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Header 1

General Information

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SO Doc ID: TAX2000000010

Legal Name: MEYERCORD REVENUE INC

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Total of Header Attachments: 1

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

**State of West Virginia
 Solicitation Response**

Proc Folder : 650493
Solicitation Description : Addendum No.01 - Cigarette Tax Stamps
Proc Type : Central Master Agreement

Date issued	Solicitation Closes	Solicitation Response	Version
	2019-12-03 13:30:00	SR 0702 ESR12031900000003366	1

VENDOR
000000110486 MEYERCORD REVENUE INC

Solicitation Number: CRFQ 0702 TAX2000000010

Total Bid : \$187.86 **Response Date:** 2019-12-03 **Response Time:** 10:46:52

Comments: Please see attachment.

FOR INFORMATION CONTACT THE BUYER
 Brittany E Ingraham
 (304) 558-2157
 brittany.e.ingraham@wv.gov

Signature on File	FEIN #	DATE
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All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	Contract Item #1 - 3.1.3.3.1 Rolls of 30,000 for 20's.	200.00000	CASE	\$0.930000	\$186.00

Comm Code	Manufacturer	Specification	Model #
82121500			

Extended Description : Contract Item #1 - 3.1.3.3.1 Rolls of 30,000 for 20's.

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	Contract Item #2 - 3.1.3.3.2 Sheets of 7,200 for 20's.	1.00000	CASE	\$0.930000	\$0.93

Comm Code	Manufacturer	Specification	Model #
82121500			

Extended Description : Cigarette Tax Stamps in sheets of 150 for 20's.

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	Contract Item #3 - 3.1.3.3.3 Rolls of 7,200 for 25's.	1.00000	CASE	\$0.930000	\$0.93

Comm Code	Manufacturer	Specification	Model #
82121500			

Extended Description : Cigarette Tax Stamps in rolls of 7,200 for 25's.

RESPONSE TO:

CRFQ No. TAX2000000010

CIGARETTE TAX STAMPS

State of West Virginia
Department of Administration
Purchasing Division

SUBMITTED BY:

Meyercord Revenue, Inc.
475 Village Drive
Carol Stream, Illinois 60188

December 3, 2019

December 3, 2019

Brittany Ingraham, Senior Buyer
State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street, East
Charleston, West Virginia 25305-0130

REF: CIGARETTE TAX STAMPS, Request for Quotation (RFQ) No. TAX2000000010

Dear Ms. Ingraham,

Meyercord Revenue (“Meyercord Revenue”), a SICPA Company (“SICPA”) is pleased to provide the State of West Virginia (“State”) with its response to RFQ No. TAX2000000010 for Cigarette Tax Stamps. As the provider of FUSON® tax stamps to the State since 1985, Meyercord Revenue uniquely understands the State’s requirements for cost-effective tax stamps to support the administration and enforcement of vital cigarette excise tax revenues.

Meyercord Revenue is the current tax-stamp provider to 44 U.S. states and more than 160 local jurisdictions and provides the State a partner with an unparalleled level of experience in the provision of thermal heat-transfer cigarette tax stamps. For nearly 35 years, Meyercord Revenue has provided West Virginia with a reliable, consistent supply of high-quality, highly secure, counterfeit-resistant tax stamps for the protection and collection of the State’s vital cigarette tax revenues. Over the course of our relationship with the State, Meyercord Revenue has continuously improved upon our FUSON® product through the delivery of new stamp security offerings and performance enhancements that ensure the FUSON® tax stamp not only meets, but exceeds, the State’s operational and performance requirements. Throughout our nearly 70-year history of providing cigarette tax-stamp solutions, Meyercord Revenue has established itself as the only responsive and responsible supplier to *every State* requiring a heat-transfer tax stamp.

The FUSON® tax stamp being offered for continued use by the West Virginia State Tax Department represents the industry standard for thermal tax stamps. The FUSON® tax stamp fully meets all of the requirements of the current RFQ, has demonstrated [compatibility](#) with all stamping equipment currently deployed by authorized distributors, and—as testament to its reliability—has provided a track record of strong performance and predictable Total Cost of Ownership over the course of its use by the State of West Virginia. As a partner to the State, Meyercord Revenue will continue to provide the highest quality solution to address specific needs through the following attributes:

- ***Distinctly-Experienced Vendor***—Meyercord Revenue has shipped more than **five trillion stamps** with an unmatched level of success over the course of 60 years. This


