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

INSTRUCTIONS TO BIDDERS FOR REVERSE AUCTIONS

Article RA-0. Description of Reverse Auction Process.

RA-0.1 Definition of Reverse Auction. Reverse auction is a purchasing process in which offerors submit bids in competition to sell services or supplies in an open environment via the internet. The auction itself is an invitation-only, timed event that is open to bidders who have been prequalified.

RA-0.2 Reverse Auction is a Competitive Selection Process. Ohio Revised Code sections 125.01 and 125.072 authorize the use of reverse auction as a form of competitive selection.

RA-0.3 Definition of Bid. In the context of reverse auction, the bid or bid response means all documents, whether attached or incorporated by reference, supplied by the bidder in response to an Invitation to Bid (ITB) by Reverse Auction, including a qualifications summary and the lowest price submitted by the bidder during the auction event.

RA-0.4 Chronology of Reverse Auction Process.
The reverse auction process includes the steps listed below:
(1) notice of Invitation to Bid by Reverse Auction;
(2) on-line questions and answers;
(3) submittal of qualifications summaries;
(4) preliminary evaluation;
(5) auction event invitations;
(6) event preparation and training of bidders;
(7) auction event;
(8) final evaluation and award.

Article RA-1. Notice of Invitation to Bid (Step 1).

The State posts bid opportunities on the State Procurement web site at www.ohio.gov/procure. Bidders may also register on-line to be notified automatically of bid opportunities. The invitation to bid document may be downloaded directly from the web site.

Article RA-2. Bid Preparation (Step 2).

RA-2.1 Cost of Preparation. The State of Ohio assumes no responsibility for costs incurred by the bidder prior to the award of any Contract resulting from this bid. Total liability of the State is limited to the terms and conditions of a resulting contract.

RA-2.2 Clarifications, Questions and Answers. If a bidder discovers an inconsistency, error or omission in this ITB, the bidder should request clarification from Procurement Services as indicated on the front page of the ITB. Bidders may post questions regarding this ITB through the State Procurement web site at www.ohio.gov/procure. Questions must be submitted a minimum of five working days prior to the deadline for submitting qualifications summaries. Answers to all bidder questions will be posted on the web site and linked to the bid number. The state will make every attempt to respond to website inquiries within forty-eight (48) hours of receipt. No other form of clarification is acceptable. Failure of the Bidder to comply may result in the Bidder being deemed not responsive.

RA-2.3 DAS Modifications through Written Addendum. When it is necessary to modify an ITB, DAS does so by written addendum only.

RA-2.4 Damages Arising from Bid Specifications. A bidder may not be compensated for damages arising from inaccurate or incomplete information in the ITB specifications or from inaccurate assumptions based upon the specifications.

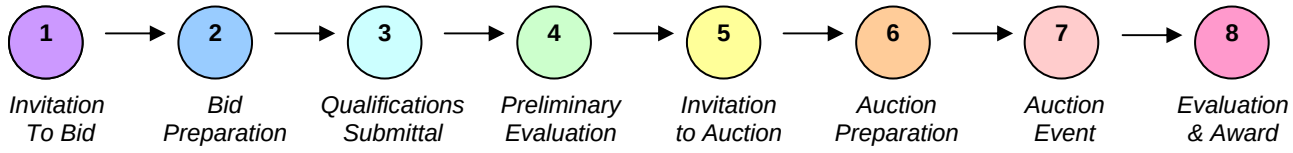
Article RA-3. Qualifications Submittal (Step 3).

RA-3.1 Complete Qualifications Summary with Authorized Signature. Bidders must submit a complete, signed qualifications summary, which at a minimum should include all of the pages of the ITB that required the bidder to respond and any additional information or samples required by the ITB. The Qualifications Summary should be signed with an original signature on the front page of the ITB. Bidders are requested not to use black ink to sign the qualifications summary. The signature on the qualifications summary shall serve as the signature for the entire bid response.

RA-3.2 How Qualifications Summary May be Delivered. Each summary must be submitted in a sealed envelope with the bid number clearly marked on the exterior. If a bidder uses an express mail or courier service, the bid number must be clearly marked on the exterior of the express mail or courier envelope or must be enclosed in a sealed envelope inside the express mail or courier service envelope, with the bid number clearly marked on the inside envelope. A summary that is not properly and clearly marked and is inadvertently opened before the scheduled bid opening time may be disqualified without additional consideration.

RA-3.3 When Qualifications Summary May be Delivered. DAS must receive the qualifications summary no later than 1:00 p.m. the day the summaries are scheduled for opening. DAS receives summaries during the hours of 8:00 a.m. through 4:30 p.m., Monday through Friday, except state observed holidays. DAS does not accept summaries with insufficient postage, collect on delivery, or through electronic means.

RA-3.4 Where Qualifications Summary Must be Delivered. Summaries must be delivered to the following address:
Department of Administrative Services
General Services Division, Office of Procurement Services
ATTN.: Bid Desk
4200 Surface Rd.
Columbus, OH 43228-1395



RA-3.5 Correction before Qualifications Summary Opening. If a bidder withdraws its summary and resubmits it with revisions, the revisions should be clearly identified and signed or initialed by the bidder. The omission of a bidder's signature or initials to a modification may result in the bid being determined to be not responsive. Any corrections must be completed off the premises.

RA-3.6 Withdrawal before Qualifications Summary Opening. A bidder may withdraw its summary, by written request, any time after DAS receives the summary and before the opening date and time.

Article RA-4. Preliminary Evaluation (Step 4).

RA-4.1 Qualified Bidders List. The department will use information from the qualifications summaries to register bidders for the auction event. The State reserves the right to exclude bidders who are deemed not responsive or not responsible. Reasons for exclusion may include, but are not limited to: late qualifications summary submittal, failure to include mandatory information or samples, and lack of Minority Business Enterprise (MBE) certification for a MBE set aside bid.

