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Meyercord Revenue Inc.

2012 NOV -7 AM 10:03

A SICPA company

**FAX**

WV PURCHASING  
DIVISION

**TO: Connle Oswald**

**Cc:**

**Fax No: (304) 558-3970**

**From: Meyercord Revenue Inc.**

**Direct fax: (212) 308-1009**

**Email: jon.novick@sicpa.com**

**Direct phone: (646) 430-7206**

**Date: November 07, 2012**

**Page(s): 4 (Including this one)**

**Re: Solicitation # TAX13001 – Updated Cost Proposal and Addendum 2**

Urgent     For Review     Please Comment     Please Reply     Confidential

**Confidentiality note**

The information in this fax and any attachments is confidential and intended solely for the use of the individual(s) to whom it is addressed or otherwise directed. Please note that any views or opinions presented in this fax are solely those of the author and do not necessarily represent those of the Company. If you have received this fax in error, please immediately notify us by telephone or fax. Thank you.

Dear Ms. Oswald,

Per your email for Solicitation # TAX13001 with Mr. Alex Spelman, please find attached the following pages to be updated in Meyercord Revenue's RFQ response (please remove the corresponding pages previously submitted):

- Cost Sheet (In Cost Proposal Section)
- Cover Page 2 (in Cost Proposal Section)
- Addendum 2

Best regards,

Jon Novick  
Marketing Specialist  
Meyercord Revenue Inc.

**Cost Sheet  
TAX13001 - WV CIGARETTE STAMPS**

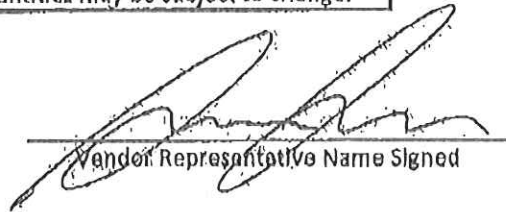
ITEM DESCRIPTION	Estimated Qty	Price per 1,000	Extended Price
Fuson stamps for Packages of 20 Cigarettes In rolls of 30,000 stamps	180,000,000	\$0.63	\$ 113,400,000
Hand stamp heat applied Cigarettes tax stamps for Packages of 20 cigarettes In sheets of 150 stamps per sheet	300,000	\$0.63	\$ 189,000
Fuson stamps for packages of 25 Cigarettes In rolls of 7,200	352,800	\$0.63	\$ 222,264
<b>TOTAL BID</b>			<b>\$ 113,811,264</b>

Contract will be awarded per Section 1.1 under "Contract Award"

\*\* COST OF FREIGHT/SHIPPING CHARGES TO BE INCLUDED IN PRINTING PRICE. \*\*

NOTE: The above quantities are only estimates for use in bid evaluation only. As indicated in the specifications, this is an open-ended contract and actual quantities may be subject to change.

\_\_\_\_\_  
Alexandre Finkel  
Vendor Representative Name Printed

  
\_\_\_\_\_  
Vendor Representative Name Signed

Vendor Name: Meyercord Revenue Inc  
 Vendor Address: 8000 Research Way  
Springfield, VA 22153  
 Vendor Phone #: 703-740-6845  
 Vendor Fax #: 703-372-3642  
 Vendor Email Address: Alex.Spelman@sicpa.com  
 Date: November 6, 2012



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 60130  
 Charleston, WV 25305-0130

Solicitation

NUMBER	PAGE
TAX13001	2
ADDRESS CORRESPONDENCE TO ATTENTION OF	
CONNIE OSWALD 304-558-2157	

VENDOR

\*709010654 630-602-6271  
 MEYERCORD REVENUE INC  
 475 VILLAGE DR  
 CAROL STREAM IL 60188

VENDOR

STATE TAX DIVISION  
 REVENUE CENTER  
 1001 LEE STREET, EAST  
 CHARLESTON, WV  
 25301-1725 304-558-8500

DATE PRINTED: 10/04/2012

BID OPENING DATE: 10/30/2012 BID OPENING TIME: 1:30PM

LINE	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	FUSON STAMPS FOR PACKAGES OF 25 CIGARETTES IN ROLLS OF 7,200			
	SEE ATTACHED SPECIFICATIONS.			
	***** THIS IS THE END OF RFQ TAX13001 ***** TOTAL			\$113,811.264

SIGNATURE	TELEPHONE	DATE
	703-440-7756	11/08/12
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE
General Manager-Vice President	20-16976550	

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



11/07/2012 10:27AM WV DIV OF PURCH  
**Solicitation**  
 State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

NUMBER NO. 3565  
 TAX13001  
 ORDER OR CORRESPONDENCE TO ATTENTION OF:  
 CONNIE OSWALD  
 304-558-2157

\*709010654 630-682-6271  
 MEYERCORD REVENUE INC  
 475 VILLAGE DR  
 CAROL STREAM IL 60188

STATE TAX DIVISION  
 REVENUE CENTER  
 1001 LEE STREET, EAST  
 CHARLESTON, WV  
 25301-1725 304-558-8500

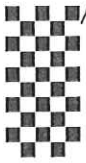
DATE PRINTED  
 10/30/2012  
 BID OPENING DATE

LINE	QUANTITY	UNITS	DESCRIPTION	UNIT PRICE	AMOUNT
ADDENDUM NO. 2 THE BID OPENING HAS MOVED FROM 10/30/2012 TO 11/07/2012. END OF ADDENDUM NO. 2					
0001	1	LS	255-20 CIGARETTE STAMPS, NUMBERED		
SHIP TO : STATE TAX DIVISION OPERATIONS DIVISION 1001 LEE STREET E, 3RD FLOOR CHARLESTON, WV 25301-1725 304-558-0761					
***** THIS IS THE END OF RFQ TAX13001 ***** TOTAL					\$113,811.264

SIGNATURE: TELEPHONE: 703-440-7755 DATE: 11/6/12  
 Christal Manager-Vice President FAX: 20-16970550 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'





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2012 OCT 29 AM 10:10

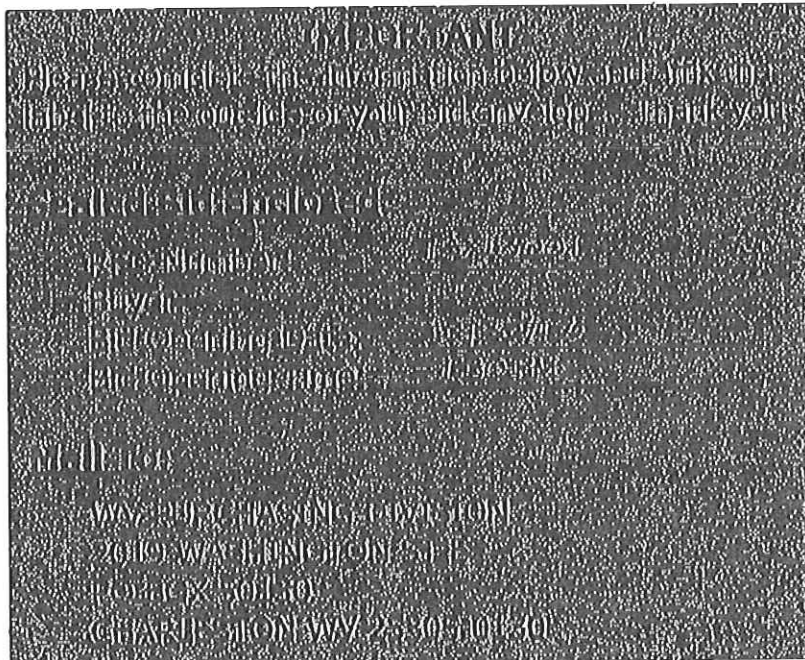
A SICPA company SICPA

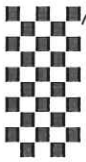
WV PURCHASING  
DIVISION

RESPONSE TO  
**RFQ NUMBER TAX13001**  
**CIGARETTE TAX STAMPS**

STATE OF WEST VIRGINIA  
DEPARTMENT OF ADMINISTRATION  
PURCHASING DIVISION

OCTOBER 30, 2012





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2012 OCT 29 AM 9:55

WV PURCHASING  
DIVISION

Meyercord Revenue Inc.

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**RESPONSE TO  
RFQ NUMBER TAX13001  
CIGARETTE TAX STAMPS**

STATE OF WEST VIRGINIA  
DEPARTMENT OF ADMINISTRATION  
PURCHASING DIVISION

OCTOBER 30, 2012

Meyercord Revenue Inc.

A SICPA company 

October 30, 2012

STATE OF WEST VIRGINIA  
DEPARTMENT OF ADMINISTRATION  
PURCHASING DIVISION

RFQ NUMBER: TAX13001  
TITLE: CIGARETTE TAX STAMPS  
PURCHASING CONTACT: CONNIE OSWALD

Dear Ms. Oswald,

Meyercord Revenue, a SICPA Company ('Meyercord Revenue', 'SICPA') is pleased to provide the State of West Virginia ('State') with its response to Request for Quotation Number TAX13001 for Cigarette Tax Stamps. As the provider of FUSON® tax stamps to the State for over 15 years, Meyercord Revenue uniquely understands the State's requirements for cost-effective tax stamps to support the administration and enforcement of vital cigarette excise tax revenues.

The FUSON® tax stamp currently utilized by the West Virginia State Tax Department fully meets the requirements of the State RFQ. As the industry standard in its market, the FUSON® tax stamp has offered a consistent, durable capability to the State, has been successfully applied by authorized distributors that affix tax stamps and, due to its reliability, has provided a predictable Total Cost of Ownership over its period of use. We have recently seen states that utilize initial pricing as their primary criteria in selecting a vendor. These low cost vendors then struggle, and in some cases fail, to introduce stamps not produced by Meyercord Revenue. As such, Meyercord Revenue encourages the State of West Virginia to assess all vendors for their ability to deliver the consistency and quality that the State has grown accustomed to over the last 15 years with Meyercord Revenue including:

- **Bidder's Approach:** The FUSON® tax stamp has a track record of success with various application equipment manufacturers including successful utilization on both high-volume and low-volume tax stamp application equipment currently in use at authorized West Virginia distributors.
- **Bidder's Documented Experience:** Over the past 50 years, Meyercord Revenue has successfully provided cigarette tax stamp solutions to help state and local jurisdictions protect critical cigarette tax revenues. Meyercord Revenue's customers include the State of West Virginia and 46 other U.S. states that require tax stamps on packs of cigarettes for proof of tax payment.
- **Qualifications and Experience of Personnel:** The personnel involved with the production and delivery of the FUSON® tax stamp have more than 100 years of total experience designing, delivering and supporting tax stamps for Meyercord Revenue clients. These resources include printing and finishing personnel along with forensic experts that assist in identifying illicit tax stamps and providing court-admissible testimony and evidence.

## Meyercord Revenue Inc.

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- **Overall Ability of the Bidder:** Meyercord Revenue has a proven history of delivering tax stamps on time and within specifications to the State of West Virginia and 46 other U.S. states. Currently the only vendor delivering heat-transfer tax stamps to be used by distributors in a production environment, Meyercord Revenue is also the only vendor currently shipping tax stamps directly to distributors under state agreements.

Meyercord Revenue is a stable, proven vendor aligned to the goals of the State of West Virginia. During our 15 year relationship with the State, Meyercord Revenue has introduced numerous material security enhancements to the FUSON® tax stamp including Unique Identification Numbers, enhanced taggant, microprint text and the Variable Image (these features will remain on the proposed WV FUSON® tax stamp). While the State does not ask for the Variable Image security feature, because we have historically provided this feature and it has become an integral part of enforcement activities, we have chosen to maintain the feature in the solution.

In 2012, in a recent example of targeting continuous improvement, Meyercord Revenue introduced enhanced information services such as Direct-to-Distributor online tax stamp ordering and shipping and eReporting invoice capture solutions that work seamlessly with our tax stamp products. Should any of these options be of interest to the West Virginia State Department of Tax, Meyercord Revenue would be pleased to discuss them at the Department's request.

Meyercord Revenue values its long-term relationship with the State of West Virginia and is pleased to commit to delivering its first stamp order received under contract from this procurement within 30 calendar days of receipt of a purchase order with subsequent orders fulfilled within 20 calendar days. However, it should be noted that Meyercord Revenue typically fulfills all subsequent orders within 15 calendar days as opposed to the required 20 and we can provide this level of service for any new orders related to this procurement should the State continue with its existing FUSON® stamp design.

With a proven history of delivering a cost-effective tax stamp solution within State required timeframes and to the specifications of the State Tax Department, we look forward to continuing to assist the State in securing more than \$100 million in annual excise taxes on tobacco products with our proposal for the continued provision of the FUSON® Tax Stamp.

Regards,

Alexander Spelman  
Business Development Director  
Meyercord Revenue, Inc., A SICPA Company  
8000 Research Way, Springfield, VA 22153  
Mobile +1 571-926-5796  
[alex.spelman@sicpa.com](mailto:alex.spelman@sicpa.com) [www.sicpa.com](http://www.sicpa.com)

Meyercord Revenue Inc.



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Meyercord Revenue Inc.

A SICPA company



# COST PROPOSAL

**Cost Sheet**  
**TAX13001 - WV CIGARETTE STAMPS**

ITEM DESCRIPTION	Estimated Qty	Price per 1,000	Extended Price
Fusion stamps for Packages of 20 Cigarettes in rolls of 30,000 stamps	180,000,000	\$0.74	\$ 193,200.00
Hand stamp heat applied Cigarettes tax stamps for Packages of 20 cigarettes in sheets of 150 stamps per sheet	300,000	\$0.74	\$ 222.00
Fusion stamps for packages of 25 Cigarettes in rolls of 7,200	352,800	\$0.74	\$ 261.07
<b>TOTAL BID</b>			<b>\$ 133,683.07</b>

Contract will be awarded per Section 1.1 under "Contract Award"  
 \*\* COST OF FREIGHT/SHIPPING CHARGES TO BE INCLUDED IN PRINTING PRICE. \*\*

NOTE: The above quantities are only estimates for use in bid evaluation only. As indicated in the specifications, this is an open-ended contract and actual quantities may be subject to change.

\_\_\_\_\_  
 Anthony Criscuolo  
 Vendor Representative Name Printed

\_\_\_\_\_  
*Anthony Criscuolo*  
 Vendor Representative Name Signed

Vendor Name: Meyercord Revenue Inc

Vendor Address: 4000 Research Way  
Springfield, VA 22158

Vendor Phone #: 703-740-6845

Vendor Fax #: 703-372-3542

Vendor Email Address: Alex.Spelman@sicpa.com

Date: October 25, 2012





State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25306-0130

**Solicitation**

NUMBER  
 TAX13001

PAGE  
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF  
 CONNIE OSWALD  
 304-558-2157

VENDOR

\*709010654 630-682-6271  
 MEYERCORD REVENUE INC  
 475 VILLAGE DR  
 CAROL STREAM IL 60188

B P O

STATE TAX DIVISION  
 REVENUE CENTER  
 1001 LEE STREET, EAST  
 CHARLESTON, WV  
 25301-1725 304-558-8500

DATE PRINTED  
 10/04/2012  
 BID OPENING DATE

10/30/2012

BID OPENING TIME 1:30PM

LINE	QUANTITY	UOP	UNIT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		255-20		
THE STATE OF WEST VIRGINIA AND ITS AGENCY THE WEST VIRGINIA STATE TAX DIVISION REQUEST A QUOTE TO PROVIDE AN OPEN-END CONTRACT FOR CIGARETTE TAX STAMPS PER THE ATTACHED SPECIFICATIONS.  BID OPENING OCTOBER 30, 2012 AT 1:30 PM  SEE ATTACHED INSTRUCTIONS TO BIDDERS.  SHIP TO : STATE TAX DIVISION OPERATIONS DIVISION  1001 LEE STREET E, 3RD FLOOR CHARLESTON, WV 25301-1725 304-558-0761  FUSON STAMPS FOR PACKAGES OF 20 CIGARETTES IN ROLLS OF 30,000 STAMPS.  HAND STAMP HEAT APPLIED CIGARETTES TAX STAMPS FOR PACKAGES OF 20 CIGARETTES IN SHEETS OF 150 STAMPS PER SHEET.						