- includes the millions of stamps delivered to the State over nearly 35 years of successful performance as the State's tax stamp provider. We leverage this experience and regular customer feedback to continuously enhance product quality and quickly adapt production processes and solutions in order to meet unique—and sometimes immediate—change requirements from customers.
- **Proven, Innovative Tax Stamp Solution**—Meyercord Revenue's proprietary FUSON® cigarette tax stamp solution is used by our more than 160 State and local customers to support the collection of more than \$14 billion in tobacco tax revenues annually. The highly secure, counterfeit-resistant FUSON® stamp incorporates multiple layers of overt, semi-covert, and covert security features that meet and exceed the RFQ criteria to enable effective field enforcement, while also creating a foundation for additional services and track-and-trace functionalities.
- **Unique Alignment with Equipment Providers**—Meyercord Revenue's FUSON® stamps are designed and manufactured to ensure proper adhesion and high-speed application on all types of high- and low-volume heat-transfer stamping machines currently in use by authorized State stamping agents. Meyercord Revenue maintains collaborative arrangements with the main stamping-machine manufacturers (United Silicone, Inc. and REDSTAMP) to ensure the continued compatibility with stamping equipment used by wholesalers. As evidence of its success, the FUSON® stamp is applied more than 12 billion times annually and less than 0.00001 percent of the rolls are returned due to quality issues.

Meyercord Revenue is a stable, proven vendor, aligned to the mission and goals of the State of West Virginia. During our more than 30-year relationship with the State, we have introduced numerous material security and services enhancements to the FUSON® tax stamp. Security enhancements—including unique stamp identification numbers, taggant, microprint, UV, Forensic Marker, and variable image (VI)—are widely adopted within the FUSON® customer base and currently in use by the State. FUSON® services such as the Direct-to-Distributor (DtD) electronic stamp-ordering and fulfillment platform are currently utilized by 14 States (KS, MT, CT, LA, KY, WA (including Tribes), NV, SC, SD, OR, MS, CA, MA, and OK) to streamline stamp delivery and optimize stamp management. While the RFQ does not specifically require the VI security feature, because we have historically provided it, and it has become an integral part of enforcement activities, we have chosen to maintain the feature as part of our proposed solution.

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

With our proven record of delivering a cost-effective tax-stamp solution within State-required timeframes and to the specifications of the State Tax Department, Meyercord Revenue looks

Meyercord Revenue Inc.

A SICPA company 

forward to continuing to assist the State of West Virginia in securing more than \$100 million in annual excise taxes on tobacco products with our proposal for the continued provision of the FUSON® tax stamp platform.

Regards,

Alexander Spelman
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TABLE OF CONTENTS

3.	GENERAL REQUIREMENTS	1
3.1.	CONTRACT ITEMS AND MANDATORY REQUIREMENTS	1
3.1.1.	QUANTITY AND PRICE	1
3.1.2.	TYPE AND APPLICATION	1
3.1.3.	SIZE, DESIGN, AND COLORS.....	1
3.1.4.	NUMBERING	3
3.1.5.	LAYOUT AND PACKING	3
3.1.6.	PAPER	3
3.1.7.	MATERIALS	4
3.1.8.	WORKMANSHIP	4
3.1.9.	PRODUCTION CONTROL.....	5
3.1.10.	INSPECTION.....	7
3.1.11.	UNDER-RUN.....	7
3.1.12.	DISPOSAL OF STONE AND PLATES.....	7
3.1.13.	ACCOUNTING	8
3.1.14.	STAMP-APPLYING MACHINES.....	8
3.1.15.	PROTECTION	11
3.1.16.	SHIPMENT.....	11
8.	MISCELLANEOUS	13
8.4	CONTRACT MANAGER.....	13
	DISCLOSURE OF INTERESTED PARTIES TO CONTRACTS FORM.....	14
	PURCHASING AFFIDAVIT.....	15
	DESIGNATED CONTACT, CERTIFICATION AND SIGNATURE.....	16

3. GENERAL REQUIREMENTS

3.1. Contract Items and Mandatory Requirements

Meyercord Revenue understands and agrees to the Mandatory Requirements and will provide the Contract Items listed within the Solicitation on an open-ended and continuing basis. Contract Items will meet or exceed the mandatory requirements as shown in the solicitation.

3.1.1. QUANTITY AND PRICE

Meyercord Revenue understands and agrees to this requirement. We will provide the Contract Items in the quantity and denomination as indicated on the delivery order, and will submit the net price per thousand stamps, manufactured and packed according to specifications. **[RFQ 3.1.1.1]**

3.1.2. TYPE AND APPLICATION

Meyercord Revenue is pleased to provide the State with the maximum security protection available in a heat-transfer tax stamp with the FUSON® platform. **[RFQ 3.1.2.1]**

Consisting of five (5) layers and the highest quality security inks, including safety-tint lettering, Meyercord Revenue's FUSON® tax stamps have been successfully used for many years on the cigarette tax-stamping machines in use by licensed West Virginia distributors. Produced by the gravure process, Meyercord Revenue warrants that its FUSON® tax stamp is designed and manufactured to be heat-applied and is suitable for high-speed, positive machine application with heat to the receiving surface, such as cellophane, polypropylene paper, etc. **[RFQ 3.1.2.2]**

3.1.3. SIZE, DESIGN, AND COLORS

Meyercord Revenue agrees to all requirements in Section 3.1.3. As part of more than 60 years of direct cigarette tax stamp experience, Meyercord Revenue has developed a wide range of FUSON® stamp designs that provide uniquely distinctive features for visual identification. Recent developments ranging from new design capabilities to security feature integration offers a significant range of options in stamp shape, color, layout, and graphics that exceed the State's requirements.