RA-4.2 Correction after Qualifications Summary Opening. DAS may permit a bidder alleging an inadvertent error to correct its summary, after opening and prior to the auction event, only if the mistake and the correction are clearly evident from the summary and correction does not otherwise affect the amount of the bid or otherwise give the bidder an unfair competitive advantage.

RA-4.3 Withdrawal before Auction Event. A bidder may by written request withdraw its qualifications summary before the auction event, if there is reasonable proof that an inadvertent mistake was made and the correction cannot be determined with reasonable certainty. "Inadvertent" means inattentive or unobservant; heedless; due to oversight; unintentional. If DAS suspects that the qualifications summary contains a mistake, DAS may ask the bidder for written confirmation of its summary.

Article RA-5. Invitation to Auction (Step 5).

The department shall provide written notice to each bidder through postal mail or electronic means regarding the bidder's inclusion or exclusion from the qualified bidders list. The notice to excluded bidders shall include the reason(s) for exclusion. Notice to qualified bidders shall include an invitation to the auction event, with the date and time of the event and instructions for participation. The date and time in this invitation shall supercede the estimated date and time written in the invitation to bid.

Article RA-6. Event Preparation and Bidder Training (Step 6).

The department or its agent shall work with the bidder to prepare for the auction event. Preparation may include, but is not limited to: configuration of the auction computer system, testing of the bidder interface, delivery of event procedure manuals and other documentation, and training.

Article RA-7. Auction Event (Step 7).

RA-7.1 Participation by Invitation Only. Only those bidders on the qualified bidders list will be allowed to participate in the auction event.

RA-7.2 Event Support. The department or its agent will provide the necessary administrative support to ensure that the integrity of the auction event is not compromised.

RA-7.3 Event Record. The department or its agent will keep an event record, which will include the prices offered by the bidders. The event record will become part of the contract documents and a public record at the conclusion of the event.

RA-7.4 Non-Disclosure of Competitors. The bidder interface will be configured such that a bidder will not know the identity of competing bidders until the event is complete.

RA-7.5 Start of Event. The department or its agent will begin the event through an electronic notification to all qualified bidders.

RA-7.6 Price Submittals. Bidders may submit multiple prices during the event. The lowest price offered will be become the price portion of the bid response. Prices must be submitted by, or under the direction of, an authorized representative of the bidder as designated in the qualifications summary.

RA-7.7 Tie Bids. In the event that multiple bidders submit identical prices for the same lot, the bid received first will be considered the lowest. Any other identical bids received later will be considered in the order received, as determined by the official clock that the state designates.

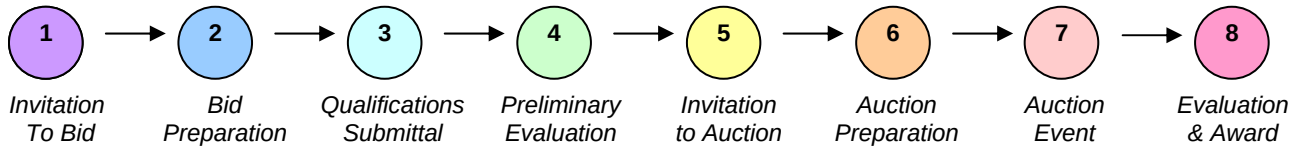
RA-7.8 Event Conclusion and Extensions. The auction event will have a scheduled stop time. The event may be extended if bids are received within a predetermined amount of time prior to the scheduled stop time. Specific procedures on time extensions shall be contained in the event procedure manual that will be distributed to all qualified bidders. The event will conclude at either the scheduled stop time or the time at which all extensions are completed, whichever is later.

Article RA-8. Evaluation and Award (Step 8).

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

RA-8.1 Lowest Bidder. A bidder is lowest if its bid offers the lowest cost supply or service in comparison to all other bidders as set forth in the evaluation paragraph in the bid.

While bidders may offer discounts for prompt payment and other similar incentives, discounts and incentives will not be used to determine the lowest bidder. The lowest bidder will be determined at the conclusion of the on-line reverse auction event.



RA-8.2 Responsive Bidder. A bidder is responsive if its bid responds to the bid specifications in all material respects and contains no irregularities or deviations from the specifications that would affect the amount of the bid or otherwise give the bidder an unfair competitive advantage.

RA-8.3 Responsible Bidder. DAS' determination of a bidder's responsibility includes the following factors:

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

RA-8.4 Information Requested. DAS may request additional information to evaluate a bidder's responsiveness to the Invitation to Bid or to evaluate a bidder's responsibility. If a bidder does not provide the requested information, it may adversely impact DAS' evaluation of the bidder's responsiveness or responsibility.

RA-8.5 Bids are Firm for 90 Days. Unless stated otherwise, all bids are irrevocable for ninety (90) days after the conclusion of the auction event. Beyond ninety (90) days, the bidder will have the option to honor its bid or make a written request to withdraw its bid from consideration.

RA-8.6 Preference for Ohio Products. The bid award may be subject to the domestic preference provisions of the Buy America Act, 41 U.S.C.A., 10a-10d, as amended, and to the preference for Ohio products under Ohio Revised Code Sections 125.09 and 125.11 and Ohio Administrative Code Rule 123:5-1-06.

RA-8.7 Rejected Bids. DAS may reject any bid, in whole or in part, if any of the following circumstances are true:

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

Article RA-9. Public Disclosure during Reverse Auction Process.

RA-9.1 Opening of Qualifications Summaries. The public may attend the opening of the qualifications summaries. After summaries are opened and certified by the Auditor of State, a list of respondents will be available for public review by interested parties who have registered with the bid desk. Once summaries have been opened and certified, they will be forwarded to the contract analyst to begin the evaluation process. The contents of the qualifications summaries will not be open to public inspection until after the award.

RA-9.2 Public Viewing of Auction Event. The public may attend the internet auction event. The auction event will be conducted such that the names of the bidders will not be disclosed until after the completion of the auction, at which time the event record will be available to the public.

