



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

Request for Quotation

RFQ NUMBER
 TNS11001

PAGE
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF
 SHELLY MURRAY
 304-558-8801

VENDOR

RFQ COPY
 TYPE NAME/ADDRESS HERE

SHIP TO

INSURANCE COMMISSION

 1124 SMITH STREET
 CHARLESTON, WV
 25305-0540 304-558-3707

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
10/21/2010				

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
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BID OPENING DATE: 10/21/2010		11/23/2010		BID OPENING TIME: 01:30PM		
0001	1	LS		964-04		
<p>REQUEST FOR PROPOSAL</p> <p>THE WEST VIRGINIA PURCHASING DIVISION, FOR THE AGENCY, THE WEST VIRGINIA INSURANCE COMMISSION, IS SOLICITING PROPOSALS FOR A PROFESSIONAL ADMINISTRATOR TO PERFORM MANY OF THE DAILY OPERATIONAL RESPONSIBILITIES NECESSARY FOR THE ADMINISTRATION OF THE CONTINUING EDUCATION AND PRE-LICENSING PROGRAMS ON BEHALF OF THE INSURANCE COMMISSION PER THE ATTACHED SPECIFICATIONS.</p> <p>TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY IN THE WEST VIRGINIA PURCHASING DIVISION VIA MAIL AT THE ADDRESS SHOWN IN THE BODY OF THIS RFP, VIA FAX AT 304-558-4115, OR VIA E-MAIL AT SHELLY.L.MURRAY@WV.GOV. DEADLINE FOR ALL TECHNICAL QUESTIONS IS 11/09/2010 AT THE CLOSE OF BUSINESS. ALL TECHNICAL QUESTIONS RECEIVED, IF ANY, WILL BE ADDRESSED BY ADDENDUM AFTER THE DEADLINE.</p> <p>ADMINISTRATOR</p> <p>EXHIBIT 3</p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE UPON AWARD AND EXTENDS FOR A PERIOD OF TWO (2) YEARS OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

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GENERAL TERMS & CONDITIONS
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods this Purchase Order/Contract becomes void and of no effect after June 30.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at www.state.wv.us/admin/purchase/vrc/hipaa.htm and is hereby made part of the agreement. Provided that the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
14. **CONFIDENTIALITY:** The vendor agrees that he or she 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/noticeConfidentiality.pdf>.
15. **LICENSING:** Vendors 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, and the West Virginia Insurance Commission. The vendor must provide all necessary releases to obtain information to enable the director or spending unit to verify that the vendor is licensed and in good standing with the above entities.
16. **ANTITRUST:** In submitting a bid to any agency for the State of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will 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 the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, or person or entity submitting a bid for the same material, supplies, equipment or services and is in all respects fair and without collusion or Fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

INSTRUCTIONS TO BIDDERS

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.R. §148-1-6.6).



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<p>ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS 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 ONE (1) TWO (2) YEAR PERIOD.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY</p>						

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<p>THE STATE SPENDING UNIT. 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.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT WITHOUT FURTHER ORDER.</p> <p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p style="text-align: center;">NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p style="text-align: center;">DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130</p>						

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<p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p> <p>SEALED BID</p> <p>BUYER: SHELLY MURRAY</p> <p>RFQ. NO.: INS11001</p> <p>BID OPENING DATE: 11/23/2010</p> <p>BID OPENING TIME: 1:30 PM</p> <p>PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:</p> <p>-----</p> <p>CONTACT PERSON (PLEASE PRINT CLEARLY):</p> <p>-----</p> <p>***** THIS IS THE END OF RFQ INS11001 ***** TOTAL: _____</p>						

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REQUEST FOR PROPOSAL (RFP)
INS11001
State of West Virginia
Offices of the Insurance Commissioner

PART 1 GENERAL INFORMATION, TERMS AND CONDITIONS

1.1 Purpose:

The Acquisition and Contract Administration Section of the Purchasing Division, hereinafter referred to as "State", is soliciting proposals for the West Virginia Department of Revenue, Offices of the Insurance Commissioner, hereinafter referred to as "OIC" or "Agency", to establish a contract with one professional administrative service firm to administer both the OIC's insurance agent continuing education program and the OIC's insurance agent pre-licensing program as established by the West Virginia Board of Insurance Education ("Board"). This solicitation serves as notice, pursuant to West Virginia Code §5A-3-10b, of the service being sought and is to be considered the opportunity for vendors to indicate their interest in bidding on such commodity or service.

1.2 Project:

The OIC desires to contract for the services of a professional administrator ("Administrator") to perform many of the daily operational responsibilities necessary for the administration of the continuing education and pre-licensing programs. Included among these responsibilities are (i) approval of courses, course providers/sponsors, and instructors; (ii) collecting of agents' continuing education credits and reporting the agents' status of compliance to the OIC; (iii) creating and maintaining an automated record-keeping system that can be accessed via a secure means through the internet, by both the licensees and/or course providers for accumulating and reporting continuing education credit information of licensees; (iv) overseeing the daily operations of the programs; (v) communicating with agents, including preparing and mailing continuing education handbooks, confirmation of course credits, and periodic status of compliance reports to agents; (vi) responding to telephone and e-mail inquiries from agents; (vii) auditing continuing education and pre-licensing courses in accordance with agreed upon standards and time-frames; (viii) handling complaints and appeals resulting from decisions or actions taken by the Administrator or the Board; (ix) collecting and accounting for fees and managing the revenues of the Continuing Education and Pre-licensing programs and; (x) keeping the records of the programs.

The dates of services for this RFP will be set upon execution of the contract agreement and will be for a period of two years and subject to an additional two year renewal. This RFP covers services to be provided with respect to the 7/01/2010 – 6/30/2012 and the 7/01/2012 – 6/30/2014 continuing education bienniums. There will, of necessity, be a period of overlap during which the current Administrator will be providing services related to the end of the 2008-2010 biennium and the beginning of the 2010-2012 biennium. Responsibility for continuing administration of matters relevant to the current biennium will continue to rest with the current Administrator until all such responsibilities are completed. In the event that a new Administrator is selected as a result of this RFP, there will be additional transitional issues that will need to be addressed, such as notification to all parties of the change of

Administrator, handling of forwarded mail from the current Administrator to the new Administrator, handling of telephone calls, records transfer and other such issues. Those submitting proposals are expected to address these issues and to include a transition plan as part of the proposal submitted.

The fees charged by the Administrator shall be paid by the continuing education and pre-licensing providers. The OIC does not guarantee the number of providers or course submissions. Award of the contract is subject to the approval of the West Virginia Insurance Commissioner.

1.3 RFP Format:

This RFP has four parts. "Part 1" contains general information, terms and conditions; "Part 2" describes the background and working environment of the project; "Part 3" is a statement of the specifications for the services requested pursuant to this RFP, contractual requirements, and special terms and conditions; and "Part 4" explains the required format of the Bidder's response to the RFP, the evaluation criteria the State will use in evaluating the proposals received and how the evaluation will be conducted.

1.4 Inquiries:

Additional information inquiries regarding specifications of this RFP must be submitted in writing to the State Buyer with the exception of questions regarding the proposal submission which may be oral. The deadline for written inquiries is identified in the Schedule of Events, Section 1.16. All inquiries of specification clarification must be addressed to:

Shelly Murray, Buyer
 Purchasing Division
 2019 Washington Street, East
 P.O. Box 50130
 Charleston, WV 25305-0130
 Fax: (304) 558-4115

The vendor, or anyone on the vendor's behalf, is not permitted to make any contact whatsoever with any member of the evaluation committee. Violation may result in rejection of the bid. The State Buyer named above is the sole contact for any and all inquiries after this RFP has been released.

1.5 Vendor Registration:

Vendors participating in this process should complete and file a **Vendor Registration and Disclosure Statement** (Form WV-1) and remit the registration fee. Vendor is not required to be a registered vendor in order to submit a proposal, but the **successful bidder must** register and pay the fee prior to the award of an actual purchase order or contract.

1.6 Oral Statements and Commitments:

Vendor must clearly understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any State personnel is **not** binding. Only the information issued in writing and added to the Request for Proposal specifications file by an official written addendum are binding.

1.7 **Economy of Preparation:**

Proposals should be prepared simply and economically, providing a straightforward, concise description of Vendor's abilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

1.8 **Labeling of RFP Sections:**

The sections within this RFP contain instructions governing how the Vendor's proposal is to be arranged, submitted and to identify the material to be included therein.

1.8.1 *Mandatory Requirements.*

Any specification or statement containing the word "must", "shall", or "will" are mandatory. Section 3 contains mandatory deliverables required upon contract execution. By signing and submitting a response to this RFP, the vendor agrees to all mandatory deliverables described herein. Section 4 describes RFP response requirements, which may be mandatory. The vendor is required to meet all mandatory requirements in order to be eligible for consideration and to continue in the evaluation process. Failure to meet or agree to mandatory items shall result in disqualification of the Vendor's proposal and the evaluation process will be terminated for that vendor. Decisions regarding compliance with any mandatory requirement shall be at the sole discretion of the State.

1.8.2 *Contract Terms and Conditions:*

This Request for Proposals contains all the contractual terms and conditions under which the State of West Virginia will enter into a contract.

1.8.3 *Informational Sections:*

All non-mandatory information specifications do not require a response from the Vendor. They are intended to aid the vendor in structuring an effective proposal capable of meeting the needs of the issuing agency.

1.9 **Proposal Format and Submission:**

1.9.1 Each proposal should be formatted as per the outline in Part 4 of this RFP. No other arrangement or distribution of the proposal information may be made by the bidder. Failure on the part of the bidder to respond to specific requirements detailed in the RFP may be the basis for disqualification of the proposal. The State reserves the right to waive any informality in the proposal format and minor irregularities.

1.9.2 State law requires that the original technical and cost proposal be submitted to the Purchasing Division. All proposals must be submitted to the Purchasing Division **prior** to the date and time stipulated in the RFP as the opening date. All bids will be dated and time stamped to verify official time and date of receipt.

