

PREPROPOSAL LIST OF ATTENDEES

PREPROPOSAL CONFERENCE SCHEDULE REP: CN00023197 VOLUNTARY BENEFITS 0:16/07 Thursday 10:30 am

No.	NAME	NAME OF FIRM FOR WHICH YOU REPRESENT	JOB TITLE	TELEPHONE #	EMAIL ADDRESS	CERTIFIED MW/BO YES OR NO
1	MATTHEW DAWES	METLIFE	SPECIALIST	908 253 1414	mdawes@metlife.com	NO
2	CHRIS COVILL	MARSH	VICE PRESIDENT	515 366 1034	Christopher.P.Covill@MARSHPIA.com	NO
3	MICHAEL VAN GAYFREE	P.I.S.I.	VP	717 761 4437	mvangayfree@pislfc.com	NO
4	PAUL LAROULE	NBP	SVP	803 588 8884	plhznz@fpa.com	NO
5	JOHN ZARUBNICKY	FUTURE PLANNING ASSOC.	VP	800 626 0291	sscc@pbspani.com	NO
6	JEFF SEPESE	AFLAC	SSC	610 891 8886	paw@allac.com	NO
7	BRIAN PATTEN	AFLAC	SSC	412 841 7892	fredrose50@comcast.net	NO
8	FRED ROSE	AFLAC	RSL	412 323 8865	anita.laughery@libertymutual.com	NO
9	ANITA LAUGHERY	LIBERTY MUTUAL	NAT'L ACCT MANAGER	717 795 8703 x. 240	michael.sweeney@us.fpa.com	NO
10	MIKE SWEENEY	ING	REGIONAL DIRECTOR	610 260 2302	phil@firmadvisor.com	YES
11	PHILIP M. HARRIS	FINANCIAL INTEGRITY RESOURCES MANAGEMENT LLC	PRESIDENT	215 557 7622	karin.russell@ckiana.com	NO
12	KARIN RUSSELL	CIGNA	UW MANAGER	215 761 2595	karin.gibson@compsvn.com	NO
13	KARIN GIBSON	Corporate Synergies	ACCOUNT MANAGER	856 813 1210	jack_sweeney@aon.com	NO
14	JACK SWEENEY	ING	VP	610 834 2100	bob_morriarty@aon.com	NO
15	R. MORIARTY	AON CONSULTING	AVP	212 441 2425	ch.p.hunziker@metlifenp.com	NO
16	C. HUNZIKER	MOTIVANO	BDS	813 708 8866	gshierard@fbmc-benefits.com	NO
17	GORDON SHERARD	FBMC/VBS	MANAGER	864 325 4286	cmorris@vst129.com	NO
18	CRAIG MORRIS	FBMC/VBS	ACCOUNT MANAGER	512 947 9191	rcardenas@wvadcnh.gov	NO
19	ROSEMARY CARDENAS	FBMC/VBS	ACCOUNT MANAGER	304 546 7219	erik_bouline@jhc.com	NO
20	ERIK BOULINE	UHC/AMERICA	REGIONAL DIRECTOR	410 729 7741	Jeff.Kane@ARAGGroup.com	NO
21	JEFF KANE	ARAG	DIRECTOR NATIONAL ACCTS	515 229 6899	sifranke@fermingtonco.com	NO
22	STEVE FRANKEL	TFC	DIR CORP SVCS	610 660 7708	mmiller@perksgroup.net	NO
23	MICHAEL MILLER	PERKS GROUP	SALES REP	909 313 6596	jfoachim@perksgroup.net	NO
24	JEFFREY JOACHIM	PERKS GROUP	VP MARKETING	877 253 7100 x. 388	kisweenev@metlife.com	NO
25	KEVIN SWEENEY	METLIFE	ACCOUNT EXECUTIVE	410 200 5657	john.hafner@prudential.com	NO
26	JOHN HAFNER	PRUDENTIAL	ACCOUNT EXECUTIVE	215 658 5389	jlrown@visionbenefits.com	NO
27	JACK BROWN	VBA	SR ACCOUNT EXEC	717 612 0384	ssotille@metlife.com	NO
28	STEVE SOTTILE	METLIFE	SR ACCOUNT EXEC	908 253 6206	doester@state.pa.us	NO
29	DON EYSTER	CSC	ACCOUNTANT	717 783 8654	rschmoyer@state.pa.us	NO
30	RANDY SCHMOYER	CSC	ACCOUNTANT	717 783 7880	abrowning@state.pa.us	NO
31	JAL BROWNING	DGS	ADMIN OFFICE	717 787 4676	sshingara@state.pa.us	NO
32	SYLINE SHINGARA	DGS	COMMODITY SPECIALIST	171 346 3533		NO

Please accept our apologies for any misspelled or incorrect information. Contact Janis Brown at (717) 346-3829 or email janibrown@state.pa.us with the corrections.



Functional Specification for Interface Programs

**SAMPLE ONLY – NOT FOR PRODUCTION**

**SAMPLE ONLY – NOT FOR PRODUCTION**

Standard header record structure for HR Outbound Files should be used. Format is as follows:

FIELD	LENGTH	COMMENTS/SAMPLE VALUE
Record Type	6 Characters	"HEADER"
Create Date	8 Characters	"02202002" (MMDDYYYY)
Create Time	6 Characters	"130101" (HHMMSS)
As of Date	8 Characters	"01312002" (MMDDYYYY)
Contact Person Name	40 Characters	'Janice Sage'
Telephone Number	10 Characters	"7177059154"
Email Address	25 Characters	"jsage@state.pa.us"
File Name	40 Characters	"INTF_0442.VOL.BEN.OUT.DAT"
Record Count	8 Characters	"00000230" (will include all the data records and head record)



Functional Specification for Interface Programs

**SAMPLE ONLY – NOT FOR PRODUCTION**

Detail Record format:

**SAMPLE ONLY – NOT FOR PRODUCTION**

FIELD DESCRIPTION	FIELD SIZE	COMMENTS
Company Code	X(10)	From selection screen
Personnel Area	X(4)	P0001-WERKS
Personnel Number	9(8)	P000-PERNR
Filler	X(22)	Spaces
Employee Last Name	X(40)	P0002 - NACHN
Employee First Name	X(40)	P0002 - VORNA
Employee Middle Name	X(25)	P0002 - MIDNM
Employee Name Suffix	X(15)	P0002 - NAMZU
Deduction Amount – Pre-Tax	15 (Amount field)	BETRG – Amount for Pre-Tax Wage Type(s) (6EA3) from the RT table multiplied by -1. Example: 12345678901245+
Fee	15 (Amount field)	BETRG – Amount for Pre-Tax Wage Type(s) from the RT table multiplied by -1. since we currently have no Fee Wage Type(s) this amount would always be: 00000000000000+
Deduction Amount – Post-Tax	15 (Amount field)	BETRG – Amount for Pre-Tax Wage Type(s) (6EA4) from the RT table multiplied by -1. Example: 12345678901245+
Deduction Amount – Administrative Fee	15 (Amount field)	BETRG – Amount for Pre-Tax Wage Type(s) (6EA5) from the RT table multiplied by -1. Example: 12345678901245+
Pay Date	8 Date	PAYDT from VERSC in PCL2

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Page 1

**RIDER NUMBER ONE  
TO GROUP INSURANCE CONTRACT NUMBER LG-91475-PA**

**COMMONWEALTH OF PENNSYLVANIA  
GOVERNOR'S OFFICE OF ADMINISTRATION AND  
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA**

This Rider modifies Group Insurance Contract Number LG-91475-PA (Group Contract) executed between the Prudential Insurance Company of America (Contractor), Federal ID Number 22-1211670, and the Commonwealth of Pennsylvania (Commonwealth), effective July 1, 2000.

**WITNESSETH:**

WHEREAS, the Commonwealth has need for the services of an insuring organization;  
and

WHEREAS, the Commonwealth issued a request for proposal (RFP) OA-PER-GLI-99 for insurance services on October 15, 1999, and the Contractor responded to the RFP and set forth the services the Contractor would like to provide in its technical proposal, which technical proposal is incorporated by reference into the Agreement; and

WHEREAS, the Commonwealth has the authority to contract for basic life insurance coverage as specified in law, and for supplemental insurance as delegated by specified agencies not under the Governor's jurisdiction; and

WHEREAS, the Commonwealth has evaluated the Contractor's Technical Proposal and determined that the Contractor has available all qualified personnel; facilities, materials, and software necessary to provide the basic and supplemental insurance coverage identified in their Technical Proposal; and

WHEREAS, the parties wish to agree to the terms and conditions which are specified in the aforementioned documents and which are hereinafter set forth in the following sections of this Rider to the Group Contract;

SECTION	TITLE	PAGE
A	CONTRACTUAL GOVERNANCE	2
B	FINANCIAL ARRANGEMENTS	2

83500  
AMD 5001

C	PERFORMANCE STANDARDS & GUARANTEES	4
D	OTHER CLAUSES, TERMS, AND CONDITIONS	6
E	STANDARD CLAUSES, TERMS, AND CONDITIONS	7

NOW, THEREFORE, for and in consideration of the foregoing premises and mutual promises hereinafter set forth, the Parties hereto agree, with the intention of being legally bound as follows:

**SECTION A - CONTRACTUAL GOVERNANCE**

The Contractor's Group Contract and Group Insurance Certificates (Certificates) incorporate the standard terms and conditions under which life insurance benefits, including supplemental life insurance benefits, will be paid to the beneficiaries or estates of State employees covered under the Contractor's agreement with the Commonwealth. However, notwithstanding any language in the Contractor's Group Contract or Insurance Certificates, the language contained in the Contractor's Technical Proposal to the Commonwealth's Request for Proposals to provide group life insurance benefits to Commonwealth employees; in any presentation or representations made in writing to the Commonwealth by the Contractor; and in this Rider shall be the governing language. Any conflicts arising from language contained in the Group Contract or Insurance Certificates shall be resolved in favor of language contained in the Contractor's Technical Proposal, any written presentations or representations by the Contractor to the Commonwealth, or this Rider.

**SECTION B - FINANCIAL ARRANGEMENTS**

1. The Group Contract between the Commonwealth and the Contractor is fully insured and non-participating. The premium rate to be paid by the Commonwealth to the Contractor will be \$.244 per \$1,000 of coverage per employee per month for the initial three contract years, specified as July 1, 2000 to June 30, 2001; July 1, 2001 to June 30, 2002; and July 1, 2002 to June 30, 2003. No premium rate increase will be allowed during the initial three contract years unless required by law or Pennsylvania Insurance Department regulation or unless the amount of insurance is altered to an extent that it increases or decreases the Contractor's risk by 10 percent (10%). Regardless of the reason for a proposed increase in premium rates, the Contractor and the Commonwealth agree to enter good faith negotiation concerning any increase prior to implementation.
2. The Contractor agrees that should the contract be extended for a fourth and fifth year, any premium rate increases applied in contract years four and five, specified as July 1, 2003 to June 30, 2004 and July 1, 2004 to June 30, 2005, will be limited to a maximum of 10 percent (10%) unless required by law or Pennsylvania Insurance Department regulation or unless the amount of insurance is altered to an extent that it significantly alters the Contractor's risk.

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AMD 5001

Regardless of the reason for a proposed increase in premium rates, the Contractor and the Commonwealth agree to enter good faith negotiation and jointly agree to any premium increase prior to implementation.