RA-9.3 Public Records upon Award. After the contract is awarded the qualifications summaries and associated documents are public records as defined in Ohio Revised Code 149.43 and are subject to all laws appurtenant thereto.

Article RA-10. Requests for Revisions or Additions to the Bid.

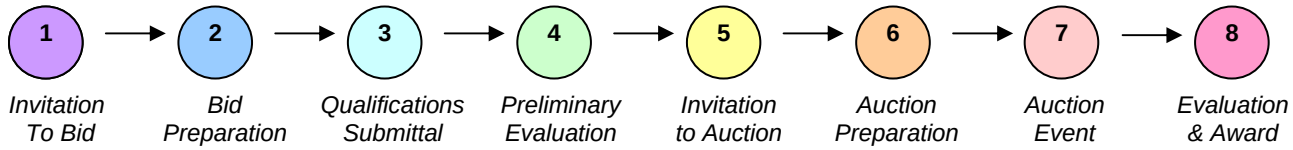
Bidders are required to comply with all of the terms and conditions of the Invitation to Bid, whether the bidder had actual knowledge of the terms and conditions of the Invitation to Bid and regardless of any statement or omission in the bid that might indicate a bidder's contrary intention. DAS will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

Article RA-11. Samples.

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

Article RA-12. Protests and Communications During Evaluation.

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



Article RA-13. Ethics. All bidders and employees of the Office of Procurement Services are bound by the ethics laws of the State of Ohio. Any bidder or employee who violates any of these laws will be subject to penalties set forth by law.

Article RA-14. Registration with the Secretary of State. By the signature affixed to this Bid, the bidder attests that the Bidder is:

(A) an Ohio corporation that is properly registered with the Ohio Secretary of State; or
(B) a foreign corporation, not incorporated under the laws of the state of Ohio, but is registered with the Ohio Secretary of State pursuant to Ohio Revised Code Sections 1703.01 to 1703.31, as applicable.

Any foreign corporation required to be licensed under Sections 1703.01 to 1703.31 of the Ohio Revised Code, which transacts business in the state of Ohio, without being so licensed, or when its license has expired or been canceled, shall forfeit not less than $250 nor more than ten thousand dollars. No officer of a foreign corporation shall transact business in the state of Ohio, if such corporation is required by Section 1703.01 to 1703.31 of the Revised code to procure and maintain a license, but has not done so. Whoever violates this is guilty of a misdemeanor of the fourth degree.

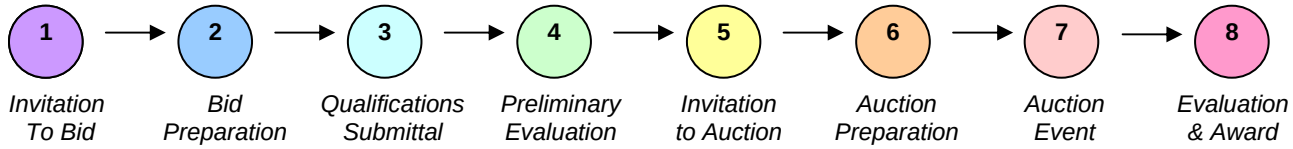
Article RA-15. Certification Regarding Contract Eligibility With Other Governmental Entities. By the signature affixed on Page 1, bidder hereby certifies that bidder has not, within the last seven (7) years been the subject of any government action to limit the bidder's right to do business with the government within the last seven (7) years, please provide a written explanation with the bid response.

Article RA-16. Non-Collusion Certification. By the signature affixed on page one (1) of the bid, the bidder certifies that he/she is (sole owner, partner, president, secretary, etc.) of the party making the forgoing bid; that such bid is genuine and not collusive or sham; that bidder has not colluded, conspired or agreed, directly or indirectly, with any bidder or person, to put in a sham bid; or colluded or conspired to have another not bid and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person to fix the bid price of its bid or any other bidder, or to fix any overhead, profit or cost element of the bid price, or of that of any other bidder, or to secure any advantage against any bidder or any person or persons interested in the proposed contract and that all statements contained in the bid are true; and further, that the bidder has not, directly or indirectly, submitted this bid, or the contents thereof, or divulged any related information or data to any association or to any member or agent of any association.

RA-17. Specifications. The Department of Administrative Services is authorized to prepare specifications to obtain supplies and services. The purpose of the specification is to describe the supplies or services to be purchased and will serve as a basis for comparison of bid responses. The department may use any form of specification it determines to be in the best interest of the State and that best describes the supplies or services to be purchased. Specifications may be in the form of a design specification, a performance specification or a combination thereof. If the department determines that a design, performance or combination specification is not in the best interest of the State, it may use brand name or equal specifications. Where a brand name or equal specification is used, use of the brand name is for the purpose of describing the base standard of quality, performance and characteristics desired and is not intended to limit or restrict competition. Substantially equivalent supplies or services to those designated will be considered for award. The department may also use a qualified products list of the federal government or may develop a qualified products list applicable to the State of Ohio. When developing a qualified products list, the department shall solicit a sufficient number of suppliers to ensure maximum coverage with providers of the supplies or services. Any supplier, not solicited, may request inclusion on the qualified products list. Potential suppliers will be required to furnish exact samples of the supplies or services to be provided for testing and examination by the State. Only those supplies or services that conform to the state's requirements will be considered for inclusion on a qualified products list**.** The department may also use a brand specific specification when it is determined that the identified brand name supplies or services will satisfy the State's need in the most cost-efficient manner, when the identified brand name supplies or services are necessary to protect the health and well-being of clients of the State, when emergency conditions will not permit acceptance of alternate brand name supplies or services, and when there are two or more authorized stocking distributors available to provide the required brand specific supplies or services. Final approval of, revisions to, and cancellation of the specifications for supplies and services or the proposed criteria and methodology for establishing and maintaining a qualified products list shall be the responsibility of the department.

RS-18 Suspension and Debarments. The Department of Administrative Services will not award a contract for goods or services, funded in whole or in part with Federal funds, to a person who has been suspended or debarred from doing business with the State of Ohio or who appears on the Federal List of Excluded Parties.

