



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

State of West Virginia  
 Request for Quotation  
 33 - Service - Misc

Proc Folder: 536336

Doc Description: BLANKET BONDING FOR LIMITED VIDEO LOTTERY

Proc Type: Central Master Agreement

| Date Issued | Solicitation Closes    | Solicitation No         | Version |
|-------------|------------------------|-------------------------|---------|
| 2019-01-28  | 2019-02-13<br>13:30:00 | CRFQ 0705 LOT1900000002 | 1       |

**BID RECEIVING LOCATION**

BID CLERK  
 DEPARTMENT OF ADMINISTRATION  
 PURCHASING DIVISION  
 2019 WASHINGTON ST E  
 CHARLESTON WV 25305  
 US

**VENDOR**

Vendor Name, Address and Telephone Number:  
 Frontier Bonding Service LLC dba The Surety Group Agency  
 12890 Lebanon Rd  
 Mt. Juliet, TN 37122  
 844-432-6637 or 615-553-9523

RECEIVED

2019 FEB -5 AM 10:11

WV PURCHASING  
 DIVISION

Opened to Determine Contents

**FOR INFORMATION CONTACT THE BUYER**

Brittany E Ingraham  
 (304) 558-2157  
 brittany.e.ingraham@wv.gov

Signature X

*Elizabeth Brooks*

FEIN # 27-3320688

DATE 1/30/19

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

**ADDITIONAL INFORMATION:****Request for Quotation**

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, per the bid requirements, specifications, terms and conditions attached to this solicitation.

The Contract may be utilized by West Virginia State agencies and all political subdivisions of the State in all 55 counties.

\*Online submission is prohibited. Please see Exhibit A Pricing Page. Vendor must include pricing page with their bid at the time of bid submission.

| INVOICE TO                                 |              | SHIP TO                                       |          |
|--|--------------|---|----------|
| ACCOUNTS PAYABLE<br>LOTTERY<br>PO BOX 2067 |              | PURCHASING<br>LOTTERY<br>900 PENNSYLVANIA AVE |          |
| CHARLESTON                                 | WV25327-2067 | CHARLESTON                                    | WV 25302 |
| US   |              | US  |          |

| Line | Comm Ln Desc               | Qty     | Unit Issue | Unit Price | Total Price |
|------|----------------------------|---------|------------|------------|-------------|
| 1    | SEE EXHIBIT A PRICING PAGE | 0.00000 | UNIT       |            |             |

| Comm Code | Manufacturer | Specification | Model # |
|-----------|--------------|---------------|---------|
| 84000000  |              |               |         |

**Extended Description :**

\*Online submission is prohibited. Please see Exhibit A Pricing Page. Vendor must include pricing page with their bid at the time of bid submission.

THE WEST VIRGINIA LOTTERY IS SOLICITING BIDS TO PROCURE THE SERVICES OF A QUALIFIED VENDOR TO PROVIDE BLANKET BONDING OF WEST VIRGINIA LIMITED VIDEO LOTTERY (LVL) PERMIT HOLDERS AS DESCRIBED IN THE ATTACHED SPECIFICATIONS FOR THE PERIOD JULY 1, 2019 THROUGH JUNE 30, 2020.

|                      |                                |   |                              |
|----------------------|--------------------------------|---|------------------------------|
| <b>LOT1900000002</b> | <b>Document Phase</b><br>Final | <b>Document Description</b><br>BLANKET BONDING FOR LIMITED VIDEO<br>LOTTERY | <b>Page 3</b><br><b>of 3</b> |
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**ADDITIONAL TERMS AND CONDITIONS**

See attached document(s) for additional Terms and Conditions

## 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 nonbinding.

Submitted e-mails should have solicitation number in the subject line.

Question Submission Deadline: January 31, 2019 at 10:00 AM

Submit Questions to: Brittany Ingraham  
2019 Washington Street, East  
Charleston, WV 25305  
Fax: (304) 558-4115 (Vendors should not use this fax number for bid submission)  
Email: [Brittany.E.Ingraham@wv.gov](mailto:Brittany.E.Ingraham@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: BLANKET BONDING FOR LIMITED VIDEO LOTTERY**  
 BUYER: Brittany Ingraham  
 SOLICITATION NO.: CRFQ LOT1900000002  
 BID OPENING DATE: February 13, 2019  
 BID OPENING TIME: 1:30 PM  
 FAX NUMBER: 304-558-3970

The Purchasing Division may prohibit the submission of bids electronically through wvOASIS at its sole discretion. Such a prohibition will be contained and communicated in the wvOASIS system resulting in the Vendor's inability to submit bids through wvOASIS. Submission of a response to an Expression or Interest or Request for Proposal is not permitted in wvOASIS.

**For Request For Proposal ("RFP") Responses Only:** In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal plus       N/A       convenience copies of each to the Purchasing Division at the address shown above. Additionally, 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).

**Bid Opening Date and Time:** February 13, 2019 at 1:30 PM

**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. ALTERNATE MODEL OR BRAND:** Unless the box below is checked, 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.

This Solicitation is based upon a standardized commodity established under W. Va. Code § 5A-3-61. Vendors are expected to bid the standardized commodity identified. Failure to bid the standardized commodity will result in your firm's bid being rejected.

