



West Virginia Purchasing Division

2019 Washington Street, East
Charleston, WV 25305
Telephone: 304-558-2306
General Fax: 304-558-6026
Bid Fax: 304-558-3970

The following documentation is an electronically-submitted vendor response to an advertised solicitation from the *West Virginia Purchasing Bulletin* within the Vendor Self-Service portal at ***wvOASIS.gov***. As part of the State of West Virginia's procurement process, and to maintain the transparency of the bid-opening process, this documentation submitted online is publicly posted by the West Virginia Purchasing Division at ***WVPurchasing.gov*** with any other vendor responses to this solicitation submitted to the Purchasing Division in hard copy format.

Header

List View

General Information

Contact

Default Values

Discount


Document Information

Procurement Folder: 76005

SO Doc Code: CRFQ

Procurement Type: Central Master Agreement

SO Dept: 0705

Vendor ID: 

SO Doc ID: LOT1500000005

Legal Name: SURETY GROUP AGENCY LLC

Published Date: 2/26/15

Alias/DBA:

Close Date: 3/10/15



Total Bid: \$42.00

Close Time: 13:30

Response Date: 

Status: Closed

Response Time:

Solicitation Description:  

Total of Header Attachments: 0

Total of All Attachments: 0



Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

**State Of West Virginia
 Solicitation Response**

Proc Folder : 76005

Solicitation Description : ADDENDUM NO. 2 - BLANKET BONDING FOR LIMITED VIDEO LOTTERY

Proc Type : Central Master Agreement

Date issued	Solicitation Closes	Solicitation No	Version
	2015-03-10 13:30:00	SR 0705 ESR03061500000002448	1

VENDOR

000000162934

SURETY GROUP AGENCY LLC

FOR INFORMATION CONTACT THE BUYER

Evelyn Melton
 (304) 558-7023
 evelyn.p.melton@wv.gov

Signature X

FEIN #

DATE

All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	COST PER \$ 1,000.00 OF COVERAGE: NO DEDUCTIBLE	1.00000	UNIT	\$12.50	

Comm Code	Manufacturer	Specification	Model #
84000000			

Extended Description : COST PER \$ 1,000.00 OF COVERAGE: NO DEDUCTIBLE

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	COST PER \$1000.00 OF COVERAGE: \$10,000.00	1.00000	UNIT	\$11.50	

Comm Code	Manufacturer	Specification	Model #
84000000			

Extended Description : COST PER \$ 1,000.00 OF COVERAGE: \$10,000.00 DEDUCTIBLE

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	COST PER \$1,000.00 OF COVERAGE: \$25,000.00	1.00000	UNIT	\$10.00	

Comm Code	Manufacturer	Specification	Model #
84000000			

Extended Description : COST PER \$ 1,000.00 OF COVERAGE: \$ 25,000.00 DEDUCTIBLE

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
4	COST PER \$1,000.00 OF COVERAGE: \$50,000.00	1.00000	UNIT	\$8.00	

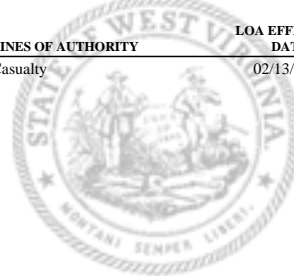
Comm Code	Manufacturer	Specification	Model #
84000000			

Extended Description : COST PER \$ 1,000.00 OF COVERAGE: \$ 50,000.00 DEDUCTIBLE

ADDENDUM NO. 2 IS ISSUED:

License No: [REDACTED] State of West Virginia Agent License NPN: 15822580
LESLIE A. WORLEY

LICENSE TYPE	LINES OF AUTHORITY	LOA EFFECTIVE DATE	LICENSE EXPIRATION DATE
PRODUCER	Casualty	02/13/2015	02/28/2017



LESLIE A. WORLEY
[REDACTED]

State of West Virginia

License No: [REDACTED]

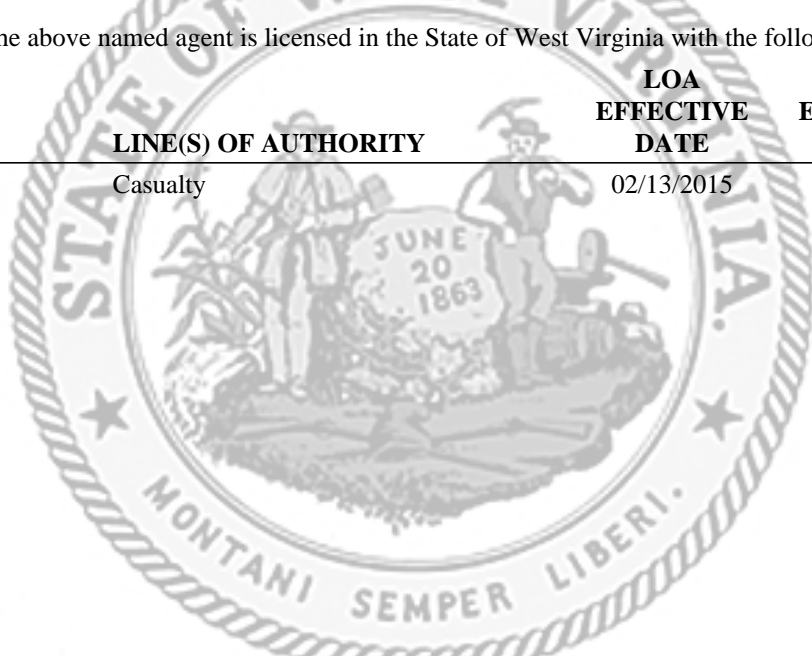
Agent License

NPN: 15822580

LESLIE A. WORLEY

This is to certify that the above named agent is licensed in the State of West Virginia with the following authority(ies):

LICENSE TYPE	LINE(S) OF AUTHORITY	LOA EFFECTIVE DATE	LICENSE EXPIRATION DATE
PRODUCER	Casualty	02/13/2015	02/28/2017



Please visit sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp for the current status of this license.

THE SURETY GROUP AGENCY, LLC
THE SURETY GROUP AGENCY, LLC
12890 LEBANON ROAD
MOUNT JULIET TN 37122

State of West Virginia

License No: 100108450

Agency License

THE SURETY GROUP AGENCY, LLC

Doing Business As: THE SURETY GROUP

This is to certify that the above named agent is licensed in the State of West Virginia with the following authority(ies):

LICENSE TYPE

LICENSE EXPIRATION DATE

BUSINESS ENTITY

06/30/2015



Please visit sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp for the current status of this license.

Best's Rating Report



Cincinnati, Ohio



A+

Ultimate Parent:
American Financial Group, Inc
GREAT AMERICAN
INSURANCE COMPANY

301 E. Fourth Street
Cincinnati, OH 45202
Web: www.gaig.com

Tel: 513-369-5000
AMB#: 002213
Ultimate Parent#: 058317

Fax: 513-369-3600
NAIC#: 16691
FEIN#: 31-0501234

BEST'S CREDIT RATING

Best's Financial Strength Rating: A+

Outlook: Stable

Best's Financial Size Category: XIII

RATING RATIONALE

The following text is derived from A.M. Best's Credit Report on Great American Insurance Companies (AMB# 005990).

Rating Rationale: The ratings apply to Great American Insurance Companies' (Great American) eleven intercompany pool members, led by Great American Insurance Company (GAIC), and Great American Lloyd's Insurance Company, which maintains a 100% quota share re-insurance agreement with GAIC. The ratings reflect the group's excellent risk-adjusted capitalization, strong operating profitability sustained over the long term and diversified business profile, which serves to protect its earnings stream. Great American's strong operating performance reflects the profitable underwriting results derived through management's disciplined operating strategy and specialty market

knowledge, as well as the group's multiple distribution channels, diversified product offerings, excellent geographic spread of risk, as well as access to data through its sophisticated technology platform. Great American's strong underwriting performance also reflects the diversification of its premium writings and its modest exposure to natural catastrophes. The group also benefits from the financial flexibility provided by American Financial Group, Inc. (AFG), which maintains financial leverage that is in line with its current ratings, as well as additional liquidity sources given its access to capital markets and lines of credit. A.M. Best expects that earnings and cash flows from AFG's operating subsidiaries will allow it to support Great American's risk-adjusted capitalization, should the need arise.

These positive rating factors are somewhat offset by the significant stockholder dividends paid to AFG over the recent five-year period, which has constrained organic surplus growth, as well as elevated common stock leverage and adverse loss development in certain lines of business. While Great American has reported favorable loss reserve development in recent calendar years, areas of adverse reserve development persist, particularly relating to the run-off of its asbestos and environmental (A&E) claims. Despite these offsetting factors, the outlook for the ratings acknowledges the group's excellent risk-adjusted capitalization, solid underwriting performance throughout the underwriting cycle, experienced management team and balanced portfolio of specialty risks that are enhanced by its geographic diversification.

Due to rating actions taken by A.M. Best on the organization in 2014, additional positive rating actions are unlikely in the near term.

Key factors that could trigger negative rating actions include a material deterioration of underwriting and operating results, particularly if the resulting performance is materially below similarly rated peers; a significant weakening in risk-adjusted capitalization; or an increase in

Best's Rating Report



the financial leverage or reduction in the interest coverage at AFG to a level that is out of line with its current ratings.

KEY FINANCIAL INDICATORS (\$000)

Year	Net Premiums Written	Pre-tax Operating Income	Total Admitted Assets	Policyholders' Surplus	Comb. Ratio
2009	1,500,130	613,729	5,353,036	1,433,066	81.6
2010	1,529,095	487,907	4,934,096	1,476,282	86.0
2011	1,786,184	302,943	5,273,622	1,411,293	93.6
2012	1,862,434	177,316	5,132,593	1,469,645	98.7
2013	2,100,101	275,524	5,376,892	1,403,303	92.7

(* Data reflected within all tables of this report has been compiled from the company-filed statutory statement.

BUSINESS PROFILE

The following text is derived from A.M. Best's Credit Report on Great American Insurance Companies (AMB# 005990).

Great American Insurance Companies (Great American), led by Great American Insurance Company (GAIC), provides niche property and casualty coverages in all 50 states, the District of Columbia, and Canada. Great American is the largest of five property/casualty insurance divisions within the American Financial Group, Inc. (NYSE/NASDAQ: AFG) enterprise, which collectively are one of the 25 largest groups in the United States, ranked by premium volume. GAIC and ten companion carriers participate in an intercompany pooling arrangement whereby GAIC retains 100 percent of the pooled business. Additionally, GAIC assumes 100% of the business written by Great American Lloyd's Insurance Company for which it earns a management fee.