NAME *Anthony J. Cracchia* TELEPHONE 703-440-2129 DATE 10/23/2012  
 TITLE Chief Financial Officer FAX 2016976550 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

**Solicitation**

NUMBER  
**TAX13001**

PAGE  
**2**

ADDRESS CORRESPONDENCE TO ATTENTION OF  
**CONNIE OSWALD**  
**304-558-2157**

VENDOR

\*709010654 630-682-6271  
 MEYERCORD REVENUE INC  
 475 VILLAGE DR  
 CAROL STREAM IL 60188

BUYER

STATE TAX DIVISION  
 REVENUE CENTER  
 1001 LEE STREET, EAST  
 CHARLESTON, WV  
 25301-1725 304-558-8500

DATE PRINTED  
**10/04/2012**

BID OPENING DATE: **10/30/2012** BID OPENING TIME: **1:30PM**


LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
				FUSON STAMPS FOR PACKAGES OF 25 CIGARETTES IN ROLLS OF 7,200		
				SEE ATTACHED SPECIFICATIONS.		
				***** THIS IS THE END OF RFQ TAX13001 ***** TOTAL:		<u>\$133,663.07</u>

TITLE: *Anthony Cascarda* TELEPHONE: 703-440-2129 DATE: 10/24/12  
 Chief, Financial Officer 20-16976550 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



Meyercord Revenue Inc.

A SICPA company 

## EXPERIENCE AND UNDERSTANDING

Meyercord Revenue has been demonstrating its ability to provide a secure, cost-effective excise tax stamp to U.S. States for over 50 years; including provision of the FUSON® heat applied tax stamp to the State of West Virginia for the past 15 years. The FUSON® tax stamp is currently applied by customers more than 12 billion times annually and, including Meyercord Revenue's other solutions, has assisted state and local governments in annually collecting more than \$17 billion USD in tobacco tax revenue. As the current provider of FUSON® tax stamps to the State of West Virginia, Meyercord Revenue has a unique understanding of the State's requirements for cost-effective tax stamp solutions.

As shown in the table below, Meyercord Revenue's current clients include the 47 U.S. states that issue cigarette tax stamps and more than 120 U.S. local stamping jurisdictions. Meyercord Revenue has been providing the services being requested in this RFQ to the State of West Virginia since 1997 and has more experience in providing counterfeit-resistant heat applied cigarette tax stamps than any other vendor in the market today. This experience gives Meyercord Revenue distinctive insight into the challenges that counterfeiting and illicit activity present to securing cigarette tax revenues as well as an unique understanding of the operational requirements of authorized distributors that apply these stamps on a daily basis.

Meyercord Revenue State Clients and Date Started		
Alabama – 1993	Kentucky – 1959	Ohio – 1994
Alaska – 2003	Louisiana – 1994	Oklahoma – 1958
Arizona – 1997	Maine – 1997	Oregon – 1997
Arkansas – 1997	Maryland – 1957	Pennsylvania – 1997
California – 1993	Massachusetts – 1997	Rhode Island – 1991
Colorado – 1973	Michigan – 1998	South Dakota – 1994
Connecticut – 1993	Minnesota – 1998	Tennessee – 1995
Delaware – 1990	Mississippi – 1961	Texas – 1989
Florida – 1988	Missouri – 1994	Utah – 1960
Georgia – 1963	Montana – 1993	Vermont – 1997
Hawaii – 2000	Nebraska – 1994	Virginia – 1960
Idaho – 1963	Nevada – 1976	Washington – 1964
Illinois – 1996	New Hampshire – 1993	West Virginia – 1997
Indiana – 1958	New Jersey – 1997	Wisconsin – 1959
Iowa – 1958	New Mexico – 1980	Wyoming – 1967
Kansas – 1997	New York – 1980	

Meyercord Revenue Inc.

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## PAPER

Stamps will be printed on a unique safety tinted, security mill controlled paper, furnished by Wausau Paper Specialty Products LLC, Mosinee, WI (or by a qualified secondary source).

The paper alone is not dedicated to tax stamps until it is processed by Meyercord Revenue where it is printed with a special safety tint lettering which serves as the best identification and protective feature for its authentication. In order to ensure the security of the paper and the tax stamp, once it is processed by Meyercord Revenue for use as tax stamp paper, Meyercord Revenue does not sell the paper nor does it use the paper for any other purpose than as a base for its FUSON® tax stamp.

Please find on the following page a copy of an affidavit from Wausau Paper Specialty Products LLC assuring that any inquiries about tax stamp paper will be referred to the Bureau of Alcohol, Tobacco, Firearms and Explosives; Department of Justice.

Meyercord Revenue Inc.

A SICPA company 

RFQ No. TAX13001

**PAPER MANUFACTURER AFFIDAVIT**

WAUSAU PAPER CORP. (paper manufacturer name) assures that any inquiries about tax stamp paper will be referred to the Bureau of Alcohol, Tobacco, Firearms and Explosives; Department of Justice to verify whether the potential manufacturer is authorized to print tax stamps.

Company Name: WAUSAU PAPER CORP.

Authorized Signature:   
John D. Baet, Vice President Sales & Marketing

Date: October 25, 2012

State of WISCONSIN

County of MARATHON

Taken, subscribed, and sworn to before me this 25<sup>th</sup> day of October, 2012.

My Commission expires July 19, 2015.

AFFIX SEAL HERE

NOTARY PUBLIC 



Meyercord Revenue Inc.

A SICPA company



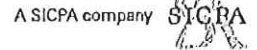
## STAMP APPLYING MACHINES

Applied by customers more than 12 billion times annually, the FUSON® tax stamp has an unequalled record of success with various application equipment manufacturers, including both high-volume and low-volume tax stamp application equipment. Both, United Silicone, Inc. ('USI') and R.E.D. Stamp stamping machines, currently in use at State of West Virginia authorized distributors, have had, in a stringent operational environment, a successful track record with the application of the FUSON® stamp. The FUSON® tax stamp is designed to be reliably applied by this equipment and Meyercord Revenue works diligently with the authorized distributors and stamping equipment manufacturers to ensure proper application and adhesion to all cigarette brands and package sizes. Below is a list of equipment available to authorized distributors from both machine providers; USI and R.E.D. Stamp.

### UNITED SILICONE EQUIPMENT OFFERINGS


United Silicone, Inc. - Equipment Offerings	
Automated Heat Application Equipment	Specifications
VL-10 Stamp Machine	Medium to high volume, 70+ carton per minute pre- or post-stamping machine cycle speed capability. Fully automatic machine stamps and seals cartons.
VL-10 Stamp Machine Tandem	Medium to high volume, 70+ carton per minute pre- or post-stamping machine cycle speed capability. Dual-head for easy stamping of multiple jurisdictions. Fully automatic machine stamps and seals cartons.
VL-10 Stamp Machine Triple	Medium to high volume, 70+ carton per minute pre- or post-stamping machine cycle speed capability. Triple-head for easy stamping of multiple jurisdictions.
VL-10HP Stamp Machine	High volume, 90+ carton per minute consistent pre- or post-stamping machine cycle speed capability.
VL-20HP Tandem Stamp Machine	High volume, 90+ carton per minute consistent pre- or post-stamping machine cycle speed capability. Dual-head for easy stamping of multiple jurisdictions.
VL-30HP Triple Stamp Machine	High volume, 90+ carton per minute consistent pre- or post-stamping machine cycle speed capability. Triple-head for easy stamping of multiple jurisdictions.
Automated Heat Application Options	
VL-10 No-Load Switch ( <i>ordered with stamping machine</i> )	
VL-10 Extra Stamp Cartridge ( <i>can be included in contract if ordered with machine</i> )	
VL-10HP Extra Stamp Cartridge ( <i>can be included in contract if ordered with machine</i> )	
Hand Heat Application Equipment	Specifications
MTS-110 Manual Machine ( <i>without gluepot</i> )	Semi-automatic stamping machine for low volume distributors.

Meyercord Revenue Inc.



United Silicone, Inc. - Equipment Offerings	
MTS-110 Manual Machine (with gluepot)	Semi-automatic stamping machine for low volume distributors. Includes gluepot attachment for easy sealing of cartons.
Hot Hand 300 Hand Iron Base Unit with Stand, 2 x 5 and Flat Irons	Hand-application Iron for low volume distributors.
Hot Hand 300 2 x 5 Iron Head Only	2x5 Iron for Hot Hand 300
Hot Hand 300 Flat Iron Head Only	Straight bar Iron for Hot Hand 300
Case Packing Equipment	
APMB - Universal Case Packer	Automatically packs cartons into cases after stamping and sealing for shipment.
APMD - Universal Case Packer for tote loading (see sales note two below)	Automatically packs cartons into totes after stamping and sealing for shipment. D-model Packer better suited for post-stamp operations.
APMD - Universal Case Packer for full cases (60 carton count)	Automatically packs cartons into full-sized cases after stamping and sealing for shipment. D-model Packer better suited for post-stamp operations.
APMD - Universal Case Packer	Automatically packs cartons into cases after stamping and sealing for shipment. D-model Packer better suited for post-stamp operations.
Case Cutter Equipment	
CC-612 12M & 6M Case Cutter	Full-sized Case Cutter automatically cuts and separates 12M and 6M cases without operator involvement.
HCC-612 12M & 6M "Half-Sized" Case Cutter	Half-sized Case Cutter automatically cuts 12M and 6M cases.
HCC-612 set-up as in-line cutter with stamp machines (Includes foot switch, remote access housing, and double dump table)	Half-sized In-Line Case Cutter automatically cuts 12M and 6M cases at stamping machines.
ICC-612 12M & 6M Case Cutter Linear Feed	Half-sized Linear Case Cutter can be placed at any point in the conveyor line with enough space.
Case Cutter Options	
In-feed conveyor for a CC or HCC-612, 6' long	
In-feed conveyor for a HCC on 12" risers, 11' long	
In-feed conveyor for a ICC (wide belt), 6' long	
Risers for CC612 or HCC-612 (6", 12", 15" or 18" extensions)	
HCC-612 exit conveyor package	
Remote access PLC housing (ordered with cutter)	
Foot switch (ordered with cutter)	
Double-dump table	

Meyercord Revenue Inc.

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United Silicone - Equipment Offerings	
Miscellaneous Options	
Lateral Packing Conveyor	
Large Flap Printer	
Cancellation Device (ordered with stamping machine)	
Packing Table	
Angle Table	
Complete Air Compressor Package 5.0 HP, 18.0 CFM @ 90psi: For SSM, VL-10, or M-120 with Case Packers. Price includes installation.	
Partnership Equipment	Specifications
Strapping Machine	Strapping machine seals totes, cases, and pallets. Flexible, automatic cutter cuts cases other than cigarette cases.
Case Cutter	
Shrink Wrapping Machine	Shrink wraps cases and pallets. Customizable in size and duty.

R.E.D. STAMP EQUIPMENT OFFERINGS

R.E.D. Stamp - Equipment Offerings	
Automated Heat Application Equipment	Specifications
CSU-120 Machine	Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz - or - 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding Air: 6 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary Size: Depth - 28 inches (60 inches with conveyor), Width - 84 inches (101 inches with conveyor) Weight: 550 pounds Speed: 85 cartons per minute for Pre-Stamping Operations
CSU-D-120 Double Head Machine	Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz - or - 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding Air: 6 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary



Meyercord Revenue Inc.

A SICPA company



R.E.D. Stamp - Equipment Offerings	
CSU-T-120 Tripple Head Machine	<p>Size: Depth - 28 inches (60 inches with conveyor), Width - 103 inches (130 inches with conveyor)                      Weight: 750 pounds                      Speed: 80 cartons per minute for Pre-Stamping Operations                      Electrical: [208], 220, 240 VAC; 1-Phase: 30 Amp; 60 Hz                      Air: 6CFM @ 90PSI, clean and dry, 1/2" piping                      Size: Depth - 28 inches (73 inches with conveyor), Width - 117 inches (144 inches with conveyor)                      Weight: 950 pounds                      Speed: 75 cartons per minute for Pre-Stamping Operations</p>
<b>Case Packing Equipment</b>	<b>Specifications</b>
CPU-120 Cigarette Case Packing Unit	<p>Electrical: 115 VAC Single Phase, 10 Amps, 60 Hertz                      A receptacle power connector (type 5-15) is required within 5' of machine's control cabinet Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding                      Air: 6 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary                      Size: Depth - 52 inches, Width - 36 inches                      Weight: 600 pounds                      Speed: 100+ Cartons per minute</p>
<b>Boxing Equipment</b>	<b>Specifications</b>
BSU-12M Box Splltter Unit	<p>Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or – 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding                      Air: BSU – 4.5CFM @ PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary                      Size: Depth - 122 inches, Width - 75 inches                      Weight: 2100 pounds                      Speed: 8 Cases per minute for Pre-Stamping Operations</p>
BTU-6M Box Topper Unit	<p>Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or – 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding                      Air: BTU - 2 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary                      Size: Depth - 60 inches, Width - 81 inches                      Weight: 1400 pounds                      Speed: 8 Cases per minute</p>


Meyercord Revenue Inc.



R.E.D. Stamp - Equipment Offerings	
Case/Cutter Equipment	Specifications
CCU-6-12 Cigarette Case Cutter Unit	Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or – 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding Air: 4 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required - refrigerated air dryer is necessary Size: Depth - 65 inches, Width - 117 Inches Weight: 2100 pounds Speed: 8 Cases per minute



Meyercord Revenue Inc.

A SICPA company 

FORMS

BID BOND

Agency WV State Tax Division  
REQ. P. O# TAX1301

BID BOND

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, Meyercord Revenue, Inc.  
of Carol Stream Illinois, as Principal, and Fidelity & Deposit Company of Maryland  
of Owings Mills Maryland, a corporation organized and existing under the laws of the State of Maryland  
with its principal office in the City of Owings Mills as Surety, are held and firmly bound unto the State  
of West Virginia, in the penal sum of Eight Thousand Two Hundred Dollars (\$8,200.00) (or the payment of which,  
well and truly to be made, we jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns.

The Condition of the above obligation is such that whereas the Principal has submitted to the Purchasing Section of the  
Department of Administration a certain bid or proposal, attached hereto and made a part hereof, to enter into a contract in writing for  
Fusion, Heat Applied Cigarette Tax Stamps

NOW THEREFORE,

(a) If said bid shall be rejected, or  
(b) If said bid shall be accepted and the Principal shall enter into a contract in accordance with the bid or proposal attached  
hereto and shall furnish any other bonds and insurance required by the bid or proposal, and shall in all other respects perform the  
agreement created by the acceptance of said bid, then this obligation shall be null and void, otherwise this obligation shall remain in full  
force and effect. It is expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event,  
exceed the penal amount of this obligation as herein stated.

