical problems with the Services, Thomson Reuters may provide telephone and/or online access to its helpdesk, or may provide self-help tools. Additional information related to the support provided by Thomson Reuters may be described on <http://thomsonreuters.com/support-and-training> or as otherwise provided by Thomson Reuters.

**h) 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., and Executive Directive 2019-09, Thomson Reuters 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 (as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, or any mental or physical disability, or genetic information that is unrelated to the person's ability to perform the duties of a particular job or position. Breach of this covenant is a material breach of the Contract.

**i) Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Thomson Reuters or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.

**j) Strategic Partners.** Thomson Reuters warrants that it 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.

**k) Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Thomson Reuters to verify compliance with the Contract. Thomson Reuters 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 3 years after the latter of termination, expiration, or final payment under the Contract or any extension.

# STATE OF MICHIGAN

Master Agreement 271 220000000118  
Online Tax Research Subscription Services

## SCHEDULE A – STATEMENT OF WORK CONTRACT ACTIVITIES

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### BACKGROUND

The Michigan Department of Treasury's Tax Compliance Bureau (TCB) relies upon quick access to tax information. This information is essential to the daily needs of Treasury. A complete reference library of federal and state tax information is required to maintain and supplement the expertise of staff members working with taxpayers, taxpayer representatives, attorneys, and certified public accountants (CPA's).

TCB staff needs an online tax research tool to research complex tax issues and support tax adjustments made while performing taxpayer audits. The research tool must also be able to provide current law changes and case references.

Without an online research tool, TCB field staff would be delayed in making proper audit adjustment determinations or could overlook potential adjustments which would have a negative impact on tax compliance.

The Michigan Department of Treasury currently has 330 users.

### 1. Requirements

#### 1.1. Requirements for Online Tax Research Database:

1. The Contractor must provide an online tax research database(s) on tax topics for federal taxation and state taxation (includes all 50 states) that must include at a minimum the following tax types:
  - a. Corporate Income Tax, Franchise Tax and Single Business Tax
  - b. Excise Tax
  - c. Sales and Use Taxes
  - d. Motor Fuel Taxes
  - e. Personal Income Tax
  - f. Property Tax
  - g. Withholding Tax
  - h. Public Utilities Tax
  - i. Special Local Taxes
  - j. General Administration Provisions for Taxation
  - k. Severance Tax
  - l. Insurance Company Taxes
  - m. Tobacco Tax

- n. Estate Tax
  - o. Intangibles Tax
  - p. Michigan Business Tax
2. The Contractor's service must include text, analysis, tax treatises, journals, law reviews, comparisons of court ruling, legislative changes, issues, etc. related to the topics noted above.

See **Exhibit 1 to Schedule A** for detailed information on content, features, and services.

3. The Contractor's database must include full text of the Internal Revenue Code with history and regulations and proposed Internal Revenue Codes and regulations. It must also include full text of current state tax statutes/codes and regulations for all fifty (50) states.
4. The Contractor's database must include full text for tax issues on the following:
- a. Congressional Committee reports
  - b. U.S. Supreme Court and Federal Court cases
  - c. State Supreme Court cases, all fifty (50) states
  - d. State Court of Appeals Cases, all fifty (50) states
  - e. State Trial Court cases, all fifty (50) states
  - f. Attorneys General opinions, formal and informal, federal and all fifty (50) states
  - g. IRS and Department of Revenue, all fifty (50) states, and/or state taxing authority rulings, releases, memoranda, notices, bulletins, etc.
  - h. Administrative Law Judge decisions issued in hearings before any Department of Revenue and/or taxing authority for all fifty (50) states
  - i. Boards of Tax Appeals (usually a state agency) decisions issued in hearings, for all fifty (50) states
  - j. Federal Treasury regulations: final, temporary, proposed, preambles, etc.
  - k. IRS revenue rulings, procedures, notices, announcements, etc.
  - l. IRS publications
  - m. IRS forms
  - n. IRS practices
  - o. Michigan forms and forms instructions
  - p. Michigan Letter Rulings and Revenue Administrative Bulletins
  - q. Michigan List of Approved Laws
  - r. Michigan Regulations and Rules
  - s. Michigan Annotations
  - t. State Newsletter
  - u. Michigan Legislative highlights
  - v. Tax rates for all fifty (50) states
5. The Contractor's database must compare the tax laws of all fifty (50) states and provide internet links for a quick comparison. Where internet links are not possible, footnote citations of authoritative sources may be used.
6. The Contractor's database must include archived codes and regulations for previous years for both the IRS and the fifty (50) states.
7. The Contractor's database must have the ability to perform a variety of searches, including key word, language, text, and Boolean. The subscriber should be able to perform a search from a single main search screen. This screen should provide preference boxes for the type of tax, type of document and choice of state. The database should allow for the modification

of a search by providing a search within results feature. The research service must also provide a mechanism for the retrieval of prior searches. Searches should produce results in chronological order.

8. The Contractor's database must allow the saving of at least 1,000 documents per subscriber on the website. The database must also provide a folder system for the saving and subsequent retrieval of documents. The saved documents must be updated automatically for law changes, new regulations, etc.
9. The Contractor's database must have imbedded linking capabilities for federal and state cases, state statutes and Internal Revenue Code sites.
10. License and Licensing Requirements for Online Tax Research Database:
  - a. The Contractor must provide initial service for estimated 330 concurrent Internet users located throughout the country.
  - b. Treasury reserves the right to add/subtract the number of licenses. The Program Manager will notify the Contractor via e-mail, by the end of the month, any license changes. The Contractor must reply to the Program Manager verifying the change to the number of licenses and indicating the current count of each.
11. Additional services and tax types will be mutually agreed upon by adding a separate Statement of Work through a Contract Change Notice, which will reflect the terms and conditions for such a delivery and associated mutually agreed fees.

## **1.2. Reserved**

## **1.3. Training**

The Contractor must provide the following training:

1. The Contractor must provide internet and toll-free telephone help to aid end users in using databases and service. Technical support, product usage assistance, and assistance with editorial (i.e., content-related) questions is available toll-free at 800.431.9025.
2. The Contractor must provide all training necessary to operate the system. The Contractor provides free online training for the Checkpoint system. The online training tutorials are broken up into various sections and can be taken all at once, a section at a time, and can be re-visited as many times as needed. In addition to a Getting Started tutorial, there are many tutorials that focus on specific aspects of our Checkpoint system. Users can access online training tutorials from within Checkpoint or from the Tax & Accounting Customer Help Center website.
3. If requested, the Contractor's training may be provided on-site at a location provided by Treasury or by teleconferencing (virtually). Due to COVID-19, most training will be conducted virtually. The number of live training sessions offered, as well as whether CPE and/or CLE is requested with these trainings, will need to be negotiated and finalized. Most Virtual Classroom training is free and several of the Regional Seminars are free of charge. Some of these training courses also qualify for CPE credit. The TCB can access the Product Training website to view a complete list of training at [checkpointlearning.thomsonreuters.com](http://checkpointlearning.thomsonreuters.com). If applicable, course information will display the associated cost and number of CPE credits available.
4. The Contractor must provide a toll-free help desk phone number. Technical support, product usage assistance, and assistance with editorial (i.e., content-related) questions is available toll-free at 800.431.9025. The normal hours of operation are Monday through Friday, 8:00 am to 5:00 pm Central Time, with extended hours during tax season. Customer Support can also be reached via email at [checkpoint.productusage@tr.com](mailto:checkpoint.productusage@tr.com). Support is also available online. The Customer Help Center website ([thomsonreuterstaxsupport.secure.force.com](http://thomsonreuterstaxsupport.secure.force.com)) provides a

customer support section where customers can retrieve frequently asked questions, minimum system requirements, and electronic documentation. This website also allows users to submit specific questions which will then be sent to the appropriate technical service staff.

5. The Contractor must provide an online instruction manual and must provide an internet tutorial. Checkpoint user guides and quick reference guides are available in PDF format and are easily accessible from within Checkpoint or from the Customer Help Center website.

## **2. IT Specific Standards**

### **2.1. Secure Application Development Life Cycle (SADLC)**

- A.** Contractor agrees to work with the State in good faith to respond to security inquiries and complete security questionnaires, as requested by the State.
- B.** Contractor agrees to assist the State, at no additional cost, with development and completion of a system security plan using the State's automated governance, risk and compliance (GRC) platform.
- C. Security Accreditation.** Contractor agrees to work with the State in good faith to respond to security inquiries and complete security questionnaires, as requested by the State.
- D. Application Scanning, Externally hosted solutions.** Contractor has implemented corporate security policies based on industry best practices. Contractor currently has implemented corporate security policies based on industry best practices. Contractor currently follows a 24x7x365 "follow the sun" Security Operations model, with a global response footprint and a main Cyber Fusion Center. Contractor's Security Operations Center (SOC) uses foundational, advanced, and next-generation security tools and services, to provide security monitoring and protection of people, assets, and operations around the globe.
- E. Infrastructure Scanning, Externally hosted solutions.** Analytics, sensors, software agents, vulnerability scanners and application white-listing tools are deployed across data centers to help detect, disrupt, or deny malicious activities, including spoofing, hijacking and denial of services (DoS). Contractor also employs intrusion detection systems (IDS) and other proactive security monitoring tools in place to help defend Contractor's operations 24/7. A dedicated team of security analysts provides continuous monitoring and analysis of the latest security threats to help identify and defeat malicious activities, and cyber hunters are employed to help address asymmetric threats.

### **2.2. Acceptable Use Policy**

To the extent that Contractor has access to the State's computer system, Contractor must comply with the State's Acceptable Use Policy, see [http://michigan.gov/dtmb/0,4568,7-150-56355\\_56579\\_56755---,00.html](http://michigan.gov/dtmb/0,4568,7-150-56355_56579_56755---,00.html). All Contractor Personnel will be required, in writing, to agree to the State's Acceptable Use Policy before accessing the State's system. The State reserves the right to terminate Contractor's access to the State's system if a violation occurs.

### **2.3. ADA Compliance**

The State is required to comply with the Americans with Disabilities Act of 1990 (ADA), and has adopted a formal policy regarding accessibility requirements for websites and software applications. The State is requiring that Contractor's proposed Solution, where relevant, to level AA of the World Wide Web Consortium (W3C) Web Content Accessibility Guidelines (WCAG) 2.0. Contractor may consider, where relevant, the W3C's Guidance on Applying WCAG 2.0 to Non-Web Information and Communications Technologies (WCAG2ICT) for non-web software and content. The State may require that Contractor complete a Voluntary Product Accessibility Template for WCAG 2.0 (WCAG 2.0 VPAT) or other comparable document for the proposed Solution.

[http://www.michigan.gov/documents/dmb/1650.00\\_209567\\_7.pdf?20151026134621](http://www.michigan.gov/documents/dmb/1650.00_209567_7.pdf?20151026134621)

## 2.4. End-User Operating Environment

Checkpoint is designed to work with current browsers and can comply with the current environment. The information below provides the system requirements necessary to access Checkpoint.

### Recommended Software Configuration

- Hi-speed internet connection
- Microsoft Internet Explorer (latest version) or Mozilla Firefox (latest version)
- Adobe Acrobat Reader (latest version)

### Recommended Tablet Configuration

- Apple iPad (latest version) or Android (latest version)
- Safari (latest version) or Android stock browser (latest version)

### Recommended Mobile Configuration

- Apple iPhone/iPod touch (latest version) or Android (latest version)
- Safari (latest version) or Android stock browser (latest version)

Contractor does not anticipate issues with future support, provided the State maintains current browsers.

## 3. Service Requirements

### 3.1. Timeframes

All Contract Activities must be delivered within 14 business days from receipt of order. The receipt of order date is pursuant to the **Notices** section of the *Standard Contract Terms*.

## 4. Staffing

### 4.1. Contractor Representative

The Contractor must appoint individual(s) ("Key Personnel") specifically assigned to State of Michigan accounts, who will respond to State inquiries regarding the Contract Activities, answer questions related to ordering and delivery, etc. (the "Contractor Representative"). The Contractor must notify the Contract Administrator at least 30 calendar days before removing or assigning a new Contractor Representative.

The below individual is assigned to the State of Michigan account for day-to-day support and any account management issues that arise. This individual is the Contractor Representative:

#### Greg Kelly

Phone: 763.326.9849

Email: Gregory.kelly@tr.com

### 4.2. 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:	Contractor:
Stacey Shaw 7285 Parsons Dr. Dimondale, MI 48821 <b>ShawS11@michigan.gov</b> 517.420.5328	<i>Varies based on availability of Contractor's Legal Counsel and Authorized Signatory.</i> The State's Contract Administrator should contact the Contractor Representative, who will assist with coordinating activities between the State and Contractor's Legal Counsel.

### 4.3. Program Manager

The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

<b>State:</b>	<b>Contractor:</b>
Kyle Thelen 7285 Parsons Dr. Dimondale, MI 48821 <b>ThelenK7@michigan.gov</b> 517.636.4269	The State’s Program Manager should contact the Contractor Representative with any inquiries regarding the day-to-day activities of the contract.