Measuring 0.47 in. by 0.47 in. (stamp equipment parameters set at 3/4" x 3/4"), the FUSON® stamp is designed with an irregular shape and outline. This size is chosen to maximize the heating element area of the stamp-application machines. Stamps are spaced on rolls in accordance with best practices developed and proven over 60 years of industry experience. The FUSON® stamp also contains a minimum of three (3) different and visually-distinctive colors, not including the safety-tint lettering. For purposes of this RFQ, Meyercord Revenue understands that half-tones, ben-day effects, shades, tints, or tones of a color are not considered to be separate and distinctive colors.

Under the terms of Meyercord Revenue's current contract with the State, we have developed, produced, and distributed one (1) distinct FUSON® tax stamp design for Type-20 denomination on both rolls and sheets. (See **Figure 1** below.) This design has proven successful since implementation in 1998, and should the State elect to continue using this design, Meyercord Revenue will accommodate that request. All current features are included in our price quote.

(Contract Item #3 of the solicitation also includes requirements for a Type-25 stamp; the State has not purchased this stamp denomination in recent years. Should an order be placed for Type-25 stamps, Meyercord will work with the State to develop this stamp design using similar elements to that of the Type-20 stamp.)

Meyercord Revenue will work with the State of West Virginia to finalize preferred design and feature selection; if the State is interested in using a different color or an alternate design, Meyercord Revenue will make every effort to accommodate the request. **[RFQ 3.1.3.1]**

Meyercord Revenue acknowledges and understands that colors and design of stamps will be approved by the Tax Account Administration Division. **[RFQ 3.1.3.2]**

We further agree that we will instruct the tobacco distributors' employees in the proper operation of the stamp-application machine or heat-iron for the correct application of stamps.

The following will be printed on the face of each stamp: **[RFQ 3.1.3.3]**

- The words "State of West Virginia 20 Cigarette Tax Stamp" for rolls of 30,000 for 20s. **[RFQ 3.1.3.3.1]**
- The words "State of West Virginia 20 Cigarette Tax Stamp" for 150 stamps per sheet of 20s. **[RFQ 3.1.3.3.2]**
- The words "State of West Virginia 25 Cigarette Tax Stamp" for rolls of 7,200 for 25s. **[RFQ 3.1.3.3.3]**



Figure 1. West Virginia Cigarette Tax Stamp Design Sample

3.1.4. NUMBERING

Meyercord Revenue will serial-number each stamp across its face. We further agree that each roll and sheet of stamps will have a different or consecutive serial number upon the face of the stamps contained on each roll and sheet; these numbers will not be repeated for the life of the contract. **[RFQ 3.1.4.1]**

3.1.5. LAYOUT AND PACKING

Meyercord Revenue understands and agrees to provide stamps for mechanical application in rolls of 30,000 stamps for 20-Type stamps and 7,200 stamps for 25-Type stamps. Each roll will bear ascending numbers at regularly-specified intervals on one side and descending numbers at regularly-specified intervals on the other side. **[RFQ 3.1.5.1]**

We will pack each roll separately, in a cardboard box that is securely sealed and labeled to show quantity, denomination, and roll number. Meyercord Revenue will provide 25 boxes for "20s" and 50 boxes for "25s," packed in corrugated containers, with each carton securely sealed and labeled to show quantity, denominations, and serial numbers of rolls contained therein. **[RFQ 3.1.5.2]**

Meyercord Revenue will furnish stamps for heat-iron application in sheets containing 150 stamps to each sheet of "20s." Stamps will be in pads of 10 sheets per pad, with 10 pads per paper box sealed and clearly labelled on the edge, indicating the number, kind, and denomination of the stamps it contains together with the serial number of sheets and stamps. Ten of these boxes will be wrapped in waterproof paper and placed in a strong cardboard carton, which will be securely sealed and labelled, showing the first and last serial numbers of the contents. **[RFQ 3.1.5.3]**