The Surety, for the value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no  
way impaired or affected by any extension of the time within which the Obligor may accept such bid, and said Surety does hereby  
waive notice of any such extension.

IN WITNESS WHEREOF, Principal and Surety have hereunto set their hands and seals, and each of them as a corporation  
have caused their corporate seals to be affixed herunto and these presents to be signed by their proper officers, this  
29th day of October, 2012

Principal Corporate Seal

Meyercord Revenue, Inc.  
(Name of Principal)

By Alexander F. Cassicola  
(Must be President or  
Vice President)

CFO  
(Title)

Surety Corporate Seal

Fidelity & Deposit Company of Maryland  
(Name of Surety)

Kenneth P. Lennon  
Attorney-in-Fact

IMPORTANT - Surety executing bonds must be licensed in West Virginia to transact surety insurance, Related corporate seals  
must be affixed, a power of attorney must be attached.

Meyercord Revenue Inc.

A SICPA company



**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute and appoint Kenneth E. LENDON, of New York, New York, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and do its act and deed, with all its hands and undertakings, and the execution of such bonds or undertakings in pursuance of their trusts, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Corporation in and by their offices, in their own proper persons.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 2nd day of February, A.D. 2012.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND



*Eric D. Barnes*

Eric D. Barnes Assistant Secretary

*Frank E. Martin Jr.*

By: Frank E. Martin Jr. Vice President

State of Maryland }  
City of Baltimore } ss:

On this 2nd day of February, A.D. 2012, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself deposed and said, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my Official Seal the day and year first above written.




*Maria D. Adamski*

Maria D. Adamski Notary Public  
My Commission Expires: July 8, 2015

POA-F 003-80830

Meyercord Revenue Inc.

A SICPA company **EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages, and to affix the seal of the Company thereto."

**CERTIFICATE**

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.


RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have herewith subscribed my name and affixed the corporate seal of the said Company,

this 23<sup>rd</sup> day of October, 2012.

  
Assistant Secretary

Meyercord Revenue Inc.

A SICPA company 

**FIDELITY AND DEPOSIT COMPANY**

OF MARYLAND  
600 Red Bank Blvd., Suite 600, Owings Mills, MD 21117

Statement of Financial Condition  
As Of December 31, 2010

**ASSETS**

Bonds	\$ 167,717,443
Stocks	23,571,636
Cash and Short Term Investments	250,601
Reinsurance Receivable	178,827
Other Accounts Receivable	14,516,527
<b>TOTAL ADMITTED ASSETS</b>	<b>\$ 236,533,096</b>

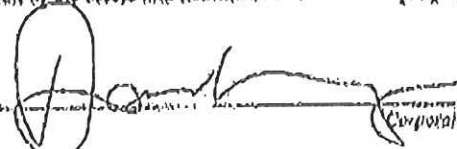
**LIABILITIES, SURPLUS AND OTHER FUNDS**

Reserve for Taxes and Expenses	\$ 225,295
Cedex Reinsurance Premiums Payable	99,963,782
Securities Lending Collateral Liability	3,077,700
<b>TOTAL LIABILITIES</b>	<b>\$ 43,266,777</b>
Capital Stock, Paid Up	\$ 3,000,000
Surplus	188,268,319
Surplus as regards Policyholders	193,268,319
<b>TOTAL</b>	<b>\$ 236,533,096</b>

Securities carried at \$45,648,863 in the above statement are deposited as required by law.

Securities carried on the basis prescribed by the National Association of Insurance Commissioners. On the basis of December 31, 2010 market quotations for all bonds and stocks owned, the Company's total admitted assets would be \$245,230,534 and surplus as regards policyholders \$201,972,757.

I, DANNIS R. KERRIGAN, Corporate Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company on the 31st day of December, 2010.

  
Corporate Secretary


State of Illinois }  
City of Schaumburg } 881

Subscribed and sworn to, before me, a Notary Public of the State of Illinois, in the City of Schaumburg, this 11th day of March, 2011.

  
Notary Public



Meyercord Revenue Inc.

A SICPA company 

NOTARIAL JURAT

INDIVIDUAL ACKNOWLEDGEMENT

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, before me personally came \_\_\_\_\_, to me known, and known to me to be the individual who executed the foregoing instrument and acknowledge to me that he/she/they executed the same.

\_\_\_\_\_  
(Signature of Notary Public)  
My Commission expires \_\_\_\_\_

PARTNERSHIP ACKNOWLEDGEMENT

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, before me personally came \_\_\_\_\_, to me known, and known to me to be a member of the partnership of \_\_\_\_\_, acknowledged that he/she executed the foregoing instrument as the act of the said partnership.

\_\_\_\_\_  
(Signature of Notary Public)  
My Commission expires \_\_\_\_\_

CORPORATE ACKNOWLEDGMENT

State of \_\_\_\_\_  
County of \_\_\_\_\_

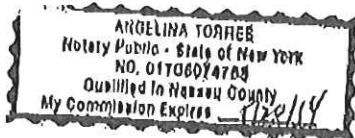
On this \_\_\_\_\_ day of \_\_\_\_\_, before me personally came \_\_\_\_\_, to me known, who being by me duly sworn, deposes and says that \_\_\_\_\_ he is the \_\_\_\_\_ of the corporation described in and which executed the foregoing Agreement; that \_\_\_\_\_ he knows the seal of the said corporation; that the seal affixed to the said Agreement is such corporate seal; that it was so affixed by the order of the Board of Directors of said corporation, and that \_\_\_\_\_ he signed (her)(his) name thereto by like order.

\_\_\_\_\_  
(Signature of Notary Public)  
My commission expires \_\_\_\_\_

SURETY ACKNOWLEDGEMENT

State of NY New York  
County of New York

On this 23 day of October, 2012, before me personally came Kenneth F. Lennon, to me known, who being by me duly sworn, deposes and says that he resides in the City of New York; that he is the ATTORNEY-IN-FACT of the above signed surety, the corporation described in and which executed the foregoing Agreement; that he knows the seal of the said corporation; that the seal affixed to the said Agreement is such corporate seal; that it was so affixed by the order of the Board of Directors of said corporation, and that he signed her name thereto by like order.



Angelina Torhee  
(Signature of Notary Public)

Meyercord Revenue Inc.

A SICPA company



## Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site – <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

Includes copyrighted material of Insurance Services Office, Inc., with its permission

U-30-1041-A (March 2011)  
Page 1 of 1

Meyercord Revenue Inc.

A SICPA company



**VENDOR PREFERENCE CERTIFICATE**

N/A

Meyercord Revenue Inc.



PURCHASING AFFIDAVIT

RFQ No. TAX13001

STATE OF WEST VIRGINIA  
Purchasing Division

PURCHASING AFFIDAVIT

**MANDATE:** Under W.Va. Code §8A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed to an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

**EXCEPTION:** The prohibition listed above does not apply where a vendor has contacted any tax administrator pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

**DEFINITIONS:**

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W.Va. Code §23-2a-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form of business organization or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-2-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: Meyercord Revenue Incorporated

Authorized Signature: *William J. Andrews*

Date: October 23, 2012

State of Illinois

County of De Kalb, to-wit:

Taken, subscribed, and sworn to before me this 23 day of October, 2012

My Commission expires 09/20/13

AFFIX SEAL HERE



NOTARY PUBLIC

*[Handwritten Signature]*

Public Notary Assistant (Revised 07/10/2012)



Meyercord Revenue Inc.



CERTIFICATION AND SIGNATURE PAGE

CERTIFICATION AND SIGNATURE PAGE

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

Meyercord Revenue Inc.

(Company)

Anthony J. Casanova

(Authorized Signature)

Anthony Casanova, Chief Financial Officer

(Representative Name, Title)


703-440-2129                      703-372-3629

(Phone Number)                      (Fax Number)

October 23, 2012

(Date)

Meyercord Revenue Inc.

A SICPA company 

**ACKNOWLEDGEMENT OF ADDENDUM**



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 60180  
 Charleston, WV 25309-0180

**Solicitation**

TAX13001	1
DONOR OSWALD 104-658-2167	


RFQ COPY  
 TYPE NAME/ADDRESS HERE

STATE TAX DIVISION  
 REVENUE CENTER  
 1001 LEE STREET, EAST  
 CHARLESTON, WV  
 25301-1725 304-488-6800

DATE PRINTED	ISSUE DATE	ISSUE NUMBER	ISSUE TYPE	ISSUE AMOUNT
10/29/2012	10/30/2012		ADDENDUM NO. 01	
<p>A. TO PROVIDE ANSWERS TO QUESTIONS RECEIVED FOR THIS SOLICITATION.</p> <p>B. TO PROVIDE ADDENDUM ACKNOWLEDGMENT. THIS DOCUMENT SHOULD BE SIGNED AND RETURNED WITH YOUR BID. FAILURE TO SIGN AND RETURN MAY RESULT IN DISQUALIFICATION OF YOUR BID.</p>				
END OF ADDENDUM NO. 01				
Chief Financial Officer 2016925590		703-110-2128		10/22/2012

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED "VENDOR"

Meyercord Revenue Inc.

A SICPA company 

**ADDENDUM ACKNOWLEDGEMENT FORM**

**SOLICITATION NO.:** (TAX)3001

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**  
(Check the box next to each addendum received)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6  |
| <input type="checkbox"/> Addendum No. 2            | <input type="checkbox"/> Addendum No. 7  |
| <input type="checkbox"/> Addendum No. 3            | <input type="checkbox"/> Addendum No. 8  |
| <input type="checkbox"/> Addendum No. 4            | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5            | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. Further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Meyercord Revenue Inc.  
Company

*Anthony J. Curculla*  
Authorized Signature

October 23, 2012  
Date

**NOTE:** This addendum acknowledgment should be submitted with the bid to expedite document processing.

Meyercord Revenue Inc.

A SICPA company



# CONFIDENTIAL ADDENDUM

Meyercord Revenue respectfully requests that the State exempt the following pages (marked CONFIDENTIAL) from disclosure and that the State deny public access to such confidential information on the basis that the information contains trade secrets or confidential security details, or both. If disclosed, this information would seriously degrade the integrity of Meyercord Revenue's Tax Stamping System, cause substantial injury to the competitive position of Meyercord Revenue and jeopardize the State's cigarette tax revenue stream.

## PRODUCTION CONTROL

Meyercord Revenue has taken extraordinary measures to protect its cigarette tax stamps and system from being compromised. All of Meyercord Revenue's stamps are produced entirely at its Meyercord Revenue facility where the products developed for Public Sector agencies are sold exclusively to Meyercord Revenue's government clients and are not commercially available. Unlike many printers, Meyercord Revenue's facility exclusively serves government customers. As such, Meyercord Revenue's products are never mingled with products intended for commercial use.

On June 8, 2005, the Meyercord Revenue facility was awarded a NASPO Class II Security Assurance Certificate by the North American Security Products Organization. Meyercord Revenue meets all NASPO requirements for annual recertification and has maintained its Class II Security Assurance Certificate continuously since 2005.




NASPO is a standards organization that defines documents and maintains relevant security risk management standards for reducing:

- **Financial fraud**
- **Identity document fraud**
- **Dilution of brand integrity**

NASPO certification verifies that SICPA's Meyercord Revenue facility has successfully completed a comprehensive Security Risk Management Audit and is certified to be in compliance with the documented best practices in risk reduction infrastructure, systems, and techniques that assure security.

Meyercord Revenue is keenly aware of and sensitive to potential threats that could compromise the security of the tax stamp. As such, Meyercord Revenue's security efforts are designed to

Meyercord Revenue Inc.

A SICPA company 

help prevent potential counterfeiting of the stamps or fraud. SICPA aims to protect the interests of the State and, to do that, it draws upon its success providing stamps to other countries, states, and municipalities.

All of these efforts are designed to ensure complete accountability of the products provided. Most important, Meyercord Revenue's processes are in place and proven through extensive experience. Meyercord Revenue's system of manufacturing and production control is based on more than 50 years of experience acquired through service to 47 states.

The following precautions will be observed to protect the state against theft and unlawful reproduction of stamps:

All paper for the manufacture of West Virginia stamps including damaged stamps, spoiled paper, etc., will be strictly accounted for at all times.

The entire manufacturing process including stamp design, artwork, cylinder etching, coating of the base paper stock, printing, numbering, finishing, packing and shipping of stamps will be performed at Meyercord Revenue's secure facility located in Carol Stream, Illinois. **Meyercord Revenue will not use any subcontractors to accomplish the work required.** It is Meyercord Revenue's philosophy that in order to best ensure the security of the State, every step of the stamping process is controlled in accordance with strict security guidelines that, at a minimum, meet the State's requirements. Adherence to this system greatly helps to prevent any leakage of sensitive materials and/or information to non-authorized parties.

All printing, finishing, numbering, stamp inventories, artwork and cylinders are in separate areas that are locked and restricted to employees involved with tax stamps. Stamp inventories, pressroom, and finishing operations are located in a separate enclosed section. This area is protected by a state of the art biometric access control system designed and manufactured by Recognition Systems, Inc., Division of Harrow Products, Inc., the leader in biometric technology.


## PHYSICAL AND TECHNICAL CONTROLS

The Meyercord Revenue manufacturing facility is a modern, two story, fireproof building, fully equipped with an Underwriters' Laboratories approved sprinkler system. Additionally, the facility is one of a few air-conditioned and humidity controlled plants in the heat applied stamp/decal industry.

The entire manufacturing process including stamp design, cylinder etching, coating of the base paper stock, printing, numbering, finishing, packing and shipping of stamps will be performed in Meyercord Revenue's plant located in Carol Stream, Illinois. All departments of Meyercord Revenue's plant involved with the manufacture of tax stamps will be open to any accredited officials of the State.

**The following precautions will be observed to protect the State against theft and unlawful reproduction of cigarette tax stamps:**

## Meyercord Revenue Inc.

A SICPA company **a. Exterior Lighting:**

The entire exterior perimeter of the building, including the parking lot, is fully illuminated.

**b. Interior Night Lighting:**

All areas of the facility have interior night lighting.

**c. Secure Stamp Production Area:**

All printing, finishing, numbering, stamp inventories, audit records, artwork and cylinders are in a separate area of the facility that is restricted to employees involved with production of cigarette tax stamps. Further, there are only two access points (which are protected by the biometric access control system) and no windows on the perimeter of the secure area.

**d. Interior Locks:**

Within the secured stamp production area, the laboratory and the production accounting office are locked during non-working hours. The computer room is locked at all times. Every private office in the facility is equipped with a lock.

**e. Locked Facility:**

The entire exterior of the facility is locked at all times. Employees are required to enter through the employee entrance, using the biometric access control system. Once visitors are approved to enter the premises, they must be "granted access" by the receptionist in order to gain entry into the facility.

**f. Fire Door Alarms:**

The two exterior fire doors in the secure stamp production area are equipped with door alarms. If either of these doors is opened at any time, or for any reason, the security alarm will be activated.

**g. Fire Door Hardware:**

The two exterior fire doors in the stamp production area contain no exterior hardware. Thus, there are no locks that can be compromised, significantly reducing the possibility of exterior access.


**h. Closed Circuit Television (CCTV):**

The entire facility is equipped with over 22 video cameras. There are two PTZ cameras located on opposite corners of the building's exterior. The two cameras run a programmed tour of the building's exterior and are enclosed in a dome so that their current position cannot be detected.