**4.4. Customer Service Toll-Free Number**

The Contractor’s toll-free number for the State to make contact with the Contractor Representative is 800.431.9025. The Contractor Representative must be available for calls during the hours of 8:00 am to 5:00 pm EST.

**4.5. Technical Support, Repairs and Maintenance**

The Contractor’s toll-free number for the State to make contact with the Contractor for technical support, repairs and maintenance is 800.431.9025. The Contractor is available for calls regarding technical support, repairs and maintenance during the hours of 9:00 am to 6:00 pm EST.

**4.6. Work Hours**

The Contractor must provide Contract Activities during the State’s normal working hours Monday – Friday, 8:00 a.m. to 5:00 p.m. EST and possible night and weekend hours depending on the requirements of the project.

**4.7. Key Personnel**

The Contractor must appoint an 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 inquiries within 48 hours.

The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the State’s Project Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30-calendar day training period for replacement personnel.

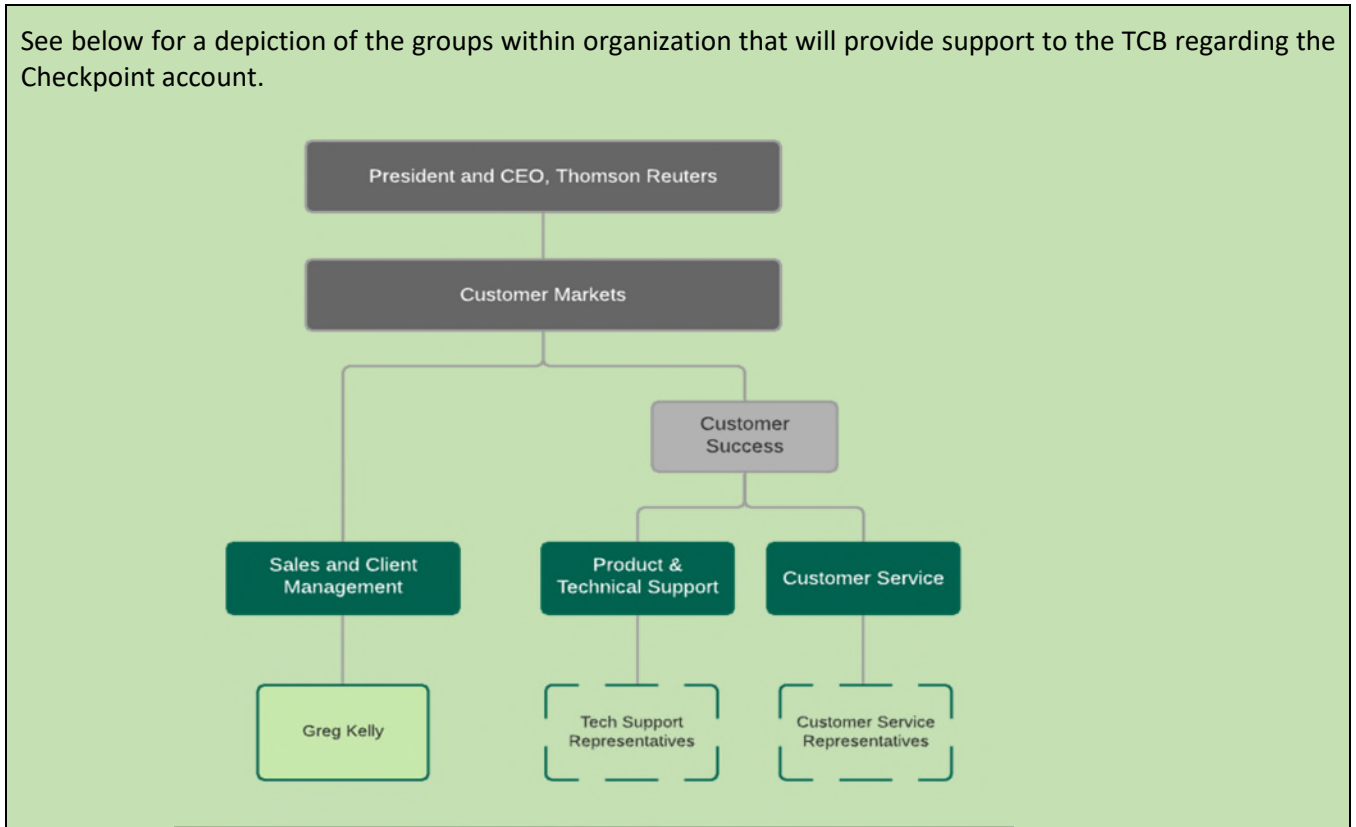
Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor’s removal of Key Personnel without the prior written consent of the State is an unauthorized removal (“Unauthorized Removal”). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel’s employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under the **Termination for Cause** section of the Standard Contract Terms.

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

1. Name	2. Years of Experience in Current Classification	3. Role(s) / Responsibilities	4. Direct / Subcontract/ Contract	5. % of Work Time	6. Physical Location
Greg Kelly	8	Contractor Representative (Day-to-day account management and support)	Direct	N/A (as-needed basis)	CO

**4.8. Organizational Chart**

Contractor's Organizational Chart:



**4.9. Disclosure of Subcontractors**

The Contractor has no subcontractor(s).

**4.10. Security**

The Contractor will be subject the following security procedures:

The Contractor must comply with all of the State's physical and IT Security policies and standards issued by the Michigan Department of Technology, Management & Budget.

**5. Project Management**

**5.1. Project Plan - Transition**

The Contractor will carry out this project under the direction and control of the Program Manager.

## **5.2. Meetings**

The State may request meetings, as it deems appropriate.

## **6. Pricing**

### **6.1. Price Term**

Pricing is firm for the entire length of the Contract.

## **7. Ordering**

### **7.1. Authorizing Document**

The appropriate authorizing document for the Contract will be a delivery order (DO) or purchase order (PO).

## **8. Invoice and Payment**

### **8.1. Invoice Requirements**

All invoices submitted to the State must include: (a) date; (b) reference to the delivery order/purchase order; (c) quantity; (d) description of the Contract Activities; (e) unit price; (f) shipping cost (if any); and (g) total price. Overtime, holiday pay, and travel expenses will not be paid.

### **8.2. Payment Methods**

The State will make payment for Contract Activities through Electronic Funds Transfer (EFT).

- 9. 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 in the amount of \$5,000 and an additional \$100 per day for each day Contractor fails to remedy the late or improper completion of the Work.**

# EXHIBIT 1 TO SCHEDULE A – PRODUCTS AND SERVICES

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## Thomson Reuters Checkpoint Capabilities Statement

The following Checkpoint product information describes the content and features included in Thomson Reuters offer to the Michigan Department of Treasury’s Tax Compliance Bureau (TCB).

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# Overview

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Thomson Reuters Checkpoint is an online tax research solution. Checkpoint integrates comprehensive, authoritative content from our own experts with additional tools, well-known third-party content, primary source materials, news, online learning, and more—so you can do all your research in one place.

With Checkpoint, you can:

- Reach your answers faster with fully integrated primary source materials and expert analysis for tax, audit and accounting, international trade, benefits, and finance.
- Get the guidance you need from our RIA, WG&L, EBIA, and PPC experts.
- Easily tailor our libraries to your needs—whether you do a lot of research or just a little.
- Search the way you think with Intuitive Search, which goes beyond keyword matching to truly understand what you are looking for to deliver the best results, every time.
- Connect with tax software through integrated links with GoSystem Tax RS, ONESOURCE, UltraTax CS, and e-Form RS.
- Turn knowledge into action through tools, calculators, interactive practice aids, and an extensive list of create-a-charts.
- Keep up to date with the news on topics that affect you, in the format you choose, from our industry experts and our Reuters journalists.
- Easily access the most current information; we update analysis in place, so you'll never need to search in a separate tool to find new laws, cases, or rulings again.
- Stay connected while on the go with Checkpoint on your laptop, tablet, or smartphone.
- Be assured you have the research, guidance, news, learning, and tools you need to do more in less time.

**Checkpoint is relied on by hundreds of thousands of tax and accounting professionals, including:**

 **100**  
**OF THE TOP 100  
US CPA FIRMS**

 **99**  
**OF THE  
FORTUNE 500**

 **97**  
**OF THE TOP 100  
US LAW FIRMS**

# Checkpoint Edge

Checkpoint Edge delivers the latest in artificial intelligence, cognitive computing, and machine learning technologies, combined with the tax and accounting expertise of our editorial staff.

Building on over 5,000 combined years of editorial expertise and millions of annual queries by over 200,000 unique users, Checkpoint Edge enables you to find fast, accurate answers with a more fluid and intuitive user experience.

Here are a few ways Checkpoint Edge can elevate your tax research experience so you can work, think, and deliver results even faster:

## BE MORE EFFICIENT

### WORK QUICKLY AND ACCURATELY WITH RELEVANT EXPERT INSIGHTS AND ANALYSIS.



A simplified interface and innovations like the Concept Markers flatten the learning curve to the point where almost anyone can make immediate use of the platform with little or no training. Spend less time on tax and accounting research and more time on what's truly important to your business. Checkpoint Edge is so intuitive that junior staff can find their own answers, freeing up senior staff to spend more time on billable activities.

## BE MORE RESPONSIVE

### SPEND LESS TIME ON RESEARCH AND MORE TIME ON VALUE-ADDED ACTIVITIES.



Faster and more accurate than ever, the intuitive and predicative search of Checkpoint Edge goes beyond results to suggest relevant expert insights and analysis which means you can get back to your clients with the right answers in less time.

## BE MORE CONFIDENT

### RELY ON THE CHECKPOINT TAX RESEARCH TOOL TO DELIVER TRUSTED SOURCES.



No longer worry about staff searching for answers on unreliable or unverified sites. Checkpoint Edge leverages a powerful algorithm to give you the ability to simultaneously search Checkpoint and other trusted sources, like IRS.gov, IRS Tax Map, Forms & Instructions, state-specific departments of revenue, AICPA, EY, and Deloitte, all in one place.

# Exclusive Features

Checkpoint's exclusive features enable users to cut through complexity and reach outcomes faster. These include:

- **Editorially-Enhanced Federal Tax Cases and IRS Rulings**—Include prior histories for cases and cautions for rulings, numbered headnotes by issue to quickly locate the discussion in the full-text, and links to all referenced source material.
- **State Search Wizard**—Filters searches by states, tax types, and document types on the front end of the search which saves considerable research time and effort.

Whether using state websites or other resources, the search experience typically involves casting a wide net and searching across a vast amount of state material, which forces the researcher to then spend additional time combing through the results. With Checkpoint's unique State Search Wizard, both novice and experienced researchers can first hone their search with basic criteria to streamline their results and get to the answer faster.

- **Compare/t Feature and Charts**—Quickly compare the issue across multiple states.
- **Federal Tax Citator 2nd**—Helps tax professionals not only see any direction taken upon or by a case or ruling, but any later citations of the case or ruling. Citator 2<sup>nd</sup> is also enhanced with editorial evaluations, judicial histories including overruled by legislation, and ability to filter by court.
- **Links to Analysis**—Checkpoint provides links directly from a Code subsection to paragraph-specific analysis such as Checkpoint Catalyst or Checkpoint's WG&L treatises—regularly cited by the courts, including the U.S. Supreme Court.
- **New Law Link**— Goes directly from the Internal Revenue Code to the analysis of recent legislation that impacted a code section.
- **Bill Tracker**—Makes it easy to follow pending legislation pertaining to a search topic.
- **Citation Tracker (Track It)**—Provides a notification when a document is cited by a new federal tax case or IRS Ruling/Release.
- **Links for Regulations**—Links between Prior Regulations and Current Regulations allow users to see not just how a Regulation appeared at the end of the year but also each version of the Regulation since it was originally issued. When viewing a list of Regulations related to a Code section, a checkmark icon is provided to quickly see the effective date of the Regulation.
- **Top Line Links** and **Side Line Links**—These unique links display a list of related documents in the context panel. Users can also filter links within a document by keyword.

# Additional Capabilities and Benefits

- **Answer Path**—Enhances Checkpoint search functionality by providing a shortcut to commonly searched tax topics. As you start to type, Answer Path may show Quick Tax Amounts and Orientation Documents.
  - Quick Tax Amounts offer fast and accurate answers to straightforward questions.
  - Orientation Documents start you down your research path by helping to quickly get you up to speed on unfamiliar tax topics. These documents include subscription-sensitive links to the applicable Code Section(s), frequently needed materials such as practice aids and forms instructions, and other trusted resources such as the Federal Tax Coordinator 2nd and PPC Deskbooks.
- **Create-a-Chart**—Get immediate access to the most up-to-date tax and accounting information through these interactive comparison charts featuring links to the controlling authority and detailed explanation paragraphs. Checkpoint also links directly from state and local tax editorial explanations to relevant state charts.
- **Search Tools**—Dig deeper with “*Search Within Results*” and schedule searches that need to be run again in the future.
- **Split Screen Viewing**—Toggle between search results or the Table of Contents while keeping the primary document visible on the main screen.
- **Two Search Methods**—Two search methods are available, depending on a user’s preference and experience:
  - **Terms and Connectors**—Traditional Boolean search will **limit results to the exact words entered** as search terms. Simple commands combine words and phrases (e.g., and, or, not, within) to limit, widen, or define the search criteria.
  - **Intuitive Search**—Intuitive search capability uses a multi-layered approach that goes beyond keyword matching to intuitively interpret the meaning behind search terms. Three key factors work together to ensure results are as relevant as possible:
    - Technical innovation determines how best to filter, rank, and deliver results when searching across a range of Checkpoint resources.
    - Editorial expertise is incorporated into our search technology, with the use of cross references and “equivalency tables” to enrich relevancy.
    - Built-in intelligence uses past user selections and preferences to continuously learn which results are the most pertinent.