3.1.6. PAPER

Stamps will be printed on a unique safety-tinted, mill-controlled paper, furnished by Wausau Paper Specialty Products, LLC of Mosinee, Wisconsin (or by a qualified secondary source). Meyercord Revenue agrees to provide an accurate accounting of all paper used in the production of machine-applied stamps, including spoilage, and verify the accounting record by affidavit to the West Virginia State Tax Department, Tax Account Administration Division. **[RFQ 3.1.6.1]**

Meyercord Revenue understands and agrees to process all paper with special safety-tint reading with copy to be specified by the West Virginia Tax Department, arranged and printed so that it cannot be photographed on color paper. **[RFQ 3.1.6.2]**

Meyercord Revenue further understands and agrees that the safety-tint lettering for the machine-applied stamps will be printed so as to appear on the stamp's face, as well as on the paper between the stamps. The safety-tint will transfer with the machine-applied and heat-iron stamps, and the lettering extending beyond the edges of the stamp will also transfer with the

stamp. All spoilage shall be filed with the Tax Account Administration Division within 10 business days. **[RFQ 3.1.6.3]**

Per RFQ requirements, Meyercord Revenue has submitted a paper sample to accompany this response via U.S. mail. [RFP 3.1.6.4]

3.1.7. MATERIALS

Meyercord Revenue understands and agrees to this specification. All colors, inks, and other ingredients used for the FUSON® stamp are manufactured exclusively in its North American Security Products Organization (NASPO) and ISO-certified facility, to ensure that all stamps will be of the highest quality and provide optimal security. Because all inks used in the stamp production process are made in-house, Meyercord Revenue is able to effectively consolidate its manufacturing supply chain and limit the unnecessary exposure of related materials to outside actors, which runs the risk that the stamps could be counterfeited.

As required by the RFQ, Meyercord Revenue will use appropriate chemicals in the inks to assist in the detection of counterfeit stamps. **[RFQ 3.1.7.1]**

3.1.8. WORKMANSHIP

All stamps furnished under this contract will be genuine decalcomania transfer stamps of the highest quality. Consisting of five (5) layers and the highest quality security inks, the FUSON® stamp is produced by gravure printing, a composite film-transfer steel engraving process. Meyercord Revenue warrants that its FUSON® tax stamp is designed and manufactured to be heat applied and is suitable for high-speed, positive machine application with heat to the receiving surface.

Meyercord Revenue has continuously improved the performance and adhesion of the FUSON® tax stamp used by the State. Meyercord Revenue warrants that its FUSON® stamps can be applied at a minimum operating rate of speed of 60 cartons per minute for a duration greater than 30 minutes. We guarantee that stamps will neither break up nor disintegrate before or during the normal process of transfer to the package or container, and are not easily removable from cellophane, paper, or foil.

Meyercord Revenue's FUSON® stamps are the only stamps on the market today that have consistently been applied on all heat-application equipment installed in the field without the need for modification of settings or upgrading of components, regardless of the make and model of the stamping equipment. Should the Tax Account Administration Division require a demonstration of Meyercord Revenue's stamps, we will work with stamp-application equipment manufacturers and the State to provide a demonstration at the State's discretion. **[RFQ 3.1.7.1]**

3.1.9. PRODUCTION CONTROL

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

On June 8, 2005, the Meyercord Revenue facility was awarded a NASPO Class II Security Assurance Certificate by the North American Security Products Organization (NASPO). In 2015, Meyercord Revenue was awarded ISO 14298 Management of Security Printing Processes, which is a certification recognized internationally for security printers. Meyercord Revenue meets all NASPO and ISO 14298 requirements for annual re-certification and has maintained its Class II Security Assurance Certificate continuously since 2005 and ISO 14298 since 2015.

ISO 14298 Certified



NASPO and ISO 14298 are security standards for secure government printers that defines documents and maintains relevant security risk management standards for reducing financial and identity document fraud and dilution of brand integrity. NASPO and ISO 14298 certification verifies that the Meyercord Revenue facility has successfully completed a comprehensive Security Risk Management Audit and is certified to be in compliance with the documented best practices in risk-reduction infrastructure, systems, and techniques that assure security.