1.9.3 Vendors mailing proposals should allow sufficient time for mail delivery to ensure timely arrival. In accordance with West Virginia Code §5A-3-11, the Purchasing Division cannot waive or excuse late receipt of a proposal which is delayed and late for any reason. Any proposal received after the bid opening date and time will be immediately disqualified in accordance with State law and the administrative rules and regulations.

Vendors responding to this RFP shall submit:

One original technical and cost
plus 5 convenience copies to:

Purchasing Division
 2019 Washington Street, East
 P.O. Box 50130
 Charleston, WV 25305-0130

The outside of the envelope or package(s) should be clearly marked:

Buyer:	Shelly Murray
Req#:	INS11001
Opening Date:	11/23/2010
Opening Time:	1:30 PM

1.9.4. **Best Value Purchasing Standard Format**

All Requests for Proposals should follow the standard format defined by the Purchasing Division. This format addresses required areas and enables the agency to modify the background and scope of work to meet its needs.

1.9.4.1 *Evaluation Criteria:* All evaluation criteria must be clearly defined in the specifications section and based on a 100 point total score. Based on a 100 point total, cost shall represent a minimum of 30 of the 100 total points in the criteria.

1.9.4.2 *Proposal Format and Content:* Proposals shall be requested and received in two distinct parts: Technical and Cost. The cost portion shall be sealed in a separate envelope and will not be opened initially.

1.9.4.3 *Technical Bid Opening:* The Purchasing Division will open only the technical proposals on the date and time specified in the Request for Proposal. The Purchasing Division representative will read aloud the names of those who responded to the solicitation. The Purchasing Division Buyer will confirm that the original packages contain a separately sealed cost proposal prior to providing the courtesy copies to the agency to begin the evaluation process.

1.9.4.4 *Technical Evaluation:* The pre-selected, approved evaluation committee will review the technical proposals, deduct appropriate points for deficiencies and make a final written consensus recommendation to the Purchasing Division Buyer. If the Buyer approves the committee's recommendation, the technical evaluation will be forwarded to an internal review committee within the Purchasing Division.

1.9.4.5 *Cost Bid Opening:* Upon approval of the technical evaluation from the internal review committee, the Purchasing Division shall schedule a time and date to publicly open and read aloud the cost proposals. The agency and the vendors shall be notified of this date.

1.9.4.6 *Cost Evaluation and Resident Vendor Preference:* The evaluation committee will review the cost proposals, assign appropriate points and make a final consensus recommendation to the Purchasing Division. In accordance with West Virginia Code §5A-3-37, the Purchasing Division will make the determination of the Resident Vendor Preference, if applicable. Resident Vendor Preference provides an opportunity for qualifying vendors to request at the time of bid preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the West Virginia Code. A certificate of application is used to request

this preference. A West Virginia vendor may be eligible for two 2.5% preferences in the evaluation process.

1.9.4.7 *Contract Approval and Award:* After the cost proposals have been opened, the evaluation committee completes its review and prepares the final evaluation making its recommendation for contract award based on the highest scoring vendor. The final evaluation is submitted to the Purchasing Division buyer. Once approved by the buyer, the final evaluation must be reviewed and approved by the Purchasing Division internal review committee. The contract is prepared and signed in the Purchasing Division, forwarded to the Attorney General's Office for approval as to form, encumbered and mailed to the appropriate parties.

1.10 Rejection of Proposals:

The State shall select the best value solution according to the evaluation criteria. However, the State reserves the right to accept or reject any or all proposals, in part or in whole at its discretion. The State reserves the right to withdraw this RFP at any time and for any reason. Submission of, or receipt by the State of proposals confers no rights upon the bidder nor obligates the State in any manner.

A contract based on this RFP and the Vendor's proposal, may or may not be awarded. Any contract resulting in an award from this RFP is not valid until properly approved and executed by the Purchasing Division and approved as to form by the Attorney General.

1.11 Incurring Costs:

The State and any of its employees or officers shall not be held liable for any expenses incurred by any bidder responding to this RFP for expenses to prepare, deliver the proposal, or to attend any mandatory prebid meeting or oral presentations.

1.12 Addenda:

If it becomes necessary to revise any part of this RFP, an official written addendum will be issued by the State to all bidders of record.

1.13 Independent Price Determination:

A proposal will not be considered for award if the price in the proposal was not arrived at independently without collusion, consultation, communication or agreement as to any matter relating to prices with any competitor unless the proposal is submitted as a joint venture.

1.14 Price Quotations:

The price(s) quoted in the bidder's proposal will not be subject to any increase and will be considered firm for the life of the contract unless specific provisions have been provided for adjustment in the original contract.

1.15 Public Record:

1.15.1 Submissions are Public Record.

All documents submitted to the State Purchasing Division related to purchase orders or contracts are considered public records. All bids, proposals or offers submitted by bidders shall become public information and are available for inspection during normal official business hours in the Purchasing Division Records and Distribution center after the bid opening.

1.15.2 *Written Release of Information.*

All public information may be released with or without a Freedom of Information request, however, only a written request will be acted upon with duplications fees paid in advance. Duplication fees shall apply to all requests for copies of any document. Currently the fees are \$0.50/page, or a minimum of \$10.00 per request which ever is greater.

1.15.3 *Risk of Disclosure.*

The only exemptions to disclosure of information are listed in West Virginia Code §29B-1-4. Primarily, only trade secrets, as submitted by a bidder, are exempt to public disclosure. The submission of any information to the State by a vendor puts the risk of disclosure on the vendor. The State does not guarantee non-disclosure of any information to the public.

1.16 **Schedule of Events:**

Vendor's Written Questions Submission Deadline.	11/09/2010
Addendum Issued	TBD
Bid Opening Date	11/23/2010

1.17 **Mandatory Prebid Conference:**

Not Applicable. A mandatory pre-bid conference shall not be conducted. The agency is electing to utilize written questions and answers as an alternative.

1.18 **Purchasing Affidavit:**

West Virginia Code §5A-3-10a requires that all bidders submit an affidavit regarding any debt owed to the State. The affidavit must be signed and submitted prior to award. It is preferred that the affidavit be submitted with the proposal.

1.19 **General Terms and Conditions:**

By signing and submitting its proposal, the successful Vendor agrees to be bound by all the terms contained in this RFP.

1.19.1 *Conflict of Interest:*

Vendor affirms that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect, which would conflict or compromise in any manner or degree with the performance or its services hereunder. The Vendor further covenants that in the performance of the contract, the Vendor shall periodically inquire of its officers, members and employees concerning such interests. Any such interests discovered shall be promptly presented in detail to the Agency.

1.19.2 *Prohibition Against Gratuities:*

Vendor warrants that it has not employed any company or person other than a bona fide employee working solely for the vendor or a company regularly employed as its marketing agent to solicit or secure the contract and that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award of the contract.

For breach or violation of this warranty, the State shall have the right to annul this contract without liability at its discretion or to pursue any other remedies available under this contract or by law.

1.19.3 *Certifications Related to Lobbying:*

Vendor certifies that no federal appropriated funds have been paid or will be paid, by or on behalf of the company or an employee thereof, to any person for purposes of influencing or attempting to influence an officer or employee of any Federal entity, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the Vendor shall complete and submit a disclosure form to report the lobbying.

Vendor agrees that this language of certification shall be included in the award documents for all sub-awards at all tiers, including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements, and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this contract was made and entered into.

1.19.4 *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 the parties to 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 RFP and resulting contract. Neither the Vendor, nor any employees or contractors of the vendor, shall be deemed to be employees of the State for any purposes 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, and 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.

The Vendor shall not assign, convey, transfer or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association or entity without expressed written consent of the Agency.

1.19.5 *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 laws.

1.19.6 *Contract Provisions:*

After the successful Vendor is selected, a formal contract document will be executed between the State and the Vendor. In addition, the RFP and the Vendor's response will be included as part of the contract by reference. The order of precedence is the contract, the RFP and the Vendor's proposal in response to the RFP.

1.19.7 *Governing Law:*

This contract shall be governed by the laws of the State of West Virginia. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws and regulations, Federal, State and Local Government.

1.19.8 *Compliance with Laws and Regulations:*

The vendor shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State or municipal, along with all regulations, and ordinances of any regulating body.

The Vendor shall pay any applicable sales, use or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract, the transaction, or the equipment, or services delivered pursuant here to shall be borne by the contractor. It is clearly understood that the State of West Virginia is exempt from any taxes regarding performance of the scope of work of this contract.

1.19.9 *Subcontracts/Joint Ventures:*

The Vendor is solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered under the terms of this contract. The State will consider the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor may, with the prior written consent of the State, enter into written subcontracts for performance of work under this contract; however, the vendor is totally responsible for payment of all subcontractors.

1.19.10 *Term of Contract & Renewals:*

This contract will be set upon execution of the contract and shall extend for the period of two (2) years, at which time the contract may, upon mutual consent, be renewed. Such renewals are for a period of up to two (2) years, with a maximum of one (1) two (2) year renewal, or until such reasonable time thereafter as is necessary to obtain a new contract. The "reasonable time" period shall not exceed twelve (12) months. During the "reasonable time" period Vendor may terminate the contract for any reason upon giving the Agency ninety (90) days written notice. Notice by Vendor of intent to terminate will

not relieve Vendor of the obligation to continue to provide services pursuant to the terms of the contract.

Any change in Federal or State law, or court actions which constitute binding precedent in West Virginia, and which significantly alters the Vendor's required activities or any change in the availability of funds, shall be viewed as binding and shall warrant good faith renegotiation of the compensation paid to the Vendor by the Agency and of such other provisions of the contract that are affected. If such renegotiation proves unsuccessful, the contract may be terminated by the State upon written notice to the Vendor at least thirty (30) days prior to termination of this contract.

1.19.11 Non-Appropriation of Funds:

If the Agency is not allotted funds in any succeeding fiscal year for the continued use of the service covered by this contract by the West Virginia Legislature, the Agency may terminate the contract at the end of the affected current fiscal period without further charge or penalty. The Agency shall give the vendor written notice of such non-allocation of funds as soon as possible after the Agency receives notice. No penalty shall accrue to the Agency in the event this provision is exercised.