3. The Commonwealth agrees to convey eligibility information in an electronic transmission (data feed) to the Contractor by the 10<sup>th</sup> of a contract month, or the first working day thereafter. The initial contract month shall begin on July 1, 2000.
4. The Contractor agrees to bill the Commonwealth for coverage classes provided according to the matrix identified as Attachment 1 to this Rider by the 20<sup>th</sup> of a contract month, or the first working day thereafter.
5. The Commonwealth agrees to issue payment to the Contractor by the last working day of the contract month for employees listed as eligible in the data feed. During a contract month, neither the Contractor nor the Commonwealth will make retroactive adjustments to eligibility or payment because of employment status changes affecting eligibility that occur after the data feed. The status of such individuals will be accounted for in the following contract month's data feed. If the Commonwealth fails to pay the required premium payment by the last day of the month, the Commonwealth may be liable for interest charges on the unpaid premium payment.
6. The Contractor will refund to the Commonwealth all overpaid premiums due to retroactive termination of an employee's insurance as a result of labor arbitration, collective bargaining, or other legal remedy or settlement entered into by the Commonwealth. The Commonwealth will pay to the Contractor premiums due for retroactive coverage resulting from similar situations.
7. Temporary employees who become permanent employees and who have already worked for the Commonwealth for 90 days or longer will immediately be eligible for the regular and supplemental life insurance coverage specified in the Group Contract. Temporary employees who become permanent employees otherwise will not be eligible for the regular and supplemental life insurance coverage specified in the Group Contract until they have completed their 90<sup>th</sup> day of employment.
8. The Contractor will issue a commission payment of \$88,000 to the Commonwealth by the end of February of each year of the contract. This commission payment will be issued to the Secretary of the Department of General Services, who will forward payment to the Office of Administration.

**SECTION C - PERFORMANCE STANDARDS and GUARANTEES**

The Contractor agrees that, in part, work performed on behalf of the Commonwealth, the independent agencies, employees, and their dependents will be judged according to following performance standards using the specified methods for monitoring those standards and, for failure to meet or exceed the standards, to have the monies specified either deducted from future payments or returned to the Commonwealth:

**Timeliness**

1. Contractor will answer no less than 85% of telephone calls within 20 seconds or less and will maintain an average-speed-to-answer of 20 seconds or less. If the Contractor fails to meet this performance guarantee, the Contractor will pay \$20,000 per year to the Commonwealth. Results will be measured quarterly with the quarterly at risk amount being \$5,000.
2. Contractor will maintain a call abandonment rate of less than 2%. If the Contractor fails to meet this performance guarantee, the Contractor will pay \$10,000 per year to the Commonwealth. Results will be measured quarterly with the quarterly at risk amount being \$2,500. The Commonwealth acknowledges that on-hold time is not monitored and will not be used to determine the call abandonment rate.
3. Beginning 90 days after the contract effective date, the Contractor will process employee inquiries or requests, including requests for beneficiary information, within 2 business days. Contractor will process all other inquiries and changes within 2 business days. If the Contractor fails to meet this performance guarantee, the Contractor will pay \$10,000 per year to the Commonwealth. Results will be measured quarterly with the quarterly at risk amount being \$2,500.
4. Contractor will respond in writing to affected parties on all transactions related to the death of an employee or disabled employee that require additional information within three weeks from the date of initial request. Contractor will issue a written past-due notice when direct bill payment is not received within 15 days of the due date. Contractor will issue a written cancellation of coverage notice to direct bill employees on the 45<sup>th</sup> day after the initial due date.
5. Contractor will apply the Commonwealth's data feed to its eligibility system within 2 days of receipt. The Commonwealth acknowledges that for this standard to be applicable the Contractor must receive the data feed by the expected date. The Commonwealth also acknowledges that the Contractor must be in possession of timely and acceptable information from the independent agencies or their information will not be included in the performance evaluation. If the Contractor fails to meet this performance guarantee the Contractor will pay

83500

AMD 5001

\$10,000 per year to the Commonwealth. Results will be measured quarterly with the quarterly at risk amount being \$2,500.

6. Contractor agrees that 95% of clean death claims will be paid within 5 business days of receipt by the claim area and that 99% will be processed within 10 business days of receipt by the claim area. If the Contractor fails to meet this performance guarantee, the Contractor will pay \$20,000 per year to the Commonwealth. Results will be measured quarterly with the quarterly at risk amount being \$5,000.
7. When applicable, Contractor will issue a written claim denial to affected beneficiaries or estates within 5 days of a decision. Information regarding appeal rights and the Contractor's appeal process will be included with the claim denial.

#### Accuracy

1. Contractor specifies that 99% of all financial transactions will be processed correctly. If the Contractor fails to meet this performance guarantee the Contractor will pay \$20,000 per year to the Commonwealth. Results will be measured by reviewing Contractor's total "book-of-business" for % of dollars processed correctly. In addition, Contractor agrees that 10% of the Commonwealth's claims will be audited quarterly to determine the accuracy of each financial transaction. Results will be measured quarterly with the quarterly at risk amount being \$5,000.
2. Contractor specifies that 95% of all procedural transactions (defined as an employee record) will be processed correctly. If the Contractor fails to meet this performance guarantee the Contractor will pay \$20,000 per year to the Commonwealth. Results will be measured quarterly with the quarterly at risk amount being \$5,000.

#### Completeness

Contractor agrees to respond to all written complaints within 1 business day and that all complaints will be resolved within 10 business days. Contractor agrees that results will be measured quarterly.

#### Customer Satisfaction

Contractor agrees to an 80%+ good or excellent customer satisfaction ranking with 1% or less in the unacceptable or poor category. If the Contractor fails to meet these performance guarantees the Contractor will pay \$20,000 to the Commonwealth. To determine customer satisfaction, Contractor agrees to randomly survey 10% of Commonwealth participants' monthly calls to determine satisfaction level. Survey population will include employees or

family members, benefit administration staff and other parties designated by the Commonwealth that participate in the life administration process. The Contractor will report the survey results to the Commonwealth's group life insurance office on a quarterly basis with the quarterly at risk amount being \$5,000.

#### Audits

Contractor agrees that the benefits and services provided are subject to independent audit and that if such audits determine that the Contractor has failed to perform satisfactorily, the Contractor will pay \$20,000 per year to the Commonwealth. The Contractor further agrees to correct any deficiencies in the level of service to which the Commonwealth and the Contractor have agreed.

#### Reporting and Disclosure

Contractor agrees to quarterly reporting and disclosure of the facts and circumstances of the administration of the Commonwealth's group life insurance program and the independent agencies' supplemental life insurance programs based on statistical analysis and the documentation of performance as agreed to under prior sections of this Rider. These reports and disclosures will be provided within 30 days of the end of a contract quarter. Reports and disclosures shall include information for the current quarter, separate information for the preceding quarters of the contract year, if any, and combined information for the contract year. Sample reports for the items listed above are included with this Rider as Attachment 2.