Meyercord Revenue is keenly aware of and sensitive to potential threats that could compromise the security of the tax stamp. As such, Meyercord Revenue's internal controls and security measures are designed to help protect the State against theft and unlawful production of heat-applied decal stamps. **[RFQ 3.1.9.1]**

Meyercord Revenue understands and agrees that the entire manufacturing process, to include stamp design, mechanical art, cylinder etching, coating of the base paper stock, printing, numbering, finishing, packing, and shipping will be performed in our facility located in Carol Stream, Illinois. **[RFQ 3.1.9.1.1]**

Should we be the lowest responsible vendor to meet the RFQ requirements, Meyercord Revenue further agrees to provide an affidavit from our paper manufacturer assuring that any inquiries about tobacco tax stamp paper will be referred to the Bureau of Alcohol, Tobacco,

Firearms, and Explosives to verify that the paper manufacturer is authorized to print tax stamps. **[RFQ 3.1.9.1.2]**

We will strictly account for all paper for the manufacture of stamps for the West Virginia State Tax Department. This accounting will include damaged stamps, spoiled paper, etc. The State will have access to a complete production audit at all times, should they require it. **[RFQ 3.1.9.1.3]**

Meyercord Revenue understands that all activities related to the printing, finishing, numbering, stamp inventory, artwork, and cylinder will be performed in a separate area of the plant and will be locked and restricted to only those employees involved with the manufacture of cigarette tax stamps. A criminal background search for federal and county felonies and misdemeanors is completed for every new employee following the preliminary job offer, but prior to employment. Candidates must also pass a drug-screening test prior to employment.

The restricted tax stamp area is protected by a state-of-the-art biometric access control system designed and manufactured by Recognition Systems, Inc., Division of Harrow Products, Inc., the leader in biometric technology. The Meyercord Revenue facility is also protected by 29 high-resolution digital color cameras with vari-focal lenses positioned in key internal areas, as well as five (5) exterior zoom cameras. The two (2) dock cameras and one (1) employee entrance camera have Super Dynamic cameras that provide useable video. Together with our closed-circuit television (CCTV) monitoring system, Meyercord customers can rest assured that their products are protected by one of the highest-quality surveillance systems on the market today.

The alarm system protecting the Meyercord Revenue facility during off-hours, weekends, and holidays includes a number of addressable motion detectors located strategically throughout the stamp production areas. All windows around the building are armed with glass-break detectors; all external doors are equipped with contacts, and an additional contact also protects the roof hatch. A central alarm station with 24-hour system supervision monitors all three (3) elements of the alarm system: motion detection, glass breaks, and door contacts.

Finally, Meyercord Revenue's manufacturing facility is a modern, single-story fire-proof building, and is fully equipped with an Underwriters' Laboratories-approved sprinkler system, as is required by the RFQ. **[RFQ 3.1.9.1.4]**

Meyercord Revenue has developed a Business Continuity and Disaster Recovery Plan that ensures that service to our customers is not disrupted should a disaster occur at our plant. The plan covers natural disasters, disruption in supply, and labor disruptions, and will be provided to the State prior to contract award. [RFQ 3.1.9.1.5]

We understand and agree that all departments of the Meyercord Revenue plant that are involved with the production of tax stamps for the State will be open at all times to accredited officials of the West Virginia State Tax Department for inspection and audit. **[RFQ 3.1.9.1.6]**

Meyercord Revenue further acknowledges that, by signing and submitting this bid response, stamps manufactured for the State of West Virginia State Tax Department will not be used as samples or for demonstration or inspection by any other State without express written consent of the West Virginia State Tax Department. **[RFQ 3.1.9.1.7]**

3.1.10. INSPECTION

Should we be the successful bidder, Meyercord Revenue agrees to maintain rigid inspection procedures for the elimination of imperfect stamp sheets and for other violations of these specifications. **[RFQ 3.1.10.1]**

Meyercord Revenue understands and acknowledges that the Tax Account Administration Division reserves the right to reject any stamps which do not conform to the specifications, are not readily transferable to cellophane, or are not sufficiently adhesive or satisfactory in any other respect. **[RFQ 3.1.10.2]**

We further agree that the manufacturer will pay the return transportation on rejected stamps and will replace all such stamps at no expense to the State of West Virginia. **[RFQ 3.1.10.3]**

Finally, Meyercord Revenue acknowledges that, should it be the successful bidder, we will provide the Tax Account Administration Division, or authorized representative, free access to the plant at all times during manufacture and storage, and will afford such representative every facility for inspection of work in progress. **[RFQ 3.1.10.4]**

3.1.11. UNDER-RUN

Meyercord Revenue understands and agrees that under-runs will not be accepted, and that all partial sheets of stamps and/or any damaged or imperfect stamps will be destroyed . Over-runs will be accepted but not paid for. **[RFQ 3.1.11.1]**

Meyercord Revenue agrees to destroy any damaged or imperfect stamps and to evidence such destruction by filing an affidavit with the Tax Account Administration Division within 10 business days. **[RFQ 3.1.11.2]**

3.1.12. DISPOSAL OF STONE AND PLATES

It is understood and agreed upon that the original drawings, engravings, master stone, layout sheets, and impression stones or plates shall be and remain the property of the West Virginia State Tax Department, Tax Account Administration, and shall be held by the manufacturer for destruction upon completion of the contract and authority from the Tax Account Administration Division. **[RFQ 3.1.11.1]**