1.19.12 Contract Termination:

The State may terminate any contract resulting from this RFP immediately at any time the Vendor fails to carry out its responsibilities or to make substantial progress under the terms of this RFP and resulting contract. The State shall provide the Vendor with advance notice of performance conditions which are endangering the contract's continuation. If after such notice the Vendor fails to remedy the conditions contained in the notice, within the time period contained in the notice, the State shall issue the Vendor an order to cease and desist any and all work immediately. The State shall be obligated only for services rendered and accepted prior to the date of the notice of termination.

The contract may also be terminated by the State with thirty (30) days prior notice.

1.19.13 Changes:

If changes to the original contract become necessary, a formal contract change order will be negotiated by the State, the Agency and the Vendor, to address changes to the terms and conditions, costs of work included under the contract. An approved contract change order is defined as one approved by the Purchasing Division and approved as to form by the West Virginia Attorney General's Office, encumbered and placed in the U.S. Mail prior to the effective date of such amendment. An approved contract change order is required whenever the change affects the payment provision or the scope of the work. Such changes may be necessitated by new and amended Federal and State regulations and requirements.

As soon as possible after receipt of a written change request from the Agency, but in no event more than thirty (30) days thereafter, the Vendor shall determine if there is an impact on price with the change requested and provide the Agency a written statement to identify any price impact on the contract or to state that there is no impact. In the event that price will be impacted by the change, the Vendor shall provide a description of the price increase or decrease involved in implementing the requested change.

NO CHANGE SHALL BE IMPLEMENTED BY THE VENDOR UNTIL SUCH TIME AS

THE VENDOR RECEIVES AN APPROVED WRITTEN CHANGE ORDER.

1.19.14 Invoices, Progress Payments, & Retainage:

Not Applicable

1.19.15 Liquidated Damages:

According to West Virginia State Code §5A-3-4(8), Vendor agrees that liquidated damages shall be imposed at the rate of \$1,000 per day for failure to provide deliverables, meet milestones identified to keep the project on target, or failure to meet specified deadlines. This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other additional remedy to which the State or Agency may have legal cause for action including further damages against the Vendor.

1.19.16 Record Retention (Access & Confidentiality):

Vendor shall comply with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by Vendor. The Vendor shall maintain such records a minimum of five (5) years and make available all records to Agency personnel at Vendor's location during normal business hours upon written request by Agency within 10 days after receipt of the request.

Vendor shall have access to private and confidential data maintained by Agency to the extent required for Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the State and Agency against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors or individuals permitted access by Vendor.

PART 2 OPERATING ENVIRONMENT

2.1 Location:

The West Virginia Offices of the Insurance Commissioner is located at 1124 Smith Street, Charleston, West Virginia.

2.2 Background:

Currently the administration of West Virginia's insurance agent continuing education program is provided by a contracted third party and the pre-licensing program is administered in-house by the Offices of the Insurance Commissioner.

The OIC anticipates that approximately 7,700 resident licensees may participate in courses to meet the 24 credit-hour requirement.

The OIC averages 8,000 new continuing education course submissions per year.

Currently the OIC has 33 approved pre-licensing education providers.

The OIC averages 3 applications a year for new pre-licensing course providers.

Attached, as part of the RFP, are copies of the West Virginia Code §33-12-6, §33-12-8, West Virginia Administrative Regulation 114-42-1 et seq., the Commissioner's continuing education faqs, forms furnished to potential pre-licensing providers and samples pages from the current listing of approved pre-licensing providers and courses. The Offerors

should refer to these attachments to assist in preparing their proposal.

2.2.1 Continuing Education:

The first continuing education reporting period for this RFP begins 7-1-2010 and ends 6-30-2012. Any resident producer, whose original license date is prior to 7-1-2011, must comply with the continuing education requirements by 6-30-2012.

Producers are required to complete 24-hours of approved continuing education; a minimum of 3 hours must be courses approved in Ethics. Producers who sell solely thru telemarketing or sell only pre-need are required to complete 6-hours of approved continuing education; a minimum of 3 hours must be courses approved in Ethics. Note: Only courses which are categorized for Ethics by the State's Administrator satisfy the ethics compliance requirement. Having "ethics" in the title or content of an approved CE course does not in itself assure that the course has been categorized for Ethics.

West Virginia allows for carryover of up to 6 hours of continuing education credit from one reporting period to another for those producers who must complete more than 6 hours of continuing education during a reporting period. Hours, from the reporting period that will end 6-30-2010, that are in excess of 21 General credits and 3 Ethics credits (not to exceed a total of 6 hours), will be carried forward into the new reporting period and will be reflected on producer transcripts. The hours carried over will be categorized as CARRY OVER and will not be considered to be either General or Ethics. Producers will still be required to complete at least 3 hours of Ethics for the current biennium.

Resident producers whose original license date is 7-1-2011 or later will have the remainder of the current reporting period and the next full reporting period (7-1-2012 thru 6-30-2014) to comply with continuing education.

2.2.2 Pre-licensing Education:

Individuals who wish to obtain a West Virginia insurance license must complete all required pre-licensing education from an approved provider.

Pre-licensing education courses must meet the following minimums:

- A minimum of 20 hours pre-licensing education for Life Only
- A minimum of 20 hours pre-licensing education for Accident & Sickness Only
- A minimum of 20 hours pre-licensing education for Personal Lines
- A minimum of 40 hours pre-licensing education for Property & Casualty

Pre-licensing course instructors must meet established standards and be approved prior to conducting a class.

PART 3 PROCUREMENT SPECIFICATIONS AND DELIVERABLES

3.1 General Requirements:

The OIC is seeking a qualified professional administrative service firm to administer both the OIC's insurance agent continuing education program and the OIC's insurance agent

pre-licensing program for the 7/01/2010 – 6/30/2012 and the 7/01/2012 – 6/30/2014 continuing education bienniums.

Offerors must have a minimum of five years experience in providing similar insurance-related administrative services. The proposal must demonstrate the qualifications and experience of the particular staff to be assigned the engagement. The project manager assigned must have a minimum of five years experience in providing direction and oversight of pre-licensing and continuing education administration for state insurance departments. Professional staff assigned course review and audits must have a minimum of two years experience in course review and audits of continuing education programs.

3.1.1 Contact Person:

After the contract has been awarded, the selected Administrator's principal contact with the OIC will be the Insurance Commissioner, or her designee, who will coordinate the assistance to be provided by the OIC to the firm.

3.1.2 Date Administrative Services May Commence:

The selected firm will be expected to begin services upon award of contract. There will be a period of overlap of continuing education services during which the current Administrator will be providing services related to the end of the 2008-2010 biennium and the beginning of the 2010-2012 biennium. Responsibility for continuing administration of matters relevant to the current biennium will continue to rest with the current Administrator until all such responsibilities are completed. In the event that a new Administrator is selected as a result of this RFP, there will be additional transitional issues that will need to be addressed, such as notification to all parties of the change of Administrator, handling of forwarded mail from the current Administrator to the new Administrator, handling of telephone calls, records transfer and other such issues.

3.2 **Scope of Work:**

Administrators must describe how the following scope of work will be accomplished by providing detailed workflow and timelines when applicable. Describe your methodology and approach used in providing these services, including methodology for self-study courses. The OIC requires that the Administrator implement the continuing education and pre-licensing programs in a manner that maintains high quality education of insurance professionals and that will conform to the requirements of West Virginia's law. The Administrator must, at a minimum, provide the following services:

3.2.1 Provide continuing education and pre-licensing provider review and approval/disapproval.

3.2.2 Provide continuing education course review, approval/disapproval and assignment of credit hours.

3.2.3 Provide pre-licensing course review, approval/disapproval and assignment of credit hours.

3.2.4 Provide a review process and system that approves and flags courses for Ethics, Long-term Care, Viatical Settlement and General Insurance credit.

3.2.5 Provide for the collection, accounting and remittance (at a minimum monthly) to the West Virginia Insurance Commissioner the Continuing Education course fee (\$25.00 per course submitted for review) pursuant to 33-12-8.

3.2.6 Create and maintain an automated record-keeping system that can be accessed via a secure means through the internet, by the licensee and/or course providers for (i) accumulating and reporting continuing education credit information of licensees, and (ii) the receipt, review and recording of completed course rosters. Such system must include a means to verify both the date received and the date processed for each submission received from a course provider or licensee. The Administrator shall maintain sufficient staff to provide technical help desk support.

3.2.7 "Bank" credits to producers' records. This will include importing the existing agent records received by the current Administrator, if different, for the prior and current reporting periods and tracking of carryover, Ethics, Long-Term Care, and/or Viatical Settlement credits for each producer when applicable.

3.2.8 The Administrator will provide a system with front-end edit checks that facilitates the transfer of "clean data" for CE roster submissions. The edits should validate agent license information to address common data entry errors (e.g. incorrect agent license number). The edits should also prevent duplicate CE roster submissions. CE roster submitters should be notified of the data errors by the system and provided a means to correct prior to acceptance of the data and prior to assessment for the submission by the Administrator.

3.2.9 Provide written status notifications to producers at least 90 days prior to the end of a reporting period and indicate the compliance or noncompliance with the Ethics component as well as the overall compliance or non-compliance.

3.2.10 Distribute instructions to telemarketing firms and funeral homes to collect Affidavits from agents engaged solely in insurance sales via telemarketing and from agents engaged in sales of pre-need insurance contracts during the applicable reporting period.

3.2.11 Provide periodic reporting to Commissioner (i.e., Provider/course usage, statistics on producer compliance, etc.).

3.2.12 Participate in periodic meetings in Charleston, West Virginia with the Board and/or the Insurance Commissioner to discuss the programs

3.2.13 Establish procedures for periodic review of provider and course lists to eliminate inactive/non-responsive/unused providers and courses.

3.2.14 Implementation of services must begin no later than 30 days after the contract is signed.

3.2.15 In the event that this RFP results in selection of an Administrator different from the current Administrator, draft, create and mail to all Resident licensees, by no later than 30 days, a notice of the change of administrators in a form acceptable to the Insurance Commissioner.

3.2.16 The Administrator will show no bias or favoritism toward any provider or course for any reason.

3.2.17 The Administrator shall maintain sufficient staff with expertise in insurance education and regulation for administration of the Continuing Education and Pre-licensing courses and for training/informational sessions for proposed providers.