The combination of these factors means that the most applicable documents will appear at the top of the result list every time. In addition, Intuitive Search recognizes the difference between word searches and citation searches.
- **Viewing Search Results**—Depending on user preference or the nature of the research, results can be displayed by Source list (grouped by Checkpoint resource), All Documents (document relevancy order), or Table of Contents (results organized in table of contents order).

- **Table of Contents**—Browse or search through the Table of Contents in traditional book format or select portions of the Table of Contents to search specific areas and further localize results.
- **Advanced Type-Ahead Feature**—Checkpoint suggests keywords and phrases as a user types.
- **Thesaurus/Query tool**—Enhance a keyword search with connectors, previously used keywords, a spell check, and alternative terms using the thesaurus for each practice area.
- **Document Sharing**—Print, copy, export, or email an entire document or just selected text.
- **Customizable Home Page**—Customize the Checkpoint home page with Quick Links of frequently used databases, search tools, or templates.
- **Link Viewer**—Preview a linked document without leaving the main document.
- **Document Flags**—Flag documents to quickly retrieve them later (just like adding “Favorites” to a web browser).
- **Research Notes**—Add notes and highlight text in documents. Users can save, print, export, and email their research notes along with their research results.
- **New Law Special Studies**—Provides detailed coverage of the law when a bill is signed into law.
- **New Law Complete Analysis (For all major Tax Acts since 1996)**—Provides top notch, highly technical analysis of the law generally published the day after the bill becomes law.
- **Calculators (100+)**—Checkpoint provides access to many calculators, including calculators for the following categories: Auto, Business, Credit Card, Investment, Loan, Mortgage, Personal, Retirement, Savings, and Tax.

# Included Content

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## Federal Taxation

Checkpoint's federal tax law content ensures you're up to date with the latest tax laws, regulations, rulings, procedures, and court decisions. The Federal Taxation collection includes:

- Federal Tax Coordinator
- U.S. Tax Reporter
- Federal Citator 2nd
- WG&L Journal of Taxation
- WG&L Practical Tax Strategies
- WG&L Corporate Taxation
- WG&L Tax Dictionary
- Primary Law and Supporting Materials
- News and Current Awareness
- Productivity Tools and Resources

## Federal Tax Coordinator

Written for practitioners by practitioners, Federal Tax Coordinator covers all tax laws, regulations, and significant IRS rulings and releases. Features include:

- In-depth, insightful analysis of the law by experienced attorney-editors
- Thorough coverage of income, estate, and gift taxes, as well as FICA FUTA, and international taxes (US-based)—organized by subject for easy access.
- Broad and detailed reference tables that provide inclusive data of possible ramifications or solutions to the issue you are researching.
- Editorial commentary in the form of recommendations, illustrations, cautions, and observations that provide professional insight above and beyond the analysis of the law.
- Extensive citing of the authorities to support the analysis.
- Complete compilation of the Internal Revenue Code and Treasury Regulations for speedy reference.
- Implementation guidelines with references to the forms, elections, and statements needed, with locations of model language and completed sample forms.
- Proven practice tools, sample client letters, checklists of tax-saving opportunities, and other practice aids that help you better serve your clients while generating revenue.

## United States Tax Reporter

United States Tax Reporter (USTR) is a comprehensive and up-to-date source of federal tax law, regulations, committee reports, cases, rulings, annotations of cases and rulings, and explanations.

USTR is organized by Code section number and document type for instant access to the information you need.

Features of USTR include:

- Comprehensive coverage of federal income, estate, gift, and excise taxes.
- Annotations, organized by both Code section and legal issue, cite American Federal Tax Reports (AFTR) decisions, Tax Court Memoranda and Reported decisions, and IRS Rulings.
- Compare/it allows you to link directly from a federal provision to similar provisions in relevant states.
- A complete compilation of the Internal Revenue Code, Treasury Regulations, and select excerpted Committee Reports.
- Quick links to the USTR Code section and corresponding regulations, committee reports, explanations, and annotations for that Code section.

In addition to the features listed above, the USTR includes:

- A Table of Contents that allows you to research the online library like a book.
- Extensive cross-referencing and linking-ready access to explanations, annotations, and source materials.
- Smart paragraph numbering system (based on Code section numbers), allowing researchers to identify the Code section from the paragraph number located in a hit list, the table of contents, or the topic index.
- Additional IRS practice aids, including Market Segment Understandings (MSUs), Market Segment Specialization Program Guide (MSSPs), and Industry Specialization Papers (ISPs).
- Federal Tax Update newsletter, which provides commentary and reports on significant federal tax developments.
- Code subsection locator icon throughout your research in the Code.

## Federal Citator 2nd

Citator 2nd notes specific relationships between cases and rulings, such as when one case has affirmed or reversed another. Citator 2nd is completely integrated and provides a quick and thorough citation check of all AFTR 2d, TC Memo and TC cases, and IRS rulings. Key case issues can be tracked across the entire breadth of the Citator's case inventory. Complete judicial history of federal tax cases, rulings, and Treasury decisions are provided. Features include:

- Accurate, up-to-date evaluations of how each case or ruling has stood up in the courts.
- Full judicial history of each case below the case name for quick reference.
- Evaluations, written in plain English, and clearly identified by the key legal issue.
- Embedded links from citations to full-text source material documents.
- Parallel citations to West and CCH for most AFTR 2d and Tax Court cases.

## Primary Law and Supporting Materials

Primary source materials include cases in American Federal Tax Reports (AFTR), Tax Court and Board of Tax Appeals Memorandum and Reported decisions, Current Congress and Committee Reports, Pending Legislation and Checkpoint exclusive research tools such as Citation Tracker (Track It), Bill Tracker, and more – plus archives.

Users can search by keyword, headnote, tax year, court, circuit, or virtually any other field. Checkpoint links instantly to in-depth analysis, explanations and annotations, and full text case law. Parallel citations to all major reporter services, including West and CCH, help streamline your research. Materials include:

- Actions on Decisions (1967 – Current)
- American Federal Tax Reports (AFTR) (1860 – Current)
- Announcements (1959 – Current)
- Applicable Federal Rates
- Chief Counsel Advice
- Current Internal Revenue Code
- Delegation Orders (1956 – Current)
- Disclosure Litigation Bulletins and Other IRS Documents
- Executive Orders
- Fact Sheets
- Field Service Advice
- Final and Temporary Regulations
- Freedom of Information Act (FOIA) Documents
- General Counsel Memoranda (1962 – Current)
- Internal Revenue Code with Code History
- Internal Revenue Bulletins
- IR News Releases
- IRS Publications (1996 – Current)
- LB&I Director Guidance
- Notices (1980 – Current)
- Preambles to Final Regulations
- Prior Final and Temporary Regulations
- Prior Proposed Regulations and Preambles
- Private Letter Rulings and Technical Advice Memoranda (1954 – Current)
- Proposed Regulations and Preambles
- Revenue Procedures (1955 – Current)
- Revenue Rulings (1954 – Current)
- Service Center Advice
- Tax Court and Board of Tax Appeals Memorandum Decisions (1928 – Current)
- Tax Court and Board of Tax Appeals Reported Decisions (1924 – Current)
- Tax Court, Federal Appellate Procedural and Federal Claims Court Rules
- Treasury Decisions
- U.S. Tax Treaties in Force

## News and Current Awareness

News and current awareness content in Federal Taxation include:

- **Federal Tax Update**—Stay on top of fast-breaking developments in Congress, the courts, the Treasury, the IRS, and other federal agencies.
- **PPC's 5-Minute Tax Briefing**—These quick-read summaries of tax developments are designed to keep you in the know in five minutes or less.
- **Tax Watch**—Tax Watch reports all federal legislative budget and taxation developments.
- **EY Tax Alerts**—With EY Tax Alerts on Checkpoint, users can access the same updates and authoritative insights on key developments from the IRS, Treasury, Congress, the courts,

State Department of Revenue, OECD and more, that EY provides to its professionals to keep them in the know and help them make confident and informed decisions.

## Productivity Tools and Resources

Checkpoint provides additional productivity tools and resources, including:

- **Answer Path**—Provides a fast path to trusted answers for commonly searched federal tax topics using Quick Tax Amounts and Orientation Documents.
- **Elections and Compliance Statements**—Elections and Compliance Statements on Checkpoint includes all the Elections and Compliance Statements required by the IRS (over 500 in total)—all meeting IRS requirements—with explanatory material that provides clear and concise information regarding the fundamental rules governing Elections and Compliance Statements.
- **Federal Tax Handbook**—The Federal Tax Handbook provides quick and easy answers to critical tax questions and insightful guidance on federal tax law, including the latest regulations, rulings, and revenue procedures.
- **e-Form RS: Federal and State**—Features more comprehensive and current content, timely delivery, and greater ease-of-use than any other forms system available, plus comprehensive online Help and “wizards” to help with any special filing requirements and gives you access to current forms and instructions with archive back to 1998.
- **Form/Line Finder**—Includes line-by-line explanations of common forms (and schedules) for individual, partnership, corporate, estate, trust, gift, tax-exempt organization and employee benefit plan returns.
- **Federal Depreciation Handbook and Calculator**—This resource provides expert guidance on tax depreciation and other cost recovery issues to help tax practitioners make tax efficient decisions and elections when an asset is placed in service.
- **IRS Practice and Procedure**—Clarifies IRS procedures from drafting a ruling request to preparing for an appeals conference to dealing with a revenue officer in a tax collection case. Recent changes in areas such as civil and criminal penalties and IRS access to foreign-based records are also covered.
- **Bill Tracker**—Bill Tracker makes it easy to follow pending legislation pertaining to a search topic.
- **Citation Tracker (Track It)**—Citation Tracker provides a notification when a document is cited by a new federal tax case or IRS Ruling/Release.
- **New Law Complete Analysis** (For all major Tax Acts since 1996)—Provides top notch, highly technical analysis of the law generally published the day after the bill becomes law.

## State and Local Taxation

State and Local Taxation on Checkpoint provides access to a collection of state and local tax content, including:

- State and Local Tax Reporters – All States and D.C.

- All States Tax Guide
- Primary Law and Supporting Materials
- Sales Taxability Matrix
- WG&L Journal of Multistate Taxation and Incentives
- State and Local Tax Complete Create-a-Chart
- Nexus Assistant
- News and Current Awareness
- Productivity Tools and Resources

Descriptions of the content and resources included in State and Local Taxation are included in the following pages.

## State and Local Tax Reporters – All States and D.C.

With all 50 states plus the District of Columbia, Checkpoint offers the most comprehensive and easy-to-use online research tool for state and local taxes. Checkpoint reports the full text of state tax statutes, regulations, cases, rulings, and other official material for all 51 jurisdictions. Our editorial materials offer concise explanations and annotations, with seamless linking to supporting documents.

Comprehensive coverage of each state includes:

- Corporate Income Tax
- Personal Income Tax
- Credits and Incentives
- Sales and Use Taxes
- Partnerships
- Property Tax
- Fuel and Mineral Taxes
- Financial Institution Tax
- Business and Occupation Tax
- Commercial Activity Tax
- Insurance/Gross Premiums Tax
- Limited Liability Companies
- Limited Liability Partnerships
- Franchise/Capital Stock Tax
- Public Utilities
- Cigarettes, Tobacco, and Alcohol Taxes
- Excise and Other Taxes
- Recordation Tax
- Special Local Taxes
- General Administrative Provisions
- Estate, Inheritance, and Gift Taxes
- Tax Rates and Reporting Calendars

Each state reporter provides:

- **Explanations**—Organized by tax type, this in-depth analysis discusses and analyzes state and local tax laws, regulations, and important cases and rulings with superior Compare/It functionality.
- **Annotations**—Reduce research time by providing brief summaries of the facts of a case or ruling. Once the tax issue is identified, you can quickly scan the annotations and focus in on just the relevant cases and rulings – saving considerable time in reviewing these large source libraries.
- **Primary Source Materials**—Tightly integrated source materials including state tax statutes, regulations, state cases and federal cases on state issues, rulings and other official materials.
- **Statute History and Regulation History**—Exclusive historical notes provide prior law and regulation history in one place. Whether in an audit situation or performing tax work for previous years, having a direct link to the prior history of a statute or regulation eliminates

reconstructing the historical changes by manually using the yearly archives or state websites. This saves you considerable time while researching this crucial content.