**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 be requested in purchases of motor vehicles or construction and maintenance equipment and machinery used in highway and other infrastructure projects. Any request for preference must be submitted in writing with the bid, must specifically identify the preference requested with reference to the applicable subsection of West Virginia Code § 5A-3-37, and should include with the bid any information necessary to evaluate and confirm the applicability of the requested preference. A request form to help facilitate the request can be found at:

<http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf>.

**15A. RECIPROCAL PREFERENCE:** The State of West Virginia applies a reciprocal preference to all solicitations for commodities and printing in accordance with W. Va. Code § 5A-3-37(b). In effect, non-resident vendors receiving a preference in their home states, will see that same preference granted to West Virginia resident vendors bidding against them in West Virginia. A request form to help facilitate the request can be found at:

<http://www.state.wv.us/admin/purchase/vrc/Venpref.pdf>.

**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.

**18. ELECTRONIC FILE ACCESS RESTRICTIONS:** Vendor must ensure that its submission in wvOASIS can be accessed and viewed by the Purchasing Division staff immediately upon bid opening. The Purchasing Division will consider any file that cannot be immediately accessed and viewed at the time of the bid opening (such as, encrypted files, password protected files, or incompatible files) to be blank or incomplete as context requires, and are therefore unacceptable. A vendor will not be permitted to unencrypt files, remove password protections, or resubmit documents after bid opening to make a file viewable if those documents are required with the bid. A Vendor may be required to provide document passwords or remove access restrictions to allow the Purchasing Division to print or electronically save documents provided that those documents are viewable by the Purchasing Division prior to obtaining the password or removing the access restriction.

**19. NON-RESPONSIBLE:** The Purchasing Division Director reserves the right to reject the bid of any vendor as Non-Responsible in accordance with W. Va. Code of State Rules § 148-1-5.3, when the Director determines that the vendor submitting the bid does not have the capability to fully perform, or lacks the integrity and reliability to assure good-faith performance.”



**20. ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part in accordance with W. Va. Code of State Rules § 148-1-4.5. and § 148-1-6.4.b.”

**21. YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor’s entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

**DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.**

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled “confidential,” “proprietary,” “trade secret,” “private,” or labeled with any other claim against public disclosure of the documents, to include any “trade secrets” as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

**22. INTERESTED PARTY DISCLOSURE:** West Virginia Code § 6D-1-2 requires that the vendor submit to the Purchasing Division a disclosure of interested parties to the contract for all contracts with an actual or estimated value of at least \$1 Million. That disclosure must occur on the form prescribed and approved by the WV Ethics Commission prior to contract award. A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.

**23. WITH THE BID REQUIREMENTS:** In instances where these specifications require documentation or other information with the bid, and a vendor fails to provide it with the bid, the Director of the Purchasing Division reserves the right to request those items after bid opening and prior to contract award pursuant to the authority to waive minor irregularities in bids or specifications under W. Va. CSR § 148-1-4.6. This authority does not apply to instances where state law mandates receipt with the bid.

## **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. "Bid" or "Proposal"** means the vendors submitted response to this solicitation.
  
  - 2.3. "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.
  
  - 2.4. "Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.
  
  - 2.5. "Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.
  
  - 2.6. "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.
  
  - 2.7. "Solicitation"** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.
  
  - 2.8. "State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.
  
  - 2.9. "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 JULY 1, 2019 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 delivered to the Agency and then 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. Unless otherwise specified below, 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 the total number of months available in all renewal years combined. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

**Alternate Renewal Term** – This contract may be renewed for \_\_\_\_\_ successive \_\_\_\_\_ year periods or shorter periods provided that they do not exceed the total number of months contained in all available renewals. Automatic renewal of this Contract is prohibited. Renewals must be approved by the Vendor, Agency, Purchasing Division and Attorney General's office (Attorney General approval is as to form only)

**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 of the work covered by the preceding sentence, the vendor agrees that maintenance, monitoring, or warranty services will be provided for \_\_\_\_\_ year(s) thereafter.

**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. 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.

**7. REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

**BID BOND (Construction Only):** Pursuant to the requirements contained in W. Va. Code § 5-22-1(c), All Vendors submitting a bid on a construction project shall furnish a valid 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 100% of the contract. The performance bond must be received by the Purchasing Division prior to Contract award.

**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. Notwithstanding the foregoing, West Virginia Code § 5-22-1 (d) mandates that a vendor provide a performance and labor/material payment bond for construction projects. Accordingly, substitutions for the performance and labor/material payment bonds for construction projects is not permitted.

**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.

**LICENSE(S) / CERTIFICATIONS / PERMITS:** In addition to anything required under the Section of the General Terms and Conditions entitled Licensing, 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.

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.

**8. INSURANCE:** The apparent successful Vendor shall furnish proof of the insurance identified by a checkmark below and must include the State as an additional insured on each policy prior to Contract award. The insurance coverages identified below must be maintained throughout the life of this contract. Thirty (30) days prior to the expiration of the insurance policies, Vendor shall provide the Agency with proof that the insurance mandated herein has been continued. Vendor must also provide Agency with immediate notice of any changes in its insurance policies, including but not limited to, policy cancelation, policy reduction, or change in insurers. 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 in this section.