3.2.18 The Administrator will produce, make available, and distribute forms and informational packets necessary for the efficient operation of the Continuing Education and Pre-licensing courses. The forms and information will be available on the Administrator's website and will be available without charge to providers and prospective providers. The Administrator shall obtain the Commissioner's approval prior to use of any and all forms.

3.2.19 Providers and courses must be reviewed, approved, and transmitted within 10 working days.

3.2.20 All data and material is the property of the Commissioner and shall be returned immediately upon request.

3.2.21 The Administrator will provide written notice by way of report to the Commissioner for all approval and disapproval actions concerning providers and courses. All actions will be subject to an appeals process with an ultimate avenue of appeal to the Commissioner. The Administrator will provide testimony at any administrative hearing resulting from an appeal of the Administrator's actions or recommendations under this contract.

3.2.22 The Administrator will create and maintain a means for monitoring the quality and compliance of both Continuing Education and Pre-licensing courses, including through on-site audits of course and instructors, investigating complaints regarding approved courses and programs, and reporting the results of these investigations to the Commissioner.

3.2.23 The Administrator will provide a facility at a website available to West Virginia licensees to view a list of approved continuing education and pre-licensing providers and courses.

3.2.24 The Administrator's website will include availability for licensees to review transcripts which will indicate the licensees' course completion information including their status regarding the Ethics and Long-Term Care components.

3.2.25 The Administrator will provide a toll-free telephone number to allow West Virginia licensees to call for current Continuing Education and Pre-licensing courses, or for information and assistance.

3.2.26 Create and implement a transition plan for making the necessary transition of records from the current Administrator, and such other activities as may be required resulting from a change of Administrator, including administration of carryover credits earned in the previous biennium, that would permit the Continuing Education program to

continue without interruption or undue confusion or inconvenience for licensees or course providers.

3.2.27 Create and demonstrate the manner in which the Offeror would maintain, update and implement a transition plan for potential change of vendors at the termination of the contractual period that would permit the Continuing Education and Pre-licensing programs to continue without interruption or undue confusion or inconvenience for licensees or course providers.

3.2.28 Provide adequate prior notice to the Insurance Commissioner of any system related implementation or upgrades, including the description of the manner in which such implementation or upgrade will affect the Continuing Education and Pre-licensing programs.

3.2.29 Provide consulting services to the Board and the Insurance Commissioner with regard to trend and changes in the insurance Continuing Education and Pre-licensing industry and in state regulation of these programs.

3.2.30 It is anticipated that during the term of the contract the continuing education biennium period may transition from a two year calendar period to a two year period running concurrently with the individual license period which will be a two year period beginning on the birth month of the individual producer on odd and even years to comply with the NAIC uniformity and reciprocity standards. Offeror must be able to provide for and assist in the biennium CE transition.

3.2.31 It is anticipated that during the term of the contract the OIC will be moving to the NAIC SBS (State Based Systems) for producer-license recordkeeping and compliance monitoring. Offeror must be willing to comply with any additional data transmissions and data formatting needs that will result from this change.

3.2.32 Provide that if for any reason Offeror ceases to provide Continuing Education and Pre-licensing services for OIC, Offeror shall return all files and any other electronic documentation pertaining to Continuing Education and Pre-licensing services to OIC or its designee. All such materials shall be returned to OIC within thirty (30) days of termination of services. In the event of non-renewal or other reasons of termination, Offeror shall agree to cooperate with OIC and to respond to any and all reasonable requests by OIC in a cooperative manner. Offeror shall also use all reasonable means to cooperate with OIC's new Continuing Education and Pre-licensing services administrator to ensure an efficient, orderly, and prompt transfer of all Continuing Education and Pre-licensing files.

3.3 **Special Terms and Conditions:**

3.3.1 *Bid and Performance Bonds:*

Not Applicable

3.3.2 *Insurance Requirements:*

The successful Vendor should maintain, and provide evidence thereof, for the duration of the agreement, and any extensions thereof, insurance issued by a company or companies qualified to do business in the State of West Virginia in the following types and amounts:

- A. Workers' Compensation Insurance covering all liability of the Vendor arising under the Worker's Compensation Act.
- B. Comprehensive General Liability insurance in broad form, written on an "occurrence" basis, with a combined single limit of not less than One Million Dollars (\$1,000,000) to include coverage for the following where exposure exists:
 - 1. Premises/operations
 - 2. Independent Contractors
 - 3. Products/Completed Operations
 - 4. Personal Injury
- C. Professional Liability Insurance:
 - 1. Limit of Liability: \$1,000,000 minimum per claim made limit with at least a \$2,000,000 aggregate. The deductible is not to exceed more than 5% of the per claim made limit.
 - 2. Coverage: Errors and Omissions including liability assumed under this contract.
- D. The Vendor agrees that with respect to the insurance requirements referenced above, the Agency shall be provided with certificates of insurance evidencing the required coverage prior to commencement of the agreement and thereafter upon request. Further, the Agency shall be provided with certificates evidencing renewals or replacements of said policies of insurance at least fifteen (15) days prior to the expiration of or the cancellation of any policies. Said notices of insurance shall be provided to:

Kathy Damron, Director of Administration
 WV Offices of the Insurance Commissioner
 PO Box 50543
 Charleston, WV 25305-0543

- E. The Vendor shall comply with the West Virginia Human Rights Act, as amended, and any rules and regulations promulgated in accordance therewith, include, but not limited to the Equal Employment Opportunity Clause, West Virginia Code.
- F. Invoices shall be submitted to the address herein; payment to be made in accordance with the Prompt Payment Act. Payments are to be made after the delivery and receipt of services.
- G. The selected Vendor will be required to assume responsibility for all services offered in this proposal. The Agency will consider the selected Vendor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the agreement
- H. Any agreement resulting from this RFP shall be governed by and construed according to the laws of the State of West Virginia.
- I. The Vendor agrees that any information concerning the services provided in the course of this engagement shall remain confidential. Except as may be required by State or federal law, regulation, or order, the vendor agrees not to release any information concerning said services without prior approval of the Insurance Commissioner, or his/her designee.

3.3.3 *Litigation Bond:*
Not Applicable

PART 4 PROPOSAL FORMAT AND RESPONSE REQUIREMENTS

4.1 Vendor's Proposal Format:

The purpose of the proposal is to demonstrate the qualifications, competence and capacity of the firms seeking to provide the professional administrative services. As such, the substance of proposals will carry more weight than its form or manner of presentation. The proposal must demonstrate the qualifications and experience of the Offeror and any subcontracted firms and of the particular staff to be assigned to this engagement. It must also specify the approach to the transition of services required to meet the RFP's requirements.

The proposal should be formatted in the same order, providing the information listed below:

Title page - Should state the RFP Subject and number, the name of the Vendor, Vendor's business address, telephone number, name of authorized contact person to speak on behalf of the Vendor, dated and signed.

Table of Contents - Clearly identify the material by section and page number.

Section I. – Qualifications

A written statement detailing the Offeror's background and experience. Particular emphasis should be placed on prior experience in providing pre-licensing and continuing education administration for state insurance departments. The proposal should contain the name, address, telephone number and contact person at each agency or other client for which the Offeror has provided similar insurance-related services at any time during the five (5) years immediately preceding the date of the RFQ. In addition, the proposal should include references from at least two (2) nationally recognized continuing education providers that have submitted courses to the Offeror for review during the past (2) years.

Section II. – Staff

Identification of all professional staff, with a description of the relevant experience of each. Professional resumes should be included for all proposed professional staff. The Offeror should identify who will provide each of the required services, describe the extent of their involvement in providing each service (i.e. what functions they will perform, etc.) and demonstrate their qualifications to render the services.

Individuals and experience should be included for each of the following responsibilities:

- Project Manager
- Pre-licensing Course Reviews and Scoring
- Pre-licensing Course Provider Compliance Audits
- Pre-licensing Customer Service
- Pre-licensing Technical Support
- Continuing Education Course Reviews and Scoring
- Continuing Education Course Provider Compliance Audits

- Continuing Education Customer Service
- Continuing Education Technical Support

Section III. – Description of Deliverables

Written statements demonstrating the Offerors methodology and ability to fulfill each of the requirements of the Scope of Work, Part 3.2. A thorough discussion of the Offeror’s capacity to successfully provide the desired services and a detailed description of how the Offeror will provide each of these services. These discussions should also include standard metrics for evaluating performance to include but not limited to, average telephone call wait times, process times for rosters, course compliance audit frequency, course review times, and the frequency of reporting of performance against the standards.

Section IV. – Costs

Cost of Services –

Compensation under the contract awarded pursuant to this RFP will be through fees charged to continuing education course providers/sponsors, continuing education course instructors, and/or insurance agents, and collected by the Administrator.

See “Attachment A” for Cost Proposal Format/Bid Sheet

If applicable, sign and submit the attached Resident Vendor Preference Certificate with the proposal.

4.2 Evaluation Process:

4.2.1 Method of Evaluation:

The proposals will be evaluated by a committee of three (3) or more individuals in accordance with the criteria stated. The Vendor who meets all the mandatory specifications and attains the highest point score of all vendors shall be awarded the contract. The selection of the successful vendor will be made by a consensus of the evaluation committee.

4.3 Evaluation Criteria: The following are the evaluation factors and maximum points possible for technical point scores:

Section I. -	Qualifications	20 Points Possible
Section II. -	Staff.....	10 Points Possible
Section III. -	Description of Deliverables.....	40 Points Possible
Section IV -	Cost	<u>30 Points Possible</u>
	Total	100 Points Possible

Each cost proposal cost will be scored by use of the following formula for all vendors who attained the Minimum acceptable score:

Lowest price of all proposals
 ----- X 30 = Price Score
 Price of Proposal being evaluated

4.4 **Minimum Acceptable Score:**

Vendors must score a minimum of 70% of the total technical points possible. The technical points are listed above in Section I - V. The minimum qualifying score on the technical portion is 49 points. All vendors not attaining the minimum acceptable score (MAS) shall be disqualified and removed from further consideration.