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



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

STANDARD CONTRACT TERMS AND CONDITIONS

I. CONTRACT TERM PROVISIONS:

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

The current General Assembly cannot commit a future General Assembly to an expenditure. Therefore, this Contract will automatically expire at the end of a current biennium. The State may renew this Contract in the next biennium by issuing written notice to the Contractor or by actions of the State of the decision to do so.

B. OBM CERTIFICATION. None of the rights, duties, or obligations in this Contract will be binding on the State, and the Contractor will not begin its performance, until all of the following conditions have been met:

1. All statutory provisions under the Ohio Revised Code, including Section §126.07, have been met.
2. All necessary funds are made available by the appropriate state agencies.
3. If required, approval of this Contract is given by the Controlling Board of Ohio; and
4. If the State is relying on Federal or third-party funds for this Contract the State gives the Contractor written notice that such funds have been made available.

C. TERMINATION / SUSPENSION.

1. Contract Termination. If Contractor fails to perform any one of its obligations under this Contract, it will be in default and the State may terminate this Contract in accordance with this section. The termination will be effective on the date delineated by the State.

a. Termination for Default. If Contractor's default is unable to be cured in a reasonable time, the State may terminate the Contract by written notice to the Contractor.

b. Termination for Unremedied Default. If Contractor's default may be cured within a reasonable time, the State will provide written notice to Contractor specifying the default and the time within which Contractor must correct the default. If Contractor fails to cure the specified default within the time required, the State may terminate the Contract. If DAS does not give timely notice of default to Contractor, the State has not waived any of the State's rights or remedies concerning the default.

c. Termination for Persistent Default. The State may terminate this Contract by written notice to Contractor for defaults that are cured, but are persistent. "Persistent" means three or more defaults. After the State has notified Contractor of its third default, the State may terminate this Contract without providing Contractor with an opportunity to cure, if Contractor defaults for a fourth time. The four defaults are not required to be related to each other in any way.

d. Termination for Endangered Performance. The State may terminate this Contract by written notice to the Contractor if the State determines that the performance of the Contract is endangered through no fault of the State.

e. Termination for Financial Instability. The State may terminate this Contract by written notice to the Contractor if a petition in bankruptcy or similar proceeding has been filed by or against the Contractor.

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

g. **Termination for Subcontractor Default.** The State may terminate this Contract for the default of the Contractor or any of its subcontractors. The Contractor will be solely responsible for satisfying any claims of its subcontractors for any suspension or termination and will indemnify the State for any liability to them. Subcontractors will hold the State harmless for any damage caused to them from a suspension or termination. The subcontractors will look solely to the Contractor for any compensation to which they may be entitled.

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

i. **Termination for Convenience.** The State may terminate this Contract for its convenience after issuing written notice to the Contractor. If the termination is for the convenience of the State, the Contractor will be entitled to compensation for any Deliverable that the Contractor has delivered before the termination. Such compensation will be the Contractor's exclusive remedy in the case of termination for convenience and will be available to the Contractor only after the Contractor has submitted a proper invoice for such, with the invoice reflecting the amount determined by the State to be owing to the Contractor.

j. **Termination, Effectiveness, Contractor Responsibilities.** The notice of termination whether for cause or without cause will be effective as soon as Contractor receives it. Upon receipt of the notice of termination, Contractor will immediately cease all work on the Project, if applicable, and refuse any additional orders and take all steps necessary to minimize the costs the Contractor will incur related to this Contract. The Contractor will immediately prepare a report and deliver it to the State. The report must detail either the work completed at the time of termination or the orders received and not processed prior to termination, and if applicable, the percentage of the Project's completion, estimated time for delivery of all orders received prior to termination, any costs incurred by the Contractor in doing the Project to date and any deliverables completed or partially completed but not delivered to the State at the time of termination. Any and all work, whether completed or not, will be delivered to the State along with the specified report. However, if delivery in that manner would not be in the State's interest, then the Contractor will propose a suitable alternate form of delivery.

2. **Contract Suspension.** If Contractor fails to perform any one of its obligations under this Contract, it will be in default and the State may suspend rather than terminate this Contract where the State believes that doing so would better serve its interest.

In the case of a suspension for the State's convenience, the amount of compensation due to the Contractor for work performed before the suspension will be determined in the same manner as provided in this section for termination for the State's convenience or the Contractor may be entitled to compensation for work performed before the suspension, less any damage to the State resulting from the Contractor's breach of this Contract or other fault.

The notice of suspension, whether with or without cause will be effective immediately on the Contractor's receipts of the notice. The Contractor will immediately prepare a report and deliver it to the State as is required in the case of termination.

II. CONTRACT REMEDIES:

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

B. **LIQUIDATED DAMAGES**. If actual and direct damages are uncertain or difficult to determine, the State may recover liquidated damages in the amount of 1% of the value of the order, deliverable or milestone that is the subject of the default, for every day that the default is not cured by the Contractor.

C. **DEDUCTION OF DAMAGES FROM CONTRACT PRICE**. The State may deduct all or any part of the damages resulting from Contractor's default from any part of the price still due on the contract, upon prior written notice to being issued to the Contractor by the State.

III. PAYMENT PROVISIONS:

A. **INVOICE REQUIREMENTS.** The Contractor must submit an original invoice with three (3) copies to the office designated in the purchase order as the "bill to" address. To be a proper invoice, the invoice must include the following information:

1. The purchase order number authorizing the delivery of products or services.

2. A description of what the Contractor delivered, including, as applicable, the time period, serial number, unit price, quantity, and total price of the products and services. If the invoice is for a lease, the Contractor must also include the payment number (e.g., 1 of 36).

If an authorized dealer has fulfilled the purchase order, then the dealer's information should be supplied in lieu of the Contractor's information.

B. **PAYMENT DUE DATE.** Payments under this Contract will be due on the 30th calendar day after the later of:

1. The date of actual receipt of a proper invoice in the office designated to receive the invoice, or the date the service is delivered and accepted in accordance with the terms of this Contract.