Vendor must maintain:

**Commercial General Liability Insurance** in at least an amount of: 500,000 per occurrence.

**Automobile Liability Insurance** in at least an amount of: \_\_\_\_\_ per occurrence.

**Professional/Malpractice/Errors and Omission Insurance** in at least an amount of: \_\_\_\_\_ per occurrence.

**Commercial Crime and Third Party Fidelity Insurance** in an amount of: \_\_\_\_\_ per occurrence.

**Cyber Liability Insurance** in an amount of: \_\_\_\_\_ per occurrence.

**Builders Risk Insurance** in an amount equal to 100% of the amount of the Contract.

**Pollution Insurance** in an amount of: \_\_\_\_\_ per occurrence.

**Aircraft Liability** in an amount of: \_\_\_\_\_ per occurrence.

Notwithstanding anything contained in this section to the contrary, the Director of the Purchasing Division reserves the right to waive the requirement that the State be named as an additional insured on one or more of the Vendor's insurance policies if the Director finds that doing so is in the State's best interest.

**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. [Reserved]**

**11. LIQUIDATED DAMAGES:** 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. Vendor shall pay liquidated damages in the amount specified below or as described in the specifications:

\_\_\_\_\_ for \_\_\_\_\_

Liquidated Damages Contained in the Specifications

**12. ACCEPTANCE:** Vendor's signature on its bid, or on the certification and signature page, constitutes an offer to the State that cannot be unilaterally withdrawn, signifies that the product or service proposed by vendor meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise indicated, and signifies acceptance of the terms and conditions contained in the Solicitation unless otherwise indicated.

**13. 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.

**14. PAYMENT IN ARREARS:** 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. PAYMENT METHODS:** Vendor must accept payment by electronic funds transfer and P-Card. (The State of West Virginia's Purchasing Card program, administered under contract by a banking institution, processes payment for goods and services through state designated credit cards.)

**16. 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.

**17. ADDITIONAL FEES:** Vendor is not permitted to charge additional fees or assess additional charges that were not either expressly provided for in the solicitation published by the State of West Virginia or included in the unit price or lump sum bid amount that Vendor is required by the solicitation to provide. Including such fees or charges as notes to the solicitation may result in rejection of vendor's bid. Requesting such fees or charges be paid after the contract has been awarded may result in cancellation of the contract.

**18. 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.

**19. 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 § 148-1-5.2.b.

**20. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.

**21. 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.

**22. COMPLIANCE WITH LAWS:** 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 laws, regulations, and ordinances.

**SUBCONTRACTOR COMPLIANCE:** Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to comply with all applicable laws, regulations, and ordinances. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

**23. 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.



**24. 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). Any change to existing contracts that adds work or changes contract cost, and were not included in the original contract, must be approved by the Purchasing Division and the Attorney General's Office (as to form) prior to the implementation of the change or commencement of work affected by the change.

**25. 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.

**26. 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.

**27. 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.

**28. 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.

**29. 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.

**30. PRIVACY, SECURITY, AND 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>.

**31. YOUR SUBMISSION IS A PUBLIC DOCUMENT:** Vendor's entire response to the Solicitation and the resulting Contract are public documents. As public documents, they will be disclosed to the public following the bid/proposal opening or award of the contract, as required by the competitive bidding laws of West Virginia Code §§ 5A-3-1 et seq., 5-22-1 et seq., and 5G-1-1 et seq. and the Freedom of Information Act West Virginia Code §§ 29B-1-1 et seq.

**DO NOT SUBMIT MATERIAL YOU CONSIDER TO BE CONFIDENTIAL, A TRADE SECRET, OR OTHERWISE NOT SUBJECT TO PUBLIC DISCLOSURE.**

Submission of any bid, proposal, or other document to the Purchasing Division constitutes your explicit consent to the subsequent public disclosure of the bid, proposal, or document. The Purchasing Division will disclose any document labeled "confidential," "proprietary," "trade secret," "private," or labeled with any other claim against public disclosure of the documents, to include any "trade secrets" as defined by West Virginia Code § 47-22-1 et seq. All submissions are subject to public disclosure without notice.

**32. LICENSING:** In accordance with West Virginia Code of State Rules § 148-1-6.1.e, 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. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. 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.

**SUBCONTRACTOR COMPLIANCE:** Vendor shall notify all subcontractors providing commodities or services related to this Contract that as subcontractors, they too are required to be licensed, in good standing, and up-to-date on all state and local obligations as described in this section. Obligations related to political subdivisions may include, but are not limited to, business licensing, business and occupation taxes, inspection compliance, permitting, etc. Notification under this provision must occur prior to the performance of any work under the contract by the subcontractor.

**33. 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.

**34. 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.

**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 and 5-22-1(i), the State is prohibited from awarding a contract to any bidder that owes a debt to the State or a political subdivision of the State, Vendors are required to sign, notarize, and submit the Purchasing Affidavit to the Purchasing Division affirming under oath that it is not in default on any monetary obligation owed to the state or a political subdivision of the state.

**38. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE:** This Contract may be utilized by 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”), provided that both the Other Government Entity and the Vendor agree. Any extension of this Contract to the aforementioned Other Government Entities must be on the same prices, terms, and conditions as those offered and agreed to in this Contract, provided that such extension is in compliance with the applicable laws, rules, and ordinances of the Other Government Entity. 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](mailto: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.

Revised 06/08/2018

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 of 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.