#### SECTION D-OTHER CLAUSES, TERMS, & CONDITIONS

1. Contractor will mail Certificates to each insured employee.
2. The Commonwealth may, from time to time, adjust incorrect data that had previously been provided to the Contractor. In so doing, the coverage or termination effective date of an employee's insurance may be altered. If the effective date of an employee's coverage is altered to allow retroactive coverage and if a covered death claim has ensued in the interim, the Contractor will pay the claim. However, the Commonwealth will be responsible for any premiums owed for the retroactive coverage. If the effective date of the employee's coverage is altered to allow retroactive termination of coverage, the Contractor will reimburse the Commonwealth for all overpaid premiums. Once premiums are refunded to the Commonwealth, the Contractor's legal obligation for claims payment for the terminated insurance shall cease unless the employee or former employee, upon being provided with appropriate notice, elects to convert the terminated insurance amount within the meaning established by the Contractor's Certificates.

3. Eligibility for coverage under this contract ceases when an employee is no longer in an active pay status. For purposes of this contract, active pay status includes those periods of leave during which the Commonwealth continues to make contributions on behalf of an affected employee. For purposes of this contract, an employee approved for disability life insurance shall also be considered to be in an active pay status. An employee whose coverage would ordinarily cease because they are no longer in an active pay status (as defined above) but who continues to be an employee within the rules established and so designated to the Contractor by the Commonwealth, may continue their coverage under this program by paying the premiums. Failure to make the required premium payments on the part of such an employee will be cause for termination of coverage.

#### SECTION E- STANDARD CLAUSES, TERMS, & CONDITIONS

##### 1. TERM OF CONTRACT

- A. The term of the Agreement between the Commonwealth and the Contractor shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Group Contract or as specified in the Request for Proposal, subject to the other provisions of the Agreement or these "Required Clauses." The Effective Date shall be fixed by the Contracting Officer after the Agreement has been fully executed by the Contractor and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The Agreement shall not be a legally binding Agreement until after the Effective Date is affixed and the fully-executed Agreement has been sent to the Contractor. The Contracting Officer shall issue a written Notice to Proceed to the Contractor directing the Contractor to start performance on a date which is on or after the Effective Date. The Contractor shall not start the performance of any work prior to the date set forth in the Notice to Proceed and the Commonwealth shall not be liable to pay the Contractor for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No agency employee has the authority to verbally direct the commencement of any work under this Agreement. The Commonwealth reserves the right, upon notice to the Contractor, to extend the term of the Agreement for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Contract coverage and only for the time necessary, up to three (3) months, to enter into a new Agreement.
- B. For purposes of the Agreement between the Commonwealth and the Prudential Insurance Company of America, the Contracting Officer shall be the Commonwealth's Deputy Secretary for Employee Relations or any other person as designated in writing by the Commonwealth's Secretary of Administration. The Deputy Secretary for Employee Relations or other designated person shall serve as Contracting Officer at the pleasure of the Secretary of Administration (Secretary) and may be removed and replaced at the Secretary's sole discretion.

- C. Notwithstanding the aforementioned specification of the Deputy Secretary for Employee Relations or other person designated by the Secretary to be the Contracting Officer for this Agreement, ordinary contacts regarding services to be provided under this agreement will be addressed through the staff of the Commonwealth's Employee Benefits Division.

## **2. INDEPENDENT CONTRACTOR**

In performing the services required by the Group Contract and this Rider, the Contractor will act as an independent contractor and not as an employee or agent of the Commonwealth.

## **3. COMPLIANCE WITH LAW**

The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the duties required by the Group Contract and this Rider.

## **4. ENVIRONMENTAL PROVISIONS**

In the performance of the duties required under the Group Contract and this Rider, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations.

## **5. POST-CONSUMER RECYCLED CONTENT**

Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the duties required under the Group Contract or this Rider must meet the minimum percentage levels for total recycled content as specified in Exhibits A-1 through A-2 to these Required Clauses terms and conditions.

## **6. COMPENSATION/EXPENSES**

The Contractor shall be required to perform the specified services at the price(s) quoted in the Group Contract or this Rider. All services shall be performed within the time period(s) specified in the Agreement. The Contractor shall be compensated only for work performed to the satisfaction of the Commonwealth. The Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Agreement.

## 7. INVOICES

The Commonwealth agrees to provide eligibility information to the Contractor by the 10<sup>th</sup> of each month. The Contractor shall send an itemized invoice to the "Provide Service and Bill To" address by the 20<sup>th</sup> of each month. The invoice should include only amounts due under the Group Contract. The Group Contract inquiry number shall be included on all invoices. The Commonwealth agrees to pay the amount specified on the Contractor's invoice, subject to audit verification, by the last working day of each month that the Agreement is in force, except on those occasions specified below.

## 8. PAYMENT

- A. The Commonwealth shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Agreement; (b) thirty (30) days after a proper invoice actually is received at the "Provide Service and Bill To" address if a date on which payment is due is not specified in the Agreement (a "proper" invoice is not received until the Commonwealth accepts the service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in the Agreement. If any payment is not made within fifteen (15) days after the required payment date, the Commonwealth may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Contractor as acceptance of the service performed by the Contractor. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any Agreement with the Commonwealth.
- B. The Commonwealth shall have the option of using the Commonwealth purchasing card to make purchases under the Agreement or purchase order. The Commonwealth's purchasing card is similar to a credit card in that there will be a small fee which the Contractor will be required to pay and the Contractor will receive payment directly from the card issuer rather than the Commonwealth. Any and all fees related to this type of payment are the responsibility of the Contractor. In no case will the Commonwealth allow increases in prices to offset credit card fees paid by the Contractor or any other charges incurred by the Contractor, unless specifically stated in the terms of the Agreement or purchase order.

## 9. TAXES

The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax-free purchases under Registration No. 23740001-K. With the exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas-guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction Agreement.