Premium is produced through a network of independent agents and brokers who collectively offer specialized commercial lines product offerings that include inland and ocean marine, agricultural (primarily multi-peril crop insurance), equine mortality, executive liability (directors and officers (D&O) / errors and omission (E&O)), workers' compensation, fidelity and surety, trade credit, commercial auto, bonds, general liability, collateral protection, umbrella, excess and surplus, and excess property.

Business is divided among diversified business divisions, with premium volume varying based on market conditions. Each division is managed autonomously, with home office allowing managers to focus on their particular products to ensure their continued profitability.

Territory: The company is licensed in the District of Columbia, Guam, Puerto Rico and all states. It is also licensed in Canada.

2013 BY-LINE BUSINESS (\$000)

Product Line	—DPW—		Reinsurance —Prem Assumed—	
	(\$000)	(%)	(\$000)	(%)
Allied Lines	1,044,242	54.5	19,051	1.3
Credit	98,882	5.2	174,082	12.0
Oth Liab CM	204,605	10.7	84,781	5.9
Oth Liab Occur	175,514	9.2	293,747	20.3
Com'l MultiPeril	57,717	3.0	178,729	12.3
Inland Marine	34,870	1.8	173,875	12.0
Workers' Comp	1,570	0.1	186,172	12.8
Surety	91,190	4.8	23,776	1.6
Ocean Marine	4,487	0.2	84,144	5.8
Fidelity	87,530	4.6	7,417	0.5
Auto Physical	3,005	0.2	65,369	4.5
Prod Liab Occur	2,521	0.1	60,601	4.2
Comm'l Auto Liab	13,910	0.7	41,720	2.9
Group A & H	46,896	2.4
All Other	48,463	2.5	55,708	3.8

Total 1,915,401 100.0 1,449,171 100.0

Product Line	Reinsurance —Prem Ceded—		—NPW—		Business Retention (%)
	(\$000)	(%)	(\$000)	(%)	
Allied Lines	695,104	55.0	368,188	17.5	34.6
Credit	37,132	2.9	235,832	11.2	86.4
Oth Liab CM	70,641	5.6	218,745	10.4	75.6
Oth Liab Occur	256,848	20.3	212,413	10.1	45.6
Com'l MultiPeril	47,843	3.8	188,603	9.0	79.8
Inland Marine	25,488	2.0	183,257	8.7	87.9
Workers' Comp	27,187	2.2	160,556	7.6	86.2
Surety	7,471	0.6	107,494	5.1	93.6
Ocean Marine	11,662	0.9	76,969	3.7	87.1
Fidelity	24,941	2.0	70,005	3.3	73.8
Auto Physical	5,574	0.4	62,800	3.0	94.1
Prod Liab Occur	4,103	0.3	59,019	2.8	93.6
Comm'l Auto Liab	6,268	0.5	49,362	2.4	89.4
Group A & H	2,201	0.2	44,695	2.1	95.3
All Other	42,006	3.3	62,165	3.0	59.8

Total 1,264,470 100.0 2,100,101 100.0 62.6

HISTORY

Great American Insurance Company was originally organized under New York laws and began business on March 7, 1872, and was acquired by American Financial Group, Inc. (formerly American Financial Corporation) in October 1973. Great American Insurance Company represents a perpetuation of an enterprise under an Ohio charter through a transfer of corporate domicile from New York, New York, to Cincinnati, Ohio. Under the reorganization, the company was merged with a subsidiary, American Continental Insurance Company, on September 30, 1976.

Administrative offices were moved in late 1970 from New York, New York, to Los Angeles, California, and in August 1974 to Cincinnati, Ohio.

Paid-up capital of \$15,440,600 consists of 100,000 common shares at \$154.406 par value each. All authorized shares are issued and outstanding.

Best's Rating Report



MANAGEMENT

Supervision and administration of the group's affairs are under the direction of the chairman and chief executive officer, Carl H. Lindner III. Carl H. Lindner III and S. Craig Lindner are co-chief executive officers of the parent holding company, American Financial Group, Inc. Mr. Lindner III served as president of Great American prior to assuming his present position as chairman and CEO in May 2010.

Officers: President and Chief Operating Officer, Donald D. Larson; Executive Vice Presidents, Ronald J. Brichler, Gary J. Gruber, Vince McLenaghan; Senior Vice President and Chief Information Officer, Piyush K. Singh; Senior Vice President, Secretary and General Counsel, Eve Cutler Rosen; Senior Vice President, Treasurer and Chief Financial Officer, David J. Witzgall; Senior Vice Presidents, Dale E. Kelcey, Aaron B. Latto, Michael D. Pierce, Michael E. Sullivan, Jr.; Vice President and Actuary, John L. Doellman; Vice President and Controller, Robert J. Schwartz; Vice Presidents, Scott H. Becken, Sue A. Erhart, David P. Faeth, Annette D. Gardner, John W. Tholen.

Directors: Ronald J. Brichler, Gary J. Gruber, Donald D. Larson, Aaron B. Latto, Carl H. Lindner III, Michael D. Pierce, Eve Cutler Rosen, Piyush K. Singh, Michael E. Sullivan, Jr., David J. Witzgall.

Balance Sheet Admitted Assets (\$000)

	12/31/2013	%
Bonds	\$2,535,967	47.2
Preferred stock	164,325	3.1
Common stock	481,453	9.0
Cash & short-term invest	218,303	4.1
Real estate, investment	47,987	0.9
Derivatives	194	0.0
Other non-affil inv asset	166,270	3.1
Investments in affiliates	544,203	10.1
Real estate, offices	<u>829</u>	<u>0.0</u>
Total invested assets	\$4,159,534	77.4
Premium balances	406,651	7.6
Accrued interest	27,300	0.5
All other assets	<u>783,408</u>	<u>14.6</u>
Total assets	\$5,376,892	100.0

Liabilities & Surplus (\$000)

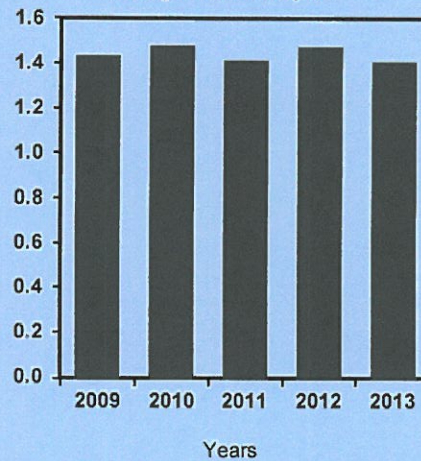
Loss & LAE reserves	\$2,428,657	45.2
Unearned premiums	882,052	16.4
Conditional reserve funds	26,478	0.5
Derivatives	249	0.0
All other liabilities	<u>636,155</u>	<u>11.8</u>
Total liabilities	\$3,973,590	73.9
Capital & assigned surplus	465,035	8.6
Unassigned surplus	<u>938,267</u>	<u>17.4</u>
Total policyholders' surplus	\$1,403,303	26.1
Total liabilities & surplus	\$5,376,892	100.0

Best's Rating Report



GREAT AMERICAN INSURANCE COMPANY

Policyholders' Surplus



in billions
of dollars

FINANCIAL SUMMARY (\$000) as of 12/31/2013

Policyholders' Surplus	\$	1,403,303
Direct Premiums Written	\$	1,915,401
Combined Ratio		92.7
Net Underwriting Income	\$	119,872
Net Investment Income	\$	161,988

Best's Rating Report



Why is this *Best's® Rating Report* important to you?

A Best's Rating Report from the A.M. Best Company showcases the **opinion** from the leading provider of insurer ratings of a company's financial strength and ability to meet its obligations to policyholders, as well as its relative credit risk.

The A.M. Best Company is the oldest, most experienced rating agency in the world and has been reporting on the financial condition of the insurance companies since 1899.

A Best's Financial Strength Rating is an **independent opinion** of an insurer's financial strength and ability to meet its ongoing insurance policy and contract obligations.

The Financial Strength Rating opinion addresses the relative ability of an insurer to meet its ongoing insurance policy and contract obligations. The rating is not assigned to specific insurance policies or contracts and does not address any other risk, including, but not limited to, an insurer's claims-payment policies or procedures; the ability of the insurer to dispute or deny claims payment on grounds of misrepresentation or fraud; or any specific liability contractually borne by the policy or contract holder. The rating is **not a recommendation**

to purchase, hold or terminate any insurance policy, contract or any other financial obligation issued by an insurer, nor does it address the suitability of any particular policy or contract for a specific purpose or purchaser.

In arriving at a rating decision, A.M. Best relies on third-party audited financial data and/or other information provided to it. While this information is believed to be reliable, A.M. Best does not independently verify the accuracy or reliability of the information.

The company information appearing in this pamphlet is an extract from the complete company report prepared by the A.M. Best Company or A.M. Best Europe – Rating Services Limited.

For the latest Best's Financial Strength Ratings along with their definitions and A.M. Best's Terms of Use, visit the A.M. Best website at www.ambest.com. You may also obtain AMB Credit Reports by visiting our site or calling our Customer Service department at +1-908-439-2200, ext. 5472. To expedite your request, please provide the company's identification number (AMB#).

**WEST VIRGINIA
STATE TAX DEPARTMENT
BUSINESS REGISTRATION
CERTIFICATE**

ISSUED TO:

**THE SURETY GROUP AGENCY, LLC
3715 NORTHSIDE PKWY NW 1-315
ATLANTA, GA 30327-0000**

BUSINESS REGISTRATION ACCOUNT NUMBER 2268-5722

This certificate is issued on: **04/19/2012**

This certificate is issued by the West Virginia State Tax Commissioner in accordance with Chapter 11, Article 12 of the West Virginia Code.

The person or organization identified on this certificate is registered to conduct business in the State of West Virginia at the location above.

This certificate is not transferrable and must be displayed at the location for which issued.

This certificate shall be permanent until cessation of the business for which the certificate of registration was granted or until it is suspended, revoked or cancelled by the Tax Commissioner.

Change in name or change of location shall be considered a cessation of the business and a new certificate shall be required.