**44. INTERESTED PARTY SUPPLEMENTAL DISCLOSURE:** W. Va. Code § 6D-1-2 requires that for contracts with an actual or estimated value of at least \$1 million, the vendor must submit to the Agency a supplemental disclosure of interested parties reflecting any new or differing interested parties to the contract, which were not included in the original pre-award interested party disclosure, within 30 days following the completion or termination of the contract. A copy of that form is included with this solicitation or can be obtained from the WV Ethics Commission. This requirement does not apply to publicly traded companies listed on a national or international stock exchange. A more detailed definition of interested parties can be obtained from the form referenced above.

**DESIGNATED CONTACT:** Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

Elizabeth Brooks Assistant Vice President  
(Name, Title)

Elizabeth Brooks Assistant Vice President  
(Printed Name and Title)

12890 Lebanon Rd Mt. Juliet, TN 37122  
(Address)

844-432-6637 or 615 553-9523  
(Phone Number) / (Fax Number)

ebrooks@suretygroup.com  
(email address)

**CERTIFICATION AND SIGNATURE:** By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated 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.

Frontier Bonding<sup>services</sup> LLC dba The Surety Group Agency  
(Company)

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

Elizabeth Brooks, Assistant Vice President  
(Printed Name and Title of Authorized Representative)

1-30-19  
(Date)

844-432-6637 or 615 553-9523 fax 404-351-3237  
(Phone Number) (Fax Number)

REQUEST FOR QUOTATION  
Blanket Bonding of Permit Holders

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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.

**\*Online submission is prohibited. Please see Exhibit A Pricing Page. Vendor must include pricing page with their bid at the time of bid submission.**

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 seven 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.

This was previously advertised as CRFQ LOT1500000005, solicitation opened on: 3/10/2015. Bid results may be viewed at:

<https://www.state.wv.us/admin/purchase/Bids/FY2015/BO20150310.html>

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.



**REQUEST FOR QUOTATION**  
**Blanket Bonding of Permit Holders**

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- 2.1 “Contract Services”** means blanket bonding of permit holders as more fully described in these specifications.
- 2.2 “Pricing Pages”** means the schedule of prices, estimated order quantity, and totals contained in wvOASIS or attached hereto as Exhibit A and used to evaluate the Solicitation responses.
- 2.3 “Solicitation”** means the official notice of an opportunity to supply the State with goods or services that is published by the Purchasing Division.
- 2.4 “LVL”** means Limited Video Lottery
- 3. QUALIFICATIONS:** Vendor, or Vendor’s staff if requirements are inherently limited to individuals rather than corporate entities, shall have the following minimum qualifications:
- 3.1** Vendor must be licensed to do business in the state of West Virginia.
- 3.2** Vendor must be in good standing with the Insurance Commissioner’s Office in West Virginia.
- 3.3** Vendor must be a Best’s “A+” or “A” rated insurance company and must maintain that rating throughout the term of the contract.
- 3.4** Compliance with experience requirements will be determined prior to contract award by the State through references provided by the Vendor with its bid or upon request, through knowledge or documentation of the Vendor’s past projects, or some other method that the State determines to be acceptable. Vendor should provide a current résumé which includes information regarding the number of years of qualification, experience and training, and relevant professional education for each individual that will be assigned to this project. Vendor must provide any documentation requested by the State to assist in confirmation of compliance with this provision. References, documentation, or other information to confirm compliance with this experience requirement are preferred with the bid submission but may be requested after bid opening and prior to contract award.
- 4. GENERAL REQUIREMENTS:**
- 4.1 Mandatory Contract Services Requirements and Deliverables:** Vendor shall provide Agency with the Contract Items listed below on an open-end and continuing basis. Contract Services must meet or exceed the mandatory requirements listed below.

**REQUEST FOR QUOTATION**  
**Blanket Bonding of Permit Holders**

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- 4.1.1. 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.
- 4.1.2. A retailer's first NSF results in an 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.
- 4.1.3. 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 has only been one loss under the bond since the inception of the program.
- 4.1.4. 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.
- 4.1.5. 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).
- 4.1.6. 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).

**REQUEST FOR QUOTATION  
Blanket Bonding of Permit Holders**

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- 4.1.7. Vendor must provide a copy of the Best Trend Report for the current year. It is preferred that this is provided with the bid, however, may be requested prior to award.

**5. CONTRACT AWARD:**

- 5.1 **Contract Award:** The West Virginia Lottery is soliciting quotes through this Request for Quotation (RFQ) to bond its LVL permit holders under a blanket bond. **Four (4) separate quotes are being solicited with only one being awarded.** This contract becomes effective on July 1, 2019 and extends for a period of one (1) year. 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 three (3) one (1) year periods.

**\*Online submission is prohibited. Please see Exhibit A Pricing Page. Vendor must include pricing page with their bid at the time of bid submission.**

- 5.2 **Pricing Pages:** Vendor should complete the Pricing Page by providing a unit cost for all four types of coverage requested. It is the Lottery's intention to purchase a minimum of \$2,000 of coverage for each LVL permit.

Vendor should complete the Pricing Pages in their entirety as failure to do so may result in Vendor's bids being disqualified.

The Pricing Pages contain a list of the Contract Services and estimated purchase volume. The estimated purchase volume for each item represents the approximate volume of anticipated purchases only. No future use of the Contract or any individual item is guaranteed or implied.

Vendors may download a copy of the Exhibit A Pricing Page for bid purposes at wvOASIS Vendor Self-Service website for this solicitation. Vendor must include pricing page with their bid at the time of bid submission.