## 10. WARRANTY

The Contractor warrants that all services performed by the Contractor, its agents and subcontractors shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the Agreement, all services and parts are warranted for a period of one year following completion of performance by the Contractor and acceptance by the Commonwealth. The Contractor shall correct any problem with the service and/or replace any defective part with a part of equivalent or superior quality without any additional cost to the Commonwealth.

## 11. YEAR 2000 COMPLIANCE

The Contractor represents and warrants that each hardware, software and firmware product delivered (or service performed) under the Agreement, including enhancements, shall be able to accurately process, provide and/or receive date/time data (including, but not limited to, calculating, comparing and sequencing) from, into and between the 20th and 21st centuries and the year 1999 and 2000, including leap year calculations, when used in accordance with the product documentation provided by the Contractor, provided that all listed or unlisted products (e.g. hardware, software, firmware, etc.) used in combination with such product properly exchange date/time data with it. No hardware, software, firmware or service provided under the Agreement shall change the status of a hardware, software and firmware product from Year 2000 compliant to Year 2000 noncompliant. The Contractor must notify the Commonwealth of any Year 2000 noncompliant hardware, software and firmware product located by the Contractor during the course of performance of the Agreement. The Contractor shall not deliver any third-party hardware, software, firmware or service to the Commonwealth which has not been represented and warranted in writing by the third-party

manufacturer to be Year 2000 compliant, as described above. The Contractor shall pass through the third-party representation and warranty from the third-party manufacturer to the Commonwealth. Any modifications or changes made by the Commonwealth or any of its third parties to any hardware, software, or firmware provided under the Agreement that alters Year 2000 compliance shall void the Year 2000 warranty of the product. This Year 2000 Compliance representation and warranty shall be in effect until the later of December 31, 2002 or the termination of the Agreement. In any event this representation and warranty shall survive termination of the Agreement and shall run until December 31, 2002. In no event will the acceptance by the Commonwealth of any hardware, software or firmware product or service delivered to the Commonwealth, by or through the Contractor, or any payment by the Commonwealth to the Contractor under the Agreement limit the effectiveness or survival of this Year 2000 Compliance representation and warranty.

## 12. PATENT, COPYRIGHT, AND TRADEMARK INDEMNITY

The Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Agreement which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the commonwealth under the Agreement. The Contractor shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract. This is upon condition that the Commonwealth shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by the Commonwealth at the Contractor's written request, it shall be at the Contractor's expense, but the responsibility for such expense shall be only that within the Contractor's written authorization. The Contractor shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or the Commonwealth may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Agreement. If any of the products provided by the Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, the Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing. If the Contractor is unable to do any of the preceding, the Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the

infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Contractor without its written consent.

### **13. OWNERSHIP RIGHTS**

The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Agreement.

### **14. ASSIGNMENT OF ANTITRUST CLAIMS**

The Contractor and the Commonwealth recognize that in actual economic practice, overcharges by the Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Agreement, and intending to be legally bound, the Contractor assigns to the Commonwealth all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Agreement.

### **15. HOLD HARMLESS PROVISION**

The Contractor shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents under this Agreement and shall, at the request of the Commonwealth, defend any and all actions brought against the Commonwealth based upon any such claims or demands.

### **16. AUDIT PROVISIONS**

The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Contractor to the extent that the books, documents and records relate to costs or pricing data for the Agreement. The Contractor agrees to maintain records which will support the prices charged and costs incurred for the Agreement. The Contractor shall preserve books, documents, and records

that relate to costs or pricing data for the Agreement for a period of three (3) years from date of final payment. The Contractor shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

## 17. DEFAULT

A. The Commonwealth may, subject to the provisions of Paragraph 18, Force Majeure, and in addition to its other rights under the Agreement, declare the Contractor in default by written notice thereof to the Contractor, and terminate (as provided in Paragraph 19, Termination Provisions) the whole or any part of this Agreement for any of the following reasons:

- 1) Failure to begin work within the time specified in the Agreement or as otherwise specified;
  - 2) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Agreement terms ;
  - 3) Unsatisfactory performance of the work;
  - 4) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
  - 5) Discontinuance of work without approval;
  - 6) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
  - 7) Insolvency or bankruptcy;
  - 8) Assignment made for the benefit of creditors;
  - 9) Failure or refusal within 10 days after written notice by the Contracting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
  - 10) Failure to protect, to repair, or to make good any damage or injury to property; or
- K) Breach of any provision of this Agreement.

B. In the event that the Commonwealth terminates this Agreement in whole or in part as provided in Subparagraph A. above, the Commonwealth may procure, upon such terms and in such manner as it determines, services similar or identical to those so terminated, and the Contractor shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical services included within the terminated part of the Agreement.

C. If the Agreement is terminated as provided in Subparagraph A. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Contractor to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Issuing Office, such partially completed work, including, where applicable, reports, working papers and other documentation, as the Contractor has specifically produced or

specifically acquired for the performance of such part of the Agreement as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Contract price. Except as provided below, payment for partially completed work including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Contractor and Contracting Officer. The Commonwealth may withhold from amounts otherwise due the Contractor for such completed or partially completed works, such sum as the Contracting Officer determines to be necessary to protect the Commonwealth against loss.

- D. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.
- E. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.
- F. Following exhaustion of the Contractor's administrative remedies as set forth in Paragraph 20, the Contractor's exclusive remedy shall be to seek damages in the Board of Claims.

#### **18. FORCE MAJEURE**

Neither party will incur any liability to the other if its performance of any obligation under this Agreement is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but are not limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes. The Contractor shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Contractor becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the Agreement is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Contractor shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect either to cancel the Agreement or to extend the time for performance as reasonably necessary to compensate for the Contractor's delay. In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Contractor, may suspend all or a portion of the Agreement.

## 19. TERMINATION PROVISIONS

The Commonwealth has the right to terminate this Agreement for any of the following reasons. Termination shall be effective upon written notice to the Contractor.