2. The date of the warrant issued in payment will be considered the date payment is made. Interest on late payments will be paid in accordance with Ohio Revised Code Section §126.30.

IV. CONTRACTOR WARRANTY AND LIABILITY PROVISIONS:

A. **CONTRACTOR'S WARRANTY AGAINST AN UNRESOLVED FINDING FOR RECOVERY.** Contractor warrants that it is not subject to an unresolved finding for recovery under ORC §9.24. If the warranty was false on the date the parties signed this Contract, the Contract is void *ab initio*.

B. **GENERAL REPRESENTATIONS AND WARRANTIES.** The Contractor warrants that the recommendations, guidance, and performance of the Contractor under this Contract will:

1. Be in accordance with the sound professional standards and the requirements of this Contract and without any material defect.

2. No Deliverable will infringe on the intellectual property rights of any third party.

3. All warranties are in accordance with Contractor's standard business practices attached.

4. That the Deliverables hereunder are merchantable and fit for the particular purpose described in this contract.

Additionally, with respect to the Contractor's activities under this Contract, the Contractor warrants that:

5. The Contractor has the right to enter into this Contract.

6. The Contractor has not entered into any other contracts or employment relationships that restrict the Contractor's ability to perform under this Contract.

7. The Contractor will observe and abide by all applicable laws and regulations, including those of the State regarding conduct on any premises under the State's control.

8. The Contractor has good and marketable title to any goods delivered under this Contract and which title passes to the State.

9. The Contractor has the right and ability to grant the license granted in Deliverable in which title does not pass to the State.

If any work of the Contractor or any Deliverable fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor will correct such failure with all due speed or will refund the amount of the compensation paid for the Deliverable. The Contractor will also indemnify the State for any direct damages and claims by third parties based on breach of these warranties.

C. **INDEMNITY.** The Contractor will indemnify the State for any and all claims, damages, lawsuits, costs, judgments, expenses, and any other liabilities resulting from bodily injury to any person (including injury resulting in death) or damage to property that may arise out of or are related to Contractors performance under this Contract, providing such bodily injury or property damage is due to the negligence of the Contractor, its employees, agents, or subcontractors.

The Contractor will also indemnify the State against any claim of infringement of a copyright, patent, trade secret, or similar intellectual property rights based on the State's proper use of any Deliverable under this Contract. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim of infringement, is based on the modification or misuse. The state agrees to give the Contractor notice of any such claim as soon as reasonably practicable and to give the Contractor the authority to settle or otherwise defend any such claim upon

consultation with and approval by the Office of the State Attorney General. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor will take one (1) of the following four (4) actions:

1. Modify the Deliverable so that is no longer infringing.

2. Replace Deliverable with an equivalent or better item.

3. Acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract; or

4. Remove the Deliverable and refund the fee the State paid for the Deliverable and the fee for any other Deliverable that required the availability of the infringing Deliverable for it to be useful to the State.

D. **LIMITATION OF LIABILITY.** NOTWITHSTANDING ANY LIMITATION PROVISIONS CONTAINED IN THE DOCUMENTS AND MATERIALS INCORPORATED BY REFERENCE INTO THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

1. NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOST PROFITS, EVEN IF THE PARTIES HAVE BEEN ADVISED, KNEW, OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.

2. THE CONTRACTOR FURTHER AGREES THAT THE CONTRACTOR SHALL BE LIABLE FOR ALL DIRECT DAMAGES DUE TO THE FAULT OR NEGLIGENCE OF THE CONTRACTOR.

V. GENERAL PROVISIONS:

A. **AMENDMENTS.** No amendment or modification of this Contract will be effective unless it is in writing and signed by both parties.

B. **ANTITRUST ASSIGNMENT TO THE STATE.** Contractor assigns to the State of Ohio, through the Department of Administrative Services, all of its rights to any claims and causes of action the Contractor now has or may acquire under state or federal antitrust laws if the claims or causes of action relate to the supplies or services provided under this Contract. Additionally, the State of Ohio will not pay excess charges resulting from antitrust violations by Contractor's suppliers and subcontractors.

C. **ASSIGNMENT / DELEGATION.** The Contractor will not assign any of its rights nor delegate any of its duties under this Contract without written consent of the State. Any assignment or delegation not consented to may be deemed void by the State.

D. **AUDITS.** The Contractor must keep all financial records in a manner consistent with generally accepted accounting principles. Additionally, the Contractor must keep separate business records for this project, including records of disbursements and obligations incurred that must be supported by contracts, invoices, vouchers and other data as appropriate.

During the period covered by this Agreement and until the expiration of three (3) years after final payment under this Agreement, the Contractor agrees to provide the State, its duly authorized representatives or any person, agency or instrumentality providing financial support to the work undertaken hereunder, with access to and the right to examine any books, documents, papers and records of the Contractor involving transactions related to this Agreement.

The Contractor shall, for each subcontract in excess of two thousand five hundred ($2,500), require its subcontractors to agree to the same provisions of this Article. The Contractor may not artificially divide contracts with its subcontractors to avoid requiring subcontractors to agree to this provision.

The Contractor must provide access to the requested records no later than five (5) business days after the request by the State or any party with audit rights. If an audit reveals any material deviation from the Contract requirements, and misrepresentations or any overcharge to the State or any other provider of funds for the Contract, the State or other party will be entitled to recover damages, as well as the cost of the audit.

E. **CONFIDENTIALITY.** The Contractor may learn of information, documents, data, records, or other material that is confidential in the performance of this Contract. The Contractor may not disclose any information obtained by it as a result of this Contract, without the written permission of the State. The Contractor must assume that all state information, documents, data, records or other material is confidential.