The remaining 20 video cameras are placed strategically throughout the facility. The entire video monitoring scheme is controlled by an Integral Technology digital recording system. The digital function allows Meyercord Revenue much more flexibility in the areas of playback, retrieval, archiving and real-time viewing in order to ensure the security of its customers products. The cameras are all motion activated and operate at three frames per second when triggered. All of the cameras are connected to a digital video recorder, which records at a rate of three frames per second. This digital video recorder is capable of holding 25 days of video and also has the ability to write to CDs or DVDs if a longer period of time is required. Since the recorder uses digital image technology, recording does not stop when previously recorded video is being viewed.



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With the Integral Technology CCTV monitoring system, Meyercord Revenue's customers can rest assured that their products are protected by one of the highest quality surveillance systems on the market today.

**i. Access Control & Audit Logs:**

Biometric devices control entry to the building and access to the secure stamp production and finishing areas. The biometric system provides a nontransferable means of identifying people not just cards or badges. The Hand Key System uses the uniqueness of three dimensional hand geometry to control access to Meyercord Revenue's building entrance and stamp production areas to assure no unauthorized personnel are admitted. The access control system is programmed to only allow employees into the facility and production areas during their regular working hours. In addition, only employees involved in the production of tax stamps are allowed access into the secure stamp production area.

The readers can also be programmed by the system administrator to allow only authorized employees access to certain areas of the facility. This assures customers that their products are being protected, as there is limited access to the production and inventory storage areas. The Hand Key System records employee movement throughout the plant when an employee enters key areas of the plant he must register his hand. The system then records the employee number, date, time and whether or not access was granted.

The Hand Key Reader can also act as a complete door management system and thus monitor when a door is left open too long, when a door is forced open or any unusual duress.

**j. Intrusion Detection:**

Every exterior door and window is equipped with intrusion detectors connected to the alarm system. Once the facility is armed, the alarm will be activated whenever an exterior door is opened or an exterior window broken.

**k. Windows:**

There are no windows in the production, finishing or inventory areas, which prevents physical or visual intrusion. All exterior windows are armed with V-Plex addressable glass break detectors. Any window that is tampered with and broken will automatically set off the alarm system.


**l. Motion Detection:**

The alarm system protecting Meyercord Revenue's facility during off hours, weekends and holidays includes a number of addressable motion detectors located strategically throughout the stamp production areas. Once the facility is armed, the alarm will be activated whenever one of the motion sensors is tripped. The Ademco motion detectors sense alarms up to eight times faster than conventional multiplex systems. The address ability allows the central station to identify the exact location of the intrusion.

**m. Alarm System:**

A central alarm station for 24-hour system supervision monitors all three elements of the alarm system, motion detection, glass breaks and door contacts. If any of these devices reports an intrusion, the system contacts the alarm company with information about what

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device caused the alarm, who then notifies the police department and key company contacts.

**n. Interior Loading Dock:**

All shipments are made from an interior loading dock. No one from outside the facility can be near the truck while it is being loaded with stamps. Meyercord Revenue's unloading and stamp loading procedures are shown below.

**Unloading:**

1. All delivery vehicles must be logged in when entering the dock area with the date, items being delivered/shipped, time of arrival, and time of departure.
2. Whoever is responding to the dock bell must log in the driver, determine the purpose of the delivery and contact the responsible department. The driver is never left alone.
3. If a driver needs to leave the dock area (e.g., to visit the restroom or make a telephone call) the Meyercord Revenue employee must escort the driver to the area and wait to escort them back to the dock. At no time is the driver allowed to leave the dock area without being accompanied by a Meyercord Revenue employee.

**Stamp Loading:**

1. All tax stamp orders are assembled for shipment in a secure area within the Tax Stamp Department inventory holding location. Stamps do not move from this secure area until arrival of the delivery truck.
2. Upon arrival of the truck, the Tax Stamp Department is notified. Stamps are delivered to the dock area. At no time should the stamp order be left unattended after leaving the secure area.
3. Once the truck is loaded and the driver signed out, the truck is released.


**o. Secured Dumpster:**

The dumpster is located within the interior loading dock and is not accessible to the public. Details of Meyercord Revenue's waste destruction process are:

1. All scrap generated in production will be recorded. All generated scrap is maintained by master roll number in separate cases. Storage of the scrap will be in a designated location within the secured Finished Goods area prior to shredding.
2. Scrap will remain in the designated location until the State auditors are available for reconciliation and witness to, or authorize, its destruction. Once destroyed, the accumulation of scrap data will be forwarded to the Customer Service Coordinator for the preparation of the affidavit.
3. When stamps are being destroyed, a Meyercord Revenue employee will be present at all times. Stamps designated for destruction will never be left unattended in the dock area. If the responsible person destroying the stamps has to leave the dock area during destruction, they must get another Meyercord Revenue employee to stay with the stamps until their return or the stamps would be brought back to a secured location.



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**p. Cigarette Stamp Accountability:**

Meyercord Revenue will strictly account for all raw materials used in the manufacturing process. Meyercord Revenue maintains records for all stamps produced, including stamps that will require destruction. These records are maintained in Meyercord Revenue's production accounting system, and are available for inspection by the State.

**q. Retention of Damaged/Invalidated Stamps:**

Meyercord Revenue will retain all damaged or invalidated stamps within its secured stamp production area until the state requests, or is present to witness, the destruction of the stamps.

**r. Records Security:**

Cigarette stamp records are kept in the production accounting office, which is locked during non-working hours. Electronic information is stored on the central computer system, which is located in a locked room.

**s. Meyercord Revenue Employees and Visitors:**

The following security measures are observed:

1. Background Checks:

A search is done on every new employee for Federal and County felonies and misdemeanors following the preliminary job offer but prior to employment.

2. Credit Check:

A credit check is done on every new employee following the preliminary job offer but prior to employment.

3. Drug Screening Test:

As with background checks, every candidate must pass a drug-screening test prior to employment.

4. Separation Procedures:

Upon separation of an employee from the company, the Human Resources department notifies Security and Information Technology personnel of the separation. Appropriate actions can be taken to remove the employee's access privileges and identification badge.

5. Visitor Badge:

Every visitor must wear a visitor badge while inside the facility. The official Visitor Procedures are contained within the Meyercord Revenue Building Security Procedures and System Description Documents, Section 3.

6. Visitor Log Book:

A visitor logbook is maintained at the front entrance. Whenever someone visits the facility, they are required to sign the visitor logbook.

7. Visitor Confidentiality Notice:

Every visitor must sign a visitor's card and a non-disclosure confidentiality agreement.

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#### 8. Access Logs:

The biometric access control system records every access attempt. It records the date and time, the location, the person attempting access and whether or not access was granted.

### ACCESS TO STORAGE AREA

Biometric devices control entry to the building and access to the secure stamp production, finishing and storage areas. The access control system is programmed to only allow employees into the facility and production areas during their regular working hours. In addition, only employees involved in the production of tax stamps are allowed access into the secure stamp production area. This assures the states that their products are being protected, as there is limited access to the production and inventory storage areas.

### STORAGE OF DAMAGED OR INVALIDATED STAMP/INDICIA

Meyercord Revenue maintains a complete accountability for all stamps produced. It will report stamps that are unaccounted for, either through the production process or during shipment, to DOR within 48 hours of the event.

Meyercord Revenue stores damaged, invalidated or scrap materials within the secure area. All scrap generated during the production process is recorded and stored by number. Storage of the scrap is held in a designated location until DOR auditors are available for reconciliation and to witness or authorize its destruction. Once destroyed, the accumulation of scrap data will be forwarded to the Customer Service Coordinator for preparation of an affidavit. When stamps are destroyed, a Meyercord Revenue employee will be present. Stamps designated for destruction will never be left unattended.

### COMPUTER SECURITY

Of critical importance from both a security and business perspective is the security Meyercord Revenue provides to its computers. Meyercord Revenue has proven security processes in place. Access to computers and computer systems used in the production of the tax stamps, and the data that is developed from the processes, requires strict controls. These protections enable the confidentiality of all data and the protection from unauthorized or unintentional modifications to the data or the equipment.

Meyercord Revenue maintains both physical and logical access security to its Production Tracking System environment. Meyercord Revenue IT Management will retain exclusive root access security rights.

#### a. Back-up plan:

Meyercord Revenue's back-up plan includes daily tape backups of all tax stamp production

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data. Daily backups are kept onsite in a fireproof safe with a weekly backup stored off-site. The help ensure the integrity of the tax stamp production data, all transaction and audit logs are maintained on a different server than the one that is used to maintain the stamp production process.

**b. Safe operating environment:**

All of the computer applications used by Meyercord Revenue will operate either in a Windows 2000 or Windows XP environment. Inherent within the Windows design is that the failure of a single application will not compromise the balance of the operating system. Further, a hardware failure that could comprise the system will cause the system to halt, thereby protecting the system from being compromised.

**c. Least privilege:**

The principle of least privilege is that users and programs be given no more access to functions or information than what is necessary to perform the job. All software components designed, developed or implemented by Meyercord Revenue will adhere to the principle of least privilege.

**d. Data security and recovery procedures:**

At Meyercord Revenue, the daily on-site backups contribute to providing the best data security. If data recovery is required, the daily backup will be restored first.

**ACCESS TO COMPUTER OR OTHER PRINTING SYSTEM**

The data in Meyercord Revenue's Stamp Information System (SIS) is accessible only via unique user IDs and passwords. Each user ID is granted access only to the areas that are applicable to that user, thus ensuring need-to-know access, plus maintaining the integrity and consistency of the overall system. Further, this prevents unauthorized, unintentional or unanticipated modifications to the system and/or data. Inherent to the unique user IDs is the ability to grant system administrator roles only to those users who are actually system administrators. An audit trail by unique user ID will be created and maintained.

**SYSTEM AUDIT TRAILS**

Audit logs will be maintained for a minimum of four years. The log will include a record of all stamp orders' date and time. Who processed the order is a function of each individual's unique user ID, which is recorded when the order is processed. Being that Meyercord Revenue's secure web-based Stamp Information System (SIS) is a browser-based solution, there are no terminal IDs to record. Like order processing, changes are tracked by each individual's unique user ID.

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## DELIVERY

Meyercord Revenue has taken extraordinary measures to ensure that all tax stamps are delivered safely and securely to its customers. Meyercord Revenue's NASPO certification is evidence that it has demonstrated best practices at mitigating delivery risk. Meyercord Revenue's Transportation Assurance Procedure (outlined below) assures its customers that all tax stamps have been picked up by authorized personnel, that the stamps are transported by licensed, bonded and insured carriers authorized by the State utilizing the latest in security technologies to protect the shipment, and that the stamps have arrived successfully at the authorized destination.

## TRANSPORTATION ASSURANCE PROCEDURE

### a. General

1. Transportation Means:
  - i. All carriers must be approved by the State
  - ii. All carriers must be licensed, bonded and insured
2. Shipping Terms:

All stamps are shipped FOB destination
3. Verification of authorized driver:
  - i. Whoever is responding to the dock bell must log in the driver.
  - ii. All drivers shall be identified using government-issued photo-ID (e.g.; drivers' license; passport or national ID card, etc.).
  - iii. Drivers will be checked against an authorized list.
  - iv. Meyercord Revenue employees must obtain verbal approval from carrier if driver is not on the list.
  - v. The driver must not be left alone until the responsible party for the shipment has arrived.
  - vi. At no times should the driver be allowed to leave the dock area without being accompanied by a Meyercord employee.
4. Loading:
  - i. All tax stamp orders are assembled for shipment in a secure area within the Tax Stamp Department inventory holding location. Stamps do not move from this secure area until arrival of the delivery truck.
  - ii. Upon arrival of the truck, the Tax Stamp Department is notified. Stamps are delivered to the dock area. At no time should the stamp order be left unattended after leaving the secure area.

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- iii. A Meyercord employee loads stamps onto the truck.
  - iv. All dedicated shipments will be sealed. The sealed code is put on all paperwork for tracking purposes. The Bill of Lading is maintained in the Shipping Department at Meyercord.
  - v. Once the truck is loaded, sealed/and locked, the truck is release.
5. Customer notification of delivery:  
Customer is notified, via email, by a Customer Service Rep detailing the following:
- i. Actual departure date and time.
  - ii. Estimated arrival time of the goods at the destination.
  - iii. Earliest time for the customer to issue a non-arrival alert to trigger breach of security,

**b. Truck Security**

- 1. Tamper evident security seals are required on all surface shipments.
- 2. Drivers are in regular contact with the carrier's central station and are tracked by the GPS devices located within the cells phone carried by each driver.
- 3. All shipments will be tracked using electronic tracking system provide by the carrier.
- 4. Drivers are required to keep the rear door locked when not loading or unloading.
- 5. Drivers are not allowed to stop within the 1st 300 miles of a trip without approval.
- 6. Trailers are not allowed to be unhitched from the tractor until arrival at destination.
- 7. Delays due to road conditions or accidents are reported within 2 hours of occurrence.
- 8. Drivers are encouraged to actively look for any following vehicles and follow another protocol if they feel they are being followed.

**c. Delivery**

Meyercord Revenue will be responsible for safe and proper delivery.

- 1. Stamps are delivered to address and location specified by the State.
- 2. Upon delivery and acceptance by the state agency, the driver must obtain a legible signature from an authorized state agency designee.
- 3. The freight compartment seal will be broken upon delivery of the tax stamps to the State.
- 4. Carrier will assist authorized State personnel in unloading stamps to be transferred to secure State location.
- 5. Customer notifies Meyercord Revenue of successful delivery.
  - i. Customer receives shipment.
  - ii. Customer signs off on shipment (accepting title).
  - iii. Customer notifies Meyercord Revenue by email within one hour.
- 6. Customer alerts Meyercord Revenue of non-arrival if tax stamps do not arrive by the arrival trigger for the customer. Customer emails non-arrival alert to Meyercord Revenue Customer Service Rep.
  - i. Meyercord Revenue contacts carrier to determine cause of delay.

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- ii. Meyercord Revenue Informs customer by email:
  - i. The estimated time of arrival of the goods at the destination.
  - ii. The earliest time for the customer to issue a non-arrival alert to trigger breach of security.

## **BUSINESS CONTINUITY AND DISASTER RECOVERY PLANS**

Meyercord Revenue has developed a Business Continuity and Disaster Recovery Plan that ensures that service to its customers is not disrupted if a disaster occurs at its plant. The Plan covers natural disasters, disruption in supply, and labor disruptions. The contingencies envisioned will be accommodated as shown below.

### **a. Fire Prevention:**

The Meyercord Revenue printing press is protected by a fire suppression system. In case of fire, the fire suppression system will engulf the press with carbon dioxide, suffocating the fire. Since carbon dioxide is a gas, it will not damage the press when it is discharged.

In addition to the fire suppression system on the press, the entire facility is protected by an automatic sprinkler system. This system is designed to localize the fire and prevent the spread to other areas of the building. In addition, the sprinkler alarm is tied into the central alarm system that notifies the local fire department whenever the system is activated.

### **b. A strike by Meyercord Revenue employees or a transportation company:**

Meyercord Revenue employees are not covered by a collective bargaining agreement. Meyercord Revenue uses multiple freight carriers and shipping modes to ship tax stamps. To the best of its knowledge, none of these companies are unionized. In the event that one of Meyercord Revenue's carriers went on strike, it would use one of the other certified carriers.

### **c. Disruption in printing supplies:**

Meyercord Revenue has pre-qualified back-up or secondary sources of supply for each raw material to ensure an adequate supply of materials at all times.

### **d. Protection of Artwork:**

Electronic copies of all artwork files are kept in a fireproof safe.