**TRAVELING STREET VENDORS: Must carry a copy of this certificate in every vehicle operated by them.
CONTRACTORS, DRILLING OPERATORS, TIMBER/LOGGING OPERATIONS: Must have a copy of
this certificate displayed at every job site within West Virginia.**

West Virginia Offices of the Insurance Commissioner



Certificate of Authority

Whereas, **GREAT AMERICAN INSURANCE COMPANY**, domiciled in the State of **OHIO**, has complied with all the requirements of the laws of this State so as to entitle it to transact its appropriate business in the State of West Virginia.

Therefore, I the undersigned, Insurance Commissioner of the State of West Virginia, pursuant to the authority vested in me by the laws of this State, do hereby authorize it to transact the business of insurance as defined in Chapter 33

ACCIDENT & SICKNESS - ARTICLE 1, SECTION 10(b)
CASUALTY - ARTICLE 1, SECTION 10(e)
CASUALTY - ARTICLE 1, SECTION 10(e)(14)
FIRE - ARTICLE 1, SECTION 10(c)
MARINE - ARTICLE 1, SECTION 10(d)
SURETY - ARTICLE 1, SECTION 10(f) (1)
SURETY - ARTICLE 1, SECTION 10(f) (2)
SURETY - ARTICLE 1, SECTION 10(f) (3)

of the 1931 Code of West Virginia as amended, in the State of West Virginia in accordance with the laws thereof until midnight on the 31st day of May, 2015, unless this license be sooner revoked. Pursuant to W. Va. Code §33-3-2(c), the above authorization does not allow the insurer to transact a kind of insurance in this State unless duly authorized or qualified to transact such insurance in the state or country of its domicile.

In Testimony Whereof, I have hereunto set my hand and affixed my seal of office at the City of Charleston this 1st day of June, 2014.

A handwritten signature in cursive script that reads "Michael D. Riley".

Michael D. Riley
Insurance Commissioner

NAIC # 16691
WV File # 0672

West Virginia Offices of the Insurance Commissioner



Certificate of Authority

Whereas, **GREAT AMERICAN INSURANCE COMPANY OF NEW YORK**, domiciled in the State of **NEW YORK**, has complied with all the requirements of the laws of this State so as to entitle it to transact its appropriate business in the State of West Virginia.

Therefore, I the undersigned, Insurance Commissioner of the State of West Virginia, pursuant to the authority vested in me by the laws of this State, do hereby authorize it to transact the business of insurance as defined in Chapter 33

CASUALTY - ARTICLE 1, SECTION 10(e)
CASUALTY - ARTICLE 1, SECTION 10(e)(14)
FIRE - ARTICLE 1, SECTION 10(c)
MARINE - ARTICLE 1, SECTION 10(d)
SURETY - ARTICLE 1, SECTION 10(f) (1)
SURETY - ARTICLE 1, SECTION 10(f) (2)
SURETY - ARTICLE 1, SECTION 10(f) (3)

of the 1931 Code of West Virginia as amended, in the State of West Virginia in accordance with the laws thereof until midnight on the 31st day of May, 2015, unless this license be sooner revoked. Pursuant to W. Va. Code §33-3-2(c), the above authorization does not allow the insurer to transact a kind of insurance in this State unless duly authorized or qualified to transact such insurance in the state or country of its domicile.

In Testimony Whereof, I have hereunto set my hand and affixed my seal of office at the City of Charleston this 1st day of June, 2014.

Handwritten signature of Michael D. Riley in cursive script.

Michael D. Riley
Insurance Commissioner

NAIC # 22136
WV File # 0053

West Virginia Offices of the Insurance Commissioner



Certificate of Authority

Whereas, **GREAT AMERICAN ALLIANCE INSURANCE COMPANY**, domiciled in the State of **OHIO**, has complied with all the requirements of the laws of this State so as to entitle it to transact its appropriate business in the State of West Virginia.

Therefore, I the undersigned, Insurance Commissioner of the State of West Virginia, pursuant to the authority vested in me by the laws of this State, do hereby authorize it to transact the business of insurance as defined in Chapter 33

CASUALTY - ARTICLE 1, SECTION 10(e)
CASUALTY - ARTICLE 1, SECTION 10(e)(14)
FIRE - ARTICLE 1, SECTION 10(c)
MARINE - ARTICLE 1, SECTION 10(d)
SURETY - ARTICLE 1, SECTION 10(f) (1)
SURETY - ARTICLE 1, SECTION 10(f) (2)
SURETY - ARTICLE 1, SECTION 10(f) (3)

of the 1931 Code of West Virginia as amended, in the State of West Virginia in accordance with the laws thereof until midnight on the 31st day of May, 2015, unless this license be sooner revoked. Pursuant to W. Va. Code §33-3-2(c), the above authorization does not allow the insurer to transact a kind of insurance in this State unless duly authorized or qualified to transact such insurance in the state or country of its domicile.

In Testimony Whereof, I have hereunto set my hand and affixed my seal of office at the City of Charleston this 1st day of June, 2014.

Handwritten signature of Michael D. Riley in cursive.

Michael D. Riley
Insurance Commissioner

NAIC # 26832
WV File # 1012



12890 Lebanon Road
Mount Juliet, TN 37122
844-432-6637 USA
404-351-3237 Fax
www.suretygroup.com
info@suretygroup.com

March 6, 2015

Ms. Evelyn Melton
State of West Virginia

RE: CRFQ 0705 Lot 1500000005

Dear Ms. Melton,

The Surety Group Agency, LLC is not an insurance company therefore we do not possess an AM Best rating.

We have attached documentation for Great American Insurance Company which is "A+" rated by AM Best and will support the bond along with the Surety Group Agency.

The Surety Group Agency, LLC believes that we are in compliance with the spirit of the RFQ in regards to the AM Best "A+" rated carrier as the bond will be issued and supported by Great American Insurance Company.

Should you have any questions or concerns regarding our proposal, please do not hesitate to contact me.

Sincerely,

Elizabeth Brooks
VP of the Surety Group

SOLICITATION NUMBER: CRFQ_LOT150000005

Addendum Number: 1

The purpose of this addendum is to modify the solicitation identified as ("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:

1. To provide responses to Vendors' questions regarding the above solicitation
2. To provide Addendum Acknowledgment

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.

ATTACHMENT A

**WEST VIRGINIA LOTTERY
CRFQ_LOT1500000005 - BLANKET BONDING FOR LVL
ADDENDUM # 1 TO ANSWER VENDOR QUESTIONS**

1. What was the total net revenue owed the State that went uncollected after having been turned over to a third party for collection agency in 2012, 2013, 2014?

ANSWER: November 2013 - \$23,748.86

2. How many LVL Licenses were canceled as a result of uncollected debts in 2012, 2013, 2014?

ANSWER: None

3. Over the last 3-5 years, how many occurrences were there, where a "licensed operator" has failed two or more bank sweeps (NSF'S)?

ANSWER: One operator over the last 5 years - this operator has since been bought out.

4. How many occurrences were there where a "retailer" has failed two or more bank sweeps (NSF'S)?

ANSWER: Seven retailers over the last 5 years - two retailers are no longer in business, one has been bought out.

5. Although there have been no surety losses in the program has the Lottery, in the last 6 years of the program used a third party collection agency to collect an unpaid debt? If so, how many times has the Lottery used the services of a third party collection agency to collect an unpaid debt?

ANSWER: Yes, once.

6. Would you show a copy of the current bond as issued as the wording of bonds are different for various types of bonds?

ANSWER: Sample surety bond forms may be obtained from the West Virginia Secretary of State's office.

7. What is the current deductible? Is this cumulative for all claims or per claim or if multiple retailers had claims at the same time would it be one deductible or deductible for each?

ANSWER: No deductible.

8. Is there a sample bond form that is to be used, and if so, could we have a copy?

ANSWER: Sample surety bond forms may be obtained from the West Virginia Secretary of State's office.

9. May we have a detailed list of all permit holders and the amount of permits they have?

ANSWER: List of permit holders is attached.

10. I have a question on the vendor preference. I am a licensed WV resident agent and have worked here in Charleston for 39 years. Our agency is USI Insurance, which purchased Wells Fargo Insurance Services of WV last year, and Acordia Insurance Services of West Virginia before that, and McDonough Caperton Insurance before that. I believe we should qualify for vendor preference 4, 5%, but don't want to apply for something that isn't correct. Am I the vendor, or the Insurance Company I use, or USI Insurance?

ANSWER: The West Virginia Purchasing Handbook defines *Vendor Preference* as follows: "**Vendor Preference** - A numerical preference used during the evaluation of bids when comparing in-state and out-of-state bidders, pursuant to **West Virginia Code §5A-3-37.**" To answer your question, the vendor shall be the one to whom the purchase order is issued.

WEST VIRGINIA LOTTERY
Limited Video Lottery
 Permit Holders as of February 19, 2015

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License Number	DBA Name	Total Permits
LO 000432	S & B Gaming LLC	40
LO 000422	Wheeling Coin, LLC	373
LO 000424	Blue Diamond LLC	197
LO 000425	Viking Vending Services	7
LO 000426	K & K Music Company	35
LO 000427	Valley Coin Mach. Co.,LLC	40
LO 000428	Coin Op Vending Corp.	50
LO 000420	Southern Amusement Co.	675
LO 000430	Shaffer Amusement Co. LLC	360
LO 000431	Ellifritz Amusement Co.	44
LO 000435	Bat's, Inc.	50
LO 000436	Poke, Inc.	20
LO 000437	Buck's Inc.	50
LO 000439	Grand Slam Gaming And Entertainment, Inc.	25
LO 000440	Dice, LLC	15
LO 000441	J & J Amusement, LLC	80
LO 000401	Advanced Lottery Tech.	536
LO 000429	Worldwide Gaming LLC	42
LO 000407	Viking Video & Music, Inc	85
LO 000433	Warden Amusement Inc.	35
LO 000419	Mountaineer Music,LLC	73
LO 000403	Clay Music Company	133
LO 000404	Gameroom Amusements	85
LO 000406	Jack's Amusement	193
LO 000402	Ajax Amusement Machines	224
LO 000408	Derrick Video, LLC	550
LO 000409	Woodward Video LLC	150
LO 000416	Progressive Video Lottery	220
LO 000418	Al's Novelty & Coin	30
LO 000405	Action Gaming, Inc.	450
LO 000417	Trans Allegheny Ent.	196
LO 000414	A-1 Amusement	248
LO 000413	Vast Vending, Inc.	58
LO 000412	LeeJay Amusements	82
LO 000411	Random World, Ltd.	502
LO 000410	Dustyn Enterprises, Inc.	130
LR 002451	Paula's-Mileground	5
LR 002405	Mimi's-Nitro	5
LR 002413	Patty's-Merchants Walk	5
LR 002417	Sofia's-North Mall	5
LR 002418	Sofia's-Old Courthouse	5
LR 002421	Paula's-Bridgeport	5
LR 002447	Patty's-Gateway	5
LR 002448	Patty's-Princeton	5
LR 002449	Patty's-Bluefield	5
LR 002414	Patty's-Oak Hill	5
LR 002452	Paula's-Fairmont	5
LR 002453	Paula's-Clarksburg	5
LR 002460	Killin Time #1	5
LR 002470	Palace Lounge	5
LR 002471	Paula's-University	5