The Contractor's obligation to maintain the confidentiality of the information will not apply where it: (1) was already in the Contractor's possession before disclosure by the State, and it was received by the Contractor without the obligation of confidence; (2) is independently developed by the Contractor; (3) is or becomes publicly available without breach of this Contract; (4) is rightfully received by the Contractor from a third party without an obligation of confidence; (5) is disclosed by the Contractor with the written consent of the State; or (6) is released in accordance with a valid order of a court or governmental agency, provided that the Contractor (a) notifies the State of such order immediately upon receipt of the order and (b) makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the confidential information solely for the purposes intended to be serviced by the original order of production. The Contractor will return all originals of any information and destroy any copies it has made on termination or expiration of this Contract.

The Contractor will be liable for the disclosure of any confidential information. The parties agree that the disclosure of confidential information of the State's may cause the State irreparable damage for which remedies other than injunctive relief may be inadequate, and the Contractor agrees that in the event of a breach of the obligations hereunder, the State shall be entitled to temporary and permanent injunctive relief to enforce this provision without the necessity of providing actual damages. This provision shall not, however, diminish or alter any right to claim and recover.

F. **CONTRACT CONSTRUCTION.** This Contract will be constructed in accordance with the plain meaning of its language and neither for nor against the drafting party.

G. **CONTRACTOR DISCLOSURE; LOCATION OF SERVICES, DATA.** As part of this Agreement, Contractor shall disclose the following:

1. The location (s) where all services will be performed; and

2. The location(s) where any state data applicable to the contract will be maintained or made available; and

3. The principal location of business for the contractor and all subcontractors.

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

H. **DRUG FREE WORKPLACE.** The Contractor agrees to comply with all applicable state and federal laws regarding drug-free workplace and shall make a good faith effort to ensure that all its employees, while working on state property, will not purchase, transfer, use or possess illegal drugs or alcohol or abuse prescription drugs in any way.

I. **EQUAL EMPLOYMENT OPPORTUNITY.** The Contractor will comply with all state and federal laws regarding equal employment opportunity, including Ohio Revised Code Section §125.111, and all related Executive Orders.

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

K. **GOVERNING LAW / SEVERABILITY.** This Contract shall be governed by the laws of the State of Ohio, and the venue for any disputes will be exclusively with the appropriate court in Franklin County, Ohio. If any provision of the Contract or the application of any provision is held by that court to be contrary to law, the remaining provisions of the Contract will remain in full force and effect.

L. **HEADINGS.** The headings used in this Contract are for convenience only and will not affect the interpretation of any of the Contract terms and conditions.

M. **NOTICES.** For any notice under this Contract to be effective it must be made in writing and sent to the address of the appropriate contact provided elsewhere in the Contract.

N. **ORDER OF PRIORITY.** If there is any inconsistency or conflict between this document and any provision incorporated by reference, this document will prevail.

O. **PUBLICITY.** The Contractor will not advertise that it is doing business with the State or use this Contract as a marketing or sales tool without prior, written consent of the State.

P. **STRICT PERFORMANCE**. The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be construed as a waiver of any such term, and either party may at any time demand strict and complete performance by the other party.

Q. **SUBCONTRACTING**. The State, through the Department of Administrative Services, General Services Division, Office of Procurement Services, recognizes that it may be necessary for the Contractor to use a subcontractor to perform a portion of the work under the Contract. In those circumstances, the Contractor shall submit a list identifying its subcontractors or joint venture partners performing portions of the work under the Contract. If any changes occur during the term of the Contract, the Contractor shall supplement its list of subcontractors or joint venture business partners. In addition, all subcontractors or joint venture business partners agree to be bound by all of the Terms and Conditions and specifications of the Contract. The State, through the Department of Administrative Services, General Services Division, Office of Procurement Services, reserves the right to reject any subcontractor submitted by the Contractor.

R. **SURVIVORSHIP.** All sections herein relating to payment, confidentiality, license and ownership, indemnification, publicity, construction warranties, limitations of warranties and limitations on damages shall survive the termination of this Contract.

S. **TAXES.** The State is exempt from all state and local taxes and does not agree to pay any taxes.

VI. **ELECTIONS LAW.** Contractor, by signature affixed on this document, hereby certifies that all applicable parties listed in Division (I)(3) or (J)(3) of O.R.C. Section 3517.13 are in full compliance with Divisions (I)(1) and (J)(1) of O.R.C. Section 3517.13.

The Contractor is solely responsible to know the requirements and limitations set forth in the above-referenced Divisions of O.R.C. Section 3517.13, and to comply with those requirements and restrictions. The Contractor shall not accept a Contract and/or any purchase order issued under the Contract if the Contractor is unable to certify compliance with all provisions set forth in O.R.C. Section 3517.13. If the Contractor is unable to certify such compliance and accepts a Contract and/or purchase order issued under the Contract, DAS shall deem the Contractor in breach. As such, DAS may deem the Contract invalid and immediately cancel the Contract. If DAS cancels the Contract and applicable purchase order(s), the Contractor will be subject to all legal remedies available to the Department of Administrative Services up to and including debarment from doing business with the State of Ohio. Also, any Contractor unable to certify compliance with the above-referenced provisions in O.R.C. Section 3517.13, that accepts the Contract and any purchase orders issued under the Contract, will be held financially liable for any additional costs incurred by the DAS or other governmental entities placing orders under the Contract. These additional costs include those costs associated with re-awarding the Contract and/or seeking replacement items related to the cancellation of the Contract and/or related purchase orders.

Additional information regarding Contribution Restrictions is available on the Office of Budget & Management ‘s website at: www.obm.ohio.gov.

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SUPPLEMENTAL CONTRACT TERMS AND CONDITIONS

S-1. Contract Components. This Contract consists of the complete Invitation to Bid, including the Instructions to Bidders, Terms and Conditions for Bidding, the Standard Contract Terms and Conditions, the Supplemental Contract Terms and Conditions, the Special Contract Terms and Conditions, the bid specifications and any written addenda and contract amendments to the Invitation to Bid; the completed competitive sealed bid, including proper modifications, clarifications and samples; and applicable, valid State of Ohio purchase orders or other ordering documents ("Contract").