6. **PERFORMANCE:** Vendor and Agency shall agree upon a schedule for performance of Contract Services and Contract Services Deliverables, unless such a schedule is already included herein by Agency. In the event that this Contract is designated as an open-end contract, Vendor shall perform in accordance with the release orders that may be issued against this Contract.

**7. ORDERING AND PAYMENT:**

- 7.1 **Ordering:** Vendor shall accept orders through wvOASIS, regular mail, facsimile, e-mail, or any other written form of communication. Vendor may, but is not required

**REQUEST FOR QUOTATION**  
**Blanket Bonding of Permit Holders**

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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. Vendor shall ensure that its on-line ordering system is properly secured prior to processing Agency orders on-line.

- 7.2 Payment:** Agency shall pay cost per \$1000 of coverage times the number of LVL permits, as shown on the Pricing Pages, for all Contract Services performed and accepted under this Contract. Vendor shall accept payment in accordance with the payment procedures of the State of West Virginia.

**8. VENDOR DEFAULT:**

- 8.1** The following shall be considered a vendor default under this Contract.

**8.1.1** Failure to provide Contract Items in accordance with the requirements contained herein.

**8.1.2** Failure to comply with other specifications and requirements contained herein.

**8.1.3** Failure to comply with any laws, rules, and ordinances applicable to the Contract Services provided under this Contract.

**8.1.4** Failure to remedy deficient performance upon request.

- 8.2** The following remedies shall be available to Agency upon default.

**8.2.1** Immediate cancellation of the Contract.

**8.2.2** Immediate cancellation of one or more release orders issued under this Contract.

**8.2.3** Any other remedies available in law or equity.

**9. MISCELLANEOUS:**

- 9.1 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.

REQUEST FOR QUOTATION  
Blanket Bonding of Permit Holders

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9.2 **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. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: Elizabeth Brooks

Telephone Number: 615 553-9523

Fax Number: 404-351-3237

Email Address: Ebrooks@suretygroup.com

**REQUEST FOR QUOTATION  
Blanket Bonding of Permit Holders**

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**EXHIBIT A PRICING PAGE**

- A. Cost Per \$1,000 of Coverage; No deductible      \$8.75 \_\_\_\_\_
- B. Cost Per \$1,000 of Coverage; \$10,000 deductible      \$8.50 \_\_\_\_\_
- C. Cost Per \$1,000 of Coverage; \$25,000 deductible      \$8.45 \_\_\_\_\_
- D. Cost Per \$1,000 of Coverage; \$50,000 deductible      \$8.25 \_\_\_\_\_

**Please Note:**

\*Vendor must provide a copy of the Best Trend Report for the current year. It is preferred that this is provided with the bid, however, may be requested prior to award.

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

|                              |  |
|------------------------------|--|
| <b>VENDOR NAME</b>           | <b>Frontier Bonding Service LLC<br/>dba The Surety Group Agency</b>                  |
| <b>VENDOR ADDRESS</b>        | <b>12890 Lebanon Rd<br/>Mt Juliet, TN 37122</b>                                      |
| <b>VENDOR CONTACT</b>        | <b>Elizabeth Brooks</b>  |
| <b>VENDOR CONTACT TITLE</b>  | <b>Assistant Vice President</b>  |
| <b>CONTACT SIGNATURE</b>     |  |
| <b>VENDOR PHONE</b>          | <b>615-553-9523</b>  |
| <b>CONTACT EMAIL ADDRESS</b> | <b>ebrooks@suretygroup.com</b>   |

## West Virginia Ethics Commission



### Disclosure of Interested Parties to Contracts

Pursuant to *W. Va. Code* § 6D-1-2, a state agency may not enter into a contract, or a series of related contracts, that has/have an actual or estimated value of \$1 million or more until the business entity submits to the contracting state agency a Disclosure of Interested Parties to the applicable contract. In addition, the business entity awarded a contract is obligated to submit a supplemental Disclosure of Interested Parties reflecting any new or differing interested parties to the contract within 30 days following the completion or termination of the applicable contract.

For purposes of complying with these requirements, the following definitions apply:

*"Business entity"* means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership or corporation, but does not include publicly traded companies listed on a national or international stock exchange.

*"Interested party"* or *"Interested parties"* means:

- (1) A business entity performing work or service pursuant to, or in furtherance of, the applicable contract, including specifically sub-contractors;
- (2) the person(s) who have an ownership interest equal to or greater than 25% in the business entity performing work or service pursuant to, or in furtherance of, the applicable contract. (This subdivision does not apply to a publicly traded company); and
- (3) the person or business entity, if any, that served as a compensated broker or intermediary to actively facilitate the applicable contract or negotiated the terms of the applicable contract with the state agency. (This subdivision does not apply to persons or business entities performing legal services related to the negotiation or drafting of the applicable contract.)

*"State agency"* means a board, commission, office, department or other agency in the executive, judicial or legislative branch of state government, including publicly funded institutions of higher education: Provided, that for purposes of *W. Va. Code* § 6D-1-2, the West Virginia Investment Management Board shall not be deemed a state agency nor subject to the requirements of that provision.

The contracting business entity must complete this form and submit it to the contracting state agency prior to contract award and to complete another form within 30 days of contract completion or termination.