- **Rates**—Exclusive quick reference of major state tax rates with links to the controlling authority.
- **Forms Instructions**—Searchable forms instructions of the most popular forms used in state tax filing.

Features include:

- **State Search Wizard**—Checkpoint’s unique State Search Wizard filters searches by states, tax types, and document types, which saves considerable research time and effort.
- **CompareIt**—Allows a user to link from a tax concept in one state to the same concept in another state—all with the click of a button.
- Uniform paragraph numbering system allows a user to search across multiple jurisdictions by using the paragraph number in quotes as the keyword.
- Extensive cross-referencing and linking-ready access to explanations, annotations, and source materials.

## All States Tax Guide

Provides quick and concise state-by-state summaries of each jurisdiction’s tax system with citations to official materials. Coverage includes:

- Income Taxes
- Sales, Use Receipts, and Similar Taxes
- Property Taxes
- Cigarette and Tobacco Taxes
- Alcoholic Beverage Taxes
- Fuel and Mineral Taxes
- Other Taxes
- Interstate Law and Uniform Acts
- Multistate Tax Compact
- Multistate Tax Commission Regulations
- Multistate Tax Commission Resolutions
- Other Multistate Agreements
- Proposed Model Acts
- Uniform Division of Income for Tax Purposes Act (UDITPA)
- Federal Laws on State Taxation
- U.S. Supreme Court Decisions

## Primary Law and Supporting Materials

Checkpoint provides access to the following primary law materials:

- State Statutes
- State Statutes Historical Notes
- State Statutes Archives back to 1994
- State Regulations
- State Regulations Historical Notes
- State Regulations back to 1997
- State Cases and Federal Cases on State Issues
- State Rulings and State Official Materials
- Cited Federal Internal Revenue Code and Regulations
- Advanced State and Local Documents of Cases, Rulings and Other Official Materials
- Current and Proposed Legislation (full text)
- Adopted and Proposed Regulations (full text)
- Current Legislation and Regulations Status
- Current Legislative Calendar

- Prior Legislative Session and Regulations Archive

## Sales Taxability Matrix

This exclusive feature quickly identifies the appropriate sales and use taxability status (taxable or exempt) for over 2000 products and services. In addition, you can:

- Efficiently search by keyword, industry standard product categories, or commodity codes to quickly identify the taxability status.
- Keep track of recent status changes that have occurred in the last month. Changes are highlighted to assure that nothing is missed.
- Easily export search results for further analysis or supporting documentation.

## Create-a-Chart

With Create-a-Chart, users can quickly create and review tax comparison charts. Checkpoint displays the chart in an easy-to-read format, which can be exported to Microsoft Word or Excel. Charts are dynamically updated and are always in sync with current information. With Create-a-Chart, you can:

- Get quick answers directly from the chart as well as one-click access to primary law and detailed explanations in the State and Local Tax Reporters.
- Track changes using date stamps highlighting any changes in the chart from the beginning of each calendar year. Red caution marks alert you to exact area of change.
- Plan for the future and reflect on the past amendments through links to the current law, historical notes, and pending legislation.

## STATE AND LOCAL TAX ESSENTIALS

Features over 4,000 customizable charts on key state and local tax areas including:

- Cigarettes and Alcohol
- Corporate Income Tax
- Estate and Gift
- Franchise Tax
- Fuel—Minerals
- Initial Taxes
- Insurance
- Limited Liability Companies
- Limited Liability Partnerships
- Partnerships
- Personal Income
- Property
- Public Utilities
- Sales/Use
- S Corporations

It also includes RIA's Nexus Assistant Create-A-Chart.

## PREMIUM SALES & USE

Contains hundreds of additional charts that supplement the Essential State and Local charts with detailed coverage of Taxable or Exempt Services and SSTA (Streamlined Sales Tax Agreement) charts.

## PREMIUM CORPORATE INCOME TAX

Builds on coverage in the Essential State and Local charts with additional detailed charts on topics impacting corporations, such as special industry apportionment formulas and special Computation of Tax charts such as Michigan Business Tax, Ohio Commercial Activity Tax, and Texas Margin Tax.

## Nexus Assistant

The issues relating to whether a business has a nexus in a state and is thus subject to tax are complex and each state views the concept of nexus differently. With just a click of a button, our simple and easy to use Nexus Assistant tool provides an entity's nexus profile based on its business activities.

With Nexus Assistant, users can:

- Save time by creating a complete summary of any state's known position on a variety of business activities for Corporate Income Tax and Sales and Use Tax.
- Easily compare how different states treat the same business activities.
- Conduct in-depth research through links to our expert analysis and controlling authority.

Topics covered include:

- Bank and Financial Institutions
- Distribution and Delivery
- Employee Activities
- Financial Activities/Transactions
- General Activities
- Licensing/Other Services
- Nexus Thresholds
- Pass-Through Entity Activities
- Property
- Sales
- Third-Party Activities

## News and Current Awareness

News and current awareness content include:

- **News and Insights**—Checkpoint's News and Insights brings you the current day's tax and accounting news you need, all in one place. Featuring Federal Tax Highlights, Reuters Tax News, Accounting Highlights, Reuters Business News, Deals, Markets, Video, and Photos.
- **State and Local Tax Update**—Reports the latest developments for all 51 jurisdictions with articles written by leading state and local tax experts examining both recent developments and emerging issues. Customizable daily email options by state, tax type and rates.

## Select Expert Tax Treatises and Journals

Our core offer includes access to the following WG&L titles.

## Titles Included in the Core Offer

### HELLERSTEIN & HELLERSTEIN: STATE TAXATION, 3RD EDITION

State Taxation is the only place where you can find a comprehensive and objective analysis of state tax issues. The treatise is widely regarded as the leading authority on the law of state taxation and the federal limitations on state taxing power.

- State Taxation is frequently cited by the U.S. Supreme Court and by state courts and administrative tribunals.
- State Taxation is fully integrated within Checkpoint with links to cases and other references
- State Taxation is on top of all the cutting-edge issues including nexus, apportionment, discrimination, and cloud computing.

### WG&L JOURNAL OF TAXATION

Included in Federal Taxation on Checkpoint, *Journal of Taxation* is your trusted resource for new tax law developments, including court decisions, Treasury/IRS rulings, and legislation. It takes a wide-angle approach to taxpayers and tax topics, covering individuals and corporations, estates and trusts, partnerships, and other pass-throughs. It also covers issues arising in tax accounting, real estate transactions, compensation and employee benefits, retirement plans, and cross-border transactions.

Each month, *Journal of Taxation* brings you in-depth and practical analysis by leading experts on new tax developments, such as:

- The government's ongoing crackdown against unreported foreign accounts.
- The consequences of new legislation that can impact tax planning.
- The impact of IRS actions to ensure compliance, both by practitioners and by taxpayers, ranging from multinational corporate giants, to mid-sized pension plans, to individuals.
- Tax accounting rules affecting capitalization vs. expense treatment.
- Court decisions that provide planning opportunities or pose risks.

### WG&L PRACTICAL TAX STRATEGIES

Included in Federal Taxation on Checkpoint, *Practical Tax Strategies* alerts you to timely tax issues with a focus on strategies to reduce client taxes and satisfy statutory and regulatory compliance mandates. Coverage includes practicing before the IRS, estate planning, tax accounting, compensation, corporations, personal, partnerships and LLCs, and real estate.

### WG&L CORPORATE TAXATION

Included in Federal Taxation on Checkpoint, *Corporate Taxation* provides authoritative analysis and guidance from the leading experts in corporate taxation. Published six times per year, each issue delivers timely, in-depth coverage of such topics as corporate organizations and reorganizations, compensation and fringe benefits, international developments, consolidated returns, and more.

## **WG&L TAX DICTIONARY**

Included in Federal Taxation on Checkpoint, *WG&L Tax Dictionary* is a complete reference guide to all tax and tax-related financial terminology. Packed into this resource are explanations to more than 5,000 terms that arise in federal tax practice - everything from Internal Revenue Code definitions to tax and financial slang. In addition, the *WG&L Tax Dictionary's* definitions contain numerous relevant cross-references to the Internal Revenue Code, Treasury Regulations, other government-issued materials, and expert commentaries, including the renowned WG&L tax treatises.

## **WG&L JOURNAL OF MULTISTATE TAXATION AND INCENTIVES**

Included in State and Local Taxation on Checkpoint, the *WG&L Journal of Multistate Taxation and Incentives* keeps you informed of critical developments and never-ending changes in state and local taxation. This practical journal provides targeted tax planning strategies specific to companies involved in multistate operations and individuals with assets or investments in more than one state. Written by state and local tax practitioners, the up-to-date analysis and informative articles provide timely answers to your most pressing state tax questions. The journal also provides expanded coverage of the incentives offered by states to encourage business growth and expansion. With this essential reference, you can:

- Stay on top of important state and local tax issues and new state, local, and federal incentives programs.
- Gain access to analysis and perspectives from leading state and local tax practitioners.
- Rely on authoritative articles that have been cited by state courts and administrative tribunals.

# Optional Content

## State Tax Citator

While the core offer includes basic state citator capabilities, a more robust version is available as an optional add-on. The enhanced RIA State Tax Citator provides the judicial history (progress through the court system) for a state tax case (50 states plus District of Columbia) or a federal case on state tax issues, and it also lists other cases and rulings that cite to the case (citing cases and rulings). In addition, State Tax Citator has history entries for administrative rulings that show whether a ruling has been modified, superseded, etc.

## Additional Expert Tax Treatises and Journals

With the Expert Tax Treatises and Journals Choice Package from Checkpoint, TCB has the option to choose additional titles, beyond those already included in the core offer, from an extensive range of industry leading WG&L treatises, written by preeminent authorities in their fields and lauded for their superior interpretive analysis and practical approach. TCB will also have access to relevant primary source material, example forms, and news updates.

### CHOOSE FROM A SELECTION OF MORE THAN 80 EXCLUSIVE WG&L TITLES:

WG&L Treatises	Authors
<b>Corporate Taxation</b>	
Federal Income Tax of Corporations and Shareholders	Bittker and Eustice
Federal Income Tax of Corporations and Shareholders: Forms	Bittker, Streng, and Emory
The Consolidated Tax Return	Hennessey, Yates, Banks, and Pellervo
Federal Income Tax of S Corporations	Eustice, Kuntz, and Bogdanski
Subchapter S Taxation	Christian and Grant
Tax Planning for Transfers of Business Interests	Stanislaw
Federal Income Taxation of Intellectual Properties and Intangible Assets	Postlewaite, Cameron, and Kittle-Kamp
<b>Partnership and Limited Liability Entity Taxation</b>	
Federal Taxation of Partnerships and Partners	McKee, Nelson and Whitmire
Structuring and Drafting Partnership Agreements: Including LLC Agreements	Whitmire, Nelson, McKee, Kuller, Hallmark, and Garcia
Limited Liability Companies: Tax and Business Law	Bishop and Kleinberger
Partnership Taxation	Willis, Postlewaite, and Alexander
Federal Income Tax of Passive Activities	Sutton and Howell-Smith
<b>Tax Practice and Procedure</b>	
IRS Practice and Procedure	Saltzman and Book
IRS Procedural Forms and Analysis	Saltzman and Saltzman
Tax Fraud and Evasion: Offenses, Trials, Civil Penalties [Vol. 1]	Comisky, Feld, and Harris

WG&L Treatises	Authors
Tax Fraud and Evasion: Money Laundering, Asset Forfeiture, Sentencing [Vol. 2]	Comisky, Feld, and Harris
Litigation of Federal Civil Tax Controversies	Kafka and Cavanagh
Federal Tax Collections, Liens, and Levies	Elliott
<b>Individual and General Federal Taxation</b>	
Federal Tax of Income, Estates, and Gifts	Bittker and Lokken
Federal Income Tax of Individuals	Bittker, McMahon, and Zelena
<b>State and Local Taxation</b>	
State Taxation, 3rd Edition*	Hellerstein and Hellerstein
State Taxation of Pass-Through Entities and Their Owners	Fenwick, McLoughlin, Salmon, Smith, Tilley, and Wood
<b>Payroll</b>	
Payroll Practitioner's Compliance Handbook	Salam
Principles of Payroll Administration	Salam
Guide to Taxation of Benefits	Barbara Golub, E. Dina Rand, and Margaret Roark
Critical Issues Series: U.S. Information Reporting and Withholding at the Source - Wage Reporting Under the Federal Insurance Contributions Act	Dyson and Lloyd
<b>E-Commerce</b>	
Electronic Commerce: Taxation and Planning	Hardesty
<b>International</b>	
Foreign Tax Credits	Andersen
U.S. International Tax Forms Manual: Compliance and Reporting	Tilton
U.S. International Taxation	Kuntz and Peroni
U.S. International Taxation: Agreements, Checklists, and Commentary	Lowell, Thomas, and Donohue
U.S. Taxation of Foreign-Controlled Businesses	Levey
US Tax Treaties and Explanations	Checkpoint Editors/Authors
Analysis of United States Income Tax Treaties	Andersen
U.S. Taxation of International Mergers, Acquisitions and Joint Ventures	Dolan, Jackman, Dabrowski, and Tretiak
International Taxation: Withholding	Michaels
Critical Issues Series: U.S. Information Reporting and Withholding at the Source - FATCA	Dyson and Lloyd
<b>Transfer Pricing</b>	
International Transfer Pricing: OECD Guidelines	Lowell, Thomas, and Levey
Transfer Pricing Strategies	Lowell and Martin
U.S. International Taxation: Practice and Procedure	Lowell and Martin
U.S. International Transfer Pricing	Lowell and Thomas
<b>Tax Accounting</b>	
WG&L Federal Tax Accounting	Gertzman
The Alternative Minimum Tax: Compliance and Planning	Lathrope
<b>Taxation of Specialized Industries</b>	
Federal Income Taxation of Banks and Financial Institutions	Langbein
Federal Income Taxation of Real Estate	Robinson
Federal Taxation of Financial Instruments and Transactions	Keyes
Real Estate Forms: Tax Analysis and Checklists	Robinson
Taxation of Regulated Investment Companies and Their Shareholders	Johnston
Principles of Financial Derivatives: U.S. and International Taxation	Conlon and Aquilino