A. **TERMINATION FOR CONVENIENCE:** The Commonwealth shall have the right to terminate the Agreement for its convenience if the Commonwealth determines termination to be in its best interest. The Contractor shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Contractor be entitled to recover loss of profits.

B. **NON-APPROPRIATION:** The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Agreement. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under this Agreement. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid from any appropriations available for that purpose.

C. **TERMINATION FOR CAUSE:** The Commonwealth shall have the right to terminate the Agreement for Contractor default under Paragraph 17, Default, upon written notice to the Contractor. The Commonwealth shall also have the right, upon written notice to the Contractor, to terminate the Agreement for other cause as specified in this Agreement or by law. If it is later determined that the Commonwealth erred in terminating the Agreement for cause, then, at the Commonwealth's discretion, the Agreement shall be deemed to have been terminated for convenience under the Subparagraph 19 A.

## 20. CONTRACT CONTROVERSIES

In the event of a controversy or claim arising from the Agreement, the Contractor must, within six months after the cause of action accrues, file a written notice of controversy or claim with the Contracting Officer for a determination. The Contracting Officer shall send his/her written determination to the Contractor. The decision of the Contracting Officer shall be final and conclusive unless, within thirty (30) days after receipt of such written determination, the Contractor files a claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Contractor shall proceed diligently with the performance of the Agreement in a manner consistent with the

interpretation of the Contracting Officer and the Commonwealth shall compensate the Contractor pursuant to the terms of the Agreement.

## 21. ASSIGNABILITY AND SUBCONTRACTING

- A. Subject to the terms and conditions of this Paragraph 21, this Agreement shall be binding upon the parties and their respective successors and assigns.
- B. The Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Agreement without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.
- C. The Contractor may not assign, in whole or in part, this Agreement or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.
- D. Notwithstanding the foregoing, the Contractor may, without the consent of the Contracting Officer, assign its rights to payment to be received under the Agreement, provided that the Contractor provides written notice of such assignment to the Contracting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Agreement.
- E. For the purposes of this Agreement, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.
- F. Any assignment consented to by the Contracting Officer shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Agreement and to assume the duties, obligations, and responsibilities being assigned.
- G. A change of name by the Contractor, following which the Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Contractor shall give the Contracting Officer written notice of any such change of name.

## 22. NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

During the term of the Agreement, the Contractor agrees as follows:

83500  
AMD 5001

- A. In the hiring of any employees for the manufacture of supplies, performance of work, or any other activity required under the Agreement or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not by reason of gender, race, creed, or color discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
- B. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work or any other activity required under the Agreement on account of gender, race, creed, or color.
- C. The Contractor and any subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- D. The Contractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the Agreement relates.
- E. The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to its books, records, and accounts by the contracting officer and the Department of General Services' Bureau of Contract Administration and Business Development for purposes of investigation to ascertain compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the contracting officer or the Bureau of Contract Administration and Business Development.
- F. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor.
- G. The Commonwealth may cancel or terminate the Agreement, and all money due or to become due under the Agreement may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

### 23. CONTRACTOR INTEGRITY PROVISIONS

- A. For purposes of this clause only, the words "confidential information," "consent,"

"contractor," "financial interest," and "gratuity" shall have the following definitions.

- 1) **Confidential information** means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.
  - 2) **Consent** means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this agreement.
  - 3) **Contractor** means the individual or entity that has entered into the Agreement with the Commonwealth, including directors, officers, partners, managers, key employees and owners of more than a five percent interest.
  - 4) **Financial interest** means:
    - a) Ownership of more than a five percent interest in any business; or
    - b) Holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
  - 5) **Gratuity** means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind.
- B. The Contractor shall maintain the highest standards of integrity in the performance of the Agreement and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.
- C. The Contractor shall not disclose to others any confidential information gained by virtue of the Agreement.
- D. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly, or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.
- E. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth.
- F. Except with the consent of the Commonwealth, neither the Contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person,

any gratuity from any person in connection with the performance of work under the Agreement except as provided therein.

- G. Except with the consent of the Commonwealth, the Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.
- H. The Contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.
- I. The Contractor, by execution of the Agreement and by the submission of any bills or invoices for payment pursuant thereto, certifies, and represents that he or she has not violated any of these provisions.
- J. The Contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to the Contractor's integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents or files of any type or form which refers to or concern the Agreement. Such information shall be retained by the Contractor for a period of three years beyond the termination of the Agreement unless otherwise provided by law.
- K. For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another Contractor to complete performance hereunder, and debar and suspend the Contractor from doing business with the Commonwealth.

These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

#### 24. CONTRACTOR RESPONSIBILITY PROVISIONS

- A. The Contractor certifies, for itself and all its subcontractors, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any subcontractors, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid, a written explanation of why such certification cannot be made.

- B. The Contractor also certifies, that as of the date of its execution of this Bid/Contract, it has no tax liabilities or other Commonwealth obligations.
- C. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the Agreement through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Agreement, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
- D. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Agreement with the Commonwealth.
- E. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth, which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for investigative costs for investigations that do not result in the Contractor's suspension or debarment.
- F. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the internet at <http://www.dgs.state.pa.us/debarment.htm> or contacting the:

Department of General Services  
Office of Chief Counsel  
603 North Office Building  
Harrisburg, PA 17125  
Telephone No. (717) 783-6472  
FAX No. (717) 787-9138

**25. AMERICANS WITH DISABILITIES ACT**

- A. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this

Agreement or from activities provided for under this Agreement on the basis of the disability. As a condition of accepting this Agreement, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.

- B. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of subparagraph a above.

## 26. HAZARDOUS SUBSTANCES

The Contractor shall provide information to the Commonwealth about the identity and hazards of hazardous substances supplied or used by the Contractor in the performance of the Agreement. The Contractor must comply with Act 159 of October 5, 1984, known as the "Worker and Community Right to Know Act" (the "Act") and the regulations promulgated pursuant thereto at 4 Pa. Code Section 301.1 et seq.