The State will select the successful vendor's proposal based on best value purchasing which is not necessarily the vendor with the lowest price. Cost is considered but is not the sole determining factor for award. The State does reserve the right to accept or reject any or all of the proposals, in whole or in part, without prejudice, if to do so is felt to be in the best interests of the State.

Vendor's failure to provide complete and accurate information may be considered grounds for disqualification. The State reserves the right, if necessary, to ask vendors for additional information to clarify their proposals.

Attachment A

Cost Proposal Format/Bid Sheets

Cost Bid Schedule

	Annual Assumptions	Fee	Annual Amount (Assumption Provided X Fee)
Continuing Education Course Review Fee	8,000	\$	\$
Continuing Education Expedited Course Review Fee	100	\$	\$
Fee for Roster Processing (per credit per student)	92,400	\$	\$
Fee for Late Roster Submissions (per credit per student)	924	\$	\$
Pre-licensing Provider Application and Course Review Fee	3	\$	\$
TOTAL			\$

Attachment B

WEST VIRGINIA CODE

§33-12-6. Application for license.

(a) An individual applying for a resident insurance producer license shall make application to the insurance commissioner on the Uniform Application and declare under penalty of refusal, suspension or revocation of the license that the statements made in the application are true, correct and complete to the best of the individual's knowledge and belief. Before approving the application, the insurance commissioner shall find that the individual:

- (1) Is at least eighteen years of age;
 - (2) Has not committed any act that is a ground for denial, suspension or revocation set forth in section twenty-four of this article;
 - (3) Where required by the insurance commissioner, has completed a prelicensing course of study for the lines of authority for which the person has applied;
 - (4) Has paid the fees set forth in section thirteen, article three of this chapter; and section ten of this article;
 - (5) Has successfully passed the examinations for the lines of authority for which the person has applied;
 - (6) On or after the first day of June, one thousand nine hundred ninety, no solicitor's license will be issued which is not a renewal of an existing license;
 - (7) Does not intend to use the license principally for the purpose, in the case of life or accident and sickness insurance, of procuring insurance on himself or herself, members of his or her family or his or her relatives; or, as to insurance other than life and accident and sickness, upon his or her property or insurable interests of those of his or her family or his or her relatives or those of his or her employer, employees or firm, or corporation in which he or she owns a substantial interest, or of the employees of the firm or corporation, or on property or insurable interests for which the applicant or any relative, employer, firm or corporation is the trustee, bailee or receiver. For the purposes of this provision, a vendor's or lender's interest in property sold or being sold under contract or which is the security for any loan, shall not be considered to constitute property or an insurable interest of the vendor or lender;
 - (8) Satisfies the commissioner that he or she is trustworthy and competent. The commissioner may test the competency of an applicant for a license under this section by examination. Each examinee shall pay a twenty-five dollar examination fee for each examination to the commissioner who shall deposit said examination fee into the state treasury for the benefit of the state fund, general revenue. The commissioner may, at his or her discretion, designate an independent testing service to prepare and administer the examination subject to direction and approval by the commissioner, and examination fees charged by the service shall be paid by the applicant. In addition to examination fees charged by the independent testing service, the independent testing service shall collect and remit to the commissioner the twenty-five dollar examination fee; and
 - (9) For new agents first licensed on or after the first day of July, one thousand nine hundred eighty-nine, completes a program of insurance education as established in section seven of this article.
- (b) A business entity acting as an insurance agency is required to obtain an insurance producer license. Application shall be made using the uniform business entity application. Before approving the application, the insurance commissioner shall find that:
- (1) The insurance agency has disclosed to the insurance commissioner all officers, partners, and directors, whether or not they are licensed as insurance producers;
 - (2) The insurance agency's officers, directors, or partners are trustworthy, of good moral character, and of

good business reputation;

(3) The insurance agency has paid the fees set forth as set forth in section ten of this article;

(4) The insurance agency has designated an individual licensed producer who is an officer, partner, or director responsible for the insurance agency's or business entity's compliance with the insurance laws and rules of this state;

(5) The insurance agency has registered with the commissioner the name of each natural person who, as an officer, director, partner, owner, or member of the agency, is acting as and is licensed as an insurance producer;

(6) The insurance agency has registered with the commissioner the name of each natural person who, as an officer, director, partner, owner, or member of the insurance agency or business entity, is acting as and is licensed as an insurance producer;

(7) The insurance agency or business entity has registered with the commissioner at least one individual who holds a valid insurance producer license for the line or lines of authority requested in the application;

(8) If the insurance agency's filing status is nonresident, the insurance agency or business entity has complied with the qualification requirements of section twelve of this article; and

(9) An insurance agency may qualify as a resident if the agency has its principal office in this state.

(c) The insurance commissioner may require any documents reasonably necessary to verify the information contained in an application.

(d) Each insurer that sells, solicits or negotiates any form of limited line credit insurance shall provide to each individual whose duties will include selling, soliciting or negotiating limited line credit insurance a program of instruction that may be approved by the insurance commissioner.

Attachment C

WEST VIRGINIA CODE

§33-12-8. Continuing education required.

The purpose of this provision is to provide continuing education under guidelines set up under the Insurance Commissioner's office, with the guidelines to be set up under the Board of Insurance Agent Education.

(a) This section applies to individual insurance producers licensed to engage in the sale of the following types of insurance:

(1) *Life*. -- Life insurance coverage on human lives, including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income;

(2) *Accident and health or sickness*. -- Insurance coverage for sickness, bodily injury or accidental death and may include benefits for disability income;

(3) *Property*. -- Property insurance coverage for the direct or consequential loss or damage to property of every kind;

(4) *Casualty*. -- Insurance coverage against legal liability, including that for death, injury or disability or damage to real or personal property;

(5) *Variable life and variable annuity products*. -- Insurance coverage provided under variable life insurance contracts and variable annuities;

(6) *Personal lines*. -- Property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes; and

(7) Any other line of insurance permitted under state laws or regulations.

(b) This section does not apply to:

(1) Individual insurance producers holding limited line credit insurance licenses for any kind or kinds of insurance offered in connection with loans or other credit transactions or insurance for which an examination is not required by the commissioner, nor does it apply to any limited or restricted license as the commissioner may exempt; and

(2) Individual insurance producers selling credit life or credit accident and health insurance.

(c) (1) The Board of Insurance Agent Education as established by section seven of this article shall develop a program of continuing insurance education and submit the proposal for the approval of the commissioner on or before the thirty-first day of December of each year. No program may be approved by the commissioner that includes a requirement that any individual insurance producer complete more than twenty-four hours of continuing insurance education biennially. No program may be approved by the commissioner that includes a requirement that any of the following individual insurance producers complete more than six hours of continuing insurance education biennially:

(A) Individual insurance producers who sell only preneed burial insurance contracts; and

(B) Individual insurance producers who engage solely in telemarketing insurance products by a scripted presentation which scripted presentation has been filed with and approved by the commissioner.

(C) The biennium mandatory continuing insurance education provisions of this section become effective on

the reporting period beginning the first day of July, two thousand six.

(2) The commissioner and the board, under standards established by the board, may approve any course or program of instruction developed or sponsored by an authorized insurer, accredited college or university, agents' association, insurance trade association or independent program of instruction that presents the criteria and the number of hours that the board and commissioner determine appropriate for the purpose of this section.

(d) Individual insurance producers licensed to sell insurance and who are not otherwise exempt shall satisfactorily complete the courses or programs of instructions the commissioner may prescribe.

(e) Every individual insurance producer subject to the continuing education requirements shall furnish, at intervals and on forms as may be prescribed by the commissioner, written certification listing the courses, programs or seminars of instruction successfully completed by the person. The certification shall be executed by, or on behalf of, the organization sponsoring the courses, programs or seminars of instruction.

(f) Subject to the approval by the commissioner, the active annual membership by an individual insurance producer in an organization or association recognized and approved by the commissioner as a state, regional or national professional insurance organization or association may be approved by the commissioner for up to two hours of continuing insurance education: *Provided*, That not more than two hours of continuing insurance education may be awarded to an individual insurance producer for membership in a professional insurance organization during a biennial reporting period. Credit for continuing insurance education pursuant to this subdivision may only be awarded to individual insurance producers who are required to complete more than six hours of continuing education biennially.

(g) Individual insurance producers who are required to complete more than six hours of continuing education biennially and who exceed the minimum continuing education requirement for the biennial reporting period may carry-over a maximum of six credit hours only into the next reporting period.

(h) Any individual insurance producer failing to meet the requirements mandated in this section and who has not been granted an extension of time, with respect to the requirements, or who has submitted to the commissioner a false or fraudulent certificate of compliance shall have his or her license automatically suspended and no further license may be issued to the person for any kind or kinds of insurance until the person demonstrates to the satisfaction of the commissioner that he or she has complied with all of the requirements mandated by this section and all other applicable laws or rules.

(i) The commissioner shall notify the individual insurance producer of his or her suspension pursuant to subsection (h) of this section by certified mail, return receipt requested, to the last address on file with the commissioner pursuant to subsection (e), section nine of this article. Any individual insurance producer who has had a suspension order entered against him or her pursuant to this section may, within thirty calendar days of receipt of the order, file with the commissioner a request for a hearing for reconsideration of the matter.

(j) Any individual insurance producer who does not satisfactorily demonstrate compliance with this section and all other laws applicable thereto as of the last day of the biennium following his or her suspension shall have his or her license automatically canceled and is subject to the education and examination requirements of section five of this article.

(k) The commissioner is authorized to hire personnel and make reasonable expenditures considered necessary for purposes of establishing and maintaining a system of continuing education for insurers. The commissioner shall charge a fee of twenty-five dollars to continuing education providers for each continuing education course submitted for approval which shall be used to maintain the continuing education system. The commissioner may, at his or her discretion, designate an outside administrator to provide all of or part of the administrative duties of the continuing education system subject to direction and approval by the commissioner. The fees charged by the outside administrator shall be paid by the continuing education providers. In addition to fees charged by the outside administrator, the outside administrator shall collect and remit to the commissioner the twenty-five dollar course submission fee.