It is further agreed to that, upon the completion of the manufacture of the stamps, Meyercord Revenue will erase or grind off the transfer on the printing stone, layout sheets, impression stones, or plates. Meyercord Revenue will do this in the presence of an accredited

representative of the Tax Account Administration Division, should one be provided. **[RFQ 3.1.12.2]**

3.1.13. ACCOUNTING

Meyercord Revenue will provide a full and accurate account to the Tax Account Administration Division of all paper used in the production of the machine-applied stamps and all spoiled paper, stamps, plates, designs, patterns, films, negatives, cylinders, etc., that were used in fulfilling the contract under this bid. Plates, designs patterns, films, negatives, cylinders, and the like will be used solely for this order and subsequent orders from West Virginia, should there be any. When not in use for manufacturing, these materials will be locked in a secure repository. Upon completion of this order, at termination of this contract, or at any time the Tax Account Administration Division desires, all such plates, designs, films, etc. will be destroyed and disposed of as directed by Division. **[RFQ 3.1.13.1]**

A complete and accurate accounting of each and every stamp, all special paper, and any other materials used in the production of these stamps will be given to authorized representatives of the Tax Account Administration Division at any time upon request. Inspection of the plant and all records and books of account will be allowed at any time upon request by authorized representatives of the West Virginia Tax Department.

Meyercord Revenue maintains close supervision of the production of the stamps at all times and does not permit unauthorized employees or any others to enter or leave the building or the part of the building where stamps are produced until first assuring that all materials used in their production are properly accounted for. Every precaution is taken to make certain that these stamps are not counterfeited or produced anywhere for any other purpose than for the use of the State of West Virginia. **[RFQ 3.1.13.2]**

3.1.14. STAMP-APPLYING MACHINES

Meyercord Revenue understands and will comply with all specifications in RFQ Section 3.1.14 with the support of its equipment manufacturing partners.

Meyercord Revenue's FUSON® heat-applied stamps have a proven history of working on a variety of high- and low-volume stamp-application equipment. While Meyercord Revenue does not provide stamping machines or ancillary equipment for authorized distributors directly, the FUSON® stamps are compatible with all United Silicone, Inc. (USI) and REDSTAMP equipment currently used by distributors applying West Virginia heat-applied tax stamps. Distributors can acquire this equipment as well as any required training, servicing, and maintenance directly from the equipment manufacturers.

Meyercord Revenue maintains collaborative arrangements with stamping machine manufacturers to ensure continued compatibility. **Table 1** and **Table 2** below provide a list of equipment available to authorized distributors from both machine providers that have been used

to apply Meyercord Revenue’s FUSON® tax stamps. More information can be provided directly by the equipment manufacturers upon request. [RFQ 3.1.14.1 – 3.1.14.2]

Automated Heat-Application Equipment	Specifications
VL-10 Stamp Machine	Medium- to high-volume, 70+ carton-per-minute pre- or post-stamping machine cycle speed capability. Fully automatic machine stamps and seals cartons.
VL-10 Stamp Machine Tandem	Medium- to high-volume, 70+ carton-per-minute pre- or post-stamping machine cycle speed capability. Dual-head for easy stamping of multiple jurisdictions. Fully automatic machine stamps and seals cartons.
VL-10 Stamp Machine Triple	Medium- to high-volume, 70+ carton-per-minute pre- or post-stamping machine cycle speed capability. Triple-head for easy stamping of multiple jurisdictions.
VL-10HP Stamp Machine	High-volume, 90+ carton-per-minute consistent pre- or post-stamping machine cycle speed capability.
VL-20HP Tandem Stamp Machine	High-volume, 90+ carton-per-minute consistent pre- or post-stamping machine cycle speed capability. Dual-head for easy stamping of multiple jurisdictions.
VL-30HP Triple Stamp Machine	High-volume, 90+ carton-per-minute consistent pre- or post-stamping machine cycle speed capability. Triple-head for easy stamping of multiple jurisdictions.

Table 1. United Silicone, Inc. (USI) Stamp Application Equipment

Automated Heat-Application Equipment	Specifications
CSU-120 Machine	Electrical: 125/250 VAC Split-Phase, 30 Amps, 60 Hertz <i>or</i> 220 VAC Single-Phase, 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit). Facility grounding for the equipment must comply with National Electrical Code, Article 250 – Grounding. Air: 6 CFM @ 90 PSI 1/2" pipe supply; a 3/8" male quick disconnect fitting is supplied on regulator. Clean and dry air is required thus a refrigerated air dryer is necessary. Size: Depth – 28 inches (60 inches with conveyor); Width – 84 inches (101 inches with conveyor)