S-2. Contract Orders. Participating state agencies will order supplies or services under this Contract from the Contractor directly. The Contractor may receive orders made by participating state agencies by telephone, facsimile, electronically, in person, debit order or by State of Ohio payment card or purchase order (ORDE) from authorized employees of the participating agency. The State will not be responsible for orders placed by unauthorized employees. Contractor is not required to fill an order with a delivery date that is more than 30 days beyond the date of Contract expiration, termination or cancellation, unless the Contract provides for quarterly deliveries. Under a Contract that provides for quarterly deliveries, Contractor is not required to fill an order with a delivery date that is more than 90 days beyond the date of Contract expiration, termination or cancellation.

S-3. Compensation. In consideration for Contractor's performance each participating state agency will pay Contractor directly at the rate specified in the Contract. Payments may be made by the Ohio Payment Card, an Auditor of State warrant or by electronic funds transfer (EFT). For all transactions the Contractor must have a valid W-9 form on file with the Office of Budget and Management. Registration in OBM's database requires the Contractor to complete an IRS W-9 Form. The completed original form should be mailed to: Office of Procurement Services, 4200 Surface Rd., Columbus, OH 43228-1395.

S-4. Ohio Payment Card. Participating state agencies purchasing supplies from the Contract may use the Ohio Payment Card. Such purchases may not exceed $2,500 unless the Office of Budget & Management has approved the agency to exceed this limit. In the event that OBM increases the dollar limit for payment cards for all state agencies, notice of such increase will be posted on the Procurement Services website. Participating state agencies are required to use the Ohio Payment Card in accordance with the Ohio, Office of Budget and Management's current guidelines for the Ohio Payment Card and the participating agency's approved plan filed with the Office of Budget of Management. Contractor may process a payment in the payment card network only upon delivery and acceptance of the supplies or services ordered. For partial deliveries or performance, Contractor may process a payment for the amount delivered or completed only and not for the entire amount ordered by the participating agency. Upon completion of the delivery of remaining supplies or services, Contractor may process a payment request in the payment card network for the remainder of the order. Contractor will receive payment through its merchant bank within the time frame agreed upon between Contractor and its merchant bank. The Contractor should expect normal processing fees from its merchant bank for payment card transaction which may not be passed on to the agency making the purchase.

S-5. Term of Contract. This Contract is effective upon the projected beginning date on the Invitation to Bid cover page or upon signature of DAS whichever is later in time. This Contract will remain in effect until the projected ending date on the Invitation to Bid cover page or until the Contract is fully performed by both parties or until it terminates in accordance with the Ohio constitutional or statutory limitations in Paragraph I-1 of the Contract Terms and Conditions or until it is canceled or terminated, whichever occurs first. State contracts may not extend beyond a biennium. If the term of this Contract extends beyond a biennium, the Contract will terminate on the last day of the current biennium. At that time, DAS may renew this Contract by letter to Contractor no later than July 1, of the new biennium. The operating biennium expires June 30th of each odd-numbered calendar year.

S-6. Contract Renewal. This Contract may be renewed solely at the discretion of DAS for a period of one month. Any further renewals will be for an appropriate period of time. The cumulative time of all renewals may not exceed twenty-four (24) months unless DAS determines that additional renewal is necessary.

S-7. Requirements Contract. The quantity of supplies or services to be provided under this Contract is the quantity determined by the actual, good faith, requirements of the participating state agencies. DAS may allow a participating state agency to purchase supplies or services identical to those provided under this Contract from a supplier other than Contractor, if one of the following conditions apply:

(A) The supplies or services to be purchased were not anticipated by DAS at the time this Contract was let and the supplies or services are required in a large quantity;

(B) The supplies or services to be purchased are unique or unusual from the supplies or services provided under this Contract; or

(C) The agency requires the supplies or services to remedy an emergency and Contractor is not able to provide the supplies or services, as the emergency requires.

S-8. F.O.B., The Place of Destination. Contractor must provide supplies or services under this Contract F.O.B. the place of destination. The place of destination will be specified by the participating state agency on the agency's purchase order or other ordering document. Freight will be prepaid unless otherwise stated.

S-9. Time of Delivery. If Contractor is not able to deliver the supplies or services on the date and time specified by the participating state agency on the agency's ordering document, Contractor must coordinate an acceptable date and time for delivery with the agency.

If Contractor is not able to or does not provide the supplies or services to a participating state agency by the date and time provided on the agency's ordering document or by the date and time later agreed upon, the State may obtain any remedy under Section II, "Contract Remedies", as described in the Standard Contract Terms and Conditions or any other remedy at law.

S-10. Minimum Orders-Transportation Charges. For purchase orders placed that are less than the stated minimum order, transportation charges will be prepaid and added to the invoice by the Contractor to the delivery location designated by the ordering agency. Shipment is to be made by private or commercial freight service provider, air, rail, water, parcel post, express or commercial package delivery, whichever is the most economical and expeditious method for proper delivery of the item. Failure of the Contractor to utilize the most economical mode of transportation shall result in the Contractor reimbursing the ordering agency the difference between the most economical mode of transportation and the mode of transportation used by the Contractor. Failure to reimburse the ordering agency shall be considered as a default.

S-11. Price Adjustments. If the Contract provides for a price increase, Contractor may request a price increase in accordance with the Contract. If DAS or contractor becomes aware of a general price decrease for the supplies or services provided under Contract, Contractor must provide a price decrease to the State of Ohio. Failure to provide a decrease will be considered as a default.

S-12. Workers' Compensation. The contractor will provide the following insurance coverage at its own expense throughout the term of this Contract: Workers' compensation insurance, as required by Ohio law or the laws of any other state where work under this Contract will be done. The Contractor will also maintain employer's liability insurance with at least a $1,000,000.00 limit.