### **e. Protection of Computer Files:**

Electronic copies of all computer files are kept in a fireproof safe.

### **f. Office/Telecommunications:**

In the unfortunate circumstance of an unplanned disaster, Meyercord Revenue has arrangements with its parent company, SICPA Product Security, LLC, located in Springfield, Virginia, to operate a skeleton administrative staff with computers and phones.

### **g. Press equipment failure:**

The printing press designated to print the tax stamp has many redundant features. A failure in one section of the press will not prevent the balance of the press from operating. A spare



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parts inventory is maintained on-site for the maintenance staff to make any necessary repairs or to have emergency service contact with the press manufacturer.

**h. Press equipment destroyed:**

In the event the entire press is destroyed, a backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

**i. Numbering equipment failure:**

A spare parts inventory is maintained on-site for the maintenance staff to make any necessary repairs or to have emergency service contacts with the equipment manufacturers.

**j. Numbering equipment destroyed:**

In the event that the numbering machine is destroyed, a backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

**k. Rewinder equipment failure:**

Meyercord Revenue operates and maintains multiple rewinders so that production can be switched over to another rewriter if an equipment failure occurs. As with the press, Meyercord Revenue maintains a spare parts inventory, has an on-site maintenance staff to make any necessary repairs and have emergency service contacts with the rewriter manufacturer.

**l. Rewinder equipment destroyed:**

In the event that both rewinders are destroyed, a backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

**m. Complete destruction of plant or finished goods inventory:**

A backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

## ACCESSIBILITY TO ACCREDITED OFFICIALS

Meyercord Revenue will ensure that all departments of the plant involved with the manufacture of tax stamps for the State will be open at all times to any accredited officials of the West Virginia State Tax Department for inspection and audit.

## STAMP SAMPLES OR DEMONSTRATION AGREEMENT

Stamps manufactured for the West Virginia State Tax Department will not be used as samples or demonstration and inspection in other states without express written consent of the West Virginia State Tax Department.

000002

**SOLICITATION NUMBER: TAX13001**  
**Addendum Number: 2**

The purpose of this addendum is to modify the solicitation identified as TAX13001 ("Solicitation") to reflect the change(s) identified and described below.

**Applicable Addendum Category:**

- Modify bid opening date and time
- Modify specifications of product or service being sought
- Attachment of vendor questions and responses
- Attachment of pre-bid sign-in sheet
- Correction of error
- Other

**Description of Modification to Solicitation:**

The bid opening has moved from 10/30/2012 to 11/07/2012. The bid opening time remains at 1:30 pm.

**Additional Documentation:** Documentation related to this Addendum (if any) has been included herewith as Attachment A and is specifically incorporated herein by reference.

**Terms and Conditions:**

1. All provisions of the Solicitation and other addenda not modified herein shall remain in full force and effect.
2. Vendor should acknowledge receipt of all addenda issued for this Solicitation by completing an Addendum Acknowledgment, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

RECEIVED  
2012 NOV -7 AM 8:05  
NW PURCHASING  
DIVISION



000003

ATTACHMENT A

The bid opening has moved from October 30, 2012 to November 7, 2012. The bid opening time remains at 1:30 pm.

000004

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: TAX13001**

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**

(Check the box next to each addendum received)

- |  |  |
|--|--|
| <input type="checkbox"/> Addendum No. 1            | <input type="checkbox"/> Addendum No. 6  |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7  |
| <input type="checkbox"/> Addendum No. 3            | <input type="checkbox"/> Addendum No. 8  |
| <input type="checkbox"/> Addendum No. 4            | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5            | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

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Company

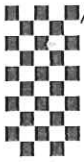
*Anthony J. Casarola*

Authorized Signature

*Nov 5, 2012*

Date

**NOTE:** This addendum acknowledgment should be submitted with the bid to expedite document processing.  
Revised 6/2/2012



# Meyercord Revenue Inc.

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## FAX

**TO:** Connie Oswald

**Cc:**

**Fax No:** (304) 558-3970

**From:** Meyercord Revenue Inc.

**Direct fax:** (212) 308-1009

**Email:** linda.villalobos@sicpa.com

**Direct phone:** (212) 308-6933

**Date:** November 05, 2012

**Page(s):** 4 (Including this one)

**Re:** Solicitation # TAX13001 - ADDENDUM NO. 2 ACKNOWLEDGEMENT FORMS

Urgent     For Review     Please Comment     Please Reply     Confidential

### Confidentiality note

The information in this fax and any attachments is confidential and intended solely for the use of the individual(s) to whom it is addressed or otherwise directed. Please note that any views or opinions presented in this fax are solely those of the author and do not necessarily represent those of the Company. If you have received this fax in error, please immediately notify us by telephone or fax. Thank you.

Dear Ms. Oswald,

Per your email for Solicitation # TAX13001, please see signed Addendum 2. Please feel free to contact us if you have any questions.

Best regards,

Linda Villalobos  
Marketing Assistant  
Meyercord Revenue Inc.

October 30, 2012

STATE OF WEST VIRGINIA  
DEPARTMENT OF ADMINISTRATION  
PURCHASING DIVISION

RFQ NUMBER: TAX13001  
TITLE: CIGARETTE TAX STAMPS  
PURCHASING CONTACT: CONNIE OSWALD

RECEIVED  
2012 NOV -5 AM 11:00  
WV PURCHASING  
DIVISION

Dear Ms. Oswald,

Meyercord Revenue, a SICPA Company ('Meyercord Revenue', 'SICPA') is pleased to provide the State of West Virginia ('State') with its response to Request for Quotation Number TAX13001 for Cigarette Tax Stamps. As the provider of FUSON® tax stamps to the State for over 15 years, Meyercord Revenue uniquely understands the State's requirements for cost-effective tax stamps to support the administration and enforcement of vital cigarette excise tax revenues.

The FUSON® tax stamp currently utilized by the West Virginia State Tax Department fully meets the requirements of the State RFQ. As the industry standard in its market, the FUSON® tax stamp has offered a consistent, durable capability to the State, has been successfully applied by authorized distributors that affix tax stamps and, due to its reliability, has provided a predictable Total Cost of Ownership over its period of use. We have recently seen states that utilize initial pricing as their primary criteria in selecting a vendor. These low cost vendors then struggle, and in some cases fail, to introduce stamps not produced by Meyercord Revenue. As such, Meyercord Revenue encourages the State of West Virginia to assess all vendors for their ability to deliver the consistency and quality that the State has grown accustomed to over the last 15 years with Meyercord Revenue including:

- **Bidder's Approach:** The FUSON® tax stamp has a track record of success with various application equipment manufacturers including successful utilization on both high-volume and low-volume tax stamp application equipment currently in use at authorized West Virginia distributors.
- **Bidder's Documented Experience:** Over the past 50 years, Meyercord Revenue has successfully provided cigarette tax stamp solutions to help state and local jurisdictions protect critical cigarette tax revenues. Meyercord Revenue's customers include the State of West Virginia and 46 other U.S. states that require tax stamps on packs of cigarettes for proof of tax payment.
- **Qualifications and Experience of Personnel:** The personnel involved with the production and delivery of the FUSON® tax stamp have more than 100 years of total experience designing, delivering and supporting tax stamps for Meyercord Revenue clients. These resources include printing and finishing personnel along with forensic experts that assist in identifying illicit tax stamps and providing court-admissible testimony and evidence.

- **Overall Ability of the Bidder:** Meyercord Revenue has a proven history of delivering tax stamps on time and within specifications to the State of West Virginia and 46 other U.S. states. Currently the only vendor delivering heat-transfer tax stamps to be used by distributors in a production environment, Meyercord Revenue is also the only vendor currently shipping tax stamps directly to distributors under state agreements.

Meyercord Revenue is a stable, proven vendor aligned to the goals of the State of West Virginia. During our 15 year relationship with the State, Meyercord Revenue has introduced numerous material security enhancements to the FUSON® tax stamp including Unique Identification Numbers, enhanced taggant, microprint text and the Variable Image (these features will remain on the proposed WV FUSON® tax stamp). While the State does not ask for the Variable Image security feature, because we have historically provided this feature and it has become an integral part of enforcement activities, we have chosen to maintain the feature in the solution.

In 2012, in a recent example of targeting continuous improvement, Meyercord Revenue introduced enhanced information services such as Direct-to-Distributor online tax stamp ordering and shipping and eReporting invoice capture solutions that work seamlessly with our tax stamp products. Should any of these options be of interest to the West Virginia State Department of Tax, Meyercord Revenue would be pleased to discuss them at the Department's request.

Meyercord Revenue values its long-term relationship with the State of West Virginia and is pleased to commit to delivering its first stamp order received under contract from this procurement within 30 calendar days of receipt of a purchase order with subsequent orders fulfilled within 20 calendar days. However, it should be noted that Meyercord Revenue typically fulfills all subsequent orders within 15 calendar days as opposed to the required 20 and we can provide this level of service for any new orders related to this procurement should the State continue with its existing FUSON® stamp design.

With a proven history of delivering a cost-effective tax stamp solution within State required timeframes and to the specifications of the State Tax Department, we look forward to continuing to assist the State in securing more than \$100 million in annual excise taxes on tobacco products with our proposal for the continued provision of the FUSON® Tax Stamp.

Regards,

Alexander Spelman  
Business Development Director  
Meyercord Revenue, Inc., A SICPA Company  
8000 Research Way, Springfield, VA 22153  
Mobile +1 571-926-5796  
[alex.spelman@sicpa.com](mailto:alex.spelman@sicpa.com) [www.sicpa.com](http://www.sicpa.com)



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**Cost Sheet**  
**TAX13001 - WV CIGARETTE STAMPS**

ITEM DESCRIPTION	Estimated Qty	Price per 1,000	Extended Price
Fuson stamps for Packages of 20 Cigarettes in rolls of 30,000 stamps	180,000,000	\$0.74	\$ 133,200.00
Hand stamp heat applied Cigarettes tax stamps for Packages of 20 cigarettes In sheets of 150 stamps per sheet	300,000	\$0.74	\$ 222.00
Fuson stamps for packages of 25 Cigarettes in rolls of 7,200	352,800	\$0.74	\$ 261.07
<b>TOTAL BID</b>			<b>\$ 133,683.07</b>

**Contract will be awarded per Section 1.1 under "Contract Award"**

**\*\* COST OF FREIGHT/SHIPPING CHARGES TO BE INCLUDED IN PRINTING PRICE. \*\***

NOTE: The above quantities are only estimates for use in bid evaluation only. As indicated in the specifications, this is an open-ended contract and actual quantities may be subject to change.

\_\_\_\_\_  
 Anthony Criscuola  
 Vendor Representative Name Printed

\_\_\_\_\_  
*Anthony Criscuola*  
 Vendor Representative Name Signed

Vendor Name: Meyercord Revenue Inc  
 Vendor Address: 8000 Research Way  
Springfield, VA 22153  
 Vendor Phone #: 703-740-6845  
 Vendor Fax #: 703-372-3642  
 Vendor Email Address: Alex.Spelman@sicpa.com  
 Date: October 25, 2012





State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

# Solicitation

NUMBER
TAX13001

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
CONNIE OSWALD 304-558-2157

POST TO

\*709010654 630-682-6271  
 MEYERCORD REVENUE INC  
 475 VILLAGE DR  
 CAROL STREAM IL 60188

SHIP TO

STATE TAX DIVISION  
 REVENUE CENTER  
 1001 LEE STREET, EAST  
 CHARLESTON, WV  
 25301-1725 304-558-8500

DATE PRINTED
10/04/2012

BID OPENING DATE: 10/30/2012 BID OPENING TIME 1:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		255-20		
<p>THE STATE OF WEST VIRGINIA AND ITS AGENCY THE WEST VIRGINIA STATE TAX DIVISION REQUEST A QUOTE TO PROVIDE AN OPEN-END CONTRACT FOR CIGARETTE TAX STAMPS PER THE ATTACHED SPECIFICATIONS.</p> <p>BID OPENING OCTOBER 30, 2012 AT 1:30 PM</p> <p>SEE ATTACHED INSTRUCTIONS TO BIDDERS.</p> <p>CIGARETTE STAMPS NUMBERED</p> <p>SHIP TO : STATE TAX DIVISION            OPERATIONS DIVISION            1001 LEE STREET E, 3RD FLOOR            CHARLESTON, WV            25301-1725            304-558-0761</p> <p>FUSON STAMPS FOR PACKAGES OF 20 CIGARETTES IN ROLLS OF 30,000 STAMPS.</p> <p>HAND STAMP HEAT APPLIED CIGARETTES TAX STAMPS FOR PACKAGES OF 20 CIGARETTES IN SHEETS OF 150 STAMPS PER SHEET.</p>						

SIGNATURE <i>Anthony J. Cuscuta</i>	TELEPHONE 703-440-2129	DATE 10/23/2012
TITLE Chief Financial Officer	FAX 2016976550	ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia  
 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
 Post Office Box 50130  
 Charleston, WV 25305-0130

**Solicitation**

NUMBER
TAX13001

PAGE
2

ADDRESS CORRESPONDENCE TO ATTENTION OF:
CONNIE OSWALD 304-558-2157

VENDOR

\*709010654 630-682-6271  
 MEYERCORD REVENUE INC  
 475 VILLAGE DR  
 CAROL STREAM IL 60188

SHIP TO

STATE TAX DIVISION  
 REVENUE CENTER  
 1001 LEE STREET, EAST  
 CHARLESTON, WV  
 25301-1725 304-558-8500

DATE PRINTED
10/04/2012

BID OPENING DATE: 10/30/2012 BID OPENING TIME 1:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
	FUSON STAMPS FOR PACKAGES OF 25 CIGARETTES IN ROLLS OF 7,200					
	SEE ATTACHED SPECIFICATIONS.					
	***** THIS IS THE END OF RFQ TAX13001 ***** TOTAL:					\$133,683.07

TITLE <i>Anthony Casarola</i>	TELEPHONE 703-440-2129	DATE 10/24/12
Chief, Financial Officer 20-16976550	ADDRESS CHANGES TO BE NOTED ABOVE	

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

## EXPERIENCE AND UNDERSTANDING

Meyercord Revenue has been demonstrating its ability to provide a secure, cost-effective excise tax stamp to U.S. States for over 50 years; including provision of the FUSON® heat applied tax stamp to the State of West Virginia for the past 15 years. The FUSON® tax stamp is currently applied by customers more than 12 billion times annually and, including Meyercord Revenue's other solutions, has assisted state and local governments in annually collecting more than \$17 billion USD in tobacco tax revenue. As the current provider of FUSON® tax stamps to the State of West Virginia, Meyercord Revenue has a unique understanding of the State's requirements for cost-effective tax stamp solutions.

As shown in the table below, Meyercord Revenue's current clients include the 47 U.S. states that issue cigarette tax stamps and more than 120 U.S. local stamping jurisdictions. Meyercord Revenue has been providing the services being requested in this RFQ to the State of West Virginia since 1997 and has more experience in providing counterfeit-resistant heat applied cigarette tax stamps than any other vendor in the market today. This experience gives Meyercord Revenue distinctive insight into the challenges that counterfeiting and illicit activity present to securing cigarette tax revenues as well as an unique understanding of the operational requirements of authorized distributors that apply these stamps on a daily basis.