	<p>Weight: 550 pounds</p> <p>Speed: 85 cartons per minute for pre-stamping operations</p>
CSU-D-120 Double-Head Machine	<p>Electrical: 125/250 VAC Split-Phase, 30 Amps, 60 Hertz or 220 VAC Single-Phase, 30 Amps, 60 Hertz (or 2 phases of 3-phase circuit). Facility grounding for the equipment must comply with National Electrical Code, Article 250 – Grounding.</p> <p>Air: 6 CFM @ 90 PSI 1/2" pipe supply; a 3/8" male quick disconnect fitting is supplied on regulator. Clean and dry air is required thus a refrigerated air dryer is necessary.</p> <p>Size: Depth – 28 inches (60 inches with conveyor); Width – 103 inches (130 inches with conveyor)</p> <p>Weight: 750 pounds</p> <p>Speed: 80 cartons per minute for pre-stamping operations</p>
CSU-T-120 Triple-Head Machine	<p>Electrical: [208], 220, 240 VAC; 1-Phase; 30 Amps; 60 Hertz</p> <p>Air: 6CFM @ 90PSI, clean and dry, 1/2" piping</p> <p>Size: Depth – 28 inches (73 inches with conveyor); Width – 117 inches (144 inches with conveyor)</p> <p>Weight: 950 pounds</p> <p>Speed: 75 cartons per minute for pre-stamping operations</p>

Table 2. REDSTAMP Application Equipment

Per the RFQ, Meyercord Revenue will ensure that all machines and related equipment meet with the approval of the Tax Account Administration Division, are acceptable to the tobacco distributors, and operate satisfactorily at a high rate of speed comparable to the other means of mechanical stamping.

Meyercord Revenue warrants that the FUSON® stamps can be applied at a minimum operating rate of speed of 60 cartons per minutes for a duration greater than 30 minutes. Meyercord Revenue’s FUSON® stamps are the only stamps in the market today that have consistently been applied on all heat-application equipment installed in the field without the need for any modification of settings or the need to upgrade components, regardless of the make and model of the stamping equipment. If a demonstration of Meyercord Revenue’s stamps is required, Meyercord Revenue will work with stamp-application equipment manufacturers and the State of West Virginia to provide a demonstration at the State’s discretion. **[RFQ 3.1.14.3; 3.1.14.5]**

Working with our stamp-application equipment manufacturing partners, Meyercord Revenue understands and acknowledges the requirements of RFQ Section 3.1.14.4. While Meyercord Revenue does not provide stamping machines or ancillary equipment for authorized distributors directly, we will assist in furnishing and installing machines and related equipment as required. **[RFQ 3.1.14.4]**

Meyercord Revenue understands that, by signing and submitting this bid, we agree to service and maintain stamp application equipment—with the support of our stamp application equipment

manufacturers—in such a manner and upon such reasonable conditions that mechanical failure will not substantially disrupt stamping by the distributors and receipt of revenue by the West Virginia Tax Department. [RFQ 3.1.14.6]

While tobacco distributors can acquire training assistance directly through Meyercord Revenue's stamp-application equipment manufacturers, we will work to provide any assistance necessary to train tobacco distributors' employees in successfully applying stamps furnished under this contract. [RFQ 3.1.14.7]

Through our stamp-application equipment manufacturing partners mentioned previously, Meyercord Revenue will work to ensure sufficient trained personnel are on-call to respond within 36 hours, Monday–Friday, 8 a.m.–5 p.m. ET, in order to properly maintain, service, and repair stamp-application machines so that mechanical failure will not substantially disrupt stamping by tobacco distributors, and thus, receipt of revenue by the West Virginia Tax Department. [RFQ 3.1.14.8]

Should Meyercord Revenue be awarded the West Virginia Cigarette Stamps contract, we propose to provide that the sale and use of our FUSON® tax stamps and stamp-application machines and related equipment will not infringe upon any United States patent. We guarantee to defend, protect, and hold harmless the State of West Virginia, and all persons, firms, or concerns using or applying the tax stamps and stamp-application machines on its behalf, against all legal actions and from all damages, claims, demands, expenses, and attorney's fees, for actual or alleged infringement of any United States patent or violate any anti-trust laws. [RFQ 3.1.14.9]

3.1.15. PROTECTION

Meyercord Revenue understands and agrees that all stamps and paper must contain proven protective features to guard against illegal reproduction. The FUSON® stamp provides a robust set of anti-counterfeiting features to resist counterfeiting and fraudulent use and enable easy validation of legitimate tax stamps.