S-13. Automobile and General Liability Insurance. During the term of the Contract and any renewal thereto, the Contractor, and any agent of the Contractor, at its sole cost and expense shall maintain a policy of Automobile Liability Insurance in accordance with the State and Federal laws, unless otherwise stated. In addition, Contractor shall carry Commercial General Liability Insurance coverage with a $1,000,000 annual aggregate and a $500,000 per occurrence limit for bodily injury, personal injury, wrongful death and property damage. The defense cost shall be outside the policy limits. Such policy shall designate the State of Ohio as an Additional Insured, as its interest may appear. The policy shall also be endorsed to include a blanket waiver of subrogation and a statement that the Contractor's commercial general liability insurance shall be primary over any other coverage. Umbrella/excess liability insurance may be used to meet the required limits and the coverage must follow form. The Office of Procurement Services reserves the right to approve all policy deductibles and levels of self-insured retention-captive insurance programs and may require the Contractor to have their policy (ies) endorsed to reflect per project / per location general aggregate limits.

If not submitted with the Bidder's response, copies of the respective insurance certificates shall be filed with the Office of Procurement Services within seven (7) calendar days after notification. Failure to submit the insurance certificates within this time period may result in the bidder being deemed not responsive. Said certificates are subject to the approval of the Director, Department of Administrative Services and shall contain a clause or endorsement providing thirty (30) days prior written notice of cancellation, non-renewal or decrease in coverage will be given to the Director, Department of Administrative Services. Failure of the Bidder to maintain this coverage for the duration of the Contract, and any renewals thereto, may be considered as a default. All insuring companies shall have and maintain at least an A- (Excellent) rating from A.M. Best.

S-14. Contract Compliance. The participating state agency will be responsible for the administration of the Contract and will monitor the Contractor's performance and compliance with the terms, conditions and specifications of the Contract. If an agency observes any infraction(s), such shall be documented and conveyed to the Contractor for immediate correction. If the Contractor fails to rectify the infraction(s), the agency will notify DAS through a Complaint to Vendor (CTV) to help resolve the infraction(s).

S-15. Quality Assurance. At the option of DAS or the participating agency, samples may be taken from deliveries made and submitted for laboratory tests. The State will bear the cost of the testing when samples are found to be in compliance with the Contract. If samples do not conform to the Contract, Contractor will bear the costs of testing and the State will apply the terms and conditions of the Termination provision of this Contract.

S-16. Electronic Commerce Program. The State of Ohio is an active participant in E-Commerce to include Electronic Data Interchange (EDI). This program will benefit both the State and the contractor by reducing time delays in receiving orders and payments that are associated with the existing manual processes. It is the goal of the State of Ohio to eventually conduct all procurement activities through electronic commerce technologies. Contractor is encouraged to move toward compliance with electronic commerce technologies, as this will be the preferred method of doing business with the State of Ohio in the future. The following information is offered to assist all interested businesses in their efforts to move toward becoming a trading partner with the State of Ohio through the electronic commerce technologies. Electronic Data Interchange (EDI) is used for electronic purchase orders, invoicing, and payment of purchases. The program includes sending electronic purchase orders to the Contractor, the receipt of electronic invoices from the Contractor and the transmission of payment and remittance information back to the Contractor. A complete "Implementation Guide", for doing business with the State of Ohio using EDI, can be found on the Internet at: http://ecedi.ohio.gov/financial/. This guide contains all of the information necessary for a company to become EDI compliant.

By following all of the links, the entire guide may be viewed, downloaded and printed at your location. In addition, companies who are interested in becoming EDI trading partners with the State of Ohio should visit the Office of Budget and Management's website at www.state.oh.us/obm/BusinessCommunityPage/eCommerce.asp for additional information regarding E-Commerce.

S-17. Usage Reports. At no cost to the State, the Contractor shall be required to provide quarterly, bi-annual or annual usage reports as requested by the Office of Procurement Services . The reports will include information as to purchase activity under the Contract by all participating agencies and Co-operative Purchasing Program members. Report topics will include, but will not be limited to: customer name, date of purchase, item description, quantity, dollar value, aggregate sales to date for each customer and other such information as requested by the Office of Procurement Services . Electronic media is the preferred method for these reports. Failure to provide the requested reports will be deemed as an event of default.

S-18. Return Goods Policy. The State will apply the following Return Goods Policy on all purchases made under the Contract. The bidder acknowledges to have read, understood, and agrees to this Policy.

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

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

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

S-19. Product Recall. In the event product delivered has been recalled, seized, or embargoed and/or has been determined to be misbranded, adulterated, or found to be unfit for human consumption by the packer, processor, manufacturer or by any State or Federal regulatory agency, the Contractor shall be responsible to notify DAS-Procurement Services and all ordering agencies/entities within two business days after notice has been given. Contractor shall, at the option of the ordering agency, either reimburse the purchase price or provide an equivalent replacement product at no additional cost. Contractor shall be responsible for removal and/or replacement of the affected product within a reasonable time as determined by the ordering agency. At the option of the ordering agency, Contractor may be required to reimburse storage and/or handling fees to be calculated from time of delivery and acceptance to actual removal. Contractor will bear all costs associated with the removal and proper disposal of the affected product. Failure to reimburse the purchase price or provide equivalent replacement product will be considered a default.

S-20. Ohio Ethics. All Contractors who are actively doing business with the State of Ohio or who are seeking to do business with the State of Ohio are responsible to review and comply with all relative Divisions of O.R.C. Sections 102.01 to 102.09, and Governor Strickland's Executive Order 2007-01S for Ethics.

In accordance with Executive Order 2007-01S, Contractor, by signature on this document, certifies: (1) it has reviewed and understands Executive Order 2007-01S, (2) has reviewed and understands Ohio ethics and conflict of interest laws, and (3) will take no action inconsistent with those laws and this order. The Contractor understands that failure to comply with Executive Order 2007-01S is, in itself, grounds for termination of this Contract and may result in the loss of other Contracts with the state of Ohio up to and including debarment.

Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of Ohio ethics laws.

Executive Order 2007-01S is available for review at www.governor.ohio.gov, click on Governor's Office and then on Executive Orders.