Meyercord Revenue State Clients and Date Started		
Alabama – 1993	Kentucky – 1959	Ohio – 1994
Alaska – 2003	Louisiana – 1994	Oklahoma – 1958
Arizona – 1997	Maine – 1997	Oregon – 1997
Arkansas – 1997	Maryland – 1957	Pennsylvania – 1997
California – 1993	Massachusetts – 1997	Rhode Island – 1991
Colorado - 1973	Michigan – 1998	South Dakota – 1994
Connecticut – 1993	Minnesota – 1998	Tennessee – 1995
Delaware – 1990	Mississippi – 1961	Texas – 1989
Florida – 1988	Missouri – 1994	Utah – 1960
Georgia – 1963	Montana – 1993	Vermont – 1997
Hawaii – 2000	Nebraska – 1994	Virginia – 1960
Idaho – 1963	Nevada – 1976	Washington – 1964
Illinois – 1996	New Hampshire - 1993	West Virginia – 1997
Indiana – 1958	New Jersey – 1997	Wisconsin – 1959
Iowa – 1958	New Mexico – 1980	Wyoming – 1967
Kansas – 1997	New York – 1980	

## PAPER

Stamps will be printed on a unique safety tinted, security mill controlled paper, furnished by Wausau Paper Specialty Products LLC, Mosinee, WI (or by a qualified secondary source).

The paper alone is not dedicated to tax stamps until it is processed by Meyercord Revenue where it is printed with a special safety tint lettering which serves as the best identification and protective feature for its authentication. In order to ensure the security of the paper and the tax stamp, once it is processed by Meyercord Revenue for use as tax stamp paper, Meyercord Revenue does not sell the paper nor does it use the paper for any other purpose than as a base for its FUSON® tax stamp.

Please find on the following page a copy of an affidavit from Wausau Paper Specialty Products LLC assuring that any inquiries about tax stamp paper will be referred to the Bureau of Alcohol, Tobacco, Firearms and Explosives; Department of Justice.

RFQ No. TAX13001

**PAPER MANUFACTURER AFFIDAVIT**

WAUSAU PAPER CORP. (paper manufacturer name) assures that any inquiries about tax stamp paper will be referred to the Bureau of Alcohol, Tobacco, Firearms and Explosives; Department of Justice to verify whether the potential manufacturer is authorized to print tax stamps.

Company Name: WAUSAU PAPER CORP.

Authorized Signature: *Jon D. Bast*  
Jon D. Bast, Vice President Sales & Marketing

Date: October 25, 2012

State of WISCONSIN

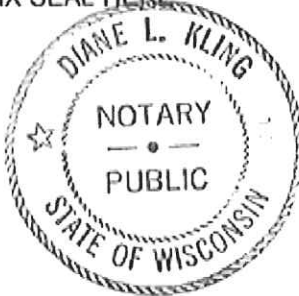
County of MARATHON

Taken, subscribed, and sworn to before me this 25<sup>th</sup> day of October, 20 12.

My Commission expires July 19, 20 15.

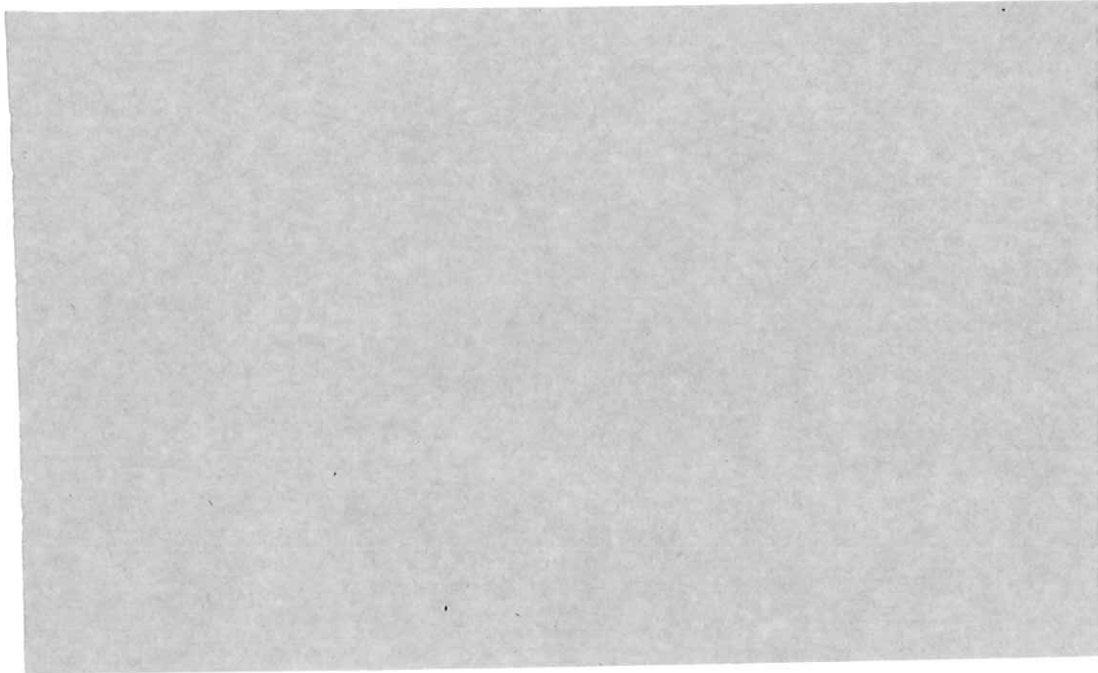
AFFIX SEAL HERE

NOTARY PUBLIC *Diane L. Kling*



Meyercord Revenue Inc.

A SICPA company SICPA



SAMPLE OF PAPER STOCK FOR HEAT APPLIED STAMPS  
SUPPLIED TO MEYERCORD BY  
WAUSAU PAPER SPECIALTY PRODUCTS LLC  
MOSINEE, WISCONSIN 54455-1440

## STAMP APPLYING MACHINES

Applied by customers more than 12 billion times annually, the FUSON® tax stamp has an unequalled record of success with various application equipment manufacturers, including both high-volume and low-volume tax stamp application equipment. Both, United Silicone, Inc. ('USI') and R.E.D. Stamp stamping machines, currently in use at State of West Virginia authorized distributors, have had, in a stringent operational environment, a successful track record with the application of the FUSON® stamp. The FUSON® tax stamp is designed to be reliably applied by this equipment and Meyercord Revenue works diligently with the authorized distributors and stamping equipment manufacturers to ensure proper application and adhesion to all cigarette brands and package sizes. Below is a list of equipment available to authorized distributors from both machine providers; USI and R.E.D. Stamp.

### UNITED SILICONE EQUIPMENT OFFERINGS

United Silicone, Inc. - Equipment Offerings	
Automated Heat Application Equipment	Specifications
VL-10 Stamp Machine	Medium to high volume, 70+ carton per minute pre- or post-stamping machine cycle speed capability. Fully automatic machine stamps and seals cartons.
VL-10 Stamp Machine Tandem	Medium to high volume, 70+ carton per minute pre- or post-stamping machine cycle speed capability. Dual-head for easy stamping of multiple jurisdictions. Fully automatic machine stamps and seals cartons.
VL-10 Stamp Machine Triple	Medium to high volume, 70+ carton per minute pre- or post-stamping machine cycle speed capability. Triple-head for easy stamping of multiple jurisdictions.
VL-10HP Stamp Machine	High volume, 90+ carton per minute consistent pre- or post-stamping machine cycle speed capability.
VL-20HP Tandem Stamp Machine	High volume, 90+ carton per minute consistent pre- or post-stamping machine cycle speed capability. Dual-head for easy stamping of multiple jurisdictions.
VL-30HP Triple Stamp Machine	High volume, 90+ carton per minute consistent pre- or post-stamping machine cycle speed capability. Triple-head for easy stamping of multiple jurisdictions.
Automated Heat Application Options	
VL-10 No-Load Switch ( <i>ordered with stamping machine</i> )	
VL-10 Extra Stamp Cartridge ( <i>can be included in contract if ordered with machine</i> )	
VL-10HP Extra Stamp Cartridge ( <i>can be included in contract if ordered with machine</i> )	
Hand Heat Application Equipment	Specifications
MTS-110 Manual Machine ( <i>without gluepot</i> )	Semi-automatic stamping machine for low volume distributors.



United Silicone, Inc. - Equipment Offerings	
MTS-110 Manual Machine ( <i>with gluepot</i> )	Semi-automatic stamping machine for low volume distributors. Includes gluepot attachment for easy sealing of cartons.
Hot Hand 300 Hand Iron Base Unit with Stand, 2 x 5 and Flat Irons	Hand-application iron for low volume distributors.
Hot Hand 300 2 x 5 Iron Head Only	2x5 iron for Hot Hand 300
Hot Hand 300 Flat Iron Head Only	Straight bar iron for Hot Hand 300
Case Packing Equipment	Specifications
APMB - Universal Case Packer	Automatically packs cartons into cases after stamping and sealing for shipment.
APMD - Universal Case Packer for tote loading ( <i>see sales note two below</i> )	Automatically packs cartons into totes after stamping and sealing for shipment. D-model Packer better suited for post-stamp operations.
APMD - Universal Case Packer for full cases ( <i>60 carton count</i> )	Automatically packs cartons into full-sized cases after stamping and sealing for shipment. D-model Packer better suited for post-stamp operations.
APMD - Universal Case Packer	Automatically packs cartons into cases after stamping and sealing for shipment. D-model Packer better suited for post-stamp operations.
Case Cutter Equipment	Specifications
CC-612 12M & 6M Case Cutter	Full-sized Case Cutter automatically cuts and separates 12M and 6M cases without operator involvement.
HCC-612 12M & 6M "Half-Sized" Case Cutter	Half-sized Case Cutter automatically cuts 12M and 6M cases.
HCC-612 set-up as in-line cutter with stamp machines (includes foot switch, remote access housing, and double dump table)	Half-sized In-Line Case Cutter automatically cuts 12M and 6M cases at stamping machines.
ICC-612 12M & 6M Case Cutter Linear Feed	Half-sized Linear Case Cutter can be placed at any point in the conveyor line with enough space.
Case Cutter Options	
In-feed conveyor for a CC or HCC-612, 6' long	
In-feed conveyor for a HCC on 12" risers, 11' long	
In-feed conveyor for a ICC ( <i>wide belt</i> ), 6' long	
Risers for CC612 or HCC-612 ( <i>6", 12", 15" or 18" extensions</i> )	
HCC-612 exit conveyor package	
Remote access PLC housing ( <i>ordered with cutter</i> )	
Foot switch ( <i>ordered with cutter</i> )	
Double-dump table	

United Silicone - Equipment Offerings	
<b>Miscellaneous Options</b>	
Lateral Packing Conveyor	
Large Flap Printer	
Cancellation Device ( <i>ordered with stamping machine</i> )	
Packing Table	
Angle Table	
Complete Air Compressor Package 5.0 HP, 18.0 CFM @ 90psi: For SSM, VL-10, or M-120 with Case Packers. Price includes installation.	
Partnership Equipment	Specifications
Strapping Machine	Strapping machine seals totes, caes, and pallets.
Case Cutter	Flexible, automatic cutter cuts cases other than cigarette cases.
Shrink Wrapping Machine	Shrink wraps cases and pallets. Customizable in size and duty.

**R.E.D. STAMP EQUIPMENT OFFERINGS**

R.E.D. Stamp - Equipment Offerings	
Automated Heat Application Equipment	Specifications
CSU-120 Machine	Electrical:125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or –220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding Air: 6 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary Size: Depth - 28 inches (60 inches with conveyor), Width - 84 inches (101 inches with conveyor) Weight: 550 pounds Speed: 85 cartons per minute for Pre-Stamping Operations
CSU-D-120 Double Head Machine	Electrical:125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or – 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding Air: 6 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary

R.E.D. Stamp - Equipment Offerings	
CSU-T-120 Tripple Head Machine	<p>Size: Depth - 28 inches (60 inches with conveyor), Width - 103 inches (130 inches with conveyor)                      Weight: 750 pounds                      Speed: 80 cartons per minute for Pre-Stamping Operations                      Electrical: [208], 220, 240 VAC; 1-Phase; 30 Amp; 60 Hz                      Air: 6CFM @ 90PSI, clean and dry, 1/2" piping                      Size: Depth - 28 inches (73 inches with conveyor), Width - 117 inches (144 inches with conveyor)                      Weight: 950 pounds                      Speed: 75 cartons per minute for Pre-Stamping Operations</p>
Case Packing Equipment	Specifications
CPU-120 Cigarette Case Packing Unit	<p>Electrical: 115 VAC Single Phase, 10 Amps, 60 Hertz                      A receptacle power connector (type 5-15) is required within 5' of machine's control cabinet Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding                      Air: 6 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary                      Size: Depth - 52 inches, Width - 36 inches                      Weight: 600 pounds                      Speed: 100+ Cartons per minute</p>
Boxing Equipment	Specifications
BSU-12M Box Splitter Unit	<p>Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or – 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding                      Air: BSU – 4.5CFM @ PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary                      Size: Depth - 122 inches, Width - 75 inches                      Weight: 2100 pounds                      Speed: 8 Cases per minute for Pre-Stamping Operations</p>
BTU-6M Box Topper Unit	<p>Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or – 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding                      Air: BTU - 2 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required thus a refrigerated air dryer is necessary                      Size: Depth - 60 inches, Width - 81 inches                      Weight: 1400 pounds                      Speed: 8 Cases per minute</p>

R.E.D. Stamp - Equipment Offerings	
Case Cutter Equipment	Specifications
CCU-6-12 Cigarette Case Cutter Unit	Electrical: 125 / 250 VAC Split Phase, 30 Amps, 60 Hertz – or – 220 VAC Single Phase 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit) Facility grounding for the equipment must comply with National Electrical Code, Article 250 - Grounding Air: 4 CFM @ 90 PSI 1/2" pipe supply A 3/8" male quick disconnect fitting is supplied on regulator Clean and dry air is required - refrigerated air dryer is necessary Size: Depth - 65 inches, Width - 117 inches Weight: 2100 pounds Speed: 8 Cases per minute

**BID BOND**

KNOW ALL MEN BY THESE PRESENTS, That we, the undersigned, Meyercord Revenue, Inc.  
of Carol Stream, Illinois, as Principal, and Fidelity & Deposit Company of Maryland  
of Owings Mills, Maryland, a corporation organized and existing under the laws of the State of Maryland  
with its principal office in the City of Owings Mills, as Surety, are held and firmly bound unto the State  
of West Virginia, as Obligee, in the penal sum of Eight Thousand Two Hundred 00/100 (\$ 8,200.00) for the payment of which,  
well and truly to be made, we jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns.

The Condition of the above obligation is such that whereas the Principal has submitted to the Purchasing Section of the  
Department of Administration a certain bid or proposal, attached hereto and made a part hereof, to enter into a contract in writing for  
Fuson, Heat Applied Cigarette Tax Stamps

NOW THEREFORE,

(a) If said bid shall be rejected, or  
(b) If said bid shall be accepted and the Principal shall enter into a contract in accordance with the bid or proposal attached  
hereto and shall furnish any other bonds and insurance required by the bid or proposal, and shall in all other respects perform the  
agreement created by the acceptance of said bid, then this obligation shall be null and void, otherwise this obligation shall remain in full  
force and effect. It is expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event,  
exceed the penal amount of this obligation as herein stated.

The Surety, for the value received, hereby stipulates and agrees that the obligations of said Surety and its bond shall be in no  
way impaired or affected by any extension of the time within which the Obligee may accept such bid, and said Surety does hereby  
waive notice of any such extension.