- A. Labeling. The Contractor shall insure that each individual product (as well as the carton, container or package in which the product is shipped) of any of the following substances (as defined by the Act and the regulations) supplied by the Contractor is clearly labeled, tagged or marked with the information listed in Paragraph (1) through (4):

1) Hazardous substances:

- a) The chemical name or common name,
- b) A hazard warning, and
- c) The name, address, and telephone number of the manufacturer.

2) Hazardous mixtures:

- a) The common name, but if none exists, then the trade name,
- b) The chemical or common name of special hazardous substances comprising .01% or more of the mixture,
- c) The chemical or common name of hazardous substances consisting 1.0% or more of the mixture,
- d) A hazard warning, and
- e) The name, address, and telephone number of the manufacturer.

3) Single chemicals:

- a) The chemical name or the common name,
- b) A hazard warning, if appropriate, and
- c) The name, address, and telephone number of the manufacturer.

4) Chemical Mixtures:

- a) The common name, but if none exists, then the trade name,
- b) A hazard warning, if appropriate,
- c) The name, address, and telephone number of the manufacturer, and
- d) The chemical name or common name of either the top five substances by volume or those substances consisting of 5.0% or more of the mixture. A common name or trade name may be used only if the use of the name more easily or readily identifies the true nature of the hazardous substance, hazardous mixture, single chemical, or mixture involved. Container labels shall provide a warning as to the specific nature of the hazard arising from the substance in the container.

The hazard warning shall be given in conformity with one of the nationally recognized and accepted systems of providing warnings, and hazard warnings shall be consistent with one or more of the recognized systems throughout the workplace. Examples are:

- NFPA 704, Identification of the Fire Hazards of Materials.
- National Paint and Coatings Association: Hazardous Materials Identification System.
- American Society for Testing and Materials, Safety Alert Pictorial Chart.
- American National Standard Institute, Inc., for the Precautionary Labeling of Hazardous Industrial Chemicals.

Labels must be legible and prominently affixed to and displayed on the product and the carton, container, or package so that employees can easily identify the substance or mixture present therein.

- B. Material Safety Data Sheet. The contractor shall provide Material Safety Data Sheets (MSDS) with the information required by the Act and the regulations for each hazardous substance or hazardous mixture. The Commonwealth must be provided an appropriate MSDS with the initial shipment and with the first shipment after an MSDS is updated or product changed. For any other chemical, the contractor shall provide an appropriate MSDS, if the manufacturer, importer, or supplier produces or possesses the MSDS. The contractor shall also notify the Commonwealth when a substance or mixture is subject to the provisions of the Act. Material Safety Data Sheets may be attached to the carton, container, or package mailed to the Commonwealth at the time of shipment.

## 27. COVENANT AGAINST CONTINGENT FEES

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established

commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

#### 28. APPLICABLE LAW

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Contractor consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

#### 29. INTEGRATION

The Agreement, including all referenced documents, constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Contractor has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Agreement, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Agreement. No modifications, alterations, changes, or waiver to the Agreement or any of its terms shall be valid or binding unless accomplished by a written Rider signed by both parties. All such amendments will be made using the appropriate Commonwealth form.

**EXHIBIT A-1**  
**RECYCLED CONTENTS PRODUCTS PROVISION**  
**INSULATION**

Any products provided to the Commonwealth as part of the contractor's performance of this the Agreement shall meet the minimum percentage levels for total recycled content and post-consumer recycled content as specified below and in Exhibits A-2 and A-3:

<b>Material Type</b>	<b>Material Type Percent by Weight</b>
Cellulose Loose-Fill and Spray On	75% Postconsumer Recovered Paper
Perlite Composite Board	23% Postconsumer Recovered Paper
Plastic Rigid Foam, Polyisocyanurate/Polyurethane:	
Rigid Foam	9% Recovered Material
Foam-In-Place	5% Recovered Material
Glass Ridge Foam	6% Recovered Material
Phenolic Ridge Foam	5% Recovered Material
Rock Wool	75% Recovered Material

"Postconsumer Recovered Paper" is defined as "Any paper, paperboard, and fibrous wastes from retail stores, office buildings, homes and so forth, after they have passed through their end-usage as a consumer item including: used corrugated boxes, old newspapers, old magazines, mixed waste paper, tabulating cards, and used cordage, as well as all paper, paperboard, and fibrous wastes that enter and are collected from municipal solid waste."

"Recovered Material" is defined as "Waste material and byproducts which have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process."

**EXHIBIT A-2  
LUBRICATING OILS**

All lubricating oil provided by the Contractor and sold to the Commonwealth must have a minimum re-refined oil content of twenty-five percent (25%). "Re-refined oil" is defined as "Used oil from which the physical and chemical contaminants acquired through previous use have been removed through a refining process."

**EXHIBIT A-3**  
**SELECTED PAPERS AND PAPER PRODUCTS**

	Minimum Percentage of Recovered Materials	Minimum Percentage of PostConsumer Recovered Materials	Minimum Percentage of Secondary Waste Paper
News Print		40	
High Grade Bleached Printing and Writing Papers:			
Offset Printing		20	50
Mimeo and Duplicator Paper		30	50
Writing (Stationery)		20	50
Office Paper (e.g. Note Pads)		20	50
Paper in High-Speed Copiers		30	
Envelopes		30	50
Form Bond Including Computer Paper and Carbonyls		20	
Book Papers	20		50
Bond Papers	20		50
Ledger	20		50
Cover Stock	20		50
Cotton Fiber Papers	20		
Tissue Products:			
Toilet Tissue		20	
Paper Towels		40	
Paper Napkins		30	
Facial Tissue		10	
Doilies		40	
Unbleached Packaging:			
Corrugated Boxes		35	
Fiber Boxes		35	
Brown Papers (e.g., Bags)		5	
Recycled Paperboard:			
Recycled Paperboard Products Including			
Folding Cartons		80	
Pad Backing		90	

"Postconsumer Recovered Material" is defined as "Any product generated by a business or consumer which has served its intended end use, and which has been separated or diverted from solid waste for the purpose of collection, recycling, and disposition. The term includes industrial by-products that would otherwise go to disposal or processing facilities. The term does not include internally generated scraps that are commonly returned to industrial or manufacturing processes."