*This form was created by the State of West Virginia Ethics Commission, 210 Brooks Street, Suite 300, Charleston, WV 25301-1804. Telephone: (304)558-0664; fax: (304)558-2169; e-mail: [ethics@wv.gov](mailto:ethics@wv.gov); website: [www.ethics.wv.gov](http://www.ethics.wv.gov).*

# West Virginia Ethics Commission Disclosure of Interested Parties to Contracts

(Required by W. Va. Code § 6D-1-2)

Name of Contracting Business Entity: Frontier Bonding Service LLC  
dba The Surety Group Agency Address: 12890 Lebanon Rd  
Mt. Juliet, TN 37122

Name of Authorized Agent: Elizabeth Brooks Address: 12890 Lebanon Rd, Mt. Juliet  
TN 37122

Contract Number: RFQ 101900000002 Contract Description: Blanket Bond for Limited Lottery  
Video

Governmental agency awarding contract: Lottery Commission

Check here if this is a Supplemental Disclosure

List the Names of Interested Parties to the contract which are known or reasonably anticipated by the contracting business entity for each category below (attach additional pages if necessary):

**1. Subcontractors or other entities performing work or service under the Contract**

Check here if none, otherwise list entity/individual names below.

**2. Any person or entity who owns 25% or more of contracting entity (not applicable to publicly traded entities)**

Check here if none, otherwise list entity/individual names below.

Sompo International Insurance Agency

**3. Any person or entity that facilitated, or negotiated the terms of, the applicable contract (excluding legal services related to the negotiation or drafting of the applicable contract)**

Check here if none, otherwise list entity/individual names below.

Signature: Elizabeth Brooks

Date Signed: 1/30/19

**Notary Verification**

State of Tennessee, County of Wilson:

I, Elizabeth Brooks, the authorized agent of the contracting business entity listed above, being duly sworn, acknowledge that the Disclosure herein is being made under oath and under the penalty of perjury.

Taken, sworn to and subscribed before me this 30 day of January, 2019.

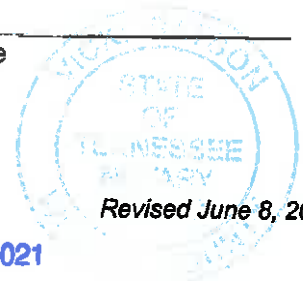
Vicki Batoon  
Notary Public's Signature

**To be completed by State Agency:**

Date Received by State Agency: \_\_\_\_\_

Date submitted to Ethics Commission: \_\_\_\_\_

Governmental agency submitting Disclosure: \_\_\_\_\_



Revised June 8, 2018

My Commission Expires July 27, 2021



STATE OF WEST VIRGINIA  
Purchasing Division  
**PURCHASING AFFIDAVIT**

**CONSTRUCTION CONTRACTS:** Under W. Va. Code § 5-22-1(i), the contracting public entity shall not award a construction contract to any bidder that is known to be in default on any monetary obligation owed to the state or a political subdivision of the state, including, but not limited to, obligations related to payroll taxes, property taxes, sales and use taxes, fire service fees, or other fines or fees.

**ALL CONTRACTS:** 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: (1) for construction contracts, the vendor is not in default on any monetary obligation owed to the state or a political subdivision of the state, and (2) for all other contracts, 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: Frontier Bonding <sup>service</sup> LLC dba The Surety Group Agency

Authorized Signature: Elizabeth Brooks Date: 1/30/19

State of Tennessee

County of Wilson, to-wit:

Taken, subscribed, and sworn to before me this 30 day of January, 2019.

My Commission expires July 27, 2021.

AFFIX SEAL HERE

NOTARY PUBLIC Vicki Batson



# QUALIFICATIONS

# Frontier Bonding Services LLC dba The Surety Group Agency

844-432-6637

12890 Lebanon Rd, Mt. Juliet TN 37122  
info@SuretyGroup.com  
suretygroup.com

## Experience

### **The Surety Group, Inc | established 10/19/1978**

Incorporated and registered in the State of Georgia by Sam Newberry  
First internet based sales of surety bonds and insurance sales

## Experience

### **The Surety Group Agency, LLC | merger 11/6/2007**

Limited Liability Company registered in the State of Georgia  
Annual sales over \$1.2 million  
Licensed in all 50 states and Puerto Rico  
Staff of 5- 3 bond producers, 1 marketing manager, 1 vice-president

## Experience

### **Frontier Bonding Services, LLC dba The Surety Group Agency | 12/31/2018**

Limited Liability Company registered in the State of Washington  
Annual sales over \$1.2 million  
Licensed in all 50 states and Puerto Rico  
Staff of 5

- \* Leslie Worley Insurance Agent 9 years of experience-licensed in 50 states and Puerto Rico
- \* Jason Roland Insurance Agent 11 years of experience-licensed in 49 states
- \* Scottie Satcher Insurance Agent 7 years of experience -licensed in Tennessee
- \* Elizabeth Brooks Insurance Agent 2 years of experience -licensed in Tennessee and Michigan  
7 years of experience in surety including underwriting, claims, and management of The Surety Group Agency

Appointed by the following insurance companies to write business: Great American, Suretec, Liberty Mutual, Old Republic, International Fidelity, Lapre, CCI, Lexon, Bond Safeguard, Endurance, CA Shea & Company