IN WITNESS WHEREOF, Principal and Surety have hereunto set their hands and seals, and such of them as are corporations  
have caused their corporate seals to be affixed hereunto and these presents to be signed by their proper officers, this  
23rd day of October, 2012.

Principal Corporate Seal

Meyercord Revenue, Inc.  
(Name of Principal)

By Anthony J. Cusciola  
(Must be President or  
Vice President)

CFO

(Title)

Surety Corporate Seal

Fidelity & Deposit Company of Maryland  
(Name of Surety)

Kenneth F. Lennon  
Attorney-in-Fact

**IMPORTANT – Surety executing bonds must be licensed in West Virginia to transact surety insurance. Raised corporate seals must be affixed, a power of attorney must be attached.**

**Power of Attorney  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Kenneth F. LENNON, of New York, New York**, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed, ~~any and all bonds and undertakings~~, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 2nd day of February, A.D. 2012.

ATTEST:

**FIDELITY AND DEPOSIT COMPANY OF MARYLAND**



*Eric D. Barnes*

*Eric D. Barnes* Assistant Secretary

*Frank E. Martin Jr.*

By:

*Frank E. Martin Jr.* Vice President

State of Maryland }  
City of Baltimore } ss:

On this 2nd day of February, A.D. 2012, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came FRANK E. MARTIN JR., Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



*Maria D. Adamski*

*Maria D. Adamski*

Notary Public

My Commission Expires: July 8, 2015

# FIDELITY AND DEPOSIT COMPANY

OF MARYLAND

600 Red Brook Blvd., Suite 600, Owings Mills, MD 21117

## Statement of Financial Condition

As Of December 31, 2010

### ASSETS

Bonds .....	\$ 167,717,443
Stocks .....	23,571,636
Cash and Short Term Investments .....	250,663
Reinsurance Recoverable .....	478,827
Other Accounts Receivable .....	44,516,527
<b>TOTAL ADMITTED ASSETS .....</b>	<b>\$ 236,535,096</b>

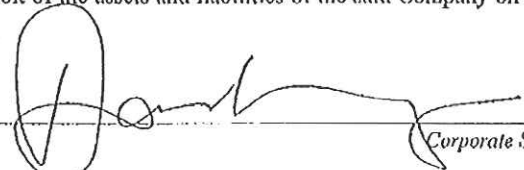
### LIABILITIES, SURPLUS AND OTHER FUNDS

Reserve for Taxes and Expenses .....	\$ 225,295
Ceded Reinsurance Premiums Payable .....	39,963,782
Securities Lending Collateral Liability .....	3,077,700
<b>TOTAL LIABILITIES .....</b>	<b>\$ 43,266,777</b>
Capital Stock, Paid Up .....	\$ 5,000,000
Surplus .....	188,268,319
Surplus as regards Policyholders .....	193,268,319
<b>TOTAL .....</b>	<b>\$ 236,535,096</b>

Securities carried at \$45,648,865 in the above statement are deposited as required by law.

Securities carried on the basis proscribed by the National Association of Insurance Commissioners. On the basis of December 31, 2010 market quotations for all bonds and stocks owned, the Company's total admitted assets would be \$245,239,534 and surplus as regards policyholders \$201,972,757.

I, DENNIS F. KERRIGAN, Corporate Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing statement is a correct exhibit of the assets and liabilities of the said Company on the 31st day of December, 2010.

  
Corporate Secretary

State of Illinois }  
City of Schaumburg } SS:

Subscribed and sworn to, before me, a Notary Public of the State of Illinois, in the City of Schaumburg, this 31st day of March, 2011.

  
Notary Public





NOTARIAL JURAT

INDIVIDUAL ACKNOWLEDGEMENT

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me personally came \_\_\_\_\_, to me known, and known to me to be the individual who executed the foregoing instrument and acknowledge to me that he/she/they executed the same.

\_\_\_\_\_  
(Signature of Notary Public)  
My Commission expires \_\_\_\_\_

PARTNERSHIP ACKNOWLEDGEMENT

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me personally came \_\_\_\_\_, to me known, and known to me to be a member of the partnership of \_\_\_\_\_, acknowledged that he/she executed the foregoing instrument as the act of the said partnership.

\_\_\_\_\_  
(Signature of Notary Public)  
My Commission \_\_\_\_\_

CORPORATE ACKNOWLEDGMENT

State of \_\_\_\_\_  
County of \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me personally came \_\_\_\_\_, to me known, who being by me duly sworn, deposes and says that he is the \_\_\_\_\_ of \_\_\_\_\_ the corporation described in and which executed the foregoing Agreement; that he knows the seal of the said corporation; that the seal affixed to the said Agreement is such corporate seal; that it was so affixed by the order of the Board of Directors of said corporation, and that he signed (her)(his) name thereto by like order.

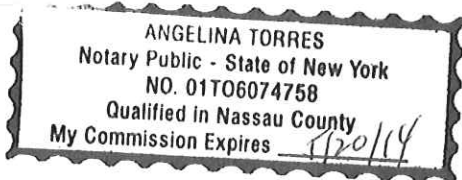
\_\_\_\_\_  
(Signature of Notary Public)  
My commission expires \_\_\_\_\_

SURETY ACKNOWLEDGEMENT

State of NY New York \_\_\_\_\_  
County of New York \_\_\_\_\_

On this 23 day of October, 2012, before me personally came Kenneth F. Lennon, to me known, who being by me duly sworn, deposes and says that he resides in the City of New York; that he is the ATTORNEY-IN-FACT of the above signed surety, the corporation described in and which executed the foregoing Agreement; that he knows the seal of the said corporation; that the seal affixed to the said Agreement is such corporate seal; that it was so affixed by the order of the Board of Directors of said corporation, and that he signed her name thereto by like order.

Angelina Torres  
(Signature of Notary Public)



## Advisory notice to policyholders regarding the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC ") regulations

No coverage is provided by this policyholder notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided.

This notice provides information concerning possible impact on your insurance coverage due to directives issued by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

Please read this Notice carefully.

OFAC administers and enforces sanctions policy based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons." This list can be located on the United States Treasury's web site – <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC restrictions. When an insurance policy is considered to be such a blocked or frozen contract, no payments or premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

**VENDOR PREFERENCE CERTIFICATE**

N/A

STATE OF WEST VIRGINIA  
Purchasing Division

# PURCHASING AFFIDAVIT

**MANDATE:** Under W.Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate;; or (2) the debtor is in employer default.

**EXCEPTION:** The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. Code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

**DEFINITIONS:**

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W.Va. Code§ 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceed five percent of the total contract amount.

**AFFIRMATION:** By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: Meyercord Revenue Incorporated

Authorized Signature: *Anthony J. Anselma* Date: October 23, 2012

State of Illinois

County of De Page, to-wit:

Taken, subscribed, and sworn to before me this 23 day of October, 2012

My Commission expires 09/30/2012

AFFIX SEAL HERE



NOTARY PUBLIC

*[Handwritten Signature]*

**CERTIFICATION AND SIGNATURE PAGE**

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

Meyercord Revenue Inc.

\_\_\_\_\_  
(Company)

*Anthony F Criscuola*

\_\_\_\_\_  
(Authorized Signature)

Anthony Criscuola, Chief Financial Officer

\_\_\_\_\_  
(Representative Name, Title)

703-440-2129

703-372-3629

\_\_\_\_\_  
(Phone Number)

\_\_\_\_\_  
(Fax Number)

October 23, 2012

\_\_\_\_\_  
(Date)

**ADDENDUM ACKNOWLEDGEMENT FORM****SOLICITATION NO.:** TAX13001

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**

(Check the box next to each addendum received)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6  |
| <input type="checkbox"/> Addendum No. 2            | <input type="checkbox"/> Addendum No. 7  |
| <input type="checkbox"/> Addendum No. 3            | <input type="checkbox"/> Addendum No. 8  |
| <input type="checkbox"/> Addendum No. 4            | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5            | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Meyercord Revenue Inc.  
Company

Anthony F. Cuscuola  
Authorized Signature

October 23, 2012

Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.

# CONFIDENTIAL ADDENDUM

Meyercord Revenue respectfully requests that the State exempt the following pages (marked **CONFIDENTIAL**) from disclosure and that the State deny public access to such confidential information on the basis that the information contains trade secrets or confidential security details, or both. If disclosed, this information would seriously degrade the integrity of Meyercord Revenue's Tax Stamping System, cause substantial injury to the competitive position of Meyercord Revenue and jeopardize the State's cigarette tax revenue stream.

## PRODUCTION CONTROL

Meyercord Revenue has taken extraordinary measures to protect its cigarette tax stamps and system from being compromised. All of Meyercord Revenue's stamps are produced entirely at its Meyercord Revenue facility where the products developed for Public Sector agencies are sold exclusively to Meyercord Revenue's government clients and are not commercially available. Unlike many printers, Meyercord Revenue's facility exclusively serves government customers. As such, Meyercord Revenue's products are never mingled with products intended for commercial use.

On June 8, 2005, the Meyercord Revenue facility was awarded a NASPO Class II Security Assurance Certificate by the North American Security Products Organization. Meyercord Revenue meets all NASPO requirements for annual recertification and has maintained its Class II Security Assurance Certificate continuously since 2005.



NASPO is a standards organization that defines documents and maintains relevant security risk management standards for reducing:

- Financial fraud
- Identity document fraud
- Dilution of brand integrity

NASPO certification verifies that SICPA's Meyercord Revenue facility has successfully completed a comprehensive Security Risk Management Audit and is certified to be in compliance with the documented best practices in risk reduction infrastructure, systems, and techniques that assure security.

Meyercord Revenue is keenly aware of and sensitive to potential threats that could compromise the security of the tax stamp. As such, Meyercord Revenue's security efforts are designed to



help prevent potential counterfeiting of the stamps or fraud. SICPA aims to protect the interests of the State and, to do that, it draws upon its success providing stamps to other countries, states, and municipalities.

All of these efforts are designed to ensure complete accountability of the products provided. Most important, Meyercord Revenue's processes are in place and proven through extensive experience. Meyercord Revenue's system of manufacturing and production control is based on more than 50 years of experience acquired through service to 47 states.

The following precautions will be observed to protect the state against theft and unlawful reproduction of stamps:

All paper for the manufacture of West Virginia stamps including damaged stamps, spoiled paper, etc., will be strictly accounted for at all times.

The entire manufacturing process including stamp design, artwork, cylinder etching, coating of the base paper stock, printing, numbering, finishing, packing and shipping of stamps will be performed at Meyercord Revenue's secure facility located in Carol Stream, Illinois. **Meyercord Revenue will not use any subcontractors to accomplish the work required.** It is Meyercord Revenue's philosophy that in order to best ensure the security of the State, every step of the stamping process is controlled in accordance with strict security guidelines that, at a minimum, meet the State's requirements. Adherence to this system greatly helps to prevent any leakage of sensitive materials and/or information to non-authorized parties.

All printing, finishing, numbering, stamp inventories, artwork and cylinders are in separate areas that are locked and restricted to employees involved with tax stamps. Stamp inventories, pressroom, and finishing operations are located in a separate enclosed section. This area is protected by a state of the art biometric access control system designed and manufactured by Recognition Systems, Inc., Division of Harrow Products, Inc., the leader in biometric technology.

## **PHYSICAL AND TECHNICAL CONTROLS**

The Meyercord Revenue manufacturing facility is a modern, two story, fireproof building, fully equipped with an Underwriters' Laboratories approved sprinkler system. Additionally, the facility is one of a few air-conditioned and humidity controlled plants in the heat applied stamp/decal industry.

The entire manufacturing process including stamp design, cylinder etching, coating of the base paper stock, printing, numbering, finishing, packing and shipping of stamps will be performed in Meyercord Revenue's plant located in Carol Stream, Illinois. All departments of Meyercord Revenue's plant involved with the manufacture of tax stamps will be open to any accredited officials of the State.

**The following precautions will be observed to protect the State against theft and unlawful reproduction of cigarette tax stamps:**

- a. **Exterior Lighting:**  
The entire exterior perimeter of the building, including the parking lot, is fully illuminated.
- b. **Interior Night Lighting:**  
All areas of the facility have interior night lighting.
- c. **Secure Stamp Production Area:**  
All printing, finishing, numbering, stamp inventories, audit records, artwork and cylinders are in a separate area of the facility that is restricted to employees involved with production of cigarette tax stamps. Further, there are only two access points (which are protected by the biometric access control system) and no windows on the perimeter of the secure area.
- d. **Interior Locks:**  
Within the secured stamp production area, the laboratory and the production accounting office are locked during non-working hours. The computer room is locked at all times. Every private office in the facility is equipped with a lock.
- e. **Locked Facility:**  
The entire exterior of the facility is locked at all times. Employees are required to enter through the employee entrance, using the biometric access control system. Once visitors are approved to enter the premises, they must be "granted access" by the receptionist in order to gain entry into the facility.
- f. **Fire Door Alarms:**  
The two exterior fire doors in the secure stamp production area are equipped with door alarms. If either of these doors is opened at any time, or for any reason, the security alarm will be activated.
- g. **Fire Door Hardware:**  
The two exterior fire doors in the stamp production area contain no exterior hardware. Thus, there are no locks that can be compromised, significantly reducing the possibility of exterior access.
- h. **Closed Circuit Television (CCTV):**  
The entire facility is equipped with over 22 video cameras. There are two PTZ cameras located on opposite corners of the building's exterior. The two cameras run a programmed tour of the building's exterior and are enclosed in a dome so that their current position cannot be detected.

The remaining 20 video cameras are placed strategically throughout the facility. The entire video monitoring scheme is controlled by an Integral Technology digital recording system. The digital function allows Meyercord Revenue much more flexibility in the areas of playback, retrieval, archiving and real-time viewing in order to ensure the security of its customers products. The cameras are all motion activated and operate at three frames per second when triggered. All of the cameras are connected to a digital video recorder, which records at a rate of three frames per second. This digital video recorder is capable of holding 25 days of video and also has the ability to write to CDs or DVDs if a longer period of time is required. Since the recorder uses digital image technology, recording does not stop when previously recorded video is being viewed.

With the Integral Technology CCTV monitoring system, Meyercord Revenue's customers can rest assured that their products are protected by one of the highest quality surveillance systems on the market today.

**i. Access Control & Audit Logs:**

Biometric devices control entry to the building and access to the secure stamp production and finishing areas. The biometric system provides a nontransferable means of identifying people not just cards or badges. The Hand Key System uses the uniqueness of three dimensional hand geometry to control access to Meyercord Revenue's building entrance and stamp production areas to assure no unauthorized personnel are admitted. The access control system is programmed to only allow employees into the facility and production areas during their regular working hours. In addition, only employees involved in the production of tax stamps are allowed access into the secure stamp production area.

The readers can also be programmed by the system administrator to allow only authorized employees access to certain areas of the facility. This assures customers that their products are being protected, as there is limited access to the production and inventory storage areas. The Hand Key System records employee movement throughout the plant when an employee enters key areas of the plant he must register his hand. The system then records the employee number, date, time and whether or not access was granted.

The Hand Key Reader can also act as a complete door management system and thus monitor when a door is left open too long, when a door is forced open or any unusual duress.

**j. Intrusion Detection:**

Every exterior door and window is equipped with intrusion detectors connected to the alarm system. Once the facility is armed, the alarm will be activated whenever an exterior door is opened or an exterior window broken.

**k. Windows:**

There are no windows in the production, finishing or inventory areas, which prevents physical or visual intrusion. All exterior windows are armed with V-Plex addressable glass break detectors. Any window that is tampered with and broken will automatically set off the alarm system.