Attachment D

**TITLE 114
LEGISLATIVE RULE
INSURANCE COMMISSIONER**

**SERIES 42
CONTINUING EDUCATION FOR INDIVIDUAL INSURANCE PRODUCERS**

Section

114-42-1. General.

114-42-2. Definitions.

114-42-3. Applicability.

114-42-4. Exemptions.

114-42-5. Continuing Insurance Education Course Requirements.

114-42-6. Insurance Producer Continuing Insurance Education Exceptions; Extensions of Time; Canceled License Procedures; and Reciprocity.

114-42-7. Proof of Completion.

114-42-8. Disciplinary Process.

**TITLE 114
LEGISLATIVE RULE
INSURANCE COMMISSIONER**

**SERIES 42
CONTINUING EDUCATION FOR INDIVIDUAL INSURANCE PRODUCERS**

§114-42-1. General.

1.1. Scope. -- This legislative rule establishes standards for continuing insurance education requirements and the sanctions to be imposed for failure to comply with such requirements.

1.2. Authority. -- W. Va. Code §§33-2-10 and 33-12-35.

1.3. Filing Date. -- May 14, 2009.

1.4. Effective Date. -- May 14, 2009.

§114-42-2. Definitions.

In addition to the definitions in W.Va. Code §33-12-8, the following definitions apply:

- 2.1. "Approved course" means a course or program of instruction approved by the commissioner and the Board of Insurance Agent Education for continuing insurance education credit.
- 2.2. "Biennium" means the two-year reporting period beginning the first day of July, 2006, and ending on the thirtieth day of June, 2008, and every two-year period thereafter.
- 2.3. "Board" means the Board of Insurance Agent Education established pursuant to W. Va. Code §33-12-7.
- 2.4. "Cancelled license" means a license to engage in the sale of insurance which has been:
 - a. voluntarily voided by request of the individual insurance producer and approved by the commissioner; or
 - b. terminated for failure to satisfy the mandatory continuing education requirements as of the last day of the reporting period following his or her suspension.
- 2.5. "Certificate of course completion" means a document acceptable to the commissioner which signifies satisfactory completion of an approved course and reflects hours of credit earned.
- 2.6. "Commissioner" means the Commissioner of Insurance of the state of West Virginia.
- 2.7. "Individual insurance producer" or "active individual insurance producer" means an individual licensed by the commissioner to solicit, negotiate, effect or countersign insurance contracts on the insurer's behalf. For purposes of this rule, reference to the terms "individual insurance producer" and "active individual insurance producer" include the term "solicitor" unless specifically excluded.
- 2.8. "Provider" means a person, corporation, professional association or its local affiliates, an insurance company or other entity which is approved by the commissioner and provides approved continuing insurance education to individual insurance producers.
- 2.9. "Reporting period" means the applicable biennium during which an individual insurance producer must meet his or her continuing insurance education requirements in order to maintain his or her license as required by W. Va. Code §33-12-8.
- 2.10. "Solicitor" means an individual appointed and authorized by an individual insurance producer to solicit and receive applications for insurance as a representative of the individual insurance producer.

2.11. "Suspended insurance producer" means an individual whose license to engage in the sale of insurance has been temporarily withdrawn until such time as the individual insurance producer has successfully completed his or her continuing insurance education requirements.

2.12. "Suspension of all licenses issued for any kind or kinds of insurance" means those licenses for which continuing insurance education is required pursuant to this rule and W. Va. Code §33-12-1, et seq.

§114-42-3. Applicability.

3.1. This rule applies to solicitors and resident individual insurance producers licensed by the commissioner to engage in the sale of one or more of the following types of insurance:

- a. Life insurance, annuity contracts, variable annuity contracts and variable life insurance;
- b. Sickness, accident and health insurance;
- c. All lines of property and casualty insurance;
- d. Preneed burial insurance contracts;
- e. All other lines of insurance for which an examination is required by the commissioner;
- f. Individual insurance producers appointed on behalf of a licensed health maintenance organization; and
- g. Individual insurance producers engaged in telemarketing insurance products.

§114-42-4. Exemptions.

4.1. Continuing education requirements shall not apply to:

- a. Persons holding resident licenses for any kind or kinds of insurance for which an examination is not required by the commissioner;
- b. Persons selling only limited lines credit insurance and limited lines insurance;
- c. Any such limited or restricted license as the commissioner may exempt;
- d. Individual insurance producers whose licenses have expired pursuant to W. Va. Code §33-12-17;
- e. Individual insurance producers who have voluntarily cancelled their licenses;

f. Non-resident individual insurance producers; and

g. Adjusters.

4.2. Individual insurance producers newly licensed on or after July 1 of the second year of a biennium are exempt from continuing insurance education requirements only for the biennium in which the license was issued.

§114-42-5. Continuing Insurance Education Course Requirements.

5.1. A continuing insurance education course shall not qualify for use as continuing insurance education credit unless it is filed with and approved by the commissioner and the Board.

5.2. A provider shall not implement any material change in a continuing insurance education course previously approved by the commissioner until the change has been filed with and approved by the commissioner and the Board.

5.3. The commissioner will not give an individual insurance producer credit for any continuing insurance education course which is taken prior to the issuance of written approval by the commissioner and the Board.

5.4. If a continuing insurance education course is taken more than once in a reporting period, the commissioner will give the individual insurance producer credit only for the first time that course was taken and completed during the applicable reporting period.

5.5. The commissioner may withdraw approval of a continuing insurance education course for any of the following reasons:

a. The continuing insurance education course teaching methods or course content have been materially changed without being filed with or approved by the commissioner and the Board;

b. The continuing insurance education course provider has certified to the commissioner that an individual insurance producer has satisfactorily completed the course when, in fact, the individual insurance producer has not done so;

c. The continuing insurance education course provider fails to certify to the commissioner that the individual insurance producer has satisfactorily completed the course when, in fact, the individual insurance producer has done so; or

d. There is other good reason to withdraw approval of a continuing insurance education course.

5.6. In those instances where the commissioner has withdrawn approval for a continuing insurance education course, individual insurance producers who successfully completed

the course prior to the withdrawal of approval shall receive credit toward their continuing education requirements.

5.7. Scripted presentations for individual insurance producers involved in telemarketing insurance products pursuant to W. Va. Code §33-12-8 shall be filed with the commissioner no later than the first day of each reporting period or at least sixty (60) days prior to doing business in the state, whichever comes first.

§114-42-6. Insurance Producer Continuing Insurance Education Exceptions; Extensions of Time; Canceled License Procedures; and Reciprocity.

6.1. The commissioner shall refuse to renew the appointments or issue new appointments for those lines of insurance specified in section 3 of this rule to any individual insurance producer who does not satisfy the minimum continuing insurance education requirements.

6.2. An individual insurance producer may carry-over a maximum of six (6) credit hours into the next reporting period when the producer has exceeded the minimum continuing education requirements for the current biennial reporting period.

6.3. Any individual insurance producer who has not complied with the continuing insurance education requirements by the end of the reporting period may thereafter obtain credits to be carried back to meet the requirements of the preceding reporting period. The Commissioner will assess a \$5.00 late submission fee for each continuing insurance education credit obtained and submitted after the reporting period which are to be carried back to satisfy the requirements of the preceding reporting period.

6.4. An individual insurance producer may use any continuing insurance education credit obtained to satisfy the mandatory continuing insurance education requirements of one reporting period only.

6.5. An individual insurance producer who has an active annual membership in an organization or association recognized and approved by the Commissioner as a state, regional or national professional insurance organization or association may be approved by the Commissioner for up to two (2) hours of continuing insurance education in each biennial reporting period.

a. In determining whether to approve an organization's application for approval under this subsection, the Commissioner should consider:

1. The purpose and goals of the organization;
2. The extent to which the organization makes educational opportunities available to its members;
3. The degree to which the members participates in educational programs;

4. The extent to which the organization's educational programs and materials advance the knowledge of insurance-related topics; and

5. Any other criteria that the Commissioner deems advisable.

b. There shall not be more than one (1) hour of continuing insurance education awarded to an individual insurance producer for 12 consecutive months' active membership in a professional insurance organization during a biennial reporting period.

c. Credit for continuing insurance education pursuant to this subsection may only be awarded to individual insurance producers who are required to complete more than six (6) hours of continuing education biennially. Requests for approval of credit pursuant to this subsection and for recognition and approval as an eligible organization must be made in the manner prescribed by the Commissioner on forms available on the West Virginia Offices of the Insurance Commissioner's website.

6.6. The commissioner may, upon application and for good cause shown, grant an individual insurance producer an extension of time in which to meet the continuing insurance education requirements. Extensions may be granted for the following reasons:

a. The individual insurance producer has been engaged in active military duty outside the state for at least twelve (12) months during the biennium;

b. The individual insurance producer was or has become physically or mentally temporarily or permanently disabled by injury, illness or disease and was unable to perform adequately the duties required of him or her as a licensed individual insurance producer for a period of at least twelve (12) months during the biennium; or

c. Any such other reason as the commissioner may determine on a case-by-case basis as constituting good cause.

6.7. An individual insurance producer should submit a request for an extension of time in which to meet the continuing insurance education requirements to the commissioner in writing at least thirty (30) days prior to the last day of the reporting period and shall include in the request an explanation together with reasonable verification of the hardship rendering an extension necessary.

6.8. Individual insurance producers who have a cancelled license or an expired license pursuant to W. Va. Code §33-12-17 shall successfully complete pre-licensing education and examination before qualifying for a new license, and shall thereafter successfully complete the continuing insurance education credits required pursuant to W. Va. Code §§33-12-1 et seq. and the guidelines established by the Board.

a. No individual insurance producer may allow his or her license to expire as a means to circumvent the mandatory continuing education requirements.

6.9. The commissioner shall recognize the continuing insurance education requirements obtained during the reporting period through an approved provider of another state only in those instances where all the following conditions are met:

- a. The individual insurance producer is a former resident individual insurance producer for whom a clearance letter was previously issued by the commissioner;
- b. The individual insurance producer is currently licensed in good standing in another state and has been so licensed since leaving West Virginia; and
- c. The individual insurance producer is in the process of establishing residency in West Virginia and has requested to have his or her resident individual insurance producer's license reinstated.