WEST VIRGINIA LOTTERY
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License Number	DBA Name	Total Permits
LR 002478	Jumpin' Jimmy's	5
LR 002480	Paula's-Elkins	5
LR 002499	Mimi's-Pea Ridge	5
LR 002404	Stars and Stripes I	5
LR 002114	Lewee's I	5
LR 002487	Patty's-Sophia	5
LR 002315	Mimi's-St. Albans	5
LR 002098	Ms. Sherrif's Lounge	5
LR 002708	Brooke Plaza Café	5
LR 002167	Brianna's Café	5
LR 002500	West Virginia Café	5
LR 002172	Jeanie's Hot Spot	5
LR 002175	Cold Spot Cross Lanes-Nit	5
LR 002216	Hot Spot Lounge #2	5
LR 002222	Block & Barrell Deli	5
LR 002168	High Life Lounge	30
LR 002314	Dick's Swiss Burger	5
LR 002401	Lori's Pub II	5
LR 002316	Mimi's-Ashton Place	5
LR 002327	Mimi's-Southridge	5
LR 002340	Patty's-Beckley Crossing	5
LR 002346	Mimi's-Liberty Square	5
LR 002367	Mimi's-Quincy	5
LR 002370	Julie's Place	5
LR 002391	Members Only	5
LR 002392	Patty's-Beckley Plaza	5
LR 002393	Mimi's-Dunbar	5
LR 002278	The Club Room	5
LR 002785	Billy Sunday's	5
LR 002702	Stars and Stripes II	5
LR 002737	Curt's	5
LR 002738	EZ-Borderline Hotspot	5
LR 002739	Goodfellas	5
LR 002749	The Peoples Choice Café	5
LR 002753	Route 2 Café	5
LR 002756	Lewee's II	5
LR 002763	Fun Café	5
LR 002721	Opportunity Knocks #1	10
LR 002778	The Brass Tree Lounge	5
LR 002719	Texas Jim #1	5
LR 002797	Sunset Café III	5
LR 002804	Mimi's-Hill's Plaza	5
LR 002806	Mimi's Local Café-Beckley	5
LR 002833	Must Be 21 To Enter - Par	5
LR 002841	Dee Jay's BBQ Ribs and Grill	5
LR 002846	West Virginia Café	5
LR 002851	Joti	5
LR 002868	Coffee Club	5
LR 002891	Judy's	5
LR 002771	Sam's Hotdogs	5
LR 002607	High Life Lounge	10

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License Number	DBA Name	Total Permits
LR 002502	Max's Place	5
LR 002525	Geno's-New Martinsvl	5
LR 002536	Paula's-Westover	5
LR 002548	Mimi's-Patrick St.	5
LR 002562	Bradley's Parlor	5
LR 002565	Clendenin Hot Spot	5
LR 002570	Club Lounge	5
LR 002575	Sofia's-Ranson Square	5
LR 002730	Dan O's	5
LR 002590	Smokin Sam's	5
LR 002501	Must Be 21 To Enter - Min	5
LR 002608	Towne 'N Country Lounge	5
LR 002625	Club El Dorado	5
LR 002667	Bahama Bay Café	5
LR 002699	Killin Time #2	5
LR 002700	Good Times Café	5
LR 001989	High Life Lounge I	5
LR 002704	Sam's Hotdogs	4
LR 001646	Cozy Corner	2
LR 002712	Wise Guys	5
LR 002576	Paula's-Weston	5
LR 001228	Club Brass Room	4
LR 001345	Kathrine's Kafe	5
LR 001195	Locker Room Sports Grill	2
LR 001200	Mugshotz Bar & Grill	5
LR 001201	Mace's Restaurant & Lounge	5
LR 001204	Ye Olde Alpha	5
LR 001206	Moose Lodge #868 - St. Albans	3
LR 001209	Mini Bar	5
LR 001214	American Legion Post #3	7
LR 001178	Bourbon Street Café	5
LR 001225	White Stallion Club	5
LR 001176	Four Corners Club	5
LR 001242	Piggy's Club	5
LR 001254	Lazy Dog Saloon	5
LR 001262	Lucy's Coffee House II	5
LR 001263	Moose Lodge #1444 - Charl	10
LR 001284	American Legion Post #93	10
LR 001299	Hotspot Café #2	5
LR 001306	Belmont Motor Inn Hot Spot	5
LR 001307	A-Cubed	2
LR 001650	Rendezvous Club	5
LR 001220	American Legion Post #18	4
LR 001108	The Last Roundup Club	5
LR 001007	Chesterfield House	5
LR 001011	Park Mart	5
LR 001017	Coach's Club	3
LR 001026	McLewie's III	5
LR 001036	Lesters Hard Times LLC	5
LR 001043	Jerry's	5
LR 001057	Jesse's Pub	5

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License Number	DBA Name	Total Permits
LR 001062	Casey's Family Restaurant Hot Spot	5
LR 001189	C G's	5
LR 001084	The Java Shoppe	5
LR 001351	Bogies Place	5
LR 001109	Frank's Hot Spot	5
LR 001110	Colasante's Restaurant & Pub	5
LR 001120	Lil' Moe's	5
LR 001125	TG's Lounge & Café	4
LR 001147	Cottrell's Country Store	2
LR 001154	Stadium Club, The	5
LR 001155	Lil' B's	5
LR 001169	Bette's	5
LR 001174	VFW Post #6450	10
LR 001064	Torlone's	5
LR 001775	K & J's Skip n Go, Inc.	5
LR 001337	Kelly's Hot Spot II	5
LR 001618	Suburban Lanes	5
LR 002927	Pam's #5	5
LR 001648	Midtown Lounge	5
LR 002926	Minnie's	5
LR 001668	Moose Lodge #52	7
LR 001670	Tailgater's Pub II	5
LR 001681	Zeek's Sports Lounge	5
LR 001613	American Legion Post #121	10
LR 001744	Halftime Café	5
LR 001593	Classics 3 Hot Spot L&Res	5
LR 001784	The Smokehouse	5
LR 001838	Karen's Cookie Carnival	5
LR 001876	Abbey's	5
LR 001884	American Legion Post #114	10
LR 001897	Coffee & Tanning Hot Spot	5
LR 001914	Sunset Ellis Restaurant	4
LR 001928	Emerson Pub	5
LR 001931	Millies Coffee House	5
LR 001932	Penn Bar & Grill	5
LR 001727	City Café	5
LR 001460	Moose Lodge #931 - New Ma	7
LR 001353	3- Ways Inn	2
LR 001374	Spare Time Sports Bar & Grille	5
LR 001389	Eagles Lodge #1891-Aerie	2
LR 001390	Ernie's City Perk	5
LR 001396	Elks Lodge #1801 - Weirto	7
LR 001406	Fraternal Order of Oriole	10
LR 001433	Wakim's Club	5
LR 001434	Parlor Café	5
LR 001616	Kegler's Sports Bar	5
LR 001455	Beckley lodge #1606	9
LR 001969	C J's Pub	5
LR 001481	J.P. Henry's	5
LR 001488	Nip N'Cue	5
LR 001491	Jerry's Restaurant & Lounge	5

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License Number	DBA Name	Total Permits
LR 001503	Plaza Lounge	5
LR 001507	Fun Café	5
LR 001515	Moose Lodge # 565 - Nitro	5
LR 001548	Nick's Lounge	4
LR 001567	Bridge Bar & Coffee Shop	4
LR 001568	Shirley's #3	5
LR 001441	Strikers Sports Lounge	5
LR 004441	Gee's	5
LR 002894	Smoke Time Sam's #2	5
LR 004183	Tobacco Barn #2	5
LR 004190	Kathy's Kafe	5
LR 004212	Sophie's	5
LR 004246	Palm Café	5
LR 004271	Texas Jim #5	5
LR 004324	J's II	5
LR 004349	High Life Lounge	5
LR 004380	M & M's Sports Bar & Gril	5
LR 004384	Maria's Sports Bar	5
LR 004178	Café D	5
LR 004405	Nicole's	5
LR 004112	Island Time Club	5
LR 004468	Chaz's	5
LR 004489	Bradley's Tropical Retrea	5
LR 004538	Murdochs River City Perk	5
LR 004548	Ravenswood Hot Spot	5
LR 004558	Haddy's	5
LR 004612	Kristi's	5
LR 004622	Alle's Café	5
LR 004643	Sarabs	5
LR 004697	Kristi's I	5
LR 004701	Joyce's	5
LR 004711	Venus Lounge #27	5
LR 004386	Sophia's Café	5
LR 003669	Neon Café II	5
LR 003488	EDJ River City Perk	5
LR 003491	Big Apple Lounge	5
LR 003496	McLewie's II	5
LR 003514	Chunki's Pizza and	5
LR 003525	Lucy's Coffee House	5
LR 003544	WES	5
LR 003564	Kelly's Hot Spot	5
LR 003577	The Inn at Pettyjohn	5
LR 003582	Steel Valley Bowling Cent	5
LR 003611	Kelly's Hot Spot VI	5
LR 004179	Miss Alice's	3
LR 003638	Sub Stop	5
LR 004723	Venus Lounge #22	5
LR 003672	Lily's Hot Spot #3	5
LR 003693	Geno's -Benwood	5
LR 003708	Cruiser's Café	5
LR 003712	The Homeplate Club	5