Should Meyercord Revenue be successful in its bid for the West Virginia Cigarette Stamps contract, we will provide further information in a separate confidential detailed statement, fully explaining our system for the protection of the Tax Account Administration Division against unlawful reproduction and the method by which such reproduction can be detected by authorized personnel. Per the RFQ requirements, this confidential statement has not been made a part of this bid submission. [RFQ 3.1.15.1]

3.1.16. SHIPMENT

Meyercord Revenue is fully prepared to provide the State of West Virginia with bulk stamp shipments. Upon completion of production of the State stamps, up to six (6) months' inventory can be stored in a secure area, within Meyercord Revenue's NASPO- and ISO 14298 -certified secure printing location. Stamps can then be bulk-shipped the same day as an order is

processed to the location designated by the State via a secure/bonded carrier. All shipments are made by a secure/bonded carrier, insured at the replacement value and prepaid and Meyercord Revenue will ensure the safe and proper delivery of the State's stamps. Each shipment is insured at the replacement value. **[RFQ 3.1.16.1]**

While bulk shipping has been the historical method used for the acquisition of tax stamps, Meyercord Revenue recognizes the challenges this process can create for the State in managing the inventory and distribution of tax stamps. As an alternative, Meyercord Revenue would be pleased to provide the State with information on its Direct-to-Distributor (DTD) shipping option. This option features a fully electronic ordering, administration, and reconciliation capability that provides significant added value to the State's tax-stamp fulfillment process while also assisting the State in optimizing its spend on tax stamps.

8. MISCELLANEOUS

8.4 Contract Manager

During its performance of this Contract, Meyercord Revenue will designate and maintain a primary contract manager responsible for overseeing our responsibilities under this Contract. The Contract Manager will be available to address any customer service or other issues related to this Contract.

Meyercord Revenue has provided the Contract Manager and her contact information below:

Contract Manager: Tammy Norris

Telephone Number: (703) 440-7776

Fax Number: (703) 455-4578

Email Address: Tammy.Norris@Sicpa.com

DISCLOSURE OF INTERESTED PARTIES TO CONTRACTS FORM

West Virginia Ethics Commission Disclosure of Interested Parties to Contracts (Required by W. Va. Code § 8D-1-2)

Name of Contracting Business Entity: Meyercord Revenue Inc. Address: 475 Village Drive
Carol Stream, IL 60188

Name of Authorized Agent: Alexandre Finkel Address: 475 Village Drive, Carol Stream, IL

Contract Number: 0702 TAX200000010 Contract Description: Cigarette Tax Stamps

Governmental agency awarding contract: Department of Administration / Purchasing Division

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.

SICPA Security Inks and Systems US, Inc.

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: 

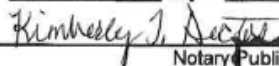
Date Signed: 11/26/19

Notary Verification

State of Virginia County of Fairfax

I, Alexandre Finkel, 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 26th day of November, 2019.



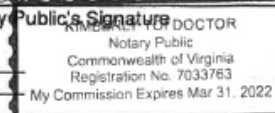
Notary Public's Signature

To be completed by State Agency:

Date Received by State Agency: _____

Date submitted to Ethics Commission: _____

Governmental agency submitting Disclosure: _____



Revised June 8, 2018

PURCHASING AFFIDAVIT

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: Meyercord Revenue, Inc.

Authorized Signature:  Date: 11/26/19

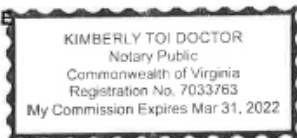
State of Virginia

County of Fairfax to-wit:

Taken, subscribed, and sworn to before me this 26th day of November, 2019.

My Commission expires March 31, 2022.

AFFIX SEAL HERE



NOTARY PUBLIC Kimberly J. Doctor

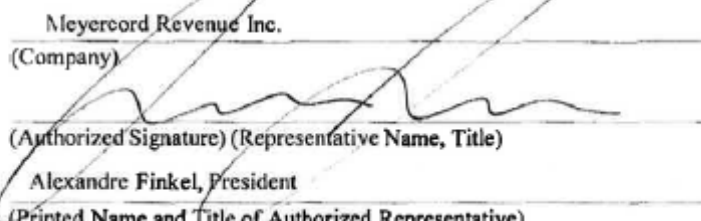
Purchasing Affidavit (Revised 01/19/2018)

DESIGNATED CONTACT, CERTIFICATION AND SIGNATURE

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.

(Name, Title) Alexander Spelman, Vice President-Business Development
(Printed Name and Title) 8000 Research Way, Springfield VA, 22153
(Address) 571-492-1307
(Phone Number) / (Fax Number) Alex Spelman@Sicpa.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.

Meyercord Revenue Inc.
(Company)

(Authorized Signature) (Representative Name, Title)
Alexandre Finkel, President
(Printed Name and Title of Authorized Representative)
November 26, 2019
(Date)
630-682-6200
(Phone Number) (Fax Number)

Revised 11/14/2019