WG&L Treatises	Authors
<b>Estate Planning</b>	
Advising the Elderly or Disabled Client	Frolik and Brown
Asset Protection: Legal Planning, Strategies, and Forms	Spero
Estate Planning and Wealth Preservation: Strategies and Solutions	Henkel and Tobey
Estate Planning for Farms and Other Family-Owned Businesses	Bellatti and Barton
Estate Planning Law and Taxation	Westfall, Mair, and Buckles
Federal Estate and Gift Taxation	Stephens, Maxfield, Lind, and Calfee
Federal Income Taxation of Estates and Trusts	Zaritsky, Lane, and Danforth
Federal Taxation of Trusts, Grantors, and Beneficiaries	Peschel and Spurgeon
Federal Tax Valuation	Bogdanski
Generation-Skipping Transfer Tax	Zaritsky, Harrington, Plaine, and Kwon
Irrevocable Trusts: Analysis with Forms	Esperti, Peterson, and Keebler
Personal Financial Planning Handbook: With Forms and Checklists	Pond
Post Mortem Tax Planning	Kasner, Strauss, and Strauss
Representing the Elderly or Disabled Client: Forms and Checklists with Commentary	Begley Jr. and Hook
Retirement Planning: Tax and Financial Strategies	Streng and Davis
Structuring Buy-Sell Agreements: Analysis with Forms	Zaritsky, Aghdami, and Mancini
Structuring Estate Freezes: Analysis with Forms	Zaritsky and Aucutt
Tax Planning for Family Wealth Transfers During Life: Analysis with Forms	Zaritsky
Tax Planning for Family Wealth Transfers at Death: Analysis with Forms	Zaritsky
Tax Planning for Highly Compensated Individuals	Madden
Tax Planning with Life Insurance: Analysis with Forms	Zaritsky and Leimberg
U.S. International Estate Planning	Michaels
<b>Taxation of Charitable Giving and Exempt Organizations</b>	
Taxation of Exempt Organizations	Hill and Mancino
Charitable Giving: Taxation, Planning, and Strategies	Fox
Tax Economics of Charitable Giving	Andersen LLC
<b>GAAP Accounting</b>	
Accounting for Uncertain Income Tax Positions	Checkpoint Editors/Authors
Corporate Income Tax Accounting	Hanna, Yong, Donohue, Weaver, and Lowell
Corporate Income Tax Provision Checklists	Checkpoint Editors/Authors
<b>WG&amp;L Journals - Expert Perspectives</b>	
Journal of Taxation *	Daniel Schibley
Practical Tax Strategies *	Dan Feld
Corporate Taxation *	Scott Pierce
Journal of Multistate Taxation and Incentives *	Daniel Schibley
Estate Planning	Emma Maddy
Journal of International Taxation	Jessica Silbering-Meyer
Real Estate Taxation	John Catherall
Taxation of Exempts	Dan Feld

\* **Note:** Content marked with an asterisk (\*) is included in the core offer proposed to TCB.

# Checkpoint Catalyst

Thomson Reuters Checkpoint Catalyst delivers tax research framed in an entirely new way, so users see the clarity, color and context needed to get the whole picture of each business tax issue. For more information, click the following link: [Experience the Difference](#).

Checkpoint Catalyst brings together a full range of content and tools related to each tax topic, so users can quickly focus in on the relevant results and make informed decisions easier than ever before. Federal, state and U.S. international tax implications are part of the main topic discussion, saving users significant time. Multiple expert perspectives and embedded tools and diagrams help users take action with confidence and ensure that details are addressed. Experience the difference that a truly integrated research workflow can bring.

With Checkpoint Catalyst, it's much faster and easier to find the content that matters most. Here are just a few of the game-changing ways users can improve their tax process with Checkpoint Catalyst:

- **Navigate complex tax topics** with a user-friendly web interface.
- **Identify potential risks** with the ability to pull in multi-jurisdictional content to highlight the state, federal and U.S. international tax implications of business transactions.
- **Jumpstart research** and take advantage of actionable next steps with embedded tools, document assembly, decision trees and what-if scenarios that help users get to outcomes faster.

The information in Checkpoint Catalyst is organized in an easy-to-use view that enables users to see the full landscape, quickly scan key information about a topic and then drill down to get greater detail. This comprehensive online system takes full advantage of the flexibility of the web, so users can:

- **Enjoy lightning-fast navigation** that enables them to open and close sections as needed, which reduces clutter and keeps the most critical information in focus.
- **Receive a 360° view of every topic** using our revolutionary Context Panel that links in-depth analysis with related practice tools, documents and current developments.
- **Avoid common tax research pitfalls** with our unique author comments that draw attention to certain areas that might pose an issue when researching a business transaction.
- **Easily skim through information and pinpoint what's most relevant** with our consistent organizational structure for every topic. Users won't have to read through every line of the content in order to get to the most pertinent information.

## Trusted and Relevant Content with Expert Insights

Checkpoint Catalyst covers a wide range of tax topics and provides strategic insights, crafted by authoritative tax experts to give users all the right information at the right time. With Checkpoint Catalyst, users will have the power to:

- **Form the most complete recommendation** with related content that's always presented with their search results.

- **Identify potential risks with multi-jurisdictional content**, highlighting the state, federal and U.S. international tax implications on a topic.
- **Understand the logic behind the tax code** with practical, real-life examples that are embedded throughout to help users take the next step.
- **Stay abreast of the latest tax news** right in context with their research with our featured developments tool that includes relevant news articles displayed with the related topic or subtopic.

## HELPING USERS FIND ANSWERS AND ACT FAST

Checkpoint Catalyst jumpstarts users' workflow and gives actionable next steps, so users can be confident that they're on the right path when working through a complex tax topic or transaction.

Users will save time and reduce frustration with the ability to make use of embedded tools to apply the rules to a given situation. With helpful diagrams and tools that are embedded directly within the content, users can be certain of accuracy in their research. After users have researched one business transaction, it will take less time to complete similar transactions in the future – saving time for other mission-critical activities.

## HIGHLIGHTING MULTI-JURISDICTIONAL TAX IMPLICATIONS

State, Federal and U.S. International tax implications are covered as part of the main topic discussion, reducing the risk that something important could be missed and saving valuable time by eliminating the need to do supplemental research in separate databases.

## MAKING RESEARCH SIMPLE WITH INTUITIVE SEARCH

Intuitive Search uses a multi-layered approach that goes beyond keyword matching to understand and interpret what users are really looking for in their searches. We've combined three key aspects of the search equation to ensure that the most applicable document will show up at the top of the search results list—every time.

## TECHNICAL INNOVATION

- **Multi-Layered Analysis**—Intuitive Search applies layers of analysis to filter, rank, and deliver the best results across all Checkpoint libraries with unprecedented levels of accuracy.
- **Specific**—We used the existing deep linking within Checkpoint that points directly to subsections of the law to identify relevant documents and deliver more specific results.

## EDITORIAL EXPERTISE

- **Efficient**—Intuitive Search makes use of the cross references and “equivalency tables” created by our editorial experts to bring back documents related to users' keywords, eliminating the need to consider alternative search terms.
- **Reliable**—These search results have been meticulously tested by our editorial and technology teams to fine-tune and increase relevance.

## USER BEHAVIOR

- **Intelligent**—Intuitive Search uses built-in intelligence that continuously “learns” from customer selections and preferences—getting smarter while users work.
- **Interpretive**—Intuitive Search factors in historical usage patterns for the vast number of Checkpoint users and gives higher importance to documents that were selected, printed or shared by other users following a related search.

## SEARCH THE WAY YOU THINK

Simply enter a terms & connectors, natural language, or citation search, and the enhanced search capability of Intuitive Search will return the most relevant results for the terms entered by the user—no matter how the search is structured. In some instances, users may want to restrict the results to only include exact terms. For these cases, users may opt to utilize only terms & connectors.

## EASILY NAVIGATE SEARCH RESULTS

Our simplified results display makes it easy to skim and interpret results to get to the most useful information quickly. We’ve enhanced our interface with a cleaner look and feel, resulting in minimal scrolling and fewer clicks. We also highlight keyword matches to make the strength of relevance easy to identify and our “best section” feature highlights in green the area in a document that is most likely to contain the answer.

We know users have their own preferences when it comes to search, so users can display results in the way best suited to them—whether it’s all documents, source list, or table of contents.

## BRINGING CONTENT TO LIFE WITH AN INSIGHT-RICH CONTEXT PANEL

Checkpoint Catalyst introduces an inventive Context Panel, an insight-rich sidebar on the right-hand side of the user’s screen. The Context Panel brings the research content to life by providing relevant documents, sources, news and tools, and allows for an easy navigation point.

- **Tools and practice aids** to help immediately put users’ knowledge into action.
- **Daily tax developments** are included in the Context Panel, so users can view developments in context to the topic they’re reviewing. All the topical news that is needed, is available in one place.
- **Recommended related documents** are highlighted providing users with multiple opinions and perspectives on a given topic.
- Where applicable, **state tax implications** of a given tax issue will be navigable from the Context Panel to give users a 360-degree view of a topic.

## AMPLIFYING THE VALUE OF THE CHECKPOINT CONTENT LIBRARY

Checkpoint Catalyst content works in concert with the rest of the Checkpoint library, bringing all the relevant content together so that related resources can immediately be viewed in context of each other—reducing the chance that something important could be missed. Easily go to other sources within the Checkpoint content library to cross-check the discussion. This is particularly

important when a topic of law is developing, and the users is looking for a consensus view about a tax implication.

Checkpoint Catalyst provides a great starting point for researchers. Checkpoint Catalyst helps minimize risk by explaining complex topics and adding real-life examples to help interpret not only what the law is, but why it is structured the way it is, and connects the dots for users on related issues.

## Featured Authors Spotlight

Checkpoint Catalyst provides unparalleled insights from expert tax professionals. Our contributing authors provide practical, actionable interpretation of complex tax topics based on a wide range of professional tax experience. This expert guidance provides users with the confidence and understanding you can rely on.

## Checkpoint Catalyst Topics

Unlike traditional tax research services, the content in Checkpoint Catalyst is created specifically for the web—not converted from print. Content is always delivered in the appropriate context along with powerful insight into related issues, so users will never miss important details.