§114-42-7. Proof of Completion.

7.1. Upon completion of a continuing insurance education course, the provider shall certify to the commissioner the names of all individual insurance producers who satisfactorily completed the continuing insurance education course. The certification shall be in the form prescribed by the commissioner.

a. The continuing education attendance certification roster shall be mailed by the provider to the commissioner within thirty (30) days after the continuing insurance education course is completed. The provider shall submit a self-study course certification roster to the commissioner within thirty (30) days of receipt of the completed course from the individual insurance producer.

b. The provider of the continuing insurance education course or a self-study continuing education course shall furnish a certificate of satisfactory completion to the individual insurance producer completing the course. The individual insurance producer shall retain a copy of the certificate for not less than four (4) years from the date the course is completed.

c. The provider shall retain a copy of a certification roster of attendance and selfstudy courses submitted for not less than four (4) years from the date the course is completed.

7.2. Providers of continuing insurance education courses and individual insurance producers shall make available to the commissioner or his or her designee copies of certificates upon request of the commissioner.

7.3. The commissioner shall assess a late fee against a provider submitting a course certification roster outside the time period provided for in subsection 7.1 of this section in the amount of twenty-five dollars for each individual insurance producer listed on the certification roster who satisfactorily completed the continuing insurance education course.

7.4. The commissioner may disapprove the course(s) or program(s) of instruction developed or sponsored by a provider who establishes a pattern or practice of failure to comply with this rule or who fails to pay any fee assessed under this rule. The provider shall pay all applicable fees before the commissioner may complete approval or re-approval of the courses or programs of instruction developed or sponsored by the provider.

§114-42-8. Disciplinary Process.

8.1. No later than sixty (60) days prior to the end of the reporting period, the commissioner shall provide written notification to individual insurance producers subject to continuing insurance education requirements advising them as to the status of their continuing insurance education credits.

a. The commissioner shall provide the notification to each individual insurance producer either by personal delivery or by regular mail addressed to the individual insurance producer at the last address appearing for the individual insurance producer in the records of the commissioner.

b. Individual insurance producers who sell only preneed burial insurance contracts shall file with the commissioner an affidavit, on a form to be provided by the commissioner, verifying that the individual insurance producer is not engaged in the sale of any other type of insurance product.

c. Individual insurance producers engaged solely in telemarketing insurance products by a scripted presentation which has been filed with and approved by the commissioner shall file an affidavit, on a form to be provided by the commissioner, verifying that the individual insurance producer is not engaged in the sale of any other type of insurance product.

8.2. Any individual insurance producer who does not anticipate pursuing the required continuing insurance education requirements may elect to cancel his or her license prior to the end of the reporting period by submitting a written request to the commissioner. Cancellation of a license revokes any privilege the individual insurance producer may have had to reinstate his or her license without completion of a pre-licensing insurance education course and examination.

a. Each request for cancellation of a license shall include the individual insurance producer's name, address, individual insurance producer license number, telephone number and reason for cancellation.

b. Cancellation of a license prohibits an individual from further transacting insurance in West Virginia without successful completion of pre-licensing education and examination.

8.3. Any individual insurance producer who has not met the continuing insurance education requirements for any reporting period may agree to a voluntary suspension of

his or her license until such time as the continuing insurance education requirements have been met.

a. Each request for a voluntary suspension of a license shall include the individual insurance producer's name, address, individual insurance producer license number and telephone number.

b. An individual insurance producer may not transact insurance in West Virginia during the suspension period.

c. Any individual insurance producer who does not satisfy the mandatory continuing education requirements as of the last day of the reporting period following his or her voluntary suspension shall have his or her license automatically cancelled pursuant to the provisions of W. Va. Code §33-12-8(h).

8.4. The commissioner will enter an order automatically suspending the license of any individual insurance producer failing to meet continuing insurance education requirements who has not been granted an extension of time within which to comply, or who has submitted to the commissioner a false or fraudulent certificate of compliance. The license shall remain suspended until such time as the individual insurance producer has demonstrated to the satisfaction of the commissioner that he or she has complied with all the requirements of this rule and all other applicable laws.

a. The individual insurance producer will have an opportunity to request a hearing on an order resulting from the producer's failure to meet continuing insurance education requirements pursuant to subsection 8.5 of this section. The effect of the order will be stayed pending the individual insurance producer's request for a hearing within the time designated in subsection 8.5 or pending completion of the hearing if a hearing is timely requested. If a hearing is not timely requested, the order will become final.

b. The burden of proving successful completion of continuing insurance education courses is at all times upon the individual subject to the continuing insurance education requirements.

c. Any individual insurance producer who does not satisfy the mandatory continuing education requirements as of the last day of the reporting period following his or her suspension shall have his or her license automatically cancelled pursuant to the provisions of W. Va. Code §33-12-8(j).

8.5. Hearings - A hearing may be requested by an individual insurance producer or a provider in accordance with W. Va. Code §§33-2-13, 114CSR13, and the following:

a. Any individual insurance producer whose license is being suspended due to his or her failure to successfully complete and submit the required hours of continuing insurance education courses must submit a request for hearing in writing to the commissioner's office address in Charleston, West Virginia, either in person or by certified mail, return

receipt requested. Such hearing shall be held within forty-five (45) days of the receipt of request for hearing and notice of the time, place, and matters to be considered at the hearing shall be provided by the Commissioner to all parties directly involved not less than fifteen (15) days prior to the date of hearing. Any request for re-hearing must be in compliance with W. Va. Code §33-2-13, and must be made within thirty (30) days after the individual insurance producer's receipt of the order entered by the commissioner pursuant to subsection 8.4 of this section for reconsideration of the matter. The commissioner shall mail a copy of the order to the individual insurance producer by certified mail, return receipt requested. In cases where proof of receipt of the order is not received by the commissioner, service of the order will be presumed complete upon the expiration of four (4) days following deposit by the commissioner in the United States Mail. If the individual insurance producer makes a timely request for a hearing, the scope of the hearing will be whether the producer has successfully completed and submitted the required hours of continuing insurance education courses. The hearing shall be conducted as provided in W. Va. Code §33-2-13.

b. Any provider that has received a notice of assessed fee or whose course(s) or program(s) of instruction has been disapproved must submit a request for hearing in the same manner and within the same time as that set forth in subdivision a of this subsection. The commissioner shall mail a copy of the notice of fee or notification of disapproval of courses or programs to the provider by certified mail, return receipt requested. In cases where proof of receipt of the notice of fee or notification of disapproval is not received by the commissioner, service will be presumed complete upon the expiration of four (4) days following deposit by the commissioner in the United States Mail. If the provider makes a timely request for a hearing, the scope of the hearing will be whether the fee was properly assessed, whether the provider has failed to pay the fee or whether the provider has established a pattern or practice of failure to comply with this rule. The hearing shall be conducted as provided in W. Va. Code §33-2-13.

c. All requests for hearing must identify the order or notification upon which the hearing is requested and must set forth the grounds upon which it is asserted that the order or notification should be vacated or modified.

d. Untimely hearing requests will not be granted. A request is untimely if it is made by or on behalf of the individual insurance producer or provider after the time specified in subdivision a of this subsection or prior to the issuance of the order or notification.

8.6. Failure to appear at a hearing requested pursuant to subsection 8.5 of this section will result in the following:

a. If the individual insurance producer fails to appear either in person or by counsel at the hearing without obtaining a continuance pursuant to 114CSR13, the order suspending his or her license will become final, and the individual insurance producer shall be assessed the costs set forth in subsection 8.7 of this section.

b. If the provider fails to appear either in person or by counsel at the hearing without obtaining a continuance pursuant to 114CSR13, the provider's course(s) or program(s)

will continue to be disapproved and the provider shall be assessed the costs set forth in subsection 8.7 of this section.

8.7. Assessment of Costs

- a. A docket fee of seventy-five dollars may be assessed against an individual insurance producer or provider following a hearing if the commissioner's order suspending the individual insurance producer's license or order disapproving the provider's course(s) or program(s) of instruction is not rescinded pursuant to W.Va. Code §33-2-13.
- b. The commissioner may assess any individual insurance producer or provider who fails to have the commissioner's order rescinded the costs of the hearing as provided for in W. Va. Code §33-2-13.
- c. The individual insurance producer or provider shall pay all applicable assessed fees before the commissioner may complete reinstatement of the individual insurance producer's license or the approval of a provider's course(s) or program(s) of instruction.
- d. All fees collected under this section shall be deposited, transferred, and paid out in accordance with W. Va. Code §33-3-13.

8.8. Upon suspension of an individual insurance producer's license for failure to comply with the mandatory continuing insurance education requirements for the reporting period, the commissioner shall:

- a. Give notice of the suspension to the insurer(s) or employing agent with whom the individual insurance producer has a contractual relationship; and
- b. Cancel all appointments of the individual insurance producer subject to disciplinary action.

8.9. An insurer or employing individual insurance producer shall not renew or issue new appointments subject to continuing insurance education requirements to an individual insurance producer whose license has been suspended for failure to comply with mandatory continuing insurance education requirements until such time as the individual insurance producer's license has been reinstated and an application and appropriate fee have been submitted to and approved by the commissioner.

8.10. Neither cancellation of a license nor any disciplinary action levied as a result of noncompliance with continuing insurance education requirements shall prohibit an individual from receiving commissions which were vested and earned while that individual maintained an approved license.

Attachment E**Continuing Education Frequently Asked Questions****Who is required to meet the continuing education requirements?****Answer:**

All licensed resident producers (agents) in West Virginia who do not qualify for an exemption must meet the requirement.

Who is exempt from meeting the CE requirements?**Answer:**

The following are exempt: Non-resident producers, adjusters, and producers holding Limited Lines Credit Insurance Licenses or any line where a licensing examination is not required.

How many credit hours must I earn to meet the requirements?**Answer:**

24 credit hours every 2 years (a biennium) are required. The current compliance period (biennium) began July 1, 2008 and ends June 30, 2010. Of those credits, at least 3 must be from courses categorized as Ethics. Producers who sell only pre-need funeral insurance or only through a telemarketing firm may submit an affidavit and have their requirement reduced to 6 hours. Of those credits, at least 3 must be from courses categorized as Ethics. Prometric will notify telemarketers and funeral homes in early 2010 of the procedures for filing the affidavit.