FRONTIER BONDING SERVICE LLC  
155 NE 100TH ST  
SUITE 201  
SEATTLE WA 98125

State of West Virginia

License No: 100107043

Agency License

***FRONTIER BONDING SERVICE LLC***

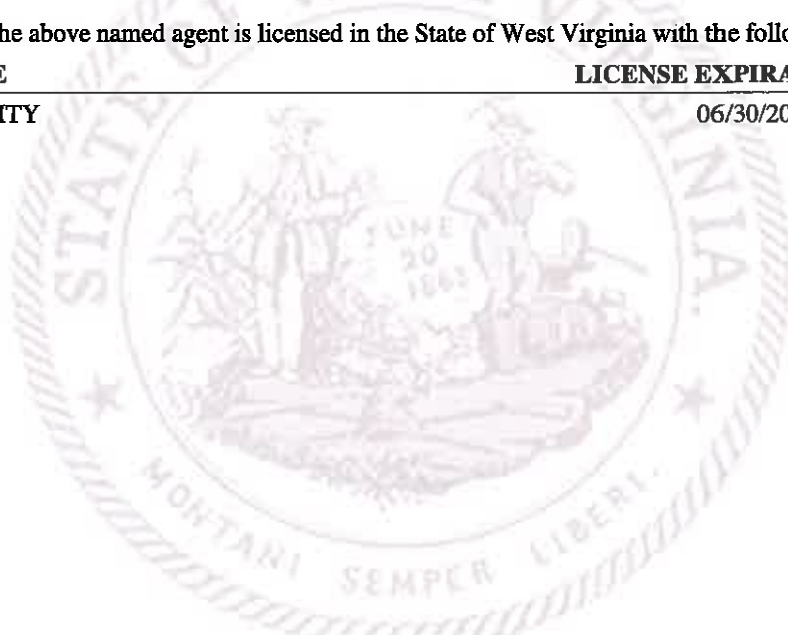
This is to certify that the above named agent is licensed in the State of West Virginia with the following authority(ies):

LICENSE TYPE

LICENSE EXPIRATION DATE

BUSINESS ENTITY

06/30/2019



Please visit [sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp](http://sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp) for the current status of this license.

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

| LICENSE TYPE       | LINES OF AUTHORITY | LOA EFFECTIVE DATE | LICENSE EXPIRATION DATE |
|--------------------|--------------------|--------------------|-------------------------|
| Insurance Producer | Property           | 03/11/2015         | 02/28/2021              |
|                    | Casualty           | 02/13/2015         |                         |

LESLIE A. WORLEY  
 [REDACTED]

State of West Virginia  
 Agent License  
 License No: [REDACTED] 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 |
|--------------------|----------------------|--------------------|-------------------------|
| Insurance Producer | Property             | 03/11/2015         | 02/28/2021              |
|                    | Casualty             | 02/13/2015         |                         |

Please visit [sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp](http://sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp) for the current status of this license.

JASON THOMAS ROLAND



| License No: [REDACTED]     |                    | State of West Virginia<br>Agent License |                         | NPN: 15537599 |
|----------------------------|--------------------|---|-------------------------|---------------|
| <b>JASON THOMAS ROLAND</b> |                    |   |                         |               |
| LICENSE TYPE               | LINES OF AUTHORITY | LOA EFFECTIVE DATE                      | LICENSE EXPIRATION DATE |               |
| Insurance Producer         | Property           | 03/29/2013                              | 02/29/2020              |               |
|                            | Casualty           | 03/29/2013                              |                         |               |

| License No: [REDACTED]   |                      | State of West Virginia<br>Agent License |                         | NPN: 15537599 |
|--|----------------------|---|-------------------------|---------------|
| <b>JASON THOMAS ROLAND</b>   |                      |   |                         |               |
| 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 |               |
| Insurance Producer   | Property             | 03/29/2013                              | 02/29/2020              |               |
|  | Casualty             | 03/29/2013                              |                         |               |

Please visit [sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp](http://sbs-wv.naic.org/Lion-Web/jsp/sbsreports/AgentLookup.jsp) for the current status of this license.



12890 Lebanon Road  
Mt. Juliet, TN 37122  
Phone: (844) 432-6637  
Fax: (404) 351-3237

January 30, 2019

Ms. Brittany E Ingraham  
State of West Virginia  
Brittany.e.Ingraham@WV.gov

RE: CRFQ Lot1900000002

Dear Ms. Ingraham,

Frontier Bonding Services LLC dba as The Surety Group Agency is a licensed insurance agency. Since we are an insurance agency and not an insurance insurer, we are not eligible to have an AM Best rating.

We have attached documentation for Lexon Insurance Company which is "A+" rated by AM Best and will support the bond for Frontier Bonding Services LLC dba The Surety Group Agency.

Frontier Bonding Services LLC dba The Surety Group Agency is appointed to write bonds for Lexon Insurance Company and will be in compliance with the qualifications of the RFQ regarding the AM Best "A+" rating under the writing authority of Lexon Insurance Company.

Respectfully,

Elizabeth Brooks | VP of the Surety Group  
12890 Lebanon Road | Mt. Juliet, TN 37122  
P 615-553-9523 | E ebrooks@suretygroup.com

# Lexon Insurance Company

A.M. Best #: 000743    NAIC #: 13307    FEIN #: 760128873

**Mailing Address**

10002 Shelbyville Road, Suite 100  
Louisville, KY 40223  
United States

[View Additional Address Information](#)

**Web:** [www.lexonsurety.com](http://www.lexonsurety.com)

**Phone:** 615-553-9500

**Fax:** 615-553-9502



Assigned to insurance companies that have, in our opinion, a superior ability to meet their ongoing insurance obligations.