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License Number	DBA Name	Total Permits
LR 003803	Tobacco Barn	5
LR 003860	Lily's Hot Spot #4	5
LR 003883	Red Dog Café	5
LR 003901	Gumby's - Geno's Island	5
LR 004019	Sophia's Café	5
LR 004024	Make Your Day Café	5
LR 004104	Hotspot Café	5
LR 003621	Kelly's Kafé	5
LR 004851	Ivy's - Riverwalk Plaza	5
LR 004817	Hot 5 Stop	5
LR 004822	Max's Place Hot Spot	5
LR 004825	Venus Lounge #23	5
LR 004826	Rivals Sports Bar II	5
LR 004827	Sarah J's	5
LR 004830	Sarah's III	5
LR 004832	Kristi's	5
LR 004833	Ruby's	5
LR 004834	Ruby's	5
LR 004840	Northend Café	5
LR 004712	Venus Lounge #21	5
LR 004843	Brylee's Café	5
LR 004809	The Guest House	5
LR 004852	Jeanie's Teays Valley	5
LR 004859	K's River City Perk	5
LR 004880	Abie's	5
LR 004885	Havana Café	5
LR 004940	Top Five	5
LR 004951	Eruptions	5
LR 004979	The Main Event	5
LR 004994	Lisa's	5
LR 005126	Julia's C	5
LR 005186	Pipers 1	5
LR 005187	Jersey's II	5
LR 004841	Bette's II	5
LR 004767	Rose's Café	5
LR 003479	Hot Spot Express #3	5
LR 004736	Venus Lounge #26	5
LR 004739	WV's Original City Perk Six	5
LR 004740	WV's Original City Perk Five	5
LR 004741	WV's Original City Perk Four	5
LR 004742	WV's Original City Perk Three	5
LR 004743	WV's Original City Perk Two	5
LR 004744	WV's Original City Perk One	5
LR 004749	Smoke Time Sam's #88	5
LR 004752	RB Hot Spot	5
LR 004758	Kristi's	5
LR 004813	Midway Café	5
LR 004761	Sunset Beach Hot Spot	5
LR 004811	The Lounge	5
LR 004773	Jeanie's	5
LR 004774	Texas Jim 3	5

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License Number	DBA Name	Total Permits
LR 004778	Custard Stand	4
LR 004779	Members II	5
LR 004789	Jersey's I	5
LR 004791	Ruby's	5
LR 004794	The Leap	5
LR 004795	Saratoga Hot Spot II	5
LR 004796	Lewee's V	5
LR 004797	Lewee's IV	5
LR 004717	High Life Lounge	5
LR 004759	Tobacco & More Express	5
LR 003160	Toga Café of Weirton	5
LR 003112	Cold Spot	5
LR 003120	Rt 50 Lounge	5
LR 003126	Rosie's Sub Shop	5
LR 003127	New Orleans Coffee House	5
LR 003131	52 Lounge	5
LR 003137	Kelly's Hot Spot V	5
LR 003139	Bill's Place	5
LR 003142	The Oasis Café	5
LR 003144	Franklin's Bar & Grille	5
LR 003149	The Coffee Mill	5
LR 003212	Lily's Hot Spot #1	5
LR 003157	Blue Steel Grill & Café	5
LR 003089	Upper Deck Café	5
LR 003168	Judy's-Robert Byrd Dr	5
LR 003172	Main Street Lounge	5
LR 003175	Pop a Topp	5
LR 003180	Sunset Café	5
LR 003188	Kelly's Hot Spot IV	5
LR 003192	Joli's	5
LR 003194	Ivy's	5
LR 003198	TJ's Place	5
LR 003203	Sunset Café II	5
LR 003208	MiMi's Local Café-KC	5
LR 003487	Lily's Hot Spot #2	5
LR 003150	Cold Spot Glen Jean	5
LR 003032	Sassy's	5
LR 002930	Pam's #6	5
LR 002932	Shirley's	5
LR 002960	Main St. News Stand	5
LR 002964	American Legion Post #31	3
LR 002971	New Orleans Coffee House	5
LR 002978	Sports Grill Lounge Hot Spot	5
LR 002985	Darla's Café	5
LR 002988	Nawlin's Street #1	5
LR 002989	Nawlin's Street #2	5
LR 002991	Lewee's III	5
LR 003005	The Big Easy	5
LR 003107	Geno's#2 -Wheeling	5
LR 003021	Howdy's Owis Nest	5
LR 003105	Max's Place Hot Spot	5

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License Number	DBA Name	Total Permits
LR 003037	Melissa's	5
LR 003039	Let's Say Café II	5
LR 003042	Sassy's-Barboursville	5
LR 003047	Mugsy's Café II	5
LR 003048	Mugsy's Café	5
LR 003051	Lucy's Sports Bar	5
LR 003052	Fat Tuesday's	5
LR 003069	Max's Place	5
LR 003076	West Street Café	5
LR 003082	The Homeplate Club Two	5
LR 003213	Café Primo	5
LR 003018	The Holiday Room	5
LR 003403	Lori's Pub II	5
LR 003382	Caribbean Café	5
LR 003383	Geno's #2-New Marti	5
LR 003385	West Viginia Café	5
LR 003387	Hillbilly Café	5
LR 003388	Geno's #4- Wheeling	5
LR 003389	Geno's #3 -Glendale	5
LR 003390	Geno's-Moundsville	5
LR 003391	Geno's #2- Moundsvil	5
LR 003392	Sassy's -SC #2	5
LR 003393	The Burg Café, LLC	5
LR 003211	STARZ	5
LR 003396	Lewie's Too	5
LR 003374	Linda Lou's	5
LR 003410	Sam's Hotdogs	5
LR 003420	Tusie's	5
LR 003429	Mason Smoke Shak	5
LR 003435	Midtown Lounge II	5
LR 003436	Kelly's Hot Spot III	5
LR 003448	Celebration Place #2	5
LR 003458	Caribbean Café II	5
LR 003468	Maverick's Hot Spot #2	5
LR 003469	Maverick's Hot Spot #3	5
LR 003473	Maverick's Hot Spot #1	5
LR 005211	Julia's 3	4
LR 003395	Checkered Flag Café II	5
LR 003279	McLewie's I	5
LR 003215	Hollywood Hollywood	5
LR 003216	Emma's at the Airport	5
LR 003225	Patty's-Beckley By-Pass	5
LR 003230	The Point Café	5
LR 003236	Shirley's #2	5
LR 003247	Mona's Rendezvous	5
LR 003249	Cactus Club Café	5
LR 003250	Misty's Sports Bar @ SC	5
LR 003265	Freedom Way Lounge	5
LR 003267	The WOW Zone	5
LR 003275	Judy's	5
LR 003376	STARZ	5

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License Number	DBA Name	Total Permits
LR 003278	Winston's Hot Spot	5
LR 003375	STARZ	5
LR 003290	Sofia Rae's Café	5
LR 003292	Checkered Flag Café I	5
LR 003320	Mary's Café	5
LR 003325	Front Street Lounge	5
LR 003335	Lucille's	5
LR 003337	Sassy's-SC #1	5
LR 003343	Sam's Hotdogs	5
LR 003348	Stuart's Hot Dawgs	5
LR 003350	Mama Lina's	20
LR 003351	Cactus Club Café II	5
LR 003484	Mugsy's Café III	5
LR 003277	Winston's Hot Spot 2	5
Total Permits		<u>8070</u>

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: LOT1500000005

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. I 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.

Surety Group Agency, LLC
Company

Elizaveth Brooks
Authorized Signature

3/6/15
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.
Revised 6/8/2012

SOLICITATION NUMBER: CRFQ_LOT1500000005
Addendum Number: 2

The purpose of this addendum is to modify the solicitation identified as ("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:

1. To provide a SAMPLE copy of the Bond Form
2. To provide Addendum Acknowledgment

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.

ATTACHMENT A

GREAT AMERICAN INSURANCE COMPANY®

Administrative Office: 301 E 4TH STREET * CINCINNATI, OHIO 45202 * 513-360-5000 * FAX 513-723-2740

The number of persons authorized by this power of attorney is not more than SIX

No. 0 17860

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS: That the GREAT AMERICAN INSURANCE COMPANY, a corporation organized and existing under and by virtue of the laws of the State of Ohio, does hereby nominate, constitute and appoint the person or persons named below, each individually if more than one is named, its true and lawful attorney-in-fact, for it and in its name, place and stead to execute on behalf of the said Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; provided that the liability of the said Company on any such bond, undertaking or contract of suretyship executed under this authority shall not exceed the limit stated below.

Name	Address	Limit of Power
DAVID KITCHIN		
DAVID C. KITCHIN		

This Power of Attorney revokes all previous powers issued on behalf of the attorney(s)-in-fact named above. IN WITNESS WHEREOF the GREAT AMERICAN INSURANCE COMPANY has caused these presents to be signed and attested by its appropriate officers and its corporate seal hereunto affixed this 12TH day of JANUARY 2012

GREAT AMERICAN INSURANCE COMPANY



Assistant Secretary

Divisional Senior Vice President

DAVID C. KITCHIN (877-377-2405)

STATE OF OHIO, COUNTY OF HAMILTON - ss:

On this 12TH day of JANUARY, 2012, before me personally appeared DAVID C. KITCHIN, to me known, being duly sworn, deposes and says that he resides in Cincinnati, Ohio, that he is a Divisional Senior Vice President of the Bond Division of Great American Insurance Company, the Company described in and which executed the above instrument; that he knows the seal of the said Company; that the seal affixed to the said instrument is such corporate seal; that it was so affixed by authority of his office under the By-Laws of said Company, and that he signed his name thereto by like authority.



NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES 02-20-16

Ka

LAUM

This Power of Attorney is granted by authority of the following resolutions adopted by the Board of Directors of Great American Insurance Company by unanimous written consent dated June 9, 2008.

RESOLVED: That the Divisional President, the several Divisional Senior Vice Presidents, Divisional Vice Presidents and Divisional Assistant Vice Presidents, or any one of them, be and hereby is authorized, from time to time, to appoint one or more Attorneys-in-Fact to execute on behalf of the Company, as surety, any and all bonds, undertakings and contracts of suretyship, or other written obligations in the nature thereof; to prescribe their respective duties and the respective limits of their authority; and to revoke any such appointment at any time.

RESOLVED FURTHER: That the Company seal and the signature of any of the aforesaid officers and any Secretary or Assistant Secretary of the Company may be affixed by facsimile to any power of attorney or certificate of either given for the execution of any bond, undertaking, contract of suretyship, or other written obligation in the nature thereof, such signature and seal when so used being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

CERTIFICATION

I, STEPHEN C. BERHAHA, Assistant Secretary of Great American Insurance Company, do hereby certify that the foregoing Power of Attorney and the Resolutions of the Board of Directors of June 9, 2008 have not been revoked and are now in full force and effect.