**l. Motion Detection:**

The alarm system protecting Meyercord Revenue's facility during off hours, weekends and holidays includes a number of addressable motion detectors located strategically throughout the stamp production areas. Once the facility is armed, the alarm will be activated whenever one of the motion sensors is tripped. The Ademco motion detectors sense alarms up to eight times faster than conventional multiplex systems. The address ability allows the central station to identify the exact location of the intrusion

**m. Alarm System:**

A central alarm station for 24-hour system supervision monitors all three elements of the alarm system, motion detection, glass breaks and door contacts. If any of these devices reports an intrusion, the system contacts the alarm company with information about what

device caused the alarm, who then notifies the police department and key company contacts.

**n. Interior Loading Dock:**

All shipments are made from an interior loading dock. No one from outside the facility can be near the truck while it is being loaded with stamps. Meyercord Revenue's unloading and stamp loading procedures are shown below.

**Unloading:**

1. All delivery vehicles must be logged in when entering the dock area with the date, items being delivered/shipped, time of arrival, and time of departure.
2. Whoever is responding to the dock bell must log in the driver, determine the purpose of the delivery and contact the responsible department. The driver is never left alone.
3. If a driver needs to leave the dock area (e.g., to visit the restroom or make a telephone call) the Meyercord Revenue employee must escort the driver to the area and wait to escort them back to the dock. At no time is the driver allowed to leave the dock area without being accompanied by a Meyercord Revenue employee.

**Stamp Loading:**

1. All tax stamp orders are assembled for shipment in a secure area within the Tax Stamp Department inventory holding location. Stamps do not move from this secure area until arrival of the delivery truck.
2. Upon arrival of the truck, the Tax Stamp Department is notified. Stamps are delivered to the dock area. At no time should the stamp order be left unattended after leaving the secure area.
3. Once the truck is loaded and the driver signed out, the truck is released.

**o. Secured Dumpster:**

The dumpster is located within the interior loading dock and is not accessible to the public. Details of Meyercord Revenue's waste destruction process are:

1. All scrap generated in production will be recorded. All generated scrap is maintained by master roll number in separate cases. Storage of the scrap will be in a designated location within the secured Finished Goods area prior to shredding.
2. Scrap will remain in the designated location until the State auditors are available for reconciliation and witness to, or authorize, its destruction. Once destroyed, the accumulation of scrap data will be forwarded to the Customer Service Coordinator for the preparation of the affidavit.
3. When stamps are being destroyed, a Meyercord Revenue employee will be present at all times. Stamps designated for destruction will never be left unattended in the dock area. If the responsible person destroying the stamps has to leave the dock area during destruction, they must get another Meyercord Revenue employee to stay with the stamps until their return or the stamps would be brought back to a secured location.

**p. Cigarette Stamp Accountability:**

Meyercord Revenue will strictly account for all raw materials used in the manufacturing process. Meyercord Revenue maintains records for all stamps produced, including stamps that will require destruction. These records are maintained in Meyercord Revenue's production accounting system, and are available for inspection by the State.

**q. Retention of Damaged/Invalidated Stamps:**

Meyercord Revenue will retain all damaged or invalidated stamps within its secured stamp production area until the state requests, or is present to witness, the destruction of the stamps.

**r. Records Security:**

Cigarette stamp records are kept in the production accounting office, which is locked during non-working hours. Electronic information is stored on the central computer system, which is located in a locked room.

**s. Meyercord Revenue Employees and Visitors:**

The following security measures are observed:

1. Background Checks:

A search is done on every new employee for Federal and County felonies and misdemeanors following the preliminary job offer but prior to employment.

2. Credit Check:

A credit check is done on every new employee following the preliminary job offer but prior to employment.

3. Drug Screening Test:

As with background checks, every candidate must pass a drug-screening test prior to employment.

4. Separation Procedures:

Upon separation of an employee from the company, the Human Resources department notifies Security and Information Technology personnel of the separation. Appropriate actions can be taken to remove the employee's access privileges and identification badge.

5. Visitor Badge:

Every visitor must wear a visitor badge while inside the facility. The official Visitor Procedures are contained within the Meyercord Revenue Building Security Procedures and System Description Documents, Section 3.

6. Visitor Log Book:

A visitor logbook is maintained at the front entrance. Whenever someone visits the facility, they are required to sign the visitor logbook.

7. Visitor Confidentiality Notice:

Every visitor must sign a visitor's card and a non-disclosure confidentiality agreement.



8. **Access Logs:**

The biometric access control system records every access attempt. It records the date and time, the location, the person attempting access and whether or not access was granted.

## **ACCESS TO STORAGE AREA**

Biometric devices control entry to the building and access to the secure stamp production, finishing and storage areas. The access control system is programmed to only allow employees into the facility and production areas during their regular working hours. In addition, only employees involved in the production of tax stamps are allowed access into the secure stamp production area. This assures the states that their products are being protected, as there is limited access to the production and inventory storage areas.

## **STORAGE OF DAMAGED OR INVALIDATED STAMP/INDICIA**

Meyercord Revenue maintains a complete accountability for all stamps produced. It will report stamps that are unaccounted for, either through the production process or during shipment, to DOR within 48 hours of the event.

Meyercord Revenue stores damaged, invalidated or scrap materials within the secure area. All scrap generated during the production process is recorded and stored by number. Storage of the scrap is held in a designated location until DOR auditors are available for reconciliation and to witness or authorize its destruction. Once destroyed, the accumulation of scrap data will be forwarded to the Customer Service Coordinator for preparation of an affidavit. When stamps are destroyed, a Meyercord Revenue employee will be present. Stamps designated for destruction will never be left unattended.

## **COMPUTER SECURITY**

Of critical importance from both a security and business perspective is the security Meyercord Revenue provides to its computers. Meyercord Revenue has proven security processes in place. Access to computers and computer systems used in the production of the tax stamps, and the data that is developed from the processes, requires strict controls. These protections enable the confidentiality of all data and the protection from unauthorized or unintentional modifications to the data or the equipment.

Meyercord Revenue maintains both physical and logical access security to its Production Tracking System environment. Meyercord Revenue IT Management will retain exclusive root access security rights.

a. **Back-up plan:**

Meyercord Revenue's back-up plan includes daily tape backups of all tax stamp production

data. Daily backups are kept onsite in a fireproof safe with a weekly backup stored off-site. The help ensure the integrity of the tax stamp production data, all transaction and audit logs are maintained on a different server than the one that is used to maintain the stamp production process.

**b. Safe operating environment:**

All of the computer applications used by Meyercord Revenue will operate either in a Windows 2000 or Windows XP environment. Inherent within the Windows design is that the failure of a single application will not compromise the balance of the operating system. Further, a hardware failure that could comprise the system will cause the system to halt, thereby protecting the system from being compromised.

**c. Least privilege:**

The principle of least privilege is that users and programs be given no more access to functions or information than what is necessary to perform the job. All software components designed, developed or implemented by Meyercord Revenue will adhere to the principle of least privilege.

**d. Data security and recovery procedures:**

At Meyercord Revenue, the daily on-site backups contribute to providing the best data security. If data recovery is required, the daily backup will be restored first.

## **ACCESS TO COMPUTER OR OTHER PRINTING SYSTEM**

The data in Meyercord Revenue's Stamp Information System (SIS) is accessible only via unique user IDs and passwords. Each user ID is granted access only to the areas that are applicable to that user, thus ensuring need-to-know access, plus maintaining the integrity and consistency of the overall system. Further, this prevents unauthorized, unintentional or unanticipated modifications to the system and/or data. Inherent to the unique user IDs is the ability to grant system administrator roles only to those users who are actually system administrators. An audit trail by unique user ID will be created and maintained.

## **SYSTEM AUDIT TRAILS**

Audit logs will be maintained for a minimum of four years. The log will include a record of all stamp orders' date and time. Who processed the order is a function of each individual's unique user ID, which is recorded when the order is processed. Being that Meyercord Revenue's secure web-based Stamp Information System (SIS) is a browser-based solution, there are no terminal IDs to record. Like order processing, changes are tracked by each individual's unique user ID.



## DELIVERY

Meyercord Revenue has taken extraordinary measures to ensure that all tax stamps are delivered safely and securely to its customers. Meyercord Revenue's NASPO certification is evidence that it has demonstrated best practices at mitigating delivery risk. Meyercord Revenue's Transportation Assurance Procedure (outlined below) assures its customers that all tax stamps have been picked up by authorized personnel, that the stamps are transported by licensed, bonded and insured carriers authorized by the State utilizing the latest in security technologies to protect the shipment, and that the stamps have arrived successfully at the authorized destination.

## TRANSPORTATION ASSURANCE PROCEDURE

### a. General

1. Transportation Means:
  - i. All carriers must be approved by the State
  - ii. All carriers must be licensed, bonded and insured
2. Shipping Terms:

All stamps are shipped FOB destination
3. Verification of authorized driver:
  - i. Whoever is responding to the dock bell must log in the driver.
  - ii. All drivers shall be identified using government-issued photo-ID (e.g.; drivers' license; passport or national ID card, etc.).
  - iii. Drivers will be checked against an authorized list.
  - iv. Meyercord Revenue employees must obtain verbal approval from carrier if driver is not on the list.
  - v. The driver must not be left alone until the responsible party for the shipment has arrived.
  - vi. At no times should the driver be allowed to leave the dock area without being accompanied by a Meyercord employee.
4. Loading:
  - i. All tax stamp orders are assembled for shipment in a secure area within the Tax Stamp Department inventory holding location. Stamps do not move from this secure area until arrival of the delivery truck.
  - ii. Upon arrival of the truck, the Tax Stamp Department is notified. Stamps are delivered to the dock area. At no time should the stamp order be left unattended after leaving the secure area.

- iii. A Meyercord employee loads stamps onto the truck.
  - iv. All dedicated shipments will be sealed. The sealed code is put on all paperwork for tracking purposes. The Bill of Lading is maintained in the Shipping Department at Meyercord.
  - v. Once the truck is loaded, sealed/and locked, the truck is release.
5. Customer notification of delivery:  
Customer is notified, via email, by a Customer Service Rep detailing the following:
- i. Actual departure date and time.
  - ii. Estimated arrival time of the goods at the destination.
  - iii. Earliest time for the customer to issue a non-arrival alert to trigger breach of security.

**b. Truck Security**

1. Tamper evident security seals are required on all surface shipments.
2. Drivers are in regular contact with the carrier's central station and are tracked by the GPS devices located within the cells phone carried by each driver.
3. All shipments will be tracked using electronic tracking system provide by the carrier.
4. Drivers are required to keep the rear door locked when not loading or unloading.
5. Drivers are not allowed to stop within the 1st 300 miles of a trip without approval.
6. Trailers are not allowed to be unhitched from the tractor until arrival at destination.
7. Delays due to road conditions or accidents are reported within 2 hours of occurrence.
8. Drivers are encouraged to actively look for any following vehicles and follow another protocol if they feel they are being followed.

**c. Delivery**

Meyercord Revenue will be responsible for safe and proper delivery.

1. Stamps are delivered to address and location specified by the State.
2. Upon delivery and acceptance by the state agency, the driver must obtain a legible signature from an authorized state agency designee.
3. The freight compartment seal will be broken upon delivery of the tax stamps to the State.
4. Carrier will assist authorized State personnel in unloading stamps to be transferred to secure State location.
5. Customer notifies Meyercord Revenue of successful delivery.
  - i. Customer receives shipment.
  - ii. Customer signs off on shipment (accepting title).
  - iii. Customer notifies Meyercord Revenue by email within one hour.
6. Customer alerts Meyercord Revenue of non-arrival if tax stamps do not arrive by the arrival trigger for the customer. Customer emails non-arrival alert to Meyercord Revenue Customer Service Rep.
  - i. Meyercord Revenue contacts carrier to determine cause of delay.

- ii. Meyercord Revenue informs customer by email:
  - i. The estimated time of arrival of the goods at the destination.
  - ii. The earliest time for the customer to issue a non-arrival alert to trigger breach of security.

## **BUSINESS CONTINUITY AND DISASTER RECOVERY PLANS**

Meyercord Revenue has developed a Business Continuity and Disaster Recovery Plan that ensures that service to its customers is not disrupted if a disaster occurs at its plant. The Plan covers natural disasters, disruption in supply, and labor disruptions. The contingencies envisioned will be accommodated as shown below.

### **a. Fire Prevention:**

The Meyercord Revenue printing press is protected by a fire suppression system. In case of fire, the fire suppression system will engulf the press with carbon dioxide, suffocating the fire. Since carbon dioxide is a gas, it will not damage the press when it is discharged.

In addition to the fire suppression system on the press, the entire facility is protected by an automatic sprinkler system. This system is designed to localize the fire and prevent the spread to other areas of the building. In addition, the sprinkler alarm is tied into the central alarm system that notifies the local fire department whenever the system is activated.

### **b. A strike by Meyercord Revenue employees or a transportation company:**

Meyercord Revenue employees are not covered by a collective bargaining agreement. Meyercord Revenue uses multiple freight carriers and shipping modes to ship tax stamps. To the best of its knowledge, none of these companies are unionized. In the event that one of Meyercord Revenue's carriers went on strike, it would use one of the other certified carriers.

### **c. Disruption in printing supplies:**

Meyercord Revenue has pre-qualified back-up or secondary sources of supply for each raw material to ensure an adequate supply of materials at all times.

### **d. Protection of Artwork:**

Electronic copies of all artwork files are kept in a fireproof safe.

### **e. Protection of Computer Files:**

Electronic copies of all computer files are kept in a fireproof safe.

### **f. Office/Telecommunications:**

In the unfortunate circumstance of an unplanned disaster, Meyercord Revenue has arrangements with its parent company, SICPA Product Security, LLC, located in Springfield, Virginia, to operate a skeleton administrative staff with computers and phones.

### **g. Press equipment failure:**

The printing press designated to print the tax stamp has many redundant features. A failure in one section of the press will not prevent the balance of the press from operating. A spare

parts inventory is maintained on-site for the maintenance staff to make any necessary repairs or to have emergency service contact with the press manufacturer.

**h. Press equipment destroyed:**

In the event the entire press is destroyed, a backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

**i. Numbering equipment failure:**

A spare parts inventory is maintained on-site for the maintenance staff to make any necessary repairs or to have emergency service contacts with the equipment manufacturers.

**j. Numbering equipment destroyed:**

In the event that the numbering machine is destroyed, a backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

**k. Rewinder equipment failure:**

Meyercord Revenue operates and maintains multiple rewinders so that production can be switched over to another rewriter if an equipment failure occurs. As with the press, Meyercord Revenue maintains a spare parts inventory, has an on-site maintenance staff to make any necessary repairs and have emergency service contacts with the rewriter manufacturer.

**l. Rewinder equipment destroyed:**

In the event that both rewinders are destroyed, a backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

**m. Complete destruction of plant or finished goods inventory:**

A backup supply of emergency stamps at a secure off-site location can be accessed for immediate delivery.

## **ACCESSIBILITY TO ACCREDITED OFFICIALS**

Meyercord Revenue will ensure that all departments of the plant involved with the manufacture of tax stamps for the State will be open at all times to any accredited officials of the West Virginia State Tax Department for inspection and audit.

## **STAMP SAMPLES OR DEMONSTRATION AGREEMENT**

Stamps manufactured for the West Virginia State Tax Department will not be used as samples or demonstration and inspection in other states without express written consent of the West Virginia State Tax Department.