[View additional news, reports and products for this company.](#)

Based on A.M. Best's analysis, 052641 - SOMPO Holdings, Inc is the **AMB Ultimate Parent** and identifies the topmost entity of the corporate structure. [View a list of operating insurance entities in this structure.](#)

### Best's Credit Ratings

#### Financial Strength Rating View Definition

|                                 |                             |
|---------------------------------|-----------------------------|
| <b>Rating:</b>                  | A+ (Superior)               |
| <b>Affiliation Code:</b>        | r (Reinsured)               |
| <b>Financial Size Category:</b> | XV (\$2 Billion or greater) |
| <b>Outlook:</b>                 | Stable                      |
| <b>Action:</b>                  | Upgraded                    |
| <b>Effective Date:</b>          | July 20, 2018               |
| <b>Initial Rating Date:</b>     | June 29, 1992               |

#### Long-Term Issuer Credit Rating View Definition

|                   |        |
|-------------------|--------|
| <b>Long-Term:</b> | aa-    |
| <b>Outlook:</b>   | Stable |



**Action:** Upgraded  
**Effective Date:** July 20, 2018  
**Initial Rating Date:** July 30, 2007

u Denotes Under Review Best's Rating

### Best's Credit Rating Analyst

**Rating Office:** A.M. Best Rating Services, Inc.

**Senior Financial Analyst:** Darian Ryan

**Director:** Steven M. Chirico, CPA

*Note: See the Disclosure information Form or Press Release below for the office and analyst at the time of the rating event.*

### Disclosure Information

#### Disclosure Information Form

[View A.M. Best's Rating Disclosure Form](#)

#### Press Release

[A.M. Best Affirms Credit Ratings of Sompo Japan Nipponkoa Insurance Inc. and Most Subsidiaries  
July 20, 2018](#)

## Rating History

A.M. Best has provided ratings & analysis on this company since 1992.

### Financial Strength Rating

#### Effective Date Rating

|            |      |
|------------|------|
| 7/20/2018  | A+   |
| 1/5/2018   | B++u |
| 4/13/2017  | B++  |
| 12/8/2016  | B++u |
| 4/12/2016  | B++u |
| 10/23/2015 | B++  |
| 10/20/2014 | B++  |
| 8/30/2013  | B++  |

## Long-Term Issuer Credit Rating

### Effective Date Rating

|            |       |
|------------|-------|
| 7/20/2018  | aa-   |
| 1/5/2018   | bbb u |
| 4/13/2017  | bbb   |
| 12/8/2016  | bbb u |
| 4/12/2016  | bbb u |
| 10/23/2015 | bbb   |
| 10/20/2014 | bbb   |
| 8/30/2013  | bbb   |

## Best's Credit Reports

 Best's Credit Report - Where applicable, includes Best's Financial Strength Rating and rationale along with comprehensive analytical commentary, detailed business overview and key financial data.

Report Revision Date: 11/5/2018 (represents the latest significant change).

 Historical Reports are available in Best's Credit Report Archive.

View additional news, reports and products for this company.

## Press Releases

| <u>Date</u>  | <u>Title</u>   |
|--------------|--|
| Jul 20, 2018 | A.M. Best Affirms Credit Ratings of Sompo Japan Nipponkoa Insurance Inc. and Most Subsidiaries                                   |
| Jun 04, 2018 | A.M. Best Comments on Credit Ratings of Lexon Insurance Company and Bond Safeguard Insurance Company                             |
| Jan 05, 2018 | A.M. Best Places Credit Ratings of Lexon Insurance Co. and Bond Safeguard Insurance Co. Under Review With Positive Implications  |
| Apr 13, 2017 | A.M. Best Removes From Under Review and Affirms Credit Ratings of Lexon Insurance Company and Bond Safeguard Insurance Company   |
| Dec 08, 2016 | A.M. Best Revises Under Review Status to Developing for Credit Ratings of Lexon Insurance Co. and Bond Safeguard Insurance Co.   |
| Apr 12, 2016 | A.M. Best Places Ratings of Lexon Insurance Company and Bond Safeguard Insurance Company Under Review with Positive Implications |
| Aug 29, 2012 | A.M. Best Downgrades Ratings of Lexon Insurance Company and Bond Safeguard Insurance Company                                     |
| Jul 30, 2007 | A.M. Best Upgrades and Assigns Ratings to Lexon Insurance Company; Revises Outlook to Stable                                     |
| Jul 23, 2004 | A.M. Best Downgrades Debt Ratings of St. Paul Travelers; Affirms Financial Strength Ratings                                      |

## Find a Best's Credit Rating


[Advanced Search](#)

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Best's Credit Rating



Best's Credit Ratings  
Mobile App



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### Australian Disclosures

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[Regulatory Affairs - Form NRSRO - Code of Conduct - Rating Methodology - Historical Performance Data](#)

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# West Virginia Offices of the Insurance Commissioner



## Certificate of Authority

Whereas, **LEXON INSURANCE COMPANY**, domiciled in the State of **TEXAS**, 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)  
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, 2019, 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, 2018.

Handwritten signature of Allan L. McVey in cursive script.

Allan L. McVey  
Insurance Commissioner

NAIC # 13307  
Legacy State ID # 1259