Signed and sealed this

12th

day of

July

2012.



Assistant Secretary

Bond No. _____

**BLANKET BOND FOR WEST VIRGINIA LICENSED LIMITED VIDEO LOTTERY PERMIT HOLDERS
KNOW ALL MEN BY THESE PRESENTS:**

That we, all limited video lottery permit holders operating in West Virginia who operate limited Video lottery terminals, as principals, and
GREAT AMERICAN INSURANCE COMPANY _____ OHIO _____ (state) corporation as surety are held and firmly bound unto the State of West

Virginia, State Lottery Commission as obligee in the just and full sum of two thousand (\$2,000.00) dollars per limited video lottery terminal to the payment whereof well and truly to be made To bind ourselves, our executors, administrators, successors and assigns jointly and severally, firmly by these present.

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT, WHEREAS if the above bound Principals shall, during the period commencing on the below date, faithfully observe and honestly comply with W. VA code '29-22B-101 et seq., any legislative rules and amendments thereto and orders or other directives of the lottery, shall pay all debts or financial obligations relating to the operation of limited video lottery terminals and games, then this obligation shall become void and of no effect, otherwise to be and remain in full force and effect. This bond is intended to comply with the requirements of W. VA code '29-22B-515 and legislative rule 179-5-5, and are subject to the following additional conditions:

1. This bond may be canceled and the Surety relieved of all further liability hereunder by the Surety's giving sixty (60) days written notice to the obligee.
2. Surety hereunder shall provide annually to both Principal and obligee a certificate of continuation on or before the anniversary date of this bond.
3. Principal shall provide a list of limited video lottery permit holders and operating limited video lottery terminals for that quarter regardless of when they began operating.

The premium for which this bond is written has been received by Surety.

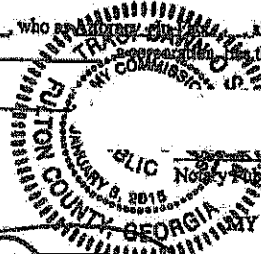
IN WITNESS WHEREOF the said principal has been hereunto at his hand and affixed his seal, and the said surety has caused its corporate name to be signed hereto and has caused its corporate seal to be hereto affixed by _____ (name) this 1ST day of JULY, 2012

(SEAL)
Principal

STATE OF GEORGIA _____
COUNTY OF FULTON _____ to wit:

I, _____ a Notary Public in and for the county and state aforesaid, do hereby certify that

_____ who as _____ signed the writing above for
GREAT AMERICAN INSURANCE COMPANY _____ as _____ this day, in my said county, before me, acknowledged the said writing to be the
act and deed of said corporation. _____ Given and
my hand this 12TH day of JULY, 2012



Resident Agent Signature _____ by GREAT AMERICAN INSURANCE COMPANY _____ (SEAL)
Surety

ATTORNEY-IN-FACT

STATE OF WEST VIRGINIA,
COUNTY OF _____ to wit:

I, _____ a Notary Public in and for the county and state aforesaid, do certify that
_____ whose name is signed to the writing above, has this day acknowledged the same before me in
my said county.

Given under my hand this _____ day of _____

Notary Public
My commission
expires _____

Approved as to sufficiency of form and manner of execution this _____ day of _____
Darrell V. McGraw, Jr. Attorney General of this State of West Virginia

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: LOT1500000005

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 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.

Surety Group Agency, LLC
Company

Eleanor Brooks
Authorized Signature

3/6/15
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.
Revised 6/8/2012

INSTRUCTIONS TO VENDORS SUBMITTING BIDS

1. **REVIEW DOCUMENTS THOROUGHLY:** The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.
2. **MANDATORY TERMS:** The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.
3. **PREBID MEETING:** The item identified below shall apply to this Solicitation.

A pre-bid meeting will not be held prior to bid opening.

A **NON-MANDATORY PRE-BID** meeting will be held at the following place and time:

A **MANDATORY PRE-BID** meeting will be held at the following place and time:

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one person attending the pre-bid meeting may represent more than one Vendor.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing. Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address, phone number, and Fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the required information. Failure to complete the attendance sheet as required may result in disqualification of Vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in, but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at the pre-bid meeting are preliminary in nature and are non-binding. Official and binding answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

4. **VENDOR QUESTION DEADLINE:** Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below in order to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are non-binding. Submitted e-mails should have solicitation number in the subject line.

Question Submission Deadline: February 18, 2015 - end of business

Submit Questions to: Evelyn P. Melton
 2019 Washington Street, East
 Charleston, WV 25305
 Fax: (304) 558-4115 (Vendors should not use this fax number for bid submission)
 Email: evelyn.p.melton@wv.gov

5. **VERBAL COMMUNICATION:** Any verbal communication between the Vendor and any State personnel is not binding, including verbal communication at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.
6. **BID SUBMISSION:** All bids must be submitted electronically through wvOASIS or signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason. The Purchasing Division will not accept bids, modification of bids, or addendum acknowledgment forms via e-mail. Acceptable delivery methods include electronic submission via wvOASIS, hand delivery, delivery by courier, or facsimile. The bid delivery address is:

Department of Administration, Purchasing Division
 2019 Washington Street East
 Charleston, WV 25305-0130

A bid that is not submitted electronically through wvOASIS should contain the information listed below on the face of the envelope or the bid may be rejected by the Purchasing Division.:

SEALED BID:
 BUYER:
 SOLICITATION NO.:
 BID OPENING DATE:
 BID OPENING TIME:
 FAX NUMBER:

In the event that Vendor is responding to a request for proposal, and chooses to respond in a manner other than by electronic submission through wvOASIS, the Vendor shall submit one original technical and one original cost proposal plus convenience copies of each to the Purchasing Division at the address shown above. Additionally, if Vendor does not submit its bid through wvOASIS, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal as follows:

BID TYPE: (This only applies to CRFP)

Technical

Cost

7. **BID OPENING:** Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when confirmation of delivery is provided by wvOASIS (in the case of electronic submission) or when the bid is time stamped by the official Purchasing Division time clock (in the case of hand delivery).

March 10, 2015 - Tuesday @ 1:30 P.M.

Bid Opening Date and Time:
 Bid Opening Location: Department of Administration, Purchasing Division
 2019 Washington Street East
 Charleston, WV 25305-0130

8. **ADDENDUM ACKNOWLEDGEMENT:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, 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.

9. **BID FORMATTING:** Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.
10. **ALTERNATES:** Any model, brand, or specification listed in this Solicitation establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.
11. **EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.
12. **COMMUNICATION LIMITATIONS:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.
13. **REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee, if applicable.
14. **UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.
15. **PREFERENCE:** Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Vendor Preference Certificate form has been attached hereto to allow Vendor to apply for the preference. Vendor's failure to submit the Vendor Preference Certificate form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.
16. **SMALL, WOMEN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the

same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to contract award to receive the preferences made available to resident vendors. Preference for a non-resident small, women-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.

- 17. WAIVER OF MINOR IRREGULARITIES:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.

GENERAL TERMS AND CONDITIONS:

1. **CONTRACTUAL AGREEMENT:** Issuance of a Award Document signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

2. **DEFINITIONS:** As used in this Solicitation/Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation/Contract.
 - 2.1. **"Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.
 - 2.2. **"Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods or services requested in the Solicitation.
 - 2.3. **"Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.
 - 2.4. **"Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.
 - 2.5. **"Award Document"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the contract holder.
 - 2.6. **"Solicitation"** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.
 - 2.7. **"State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.
 - 2.8. **"Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

3. **CONTRACT TERM; RENEWAL; EXTENSION:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

Term Contract

Initial Contract Term: This Contract becomes effective on upon award and extends for a period of one (1) year(s).

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal should be submitted to the Purchasing Division thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to three (3) successive one (1) year periods or multiple renewal periods of less than one year, provided that the multiple renewal periods do not exceed 36 months in total. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

Delivery Order Limitations: In the event that this contract permits delivery orders, a delivery order may only be issued during the time this Contract is in effect. Any delivery order issued within one year of the expiration of this Contract shall be effective for one year from the date the delivery order is issued. No delivery order may be extended beyond one year after this Contract has expired.

- Fixed Period Contract:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and must be completed within _____ days.
- Fixed Period Contract with Renewals:** This Contract becomes effective upon Vendor's receipt of the notice to proceed and part of the Contract more fully described in the attached specifications must be completed within _____ days. Upon completion, the vendor agrees that maintenance, monitoring, or warranty services will be provided for one year thereafter with an additional _____ successive one year renewal periods or multiple renewal periods of less than one year provided that the multiple renewal periods do not exceed _____ months in total. Automatic renewal of this Contract is prohibited.
- One Time Purchase:** The term of this Contract shall run from the issuance of the Award Document until all of the goods contracted for have been delivered, but in no event will this Contract extend for more than one fiscal year.
- Other:** See attached.

4. **NOTICE TO PROCEED:** Vendor shall begin performance of this Contract immediately upon receiving notice to proceed unless otherwise instructed by the Agency. Unless otherwise specified, the fully executed Award Document will be considered notice to proceed.
5. **QUANTITIES:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.
- Open End Contract:** Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.
 - Service:** The scope of the service to be provided will be more clearly defined in the specifications included herewith.
 - Combined Service and Goods:** The scope of the service and deliverable goods to be provided will be more clearly defined in the specifications included herewith.
 - One Time Purchase:** This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.
6. **PRICING:** The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.
7. **EMERGENCY PURCHASES:** The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute a breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.
8. **REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

BID BOND: All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

PERFORMANCE BOND: The apparent successful Vendor shall provide a performance bond in the amount of _____. The performance bond must be received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.

LABOR/MATERIAL PAYMENT BOND: The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.

MAINTENANCE BOND: The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.

INSURANCE: The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award and shall list the state as a certificate holder:

Commercial General Liability Insurance: In the amount of _____ or more.

Builders Risk Insurance: In an amount equal to 100% of the amount of the Contract.

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

LICENSE(S) / CERTIFICATIONS / PERMITS: In addition to anything required under the Section entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses, certifications, and/or permits prior to Contract award, in a form acceptable to the Purchasing Division.

INSURANCE LICENSE AND IN GOOD STANDING WITH THE

cont'n: **INSURANCE COMMISSIONER**

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

- 9. WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall comply with laws relating to workers compensation, shall maintain workers' compensation insurance when required, and shall furnish proof of workers' compensation insurance upon request.
- 10. LITIGATION BOND:** The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or \$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.
- 11. LIQUIDATED DAMAGES:** Vendor shall pay liquidated damages in the amount of _____ for _____
This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy.