Topic Number	Topic Title
C Corporations	
102	Section 351 Exchanges: General Rules
103	Section 351 Exchanges: Special Topics
104	Section 351 Exchanges Involving Foreign Persons
105	Attribution Rules
106	Debt vs. Equity
107	Corporate Dividends and Distributions
108	Earnings and Profits
109	Stock Dividends
110	Section 306 Stock
111	Redemptions
112	Redemptions from Affiliated Corporations (IRC § 304)
113	Section 304 Transactions and Type D Reorganizations of Foreign Corporations
114	Taxable Stock Acquisitions
115	Taxable Asset Acquisitions
116	Reorganizations: General Principles
117	Reorganizations: Mergers and Consolidations (Type A)
119	Reorganizations: Stock for Stock Exchanges (Type B)
121	Reorganizations: Stock for Asset Exchanges (Type C)
123	Reorganizations: Transfers of Assets to Controlled Corporations (Type D)
125	Reorganizations: Recapitalizations (Type E)
126	Reorganizations: Changes in Identity, Form, or Place of Organization (Type F)
128	Reorganizations: Insolvency Reorganizations (Type G)
130	Corporate Separations and Divisions: General Principles
131	Corporate Separations and Divisions: Special Topics
132	Corporate Separations and Divisions Involving Foreign Corporations
133	Corporate Liquidations

Topic Number	Topic Title
134	Corporate Liquidations involving Foreign Corporations
135	Carryover of Tax Attributes in Certain Corporate Asset Transfers (IRC § 381)
136	Limitations on the Use of Tax Attributes after Certain Corporate Acquisitions
137	Financially Troubled Businesses
138	Corporate Tax Shelters: Reportable Transactions
139	Personal Holding Companies
140	Accumulated Earnings Tax
142	Corporate Alternative Minimum Tax
143	Redemptions to Pay Estate Taxes (IRC § 303)
<b>Consolidated Groups</b>	
152	Intercompany Transactions
153	Consolidated Taxable Income
154	Earnings & Profits
155	Basis in Member Stock
<b>Partnerships</b>	
202	Overview of Formation of Joint Ventures Taxed under Subchapter K
203	Overview of Partnership Accounting and Maintenance of Capital Accounts
204	Built-In Gain or Loss on Property Contributed to the Partnership or Revalued
205	Partnership Allocations: Substantial Economic Effect and Partners' Interest in the Partnership
206	Transactions Between Partner and Partnership
207	Allocation of Partnership Liabilities
208	Partnership Distributions
209	Partnership Basis
210	Transfers of Partnership Interests
211	Partner Death or Retirement
214	Debt vs. Equity in Partnerships
216	Entity Classification/Disregarded Entities
217	Publicly Traded Partnerships
218	Partnership Terminations, Mergers, Divisions and Conversions
219	Family Partnership Rules
220	Choice of Entity
<b>S Corporations</b>	
251	S Corporations: Basic Principles
252	Election and Termination of S Corporation Status
253	Taxation of S Corporation Income, Losses, Deductions and Credits
254	Qualified Subchapter S Subsidiaries (QSubs)
255	Reorganizations Involving S Corporations
<b>Business Income, Deductions, and Credits</b>	
302	Qualified Business Income from Partnerships, S Corporations, LLCs , and Sole Proprietorships (IRC § 199A)
305	Limitation on Deduction of Business Interest Under IRC § 163(j)
352	Research and Development Tax Credit (Research Credit)
<b>Cost Recovery</b>	
402	Depreciation
403	Expensing and Bonus Depreciation
404	Intangibles: Amortization and Other Cost Recovery Methods
405	Depreciation Recapture

Topic Number	Topic Title
406	Leasing Transactions: Cost Recovery
407	Depletion
<b>Sales and Exchanges</b>	
501	Sales and Exchanges: Basic Principles
502	Capital Gains and Losses
504	Basis
505	Like-Kind Exchanges
507	Wash Sales
508	Purchase and Sale of Business
509	Holding Period for Capital Assets
510	Involuntary Conversions
511	Small Business Stock, Qualified Small Business Stock, and Investments in SBICs
513	Qualified Opportunity Funds
<b>Investments</b>	
551	Net Investment Income Tax
552	Real Estate Investment Trusts (REITs)
557	Derivative Instruments: Notional Principal Contracts
<b>Compensation</b>	
653	Compensatory Options
656	Independent Contractors
<b>Tax Accounting</b>	
752	Accounting Periods
753	Accounting Methods: General Principles, Adoptions and Changes
754	Accounting Methods: Overall and Special Methods
755	Accounting Methods: Accrual Method
756	Uniform Capitalization Rules (UNICAP): General Rules
758	Long-Term Contracts
762	Passive Activity Losses
763	At-Risk Rules
764	Installment Sales
<b>State-Specific</b>	
1001	State Taxation: Basic Principles
1002	Nexus
1003	IRC Conformity
1004	UDITPA Conformity
1005	Allocation & Apportionment
1006	Business vs. Non-Business Income
1007	Sales Factor
1008	Property Factor
1009	Payroll Factor
1010	E-Commerce
1011	Related Party Transactions
1012	Unitary Business
1013	Combined/Consolidated Reporting
1015	Composite Returns
1016	Additions
1017	Subtractions

Topic Number	Topic Title
1019	Taxes Paid to Other Jurisdictions
1020	Government Obligations
1021	Authority to Transact Business in Another State -- Registration Requirements
1050	Sales & Use Tax: Nexus
1051	Sales & Use Tax: E-Commerce
1052	Sales & Use Tax: Manufacturing
1053	Sales & Use Tax: Drop Shipments
1054	Sales & Use Tax: The "Cloud"
1055	Sales & Use Tax: Information Services
1056	Sales & Use Tax: Communications Services
1057	Sales & Use Tax: Utilities Services
1058	Sales & Use Tax: Repair, Maintenance, and Installation Services
1059	Sales & Use Tax: Professional Services
1060	Sales & Use Tax: Food and Beverages
1061	Alcohol Taxes: Retailers
1062	Alcohol Taxes: Distributors and Wholesalers
1063	Cannabis Taxes
1070	Gross Receipts Taxes
1071	Texas Franchise Tax ("Margin Tax")
1072	Ohio Commercial Activity Tax
1073	Washington Business & Occupations Tax
1074	New York Corporate Franchise Tax
1075	Unclaimed Property
1080	Puerto Rico Consumption Taxes
<b>International (U.S. Income Tax)</b>	
2001	Transfer Pricing: General Principles
2101	Subpart F, CFCs, and U.S. Shareholders: Basic Principles
2102	Foreign Base Company Income (Except Foreign Personal Holding Company Income)
2103	Foreign Personal Holding Company Income
2104	Subpart F Insurance Income
2106	Distributions of CFC Earnings and Sales of CFC Stock
2107	Passive Foreign Investment Companies (PFICs)
2110	Limitations on the Foreign Tax Credit
2111	Section 965 Transition Tax on Accumulated Foreign Earnings
2112	Inversions
2201	Classification of U.S. Resident and Non-Resident Aliens and Foreign Entities
2202	U.S. Income Taxation of Foreign Persons: Business Income
2303	Base Erosion Minimum Tax (IRC § 59A)
2304	Outbound Reorganizations
2305	Inbound and Foreign-to-Foreign Reorganizations

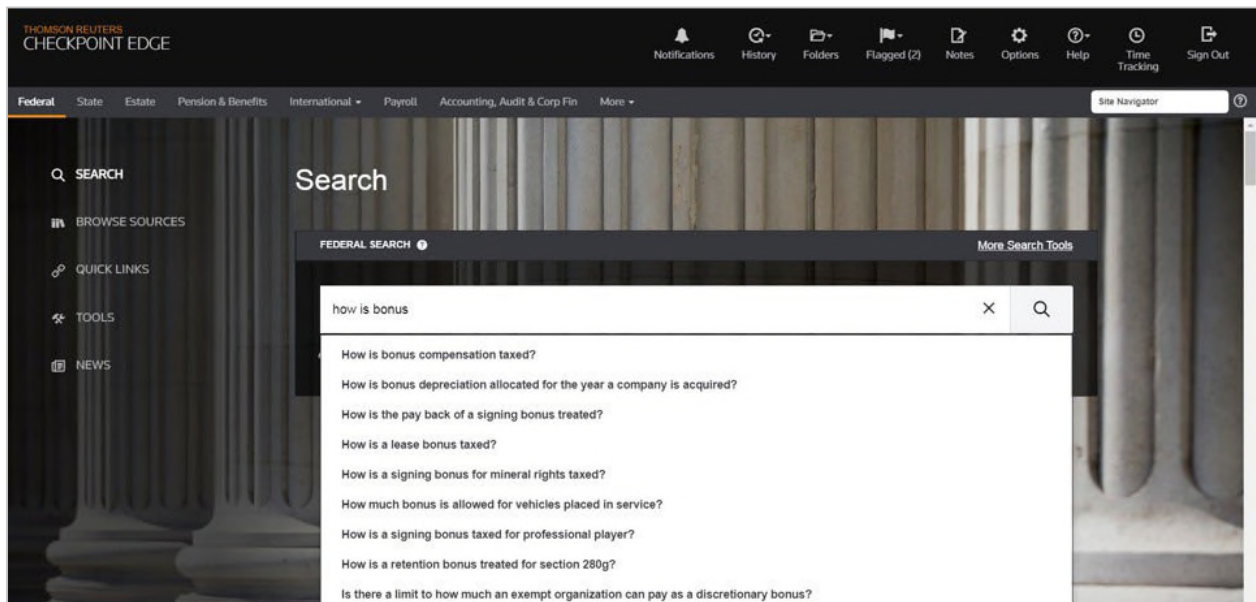
# Platform Features

In addition to Checkpoint's robust collection of content, Checkpoint Edge provides access to many features that assist users in conducting their tax research. The following list describes a portion of the many features available in Checkpoint Edge.

## Streamlined Design

Checkpoint Edge is the most sophisticated, easiest-to-use tax-research platform ever created. It is operated through an interface so streamlined and intuitive that little or no training is necessary to get started.

Unlike more cumbersome tax-research tools, beginning a search in Checkpoint Edge is no more difficult than using Google or Bing. Just type your question and/or keywords into the search bar, then wait a second or two for the results. It doesn't matter how the question is phrased or if the user doesn't know precisely what they're looking for; Checkpoint Edge's Natural Language Processing is so sophisticated that it will extrapolate the likely target of a search by comparing it to millions of other similar tax-related queries. One doesn't even have to type in a complete question, because the platform's AI will suggest likely questions (called "predictive queries") to help move the search forward.



At a glance, you'll notice that the new home screen is brilliantly simplistic and completely alleviates the need for up-front decision making, speeding up your search for accounting guidance and tax research.

## DESIGNED FOR TAX RESEARCH

Checkpoint Edge is designed with tax professionals in mind, offering suggestions and options they may not have considered, based on a deep understanding of tax codes, policies, and regulations. Checkpoint Edge's AI algorithm scans proprietary Thomson Reuters databases, public sites, and global news feeds for relevant tax-specific information, then organizes and displays it in a way that helps the user quickly clarify and focus their search.

A handy navigation bar allows users to keep track of where the information is located—editorial materials, primary source materials, news/current awareness, public sites, etc.—and each of those categories can be quickly narrowed down through checkbox filters created by the AI to guide the user toward other potentially useful information. Each search is also accompanied at the top of the page by “concept markers” that automatically organize tax information into helpful sub-groups, providing further assistance and guidance.

## AI Algorithm

Checkpoint Edge represents a different kind of computerized intelligence. Think of Checkpoint Edge’s AI as a form of “assistive intelligence”—that is, a dedicated support system engineered to help tax researchers improve the quality, efficiency, precision, and reliability of their work.

The “edge” Checkpoint provides is faster, easier access to more reliable information, which streamlines the research process, improves productivity, and frees up time for higher-level analysis, strategic forecasting, and advisory services. Users can also be confident that the answers to their tax questions are correct and sleep soundly knowing that their work is both defensible and accurate.

Checkpoint Edge’s “intelligence” isn’t just a product of clever programming. Developed by the same team that created the award-winning legal-research platform Westlaw Edge, Checkpoint Edge combines the knowledge of more than 500 of Thomson Reuters legal and tax editors, as well as the accumulated wisdom of Checkpoint’s 200,000+ user base. Checkpoint Edge’s support team also adds an average of 25,000 updates a month to the platform’s proprietary tax and legal databases, ensuring that data is always up to date.

### **FAST, EASY, AND SMART**

Checkpoint Edge uses a customized form of natural language processing that extrapolates the correct area of inquiry from surprisingly little information. It doesn’t matter how a question is asked; users can use whatever words make sense to them and Checkpoint Edge will deduce the answer. The platform’s AI also learns from every individual search and from the collective search behaviors of Checkpoint’s 200,000+ users, continually improving the precision and quality of each subsequent search.

Checkpoint Edge not only distills the knowledge of hundreds of Thomson Reuters editors and engineers into a powerful and easy-to-use research tool, it also marries that expertise with the most complete tax and legal databases in the industry. This combination—along with simultaneous access to sites by the IRS, AICPA, FASB, individual states and other reputable public sources—ensures that the platform is always scanning the most trustworthy information available.

### **A MORE INTUITIVE, HELPFUL AI**

For any given query, locating the best available answer is the goal. But tax research is often complicated by numerous variables, including jurisdictional discrepancies, regulatory changes, and multiple interpretations of the law. To clear away the clutter and find the most appropriate answers, Checkpoint Edge doesn’t just search keywords and phrases. Rather, it is programmed to recognize tax-specific nomenclature, terms of art, acronyms, legal frameworks, conceptual

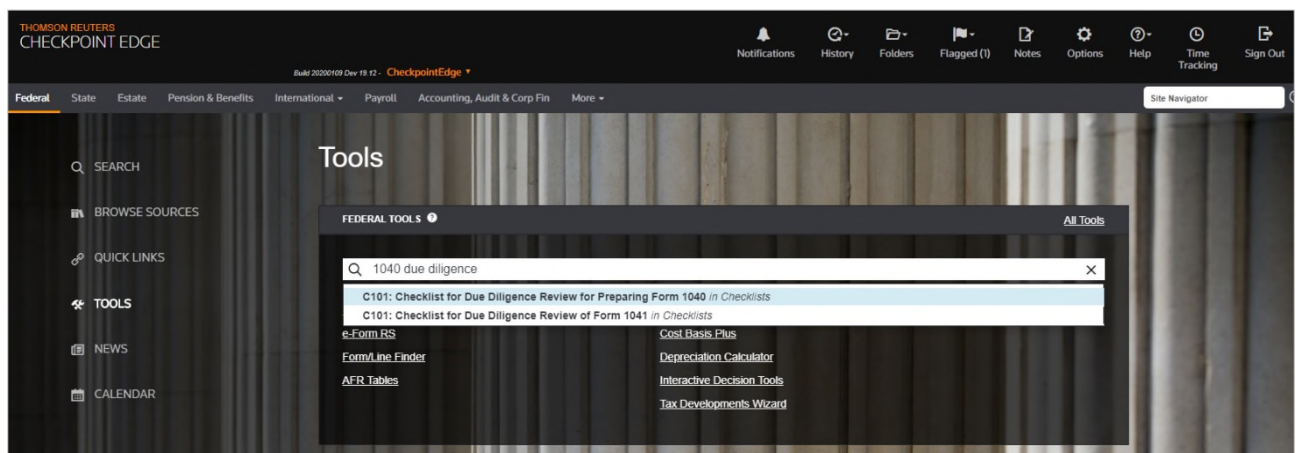
relationships, and other peculiarities of tax language. “Concept markers” and other helpful organizational features also help users tag and group ongoing research for easy reference.