What are the new Long-Term CE requirements?**Answer:**

Effective July 1, 2009, WV Code 33-12-8a, "Producer Training for Long-Term Care Products", requires all active (resident and nonresident), veteran producers that sell, solicit or negotiate Long-Term Care insurance complete a one-time Long-Term Care training course of no less than eight hours prior to July 1, 2010. In addition, if a producer is newly licensed (after July 1, 2009) they must complete the one-time training immediately, prior to selling any Long-Term Care products. The new Act requires that all Long-Term Care producers continue to receive ongoing training of no less than four hours in each mandatory continuing education biennium subsequent to the biennium in which the one-time training was completed

Resident producers can have their Long-Term Care training course hours count towards their 24 hour CE requirement by selecting courses that are APPROVED and CATEGORIZED for Long-Term Care credit by West Virginia's CE plan administrator, Prometric. A listing of approved Long-Term Care courses can be found on Prometric's website at <http://www.prometric.com/CE/wvceprod.htm>.

What is the date by which I must complete 24 hours of West Virginia CE credits?**Answer:**

The CE compliance deadline is June 30, 2010.

Can I repeat a CE course within the compliance period?**Answer:**

If you successfully complete an approved course, you may not repeat the course and receive certification during the same compliance period.

Can I receive partial credit for a course?**Answer:**

Credit for completing only a portion of a course cannot be granted.

Can I receive credit for teaching a CE course?**Answer:**

Instructors may be added to rosters in order to receive credit but only once for any single course during a biennium.

Can I carry over credits to the next biennium?**Answer:**

After the courses are all applied, any excess up to 6 credit hours, will carry forward to the next biennium. West Virginia does not allow for the carry-over of Ethics or Long-Term Care credits. These credits will be carried over as general credits.

How will I know which courses will qualify for continuing education credit hours?**Answer:**

You can get a list of approved courses on Prometric's Web site: www.prometric.com. On advertisements, look for courses that have been approved for West Virginia continuing education credit. If you have any doubt, call Prometric at 800.805.9127. You may also request a listing of all approved courses and sponsors by calling Prometric.

Will I get a notice about my unfulfilled CE requirement?**Answer:**

Around April 1, 2010 Prometric will mail a notice to all producers subject to a CE requirement. The notice will indicate the number of credits completed and your compliance status.

How do nonresident licensed producers comply with CE requirements?**Answer:**

West Virginia does not require any submission or fee from nonresident producers.

Can I receive an extension beyond the June 30, 2010 deadline?**Answer:**

Producers may request an extension of up to 90 days for good cause as determined by the Commissioner. Examples of good cause are disabling accident, illness or call to military duty. Requests for extensions must be in writing to the Commissioner and postmarked on or before May 31, 2010.

How will credit hours be counted and reported?**Answer:**

The course provider must report your course completion on a roster to Prometric no more than 30 days after the course completion date. The provider must also give you a certificate of course completion for your records.

How will I demonstrate that I have completed the CE requirements to the CE Administrator?**Answer:**

When producers have met their CE credit requirement, Prometric will mail a confirmation of compliance to the producer. Producers can verify their credits and compliance status at Prometric's web site: www.prometric.com or by calling Prometric at 800.805.9127.

What are the requirements for a newly licensed producer?**Answer:**

Individuals newly licensed on or after July 1, 2009 (start of the second year of the biennium) are exempt for that compliance period.

What happens if I do not earn the necessary CE credit hours by the end of the compliance period?**Answer:**

Your license will be suspended around mid-August 2010. If you earn the necessary credits for compliance before the end of the next compliance period, the suspension will be lifted upon submission of the C. E. Reinstatement form and fees. If you fail to earn the proper credits by that time, your license will be terminated.

Attachment F

WEST VIRGINIA INSURANCE COMMISSIONER

Approved Pre-Licensing Education Providers

(Revised 8/2010)

AA Online Classes.com 5608 Newby Rd Huntsville AL 35805	256-679-3163 School Correspondence/Self-Study Life, Accident & Sickness	Private
A. D. Banker & Company, LLC 5000 College Blvd #120 Overland Park KS 66211	913-451-1280 School Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty	Private
A. D. Banker of WV PO Box 1534 Beckley WV 25802	304-929-3298 School Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty	Private
ABLE Incorporated 7500 W. 160 th Street Stilwell, KS 66085	800-586-2253 Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty, Personal Lines	Publisher
Agents Comp. Training dba ACT PO Box 4845 Main St. Queenstown MD 21658	410-758-6848 School Classroom Life, Accident & Sickness, Property-Casualty	Private
American Institute of Finance & Insurance 724 Kempsville Rd Virginia Beach VA 23464	757-228-3080 School Classroom Life, Accident & Sickness, Property-Casualty	Private
BiSys Education Services - refer to Kaplan Financial		
Brokers License Services, Inc. 144 E 37 th St New York NY 10016	212-679-4600 School Correspondence/Self-Study Life, Accident & Sickness	Private
CPMI Professional Development 613 Country Side Dr Metamora IL 61548	309-383-2533 School Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty	Private
Capitol Development 400 Fifth St. St. Albans WV 25177	304-727-8832 Company Classroom Accident & Sickness Only	Insurance
Combined Insurance Company of America 3055 Lebanon Rd., Bldg. #3, Ste # 1300 Nashville TN 37214	615-885-1202 Company Classroom Life, Accident & Sickness Only	Insurance

Dearborn Financial Institute, Inc. – refer to Kaplan Financial	
Enterprise Insurance Training, Inc. 8600 Lasalle Road, Suite 617 Towson, MD 21286	410-766-8118 Private School Classroom Life, Accident & Sickness
FinancialCampus c/o Saenger Consulting Group 31 Village Road Waterville Valley, NH 03215	800-711-9484 Private School Online/Self-Study Life, Accident & Sickness btillotson@saengerconsulting.com
Greenlight Training, Inc. 4057 Highway 9 Howell, NJ 07731	1-877-704-9477 Private School Online/Webinar Life, Accident & Sickness srubman@aol.com
Harvey Insurance School 101 Shadow Ln Beckley WV 25801	304-255-1557 Private School Classroom Life, Accident & Sickness
Household Insurance Group, Inc. 1120 Randolph St., Ste. 21 Thomasville NC 27360	336-472-2900 Private School Classroom Life, Accident & Sickness, Property-Casualty
Independent Insurance Agents of VA 8600 Maryland Dr. Richmond VA 23294	804-747-9300 Trade Association Classroom Life, Accident & Sickness, Property-Casualty
Insurance Education Institute 207 W Pike St.. Clarksburg WV 26301	304-623-4400 Private School Classroom and Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty
Insurance Schools of WV, Inc. 108-A Cadle Dr Cross Lanes WV 25356	800-333-3926 Private School Classroom and Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty
INSUR'ED 33-41 Newark St Hoboken NJ 07030	201-526-1231 Private School Classroom Life, Accident & Sickness, Property-Casualty
Kaplan Financial 7835 Woodland Dr Indianapolis IN 46278	800-824-8742 Publisher Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty
M & T Investment Group, Inc. 285 Delaware Avenue, Suite 2000 Buffalo, NY 14202	716-651-4810 Banking Institution Classroom Life, Accident & Sickness
MODA Systems Inc PO Box 91 Hanover MD 21075	410-796-0882 Private School Classroom

	Property-Casualty
Mountaineer Continuing Education PO Box 367 Fairmont WV 26554	304-366-2200 Private School Classroom and Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty
O.F.S. School for Insurance 518 East Main Street Bridgeport, WV 26330	304-842-1040 Private School Classroom Life, Accident & Sickness, Property-Casualty
Pentera Group, Inc. 5546 Shorewood Dr Indianapolis IN 46220	800-829-7247 Publisher Correspondence/Self-Study Life, Accident & Sickness
Redden's Insurance School PO Box 410 Bradley WV 25818	800-339-1198 Private School Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty
SITEL Corp. 5601 N. 103 rd Street Omaha, NE 68134	402-963-6456 or 402 963-6861 Telemarketing Co. Classroom and Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty
Saturn Learning Solutions 6030 E Mockingbird Ln Dallas TX 755206	214-823-8808 Private School Correspondence/Self-Study Life, Accident & Sickness
Securities Training Corporation 17 Battery Pl, Suite # 1025 New York NY 10004	800-782-2678 Private School Correspondence//Self-Study Life, Accident & Sickness
Success Learning, LLC PO Box 1470 Saltillo MS 38866	662-842-3188 Private School Classroom and Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty
The License Coach 208 N. Market Street, Suite 400 Dallas, TX 75202	214-760-7411 Webinar Online/Self Study Life, Accident & Sickness sarah@thelicensecoach.com
Wm. Cundiff Associates, Inc. T/A Ins. Univ. 4216 Rosemont Ln Fredericksburg VA 22408	540-898-3091 Private School Classroom and Correspondence/Self-Study Life, Accident & Sickness, Property-Casualty

This list is subject to periodic updates as changes occur.

RFQ No. _____

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

West Virginia Code §5A-3-10a states: 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 the debt owed is an amount greater than one thousand dollars in the aggregate.

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.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceed five percent of the total contract amount.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this 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.

Under penalty of law for false swearing (*West Virginia Code §61-5-3*), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: _____

Authorized Signature: _____ Date: _____

State of _____

County of _____, to-wit:

Taken, subscribed, and sworn to before me this ____ day of _____, 20__.

My Commission expires _____, 20__.

AFFIX SEAL HERE

NOTARY PUBLIC _____

State of West Virginia **VENDOR PREFERENCE CERTIFICATE**

Certification and application* is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

1. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; **or**,
 Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; **or**,
2. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
3. **Application is made for 2.5% resident vendor preference for the reason checked:**
 Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; **or**,
4. **Application is made for 5% resident vendor preference for the reason checked:**
 Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; **or**,
5. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; **or**,
6. **Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:**
 Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: _____ **Signed:** _____

Date: _____ **Title:** _____

**Check any combination of preference consideration(s) indicated above, which you are entitled to receive.*