- 12. ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the Contract, as reflected in the Award Document, upon receipt.
- 13. FUNDING:** This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.
- 14. PAYMENT:** Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears.
- 15. TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
- 16. CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may also cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-7.16.2.
- 17. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.
- 18. APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.
- 19. COMPLIANCE:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendor acknowledges that it has reviewed, understands, and will comply with all applicable law.
- 20. PREVAILING WAGE:** On any contract for the construction of a public improvement, Vendor and any subcontractors utilized by Vendor shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code §§ 21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with

prevailing wage requirements and determining when prevailing wage requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules § 42-7-3 are specifically incorporated herein by reference.

21. **ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.
22. **MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary, no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). No Change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.
23. **WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.
24. **SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.
25. **ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
26. **WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.
27. **STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.
28. **BANKRUPTCY:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.

29. CONFIDENTIALITY: The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.

30. DISCLOSURE: Vendor's response to the Solicitation and the resulting Contract are considered public documents and will be disclosed to the public in accordance with the laws, rules, and policies governing the West Virginia Purchasing Division. Those laws include, but are not limited to, the Freedom of Information Act found in West Virginia Code §§ 29B-1-1 et seq. and the competitive bidding laws found West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq.

If a Vendor considers any part of its bid to be exempt from public disclosure, Vendor must so indicate by specifically identifying the exempt information, identifying the exemption that applies, providing a detailed justification for the exemption, segregating the exempt information from the general bid information, and submitting the exempt information as part of its bid but in a segregated and clearly identifiable format. Failure to comply with the foregoing requirements will result in public disclosure of the Vendor's bid without further notice. A Vendor's act of marking all or nearly all of its bid as exempt is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor's act of marking a bid or any part thereof as "confidential" or "proprietary" is not sufficient to avoid disclosure and WILL NOT BE HONORED. A legend or other statement indicating that all or substantially all of the bid is exempt from disclosure is not sufficient to avoid disclosure and WILL NOT BE HONORED. Additionally, pricing or cost information will not be considered exempt from disclosure and requests to withhold publication of pricing or cost information WILL NOT BE HONORED.

Vendor will be required to defend any claimed exemption for nondisclosure in the event of an administrative or judicial challenge to the State's nondisclosure. Vendor must indemnify the State for any costs incurred related to any exemptions claimed by Vendor. Any questions regarding the applicability of the various public records laws should be addressed to your own legal counsel prior to bid submission.

31. LICENSING: In accordance with West Virginia Code of State Rules §148-1-6.1.7, Vendor must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

- 32. ANTITRUST:** In submitting a bid to, signing a contract with, or accepting a Award Document from any agency of the State of West Virginia, the Vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to Vendor.
- 33. VENDOR CERTIFICATIONS:** By signing its bid or entering into this Contract, Vendor certifies (1) that its bid or offer was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid or offer for the same material, supplies, equipment or services; (2) that its bid or offer is in all respects fair and without collusion or fraud; (3) that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this Solicitation in its entirety; understands the requirements, terms and conditions, and other information contained herein. Vendor's signature on its bid or offer also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency. The individual signing this bid or offer on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or offer or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.
- 34. PURCHASING CARD ACCEPTANCE:** The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract unless the box below is checked.
- Vendor is not required to accept the State of West Virginia's Purchasing Card as payment for all goods and services.
- 35. VENDOR RELATIONSHIP:** The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension, or other deferred compensation plans, including but

not limited to, Workers' Compensation and Social Security obligations, licensing fees, etc. and the filing of all necessary documents, forms, and returns pertinent to all of the foregoing. Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

- 36. INDEMNIFICATION:** The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.
- 37. PURCHASING AFFIDAVIT:** In accordance with West Virginia Code § 5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.
- 38. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE:** This Contract may be utilized by and extends to other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"). This Contract shall be extended to the aforementioned Other Government Entities on the same prices, terms, and conditions as those offered and agreed to in this Contract. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.
- 39. CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire an interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.
- 40. REPORTS:** Vendor shall provide the Agency and/or the Purchasing Division with the following reports identified by a checked box below:
- Such reports as the Agency and/or the Purchasing Division may request. Requested reports may include, but are not limited to, quantities purchased, agencies utilizing the contract, total contract expenditures by agency, etc.

- Quarterly reports detailing the total quantity of purchases in units and dollars, along with a listing of purchases by agency. Quarterly reports should be delivered to the Purchasing Division via email at purchasing.requisitions@wv.gov.

- 41. BACKGROUND CHECK:** In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services shall require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository. The service provider is responsible for any costs associated with the fingerprint-based state and federal background inquiry.

After the contract for such services has been approved, but before any such employees are permitted to be on the grounds or in the buildings of the Capitol complex or have access to sensitive or critical information, the service provider shall submit a list of all persons who will be physically present and working at the Capitol complex to the Director of the Division of Protective Services for purposes of verifying compliance with this provision.

The State reserves the right to prohibit a service provider's employees from accessing sensitive or critical information or to be present at the Capitol complex based upon results addressed from a criminal background check.

Service providers should contact the West Virginia Division of Protective Services by phone at (304) 558-9911 for more information.

- 42. PREFERENCE FOR USE OF DOMESTIC STEEL PRODUCTS:** Except when authorized by the Director of the Purchasing Division pursuant to W. Va. Code § 5A-3-56, no contractor may use or supply steel products for a State Contract Project other than those steel products made in the United States. A contractor who uses steel products in violation of this section may be subject to civil penalties pursuant to W. Va. Code § 5A-3-56. As used in this section:

- a. "State Contract Project" means any erection or construction of, or any addition to, alteration of or other improvement to any building or structure, including, but not limited to, roads or highways, or the installation of any heating or cooling or ventilating plants or other equipment, or the supply of and materials for such projects, pursuant to a contract with the State of West Virginia for which bids were solicited on or after June 6, 2001.
- b. "Steel Products" means products rolled, formed, shaped, drawn, extruded, forged, cast, fabricated or otherwise similarly processed, or processed by a combination of two or more or such operations, from steel made by the open heath, basic oxygen, electric furnace, Bessemer or other steel making process. The Purchasing Division Director may, in writing, authorize the use of foreign steel products if:
 - c. The cost for each contract item used does not exceed one tenth of one percent (.1%) of the total contract cost or two thousand five hundred dollars (\$2,500.00), whichever is greater.

For the purposes of this section, the cost is the value of the steel product as delivered to the project; or

- d. The Director of the Purchasing Division determines that specified steel materials are not produced in the United States in sufficient quantity or otherwise are not reasonably available to meet contract requirements.

43. PREFERENCE FOR USE OF DOMESTIC ALUMINUM, GLASS, AND STEEL: In Accordance with W. Va. Code § 5-19-1 et seq., and W. Va. CSR § 148-10-1 et seq., for every contract or subcontract, subject to the limitations contained herein, for the construction, reconstruction, alteration, repair, improvement or maintenance of public works or for the purchase of any item of machinery or equipment to be used at sites of public works, only domestic aluminum, glass or steel products shall be supplied unless the spending officer determines, in writing, after the receipt of offers or bids, (1) that the cost of domestic aluminum, glass or steel products is unreasonable or inconsistent with the public interest of the State of West Virginia, (2) that domestic aluminum, glass or steel products are not produced in sufficient quantities to meet the contract requirements, or (3) the available domestic aluminum, glass, or steel do not meet the contract specifications. This provision only applies to public works contracts awarded in an amount more than fifty thousand dollars (\$50,000) or public works contracts that require more than ten thousand pounds of steel products.

The cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than twenty percent (20%) of the bid or offered price for foreign made aluminum, glass, or steel products. If the domestic aluminum, glass or steel products to be supplied or produced in a "substantial labor surplus area", as defined by the United States Department of Labor, the cost of domestic aluminum, glass, or steel products may be unreasonable if the cost is more than thirty percent (30%) of the bid or offered price for foreign made aluminum, glass, or steel products.

This preference shall be applied to an item of machinery or equipment, as indicated above, when the item is a single unit of equipment or machinery manufactured primarily of aluminum, glass or steel, is part of a public works contract and has the sole purpose or of being a permanent part of a single public works project. This provision does not apply to equipment or machinery purchased by a spending unit for use by that spending unit and not as part of a single public works project.

All bids and offers including domestic aluminum, glass or steel products that exceed bid or offer prices including foreign aluminum, glass or steel products after application of the preferences provided in this provision may be reduced to a price equal to or lower than the lowest bid or offer price for foreign aluminum, glass or steel products plus the applicable preference. If the reduced bid or offer prices are made in writing and supersede the prior bid or offer prices, all bids or offers, including the reduced bid or offer prices, will be reevaluated in accordance with this rule.

SPECIFICATIONS

1. **PURPOSE AND SCOPE:** The West Virginia Purchasing Division is soliciting bids on behalf of the West Virginia Lottery and any other state agency that desires to utilize this contract to establish an open-end contract for Blanket Bonding of Permit Holders. The Contract may be utilized by West Virginia State agencies and all political subdivisions of the State in all 55 counties.

2. **DEFINITIONS:** The terms listed below shall have the meanings assigned to them below. Additional definitions can be found in section 2 of the General Terms and Conditions.
 - 2.1 **“Desired Item” or “Desired Items”** means the list of items identified in Section III, Subsection 1 below.

 - 2.2 **“Pricing Section”** means the schedule of prices, estimated order quantity, and totals.

 - 2.3 **“RFQ”** means the official RFQ published by the Purchasing Division and identified as CRFQ_LOT150000005

3. **GENERAL REQUIREMENTS:**
 - 3.1 **Desired Items and Mandatory Requirements:** Vendor shall provide Agency with the Desired Items listed below on an open-end and continuing basis. Desired Items must meet or exceed the mandatory requirements as shown below.

3.1.1 BACKGROUND AND GENERAL REQUIREMENT:

House Bill 102 was enacted in April 2001. Included in the Bill was the establishment of new Article 29-22B which is known as the Limited Video Lottery Act. The Act provided for up to 9,000 Limited Video Lottery (LVL) terminals to be placed in limited licensed retailer areas restricted for adult amusement.

In addition to licensing persons and activities, the Act provides for two kinds of permits. A limited video lottery “permit” is a document that allows the holder to purchase a specified number of video lottery terminals for use in licensed retail locations. Both retailers and operators may be permit holders.