"Secondary wastepaper" is defined as "Paper waste generated after the completion of a papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel into smaller rolls or rough sheets), such as postconsumer waste material, envelope cuttings, bindery trimmings, printing waste, cutting and other converting waste, butt rolls and mill wrappers. It does not include fibrous waste generated during the manufacturing process, such as fibers recovered from waste water or trimmings of paper machine rolls, fibrous by-products of harvesting, extractive or woodcutting process, or forest residue such as bark."

NOW THEREFORE, in consideration of the covenants contained herein, the parties hereto have caused this Rider to be executed.

FOR PRUDENTIAL INSURANCE COMPANY  
Federal ID Number 22-1211670

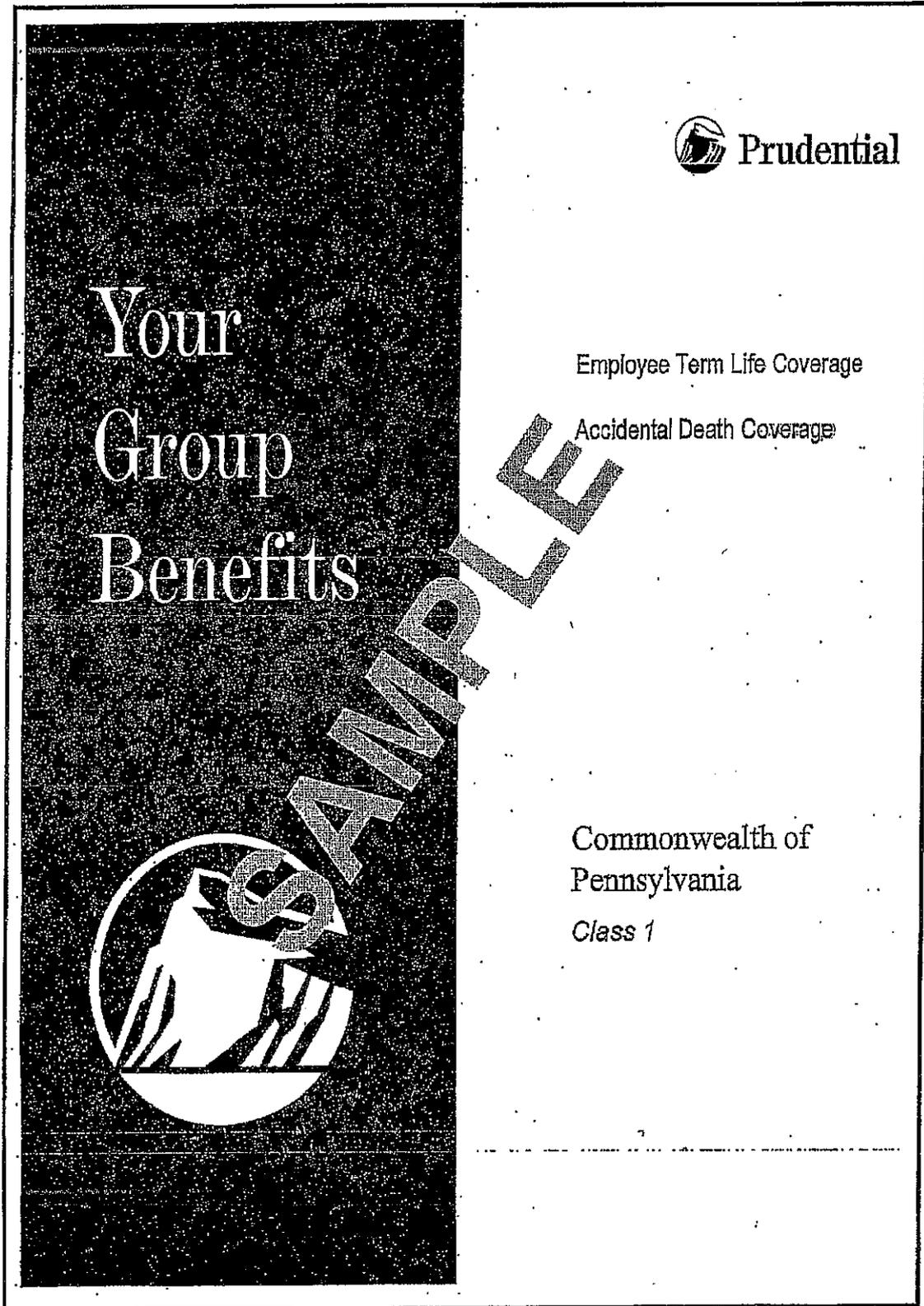
By William M. Bell VP, Contracts  
President or Vice President (Date) 6/20/00

AFFIX CORPORATE SEAL BELOW:

FOR THE COMMONWEALTH OF PENNSYLVANIA:

By K. M. Linn 6/22/2000  
Director, Bureau of Risk and Insurance Management (Date)

D. BOOKLET CERTIFICATE (CLASS 1)



The image shows a booklet cover with a dark, textured background. On the left side, the text "Your Group Benefits" is written in a large, white, serif font. Below this text is a circular logo featuring a stylized figure. On the right side, the Prudential logo is at the top, followed by the text "Employee Term Life Coverage" and "Accidental Death Coverage". At the bottom right, it says "Commonwealth of Pennsylvania" and "Class 1". A large, diagonal watermark reading "SAMPLE" is overlaid across the center of the cover.

Prudential

Your  
Group  
Benefits

Employee Term Life Coverage  
Accidental Death Coverage

Commonwealth of  
Pennsylvania  
Class 1

## Foreword

*We are pleased to present you with this Booklet. It describes the Program of benefits the Commonwealth of Pennsylvania and Prudential have arranged for you and what you have to do to be covered for these benefits.*

*We believe this Program provides worthwhile protection for you and your family.*

*Please read this Booklet carefully. If you have any questions about the Program, we will be happy to answer them.*

**IMPORTANT NOTICE:** *This Booklet is an important document and should be kept in a safe place. This Booklet and the Certificate of Coverage made a part of this Booklet together form your Group Insurance Certificate. Sign your name in the space below when you receive this Booklet.*

---

Signature of Employee