Behind the scenes, you’ll always leverage Thomson Reuters award-winning editorial commentary and expert analysis. Since you’re able to interact with Checkpoint Edge using natural language, our advanced AI algorithm is better suited to understand your scenarios and context around issues — delivering more relevant answers.

## Interactive Tools

Checkpoint includes thousands of context-specific interactive tools to help you go from answers to action to deliver value for your clients, firm, or organization. Now with Checkpoint Edge’s advanced search capabilities, these tools are easier to locate than ever.

Can’t find that due diligence checklist you need to complete and attach to every tax return? Use the Find Tools quick search feature in Checkpoint Edge to instantly search across all the interactive tools available to you in your subscription, including calculators, computational worksheets, checklists, decision tools, letters, elections, statements, and more.



With Checkpoint Edge’s powerful natural language processing, you can also instantly filter search results to show only results that contain interactive tools.

## Searching

Checkpoint Edge’s revolutionary Artificial Intelligence-assisted approach vastly improves search accuracy and efficiency.

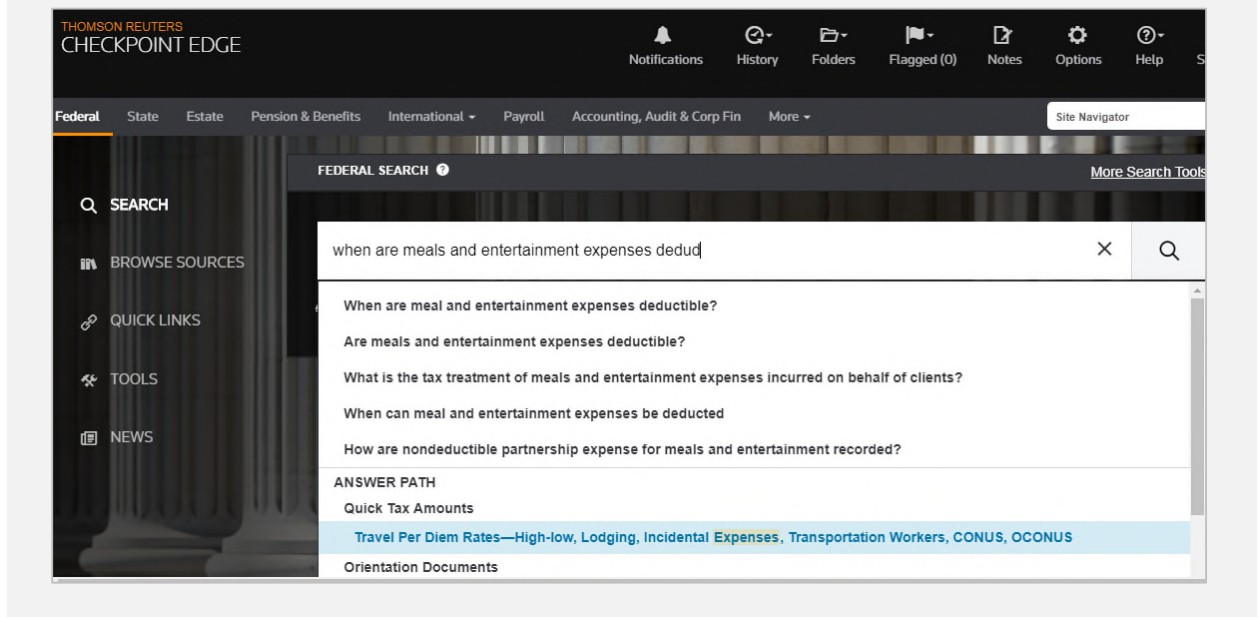
### SEARCH METHODS

Checkpoint Edge supports Boolean, proximity, exact phrase, conceptual and natural language, and citation searching. Checkpoint Edge’s proprietary Intuitive Search algorithm allows a user to search by keyword(s), phrase, sentence, question, or citation in one search motion. Intuitive Search performs best when queries are posed in the form of a question, triggering a dialogue with the content. Intuitive Search uses Artificial Intelligence based on complex algorithms, historical usage data, relationships between content, and input from subject matter experts to help users find what they need without being an expert on the topic or search engine.

For example, a user could enter: *Can I deduct landscaping expenses for my home office?*

The search returns a set of results (up to a maximum of 2,000 documents) that are the most relevant to that question. Natural language searching finds documents that may contain all, some or one of the user’s search terms to help users locate the best results faster, even if they don’t have all the exact words.

## THE CHECKPOINT SEARCH INTERFACE



## SEARCH SUGGESTIONS

Checkpoint Edge also provides automated search suggestions as a user begins to type in the search field. These suggestions take three forms:

- **Suggested keywords** are generated using the most popular matching terms from all Checkpoint user searches as well as a user's search history.
- **Suggested questions** are generated by applying elements of Artificial Intelligence through complex algorithms to anticipate possible questions the user may be looking to answer.
- **Answer Path** provides a shortcut to commonly searched federal individual and business tax topics and state charts. As a user starts to type their search and pauses, Answer Path may show Quick Tax Amounts and/or Orientation Documents. Quick Tax Amounts provide fast and reliable answers to straightforward questions such as "what's the maximum adoption credit allowed?" or "what's the business standard mileage rate for 2019?" Orientation Documents provide a snapshot of the basic rules for a topic, the applicable Code Section(s), and links to detailed coverage in other subscribed products (for when the user needs to go further). State charts provide a multi-state overview of a state topic or issue, with links to subscribed State Reporters for more in-depth coverage.

## SEARCH TEMPLATES

Checkpoint Edge also offers numerous advanced search templates for specialized searches (examples include date range searching, citation searching, searching by form/line number, searching by IRS taxpayer notice, or locating SEC filings). For more straightforward citation searching, a user can simply use the regular search box and then from the search results screen, switch the view from Editorial Materials to Primary Source Materials.

If a user wants results limited to all their search terms, they can select Terms & Connectors as their search type. Terms & Connectors searching provides options to use specialized search

connectors for a more customized search and limits keyword search results to only those documents with all search terms.

## SEARCH SOURCES

Checkpoint Edge simplifies decision-making about how to search by automatically searching all of a user's subscribed sources for a practice area, including relevant trusted public sites, by default. Users can limit their search to specific content categories or sources by clicking the Advanced Options link below the search field and selecting sources within the various content categories (depending on the subscription, groupings can include Editorial Materials, News/Current Awareness, EY Content, Primary Source Materials, Public Sites).

## TRUSTED PUBLIC SITES

Also unique to Checkpoint Edge is the ability to simultaneously search Checkpoint sources together with other trusted public sites commonly used by professional audiences. No longer worry about staff searching for answers on unreliable or unverified sites. A user can easily switch between their Checkpoint results and their public site results. Public sites include: IRS.gov, IRS Tax Map, IRS Forms & Instructions, AICPA, Deloitte, EY, and State Department of Revenue (all 51 jurisdictions) websites. This increases user engagement and gives users another research avenue.

## SEARCH RESULTS

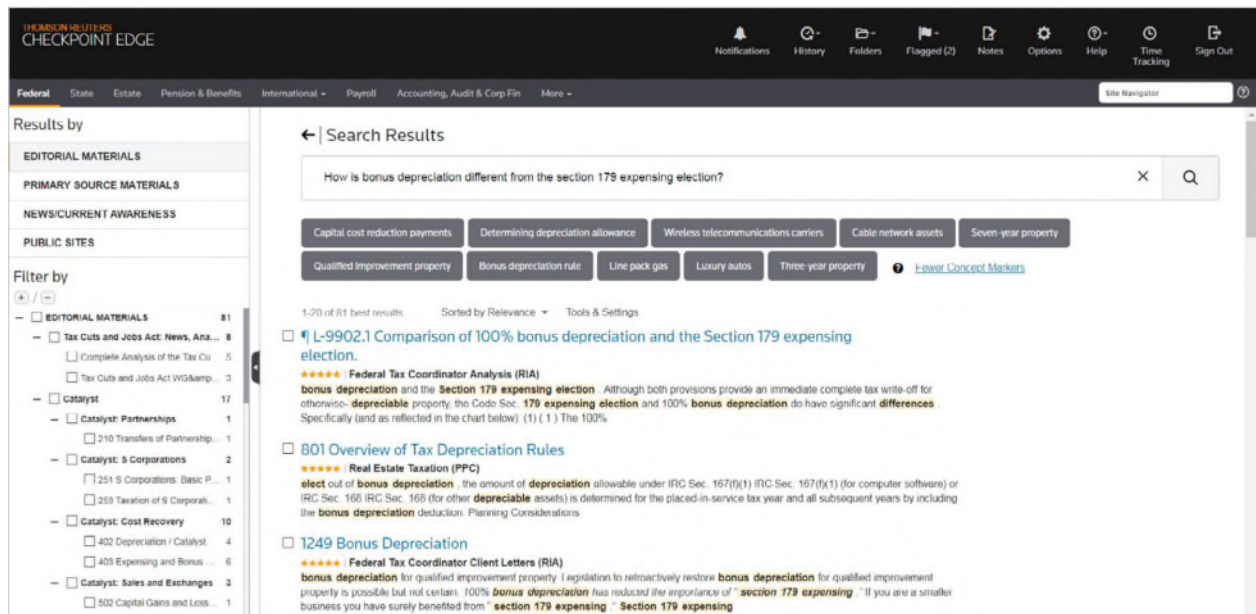
Search results are displayed in relevance order across all searched sources, and are displayed by content category (Editorial Materials, EY Content, Primary Source Materials, News/Current Awareness, Public Sites). While the default view is Editorial Materials, a user can easily change the view to a different content category by clicking the appropriate option under *Results by*. Users can also filter the view in the main pane to show only the results for a specific source or group of sources by using the *Filter By* panel.

Specific actions that a user might perform with their search results are presented in the right rail so that they don't interfere with a user's ability to scan their results. Clicking on the selection box next to a result reveals the Print, Export, Save, and Flag Document tool functions to make sharing and retrieval simple.

## Concept Markers

Checkpoint Edge provides a new form of rapid and interactive dialogue for users. Proprietary concept markers suggest tagging concepts and related terms to user's questions to help uncover unconsidered scenarios or missing concepts essential to finding the best answers.

Concept Markers instantly help users identify areas of possible interest directly related to their initial search. Concept Markers show up as tabs that users can click on to advance and focus the search without requiring the user to start over.



For any given search, Checkpoint Edge offers up to ten different Concept Markers, all of which connect in some way to the original search but take it in a different direction, one the user may not be aware of or had not considered.

But Checkpoint Edge’s AI algorithm doesn’t just scan the internet and compile a list. Rather, it combs both public sites and applicable Thomson Reuters proprietary databases and uses the search histories and behaviors established by thousands of Checkpoint users conducting similar searches to identify the sites and documents most likely to contain the most relevant information. This sort of algorithmic filtering is similar to what happens in the background during a Google search. However, the Checkpoint Edge algorithm is optimized to locate data that would interest a tax researcher. It’s also backed by the combined expertise of hundreds of Thomson Reuters legal editors and incorporates a vast wealth of institutional knowledge developed over 70 years of industry leadership.

## Navigating Within a Document

Checkpoint Edge documents include rich contextual linking to other cited sources (primary and secondary authorities) and tools. Certain content sets like Checkpoint Catalyst and PPC Deskbooks contain interactive tools such as computational worksheets, checklists, notices, elections, and statements, and decision tools that can be launched wherever they are discussed in the document. An innovative Context Panel also allows a user of these products to go directly to any tool cited in the discussion, and in the case of Checkpoint Catalyst, to also see at a glance

whether there are any new developments that have occurred since the last time the document they are viewing was updated.

Words in a document matching users' keywords or search terms are highlighted yellow. The area of the document that Checkpoint Edge has identified to be most relevant to the search displays in green text.