Licensed "operators" (sometimes called "distributors" or "route operators" in other gaming states) are able to own up to 675 video lottery terminals through the permit process. These operators enter into contracts with bars and fraternal clubs for the placement and operation of the video lottery terminals and are liable for the net gaming revenue generated by their video lottery terminals and owed to the State Lottery Commission each month. This is the relationship that applies to most of the operating limited video lottery terminals.

The Act also allows bars and fraternal clubs to acquire permits and with them the ownership of limited video lottery terminals in their establishments. Retailers normally are limited to five video lottery terminals, but fraternal and veteran clubs may operate up to ten video lottery terminals. All Limited Video Lottery retailers have security cameras located on site for surveillance of the video lottery machines.

Credit and criminal background checks of each applicant are performed annually. Majority ownership of the retailer location must have West Virginia residency.

Permit holders are liable for their own net gaming revenue owed to the State Lottery Commission each month. The West Virginia Lottery processes sweeps of the permit holder's bank accounts for the collection of the lottery admin fee and the state share of revenue on the tenth day of each month. If the sweep returns NSF, the Lottery Commission is notified and fines are assessed. If the debt is not paid in a timely manner, the machines will be turned off.

A retailer's first NSF results in a NSF fee and interest until the sweep is collected. If a retailer NSF's a second time, they face the NSF fee and interest along with a possible 100% civil penalty at the discretion of the Lottery Commission. A third NSF in a twelve month period will result in an NSF fee, interest, up to 100% civil penalty and possible loss of LVL license at the discretion of the Lottery Commission.

In the event that the Lottery is unable to collect the debt for 3 months, the file is turned over to Ross Taylor with the State Finance Division who will utilize a third party collection agency to collect the debt. In the event the third party collection agency is unable to collect the debt, it is at the discretion of the Lottery Director to file the debt against the bond. There have not been any losses under the bond since the inception of the program.

As prescribed in LVL Rule 179-5-5.1.a., each permit holder was initially required to post a \$1,500 bond per terminal issued to each permit holder, and the permit holder paid the premium cost of such bond. LVL Rule

179-5-5.1.b. provides that the West Virginia Lottery is to acquire a blanket bond for at least \$2,000 per video lottery terminal to become effective March 1, 2006.

The West Virginia Lottery is soliciting quotes through this Request For Quotation (CRFQ) to bond its LVL permit holders under a blanket bond. Four (4) separate quotes are being solicited with only one being awarded. They are as follows:

1. Quote should be made on the premium cost per one thousand dollars (\$1,000) of coverage.
2. Quote should be made on the premium cost per one thousand dollars (\$1,000) of coverage. The Lottery will be responsible for the first \$10,000 of total losses.
3. Quote should be made on the premium cost per one thousand dollars (\$1,000) of coverage. The Lottery will be responsible for the first \$25,000 of total losses.
4. Quote should be made on the premium cost per one thousand dollars (\$1,000) of coverage. The Lottery will be responsible for the first \$50,000 of total losses.

It is the Lottery's intention to purchase a minimum of \$2,000 of coverage for each LVL permit.

The maximum number of permits that can be held by one permit holder is 675. Therefore, the maximum exposure for any one permit holder would be \$1,350,000 (675 X \$2,000).

The requirements for a bond are statutory and all previous successful bidders have been able to provide an acceptable bond document. The successful vendor will execute a master bond containing a computerized list supplied by the Lottery, of all covered LVL permit holders indicating the number of video lottery terminals for each permit holder and a total of all video lottery terminals. This listing will serve as a basis for calculation of the premium to be paid by the Lottery from collections received from LVL permit holders. This listing will be updated on a quarterly basis to reflect all changes and/or deletions. A new master listing will be generated by the Lottery on a quarterly basis (March 1, June 1, September 1, and December 1 of each year).

Bidder must be licensed to do business in the State of West Virginia and in good standing with the Insurance Commissioner's Office in West Virginia.

The Bidder must be a Best's "A+" or "A" rated insurance company and must maintain that rating throughout the term of the contract.

Each bidder's quote should include:

1. The names, address, telephone number, and contact person for the bidder.
2. The names, addresses and telephone numbers of three current or past client references who the Lottery may contact.
3. Letter of good standing from the Office of the State Insurance Commissioner of the State of domicile.
4. Copy of the Best Trend Report for the current year.

This contract becomes effective on July 1, 2015, and extends for a period of one (1) year or until such "reasonable time" thereafter as is necessary to obtain a new contract or renew the original contract. The "reasonable time" period shall not exceed twelve (12) months. The contract may be renewed upon the mutual written consent of the spending unit and vendor, submitted to the Director of Purchasing thirty (30) days prior to the expiration date. Such renewal shall be in accordance with the terms and conditions of the original contract and shall be limited to two (2) one (1) year periods.

4. CONTRACT AWARD:

- 4.1 **Contract Award:** The Contract is intended to provide Agencies with a purchase price on all Desired Items. The Contract shall be awarded to the Vendor that provides the Desired Items meeting the required specifications for the lowest overall total cost as shown on the Pricing Section.
- 4.2 **Pricing Section:** Vendor should complete the Pricing Section by filling in the dollar value of each commodity line item. Vendor should complete the Pricing Section in their entirety as failure to do so may result in Vendor's bids being disqualified.

Notwithstanding the foregoing, the Purchasing Division may correct errors at its discretion. Vendor should type or electronically enter the information into the Pricing Section to prevent errors in the evaluation.

5. ORDERING AND PAYMENT:

- 5.1 **Ordering:** Vendor shall accept orders by regular mail, facsimile, e-mail, or any other written forms of communication. Vendor may, but is not required to, accept on-line orders through a secure internet ordering portal/website. If Vendor has the ability to accept on-line orders, it should include in its response a brief description of how Agencies may utilize the on-line ordering system. Any on-line ordering

system must have the capability to restrict prices and available items to conform to the schedule of prices originally submitted with this RFQ. Vendor shall ensure that its on-line ordering system is properly secured prior to processing Agency orders on-line.

- 5.2 Payment:** Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia. Methods of acceptable payment must include the West Virginia Purchasing Card. Payment in advance is not permitted under this Contract.

6. DELIVERY AND RETURN:

- 6.1 Delivery Time:** Vendor shall deliver standard orders upon immediately. Vendor shall deliver emergency orders upon request. Vendor shall ship all orders in accordance with the above schedule and shall not hold orders until a minimum delivery quantity is met.
- 6.2 Late Delivery:** The Agency placing the order under this Contract must be notified in writing if orders will be delayed for any reason. Any delay in delivery that could cause harm to an Agency will be grounds for cancellation of the delayed order, and/or obtaining the items ordered from a third party.

Any Agency seeking to obtain items from a third party under this provision must first obtain approval of the Purchasing Division.

- 6.3 Delivery Payment/Risk of Loss:** Standard order delivery shall be F.O.B. destination to the Agency's location. Vendor shall include the cost of standard order delivery charges in its bid pricing/discount and is not permitted to charge the Agency separately for such delivery. The Agency will pay delivery charges on all emergency orders provided that Vendor invoices those delivery costs as a separate charge with the original freight bill attached to the invoice.
- 6.4 Return of Unacceptable Items:** If the Agency deems the Desired Items to be unacceptable, the Desired Items shall be returned to Vendor at Vendor's expense and with no restocking charge. Vendor shall either make arrangements for the return within five (5) days of being notified that items are unacceptable, or permit the Agency to arrange for the return and reimburse Agency for delivery expenses. If the original packaging cannot be utilized for the return, Vendor will supply the Agency with appropriate return packaging upon request. All returns of unacceptable items shall be F.O.B. the Agency's location. The returned product shall either be replaced, or the Agency shall receive a full credit or refund for the purchase price, at the Agency's discretion.

6.5 Return Due to Agency Error: Items ordered in error by the Agency will be returned for credit within 30 days of receipt, F.O.B. Vendor's location. Vendor shall not charge a restocking fee if returned products are in a resalable condition. Items shall be deemed to be in a resalable condition if they are unused and in the original packaging. Any restocking fee for items not in a resalable condition shall be the lower of the Vendor's customary restocking fee or 5% of the total invoiced value of the returned items.

7. MISCELLANEOUS:

7.1 Reports: Vendor shall provide quarterly reports and annual summaries to the Agency showing the Agency's items purchased, quantities of items purchased, and total dollar value of the items purchased. Vendor shall also provide reports, upon request, showing the items purchased during the term of this Contract, the quantity purchased for each of those items, and the total value of purchases for each of those items. Failure to supply such reports may be grounds for cancellation of this Contract.

7.2 Contract Manager: During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract.

Contract Manager: Elizabeth Brooks
Vendor's Address: 12890 Lebanon Rd
Mount Juliet, TN 37122
Telephone Number: 615-553-9523
Fax Number: 615-553-9502
Email Address: ebrooks@suretygroup.com

CERTIFICATION AND SIGNATURE PAGE

By signing below, or submitting documentation through wvOASIS, 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, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

Surety Group Agency, LLC
(Company)

Elizabeth Brooks, Vice President
(Authorized Signature) (Representative Name, Title)

615 553-9523 / 615 553-9502
(Phone Number) (Fax Number) (Date)

March 6, 2015

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: CRFQ_LOT1500000005

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 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 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.

Sunety Group Agency, LLC
Company

Elizabeth Brooks
Authorized Signature

3-6-15
Date

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

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 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 §61-5-3) 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: Surety Group Agency, LLC

Authorized Signature: Eugene Brooks Date: 3-6-15

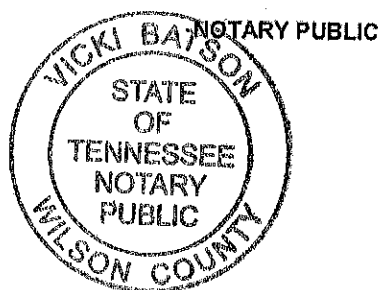
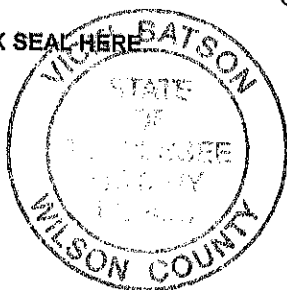
State of Tennessee

County of Wilson, to-wit:

Taken, subscribed, and sworn to before me this 6 day of March, 2015

My Commission expires August 1, 2017.

AFFIX SEAL HERE



NOTARY PUBLIC Vicki Batson