## Work Log and Search History

Checkpoint Edge gives users the option to record and track their research history. This option is turned on by default, but a user can decide not to track their session by going to Options / General Setting and de-selecting the research history option. Users can filter their research history by current day, current week, previous week, previous two weeks, or all history, and by documents viewed, searches, and tools. Users can export, print, save to a Checkpoint folder, or flag events in their research history.

Checkpoint Edge also includes a time tracking feature that allows a user to set up a project and record the amount of time spent on a project in Checkpoint.

## Filtering/Retrieving of Citing References

Checkpoint Edge supports references to editorial content at the subsection level of statutes and regulations using a display of in-line links.

**THE NAVIGATION TOOLBAR FOR REFERENCES**

**RIA** §338 Certain stock purchases treated as asset acquisitions.  
Internal Revenue Code (RIA)

Expl Annos FTC Regs Com Rpts Hist New Law Analysis Catalyst WG&L Treatises EY

**§ 338 Certain stock purchases treated as asset acquisitions.**

<sup>N</sup><sub>5</sub>E (a) FTC Catalyst WG&L Treatises **General rule.**

For purposes of this subtitle, if a purchasing corporation makes an election under [this section](#) (or is treated as an election), then, in the case of any qualified stock purchase, the target corporation—

Selecting a link launches a list of references in the right pane. The references can be filtered by keyword. This efficient system provides a unified approach to tax research and helps both save time and drive accuracy.

## RIGHT PANE SHOWING A LIST OF REFERENCES

The screenshot displays the RIA (RIA) website interface. The main content area shows the title "§ 338 Certain stock purchases treated as asset acquisitions." and the subtitle "Internal Revenue Code (RIA)". Below the title, there are several navigation buttons: Expl, Annos, FTC, Regs, Com Rpts, Hist, New Law Analysis, Catalyst, and WG&L Treatises. The main text area contains the heading "§ 338 Certain stock purchases treated as asset acquisitions." and a sub-heading "General rule." followed by a paragraph of text. On the right side, a "Links" pane is open, showing a list of references. The "Links" pane has a "Top Line link type:" dropdown menu set to "Federal Tax Coordir" and a "Filter Links" section. The list of references includes:

- ¶ A-6366 Net gain subject to net investment income tax.
- ¶ A-6373 Gain or loss from disposition of partnership or S corporation interest under the net investment income tax.
- ¶ A-6375.5 Gain or

## TAX CITATOR

Checkpoint Edge's Citator function provides the history of federal tax-related judicial and administrative content interpretations. **Citator 2nd** notes specific relationships between cases and rulings such as when one case has affirmed or reversed another. Citator 2nd is completely integrated and provides a quick and thorough citation check of all AFTR 2d, TC Memo and TC cases, and IRS rulings. Key case issues can be tracked across the entire breadth of the Citator's case inventory. Citator is completely integrated and provides a quick and thorough citation check of all cases, including:

- Complete judicial history of federal tax cases, rulings, and Treasury decisions.
- Accurate, up-to-date evaluations of how each case or ruling has stood up in the courts.
- Full judicial history of each case below the case name for quick reference.
- Evaluations, written in plain English, clearly identified by the key legal issue.
- Imbedded Web-links from citations to the pertinent Checkpoint reference.
- Parallel citations to Thomson Reuters and CCH from most AFTR 2d and Tax Court case.

Checkpoint Edge also provides numerous unique supports to simplify the process such as numbered headnotes and cross referencing unavailable on other platforms. A key feature of the Citator is numbered headnotes, which indicate which topics are being cited. With complex cases, oftentimes multiple topics are discussed in a case but with many other services, those topics aren't separated out. This leaves the user unable to discern the treatment of a specific topic in subsequent cites unless they read the entirety of the following case. With numbered headnotes, it's easy to figure out what topic was being cited and how in subsequent cases because they align with that specific number, thereby saving time and improving accuracy.

# Customization Options

Checkpoint Edge provides an array of options for personalizing a user's experience. A user can set preferences for:

- Viewing documents.
- Printing documents.
- Exporting documents.
- Emailing documents.
- Their desired location upon logging into Checkpoint.
- Whether to pick up with previous research upon logging into Checkpoint.
- Whether to record their research steps in history.
- How to receive news updates (for example, daily or weekly, by email, RSS feed, filtered to include/exclude certain jurisdictions, topics, or agencies (note, this level of customization is not available for all news services)).
- How to display search results.

In addition to a comprehensive online help system, Checkpoint Edge also allows a user to submit a comment or question to our Checkpoint Product Usage support team. Users can also click the Customer Help Center link to access useful documentation about how to use Checkpoint more effectively, including product-specific information.

## Delivery Options

Checkpoint Edge provides many ways to customize how a user receives, displays and interacts with content in their subscription. Users can print, export (to PDF, Word, HTML, or Excel depending on the content), email, save to a Checkpoint folder, flag, highlight selected text and add notes to a document. Users can also use the permalink feature to copy and then paste the unique URL for a Checkpoint document into MS Word or other office applications. Users can also view documents in full screen or page width modes and can also change the type size and font. Users can combine and print multiple documents to a file or printer.

## Automated Alert Technology

Checkpoint provides numerous news email alerts that are available at no additional charge for the content included in a customer's Checkpoint subscription. Users can sign up for optional email delivery of daily or weekly news updates (depending on the news service) and news flashes. Users can also receive notifications of search results for scheduled searches pushed to their email inbox.

Each user has the option to receive email updates of Complete Newsletters and/or News Updates:

- **Complete Newsletters**—Users can choose to receive the complete newsletters as they are published. Each publication is in its own email. Newsletters will contain a brief summary of each article, along with a link to the full-text on Checkpoint. Users will also receive an attachment containing the complete full text of the newsletter.

- **News Updates**—Users can choose to receive one daily email made up of all the articles written that day from a user’s selected list of newsletters. Articles are sent immediately as they are written, rather than waiting for the publication to be complete. Each email will contain a brief summary of each article with a link to Checkpoint to view the full text of the article.

In addition to the email alerts based on newsletters, users can also choose to receive email alerts for our WG&L journals. Each user has the option to receive email updates of Complete Journals and/or Journal Previews:

- **Complete Journals**—Users can choose to receive the tax journal when it is published. Each publication is its own email. The journal will contain a brief summary of each article along with a link to the full text on Checkpoint.
- **Journal Previews**—Users can choose to receive Journal Preview articles delivered to their inbox. Articles are sent as they are written, rather than waiting for the publication to be complete. Each email will contain a brief summary of each article with a link to Checkpoint to view the full text of the article.

Users also have access to the following tracking tools that enhance the user experience and help to improve a user’s efficiency:

- **Follow It**—A unique tracking tool that when activated, tracks the activity of changes made to a proposed state legislation and notifies users when any changes are made to it. It can be activated from within the proposed legislative summaries or from within the legislation. When a new change is made to a bill, the user will receive an email notifying them of the change as well as a notification on their “Home” page (in Classic) or in “Notifications” (in Edge). Changes will be tracked until the end of each calendar year.
- **Track It**—A unique citation tracking tool within cases and rulings that when activated, notifies users whenever a case or ruling of interest is referenced within a subsequent case or ruling. When a case or ruling cites the case or ruling of interest, the user will receive a notification email as well as see the notification in their “Notifications”. Notifications will continue until the user turns the feature off.

# SCHEDULE B – PRICING

<b>Proposed Content:</b> <ul style="list-style-type: none"> <li>▪ Federal Taxation</li> <li>▪ State and Local Taxation</li> <li>▪ Select Expert Tax Treatises and Journals*</li> </ul>					
<b>Research Platform:</b> Thomson Reuters Checkpoint Edge					
<b>Usage Limit:</b> Unlimited Simultaneous Usage					
	Year 1 Annual Cost	Year 2 Annual Cost	Year 3 Annual Cost	Opt. Year 4 Annual Cost	Opt. Year 5 Annual Cost
1-100 Users	\$22,649.75	\$23,329.24	\$24,029.12	\$24,750.00	\$25,492.50
101-150 Users	\$23,153.25	\$23,847.85	\$24,563.29	\$25,300.19	\$26,059.20
151-200 Users	\$23,656.50	\$24,366.20	\$25,097.19	\$25,850.11	\$26,625.61
201-250 Users	\$24,159.75	\$24,884.54	\$25,631.08	\$26,400.01	\$27,192.01
251-300 Users	\$24,662.75	\$25,402.63	\$26,164.71	\$26,949.65	\$27,758.14
301-350 Users	\$25,166.25	\$25,921.24	\$26,698.88	\$27,499.85	\$28,324.85
350-400 Users	\$25,669.75	\$26,439.84	\$27,233.04	\$28,050.03	\$28,891.53

\*The following titles are included in the core offer: *State Taxation, 3rd Edition (Hellerstein & Hellerstein)*, *WG&L Journal Of Taxation*, *WG&L Practical Tax Strategies*, *WG&L Corporate Taxation*, *WG&L Journal Of Multistate Taxation and Incentives*, and *WG&L Tax Dictionary*.

In addition to the proposed content, TCB can choose to supplement its Checkpoint subscription with access to one or more of the following optional, separately priced add-ons.

**Please note:** Add-on pricing assumes a purchase of 350 users/licenses under the core offer. If TCB purchases a different number of Checkpoint Edge users, please contact us for revised add-on pricing.

## STATE TAX CITATOR

While the core offer includes a basic state tax citator, a more robust version is available. The premium State Tax Citator helps to quickly verify that the state tax cases and rulings being relied upon are still valid precedent. If selected, the below charge will be added to the fixed annual charge of the Checkpoint subscription.

<b>Optional Add-On Content:</b>	RIA Premium State Tax Citator
	<b>Annual Cost</b>
301-350 Users	\$1,425.50 (Year 1)*

\*Pricing is subject to 3% annual increases in Years 2-5.

## EXPERT TAX TREATISES AND JOURNALS CHOICE PACKAGE (CHOOSE 4 OR 16 ADDITIONAL TITLES)

TCB has the option to purchase additional tax treatises and journals, beyond the titles that are already built into the core offer. TCB can choose 4 or 16 additional titles, selecting from a list of more than 80 exclusive titles. If selected, the below charge for the option selected will be added to the fixed annual charge of the Checkpoint subscription.

Optional Add-On Content: Expert Tax Treatises and Journals Choice Package (Choose 4 or 16 Additional Titles)		
Annual Cost		
	Package 1: <u>4</u> Additional Tax Treatises and Journals	Package 2: <u>16</u> Additional Tax Treatises and Journals
301-350 Users	\$1,160.00 (Year 1)*	\$3,410.25 (Year 1)*

\*Pricing is subject to 3% annual increases in Years 2-5.

## CHECKPOINT CATALYST

Authored by tax experts and created specifically for the web, Checkpoint Catalyst provides practical guidance on specific tax topics and transactions to support tax planning and transactional work. The unique design of Checkpoint Catalyst amplifies other tax libraries on Checkpoint by bringing relevant content, such as new developments and interactive tools, together so that pertinent resources can immediately be viewed in context — reducing the chance that something important is missed.

If selected, the below charge will be added to the fixed annual charge of the Checkpoint subscription.

Optional Add-On Content: Checkpoint Catalyst Tax	
Annual Cost	
301-350 Users	\$3,750.75 (Year 1)*

\*Pricing is subject to 3% annual increases in Years 2-5.



# SCHEDULE E – INSURANCE REQUIREMENTS

**Insurance Requirements.** Contractor, at its sole expense, must maintain the insurance coverage identified below. 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
<b>Commercial General Liability Insurance</b>	
<p><b>Minimum Limits:</b>            \$1,000,000 Each Occurrence            \$1,000,000 Personal &amp; Advertising Injury            \$2,000,000 Products/Completed Operations            \$2,000,000 General Aggregate</p> <p><b>Deductible Maximum:</b>            \$50,000 Each Occurrence</p>	<p>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 04.</p>
<b>Workers' Compensation Insurance</b>	
<p><b>Minimum Limits:</b>            Coverage according to applicable laws governing work activities.</p>	<p>Waiver of subrogation, except where waiver is prohibited by law.</p>
<b>Employers Liability Insurance</b>	
<p><b>Minimum Limits:</b>            \$500,000 Each Accident            \$500,000 Each Employee by Disease            \$500,000 Aggregate Disease</p>	
<b>Privacy and Security Liability (Cyber Liability) Insurance</b>	
<p><b>Minimum Limits:</b>            \$1,000,000 Each Occurrence            \$1,000,000 Annual Aggregate</p>	<p>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 subject to the limits of \$1,000,000 per occurrence and annual aggregate; and (2) cover information security and privacy liability, privacy notification costs, regulatory defense and penalties, and website media content liability.</p>

Required Limits	Additional Requirements
<b>Professional Liability (Errors and Omissions) Insurance</b>	
<b>Minimum Limits:</b> \$3,000,000 Each Occurrence \$3,000,000 Annual Aggregate <b>Deductible Maximum:</b> \$50,000 Per Loss	

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 cancelled 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 delivery/purchase order number, at Contract formation and within twenty (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 five (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 to 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).