



OFFICE OF THE ILLINOIS STATE TREASURER
MICHAEL W. FRERICHS

Request for Proposals
Electronic Payment Processing Services
370-300-16-002

June 15, 2016

Proposals due by 12:00 p.m. CT on August 11, 2016

Mr. Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

Office of the Illinois State Treasurer
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I. OVERVIEW

The Office of the Illinois State Treasurer (“Treasurer”) is issuing this Request for Proposals (“RFP”) for a credit/debit card and electronic check (“E-check”) payment processing vendor to provide electronic payment services via point-of-sale (“POS”), internet and telephone for The Illinois Funds/E-Pay program (“E-Pay”) to E-Pay Participants (“Participants”).

The successful Respondent (“Contractor”) shall assist the Treasurer’s Office in providing the following core services: (1) electronic payments processing (2) funding and settlement, (3) customer service, (4) marketing, and (5) reporting capabilities. The Treasurer seeks a unified Proposal that offers to provide all of the core services through the Contractor, with sub-contracts as desired by the Contractor and approved by the Treasurer. Respondents must submit their Proposals by 12:00 p.m. CT on August 11, 2016.

The Contractor shall enter into a contract with the Treasurer (“Agreement”) for an initial term of six (6) years. Upon expiration of this term, the Treasurer may elect to extend the Agreement for a period of time agreed upon by the parties, not to exceed a total of ten (10) years.

II. BACKGROUND

The Treasurer operates The Illinois Funds (“The Fund”), a local government investment pool (“LGIP”), that provides units of local and state government in Illinois a safe, liquid, competitive investment alternative pursuant to 15 ILCS 505/17. Since 1975, over 2,200 local and state government agencies have voluntarily participated in The Fund. The Fund is the largest LGIP in the state with \$4-6 billion pooled from public entities from across the state, including:

1. County government units;
2. Municipalities;
3. Townships;
4. Education agencies (i.e. school districts, libraries, etc.);
5. Colleges and universities;
6. Special taxing districts;
7. State agencies;
8. Public utilities; and

9. Public pensions.

The Fund today has about 2,000 participants and receives no appropriations from the State of Illinois.

As an added benefit, Participants of The Fund can enroll in E-Pay. E-Pay is a secure, electronic payments processing program for the acceptance of credit card, debit card, or E-check payments to Participants from their constituents (“Customers”). E-Pay allows Customers to make payments using any of the major card brands (Visa, MasterCard, Discover and American Express) or an E-check. Payment channels include the Internet, Telephone or Point-of-Sale (“POS”) card terminals or Virtual Terminal software payment solutions. All solutions adhere to prevailing credit card rules and regulations, including the Local Government Acceptance of Credit Cards Act, 50 ILCS 345/1 *et seq.*, and Payment Card Industry Data Security Standards (“PCI DSS”). E-Pay administrative functions detailed below are provided by the Treasurer in partnership with the current E-Pay vendor (“Current Vendor”).

The current linkage between The Fund and E-Pay may be eliminated in the coming year if pending legislation in the form of SB 2864 is enacted. This will allow the Treasurer to offer E-Pay to units of local and state government without requiring enrollment within The Fund, thereby leading to an expansion of Participant eligibility for E-Pay.

Today, E-Pay has more than 800 Participant accounts with approximately 4,000 operating merchant identification numbers (“MID”). A listing of our participant types and processing volumes can be found in Appendix A E-Pay Processing Volume of this RFP.

A. Electronic Payments Processing

E-Pay helps Participants achieve economies of scale by pooling processing volumes to obtain services at a cost lower than what could be achieved in the market place. In addition, E-Pay allows Participants the option to pass on the costs of processing fees to their Customers versus absorbing costs.

The payment solutions listed below integrate seamlessly with third-party software and accounting systems. E-Pay has approximately 80 third party integration partners with the Current Vendor. As an example, if a Participant tracks Customer account data using internal accounting software, E-Pay can build a website and reports that directly integrate with that software. Examples of accounting software that Participants currently use include LOCIS and DEVNET. The following payment solutions are currently offered to Participants:

1. Internet Solutions

Provides Participants the ability to accept online payments via credit/debit card or E-check payments 24 hours a day, seven days a week through E-Pay’s e-

commerce application, which was developed by the Treasurer (“E-Pay Application”). The E-Pay Application was built on the Microsoft .NET platform, using the Model-View-Controller (“MVC”) architecture.

The E-Pay Application allows for customization by the Treasurer of Participant websites, including the payment page, contact information, and content for email receipts. Participant sites can be configured to handle multiple payables. Each payable is setup with an associated processing MID. In addition, the E-Pay Application can collect non-credit card data, such as traffic ticket numbers, t-shirt sizes, etc., for each payable. The E-Pay Application has a shopping cart function that allows users to purchase multiple items that use the same processing MID. The shopping cart functionality cannot be turned off. After Customer s provide the necessary data and review their cart, they click “Checkout” to be fully redirected via HTTP POST to the Current Vendor’s hosted checkout page. Data collected on the E-Pay Application is transferred to the Current Vendor via comma-delimited strings. The hosted checkout page handles collection of billing and credit card/E-check information and payment authorization. Once the checkout page receives a successful authorization, the user is redirected to the E-Pay Application’s confirmation page. This confirmation page then generates and sends a payment notification e-mail to the Customer and Participant.

An alternative internet option is for Participant to directly integrate to a secure payment service. The E-Pay Application offers data upload and HTTP POST integrations. To upload data, Participants can upload their Customer data into the E-Pay Application, which will then query the data based on a unique identifier, such as a water bill account number. For HTTP POST integration, a Participant’s website collects the data and transfers it to the E-Pay Application, skipping the data collection process on the E-Pay Application by redirecting the Customer to the Current Vendor’s hosted checkout page. Once the transaction is passed on to the Current Vendor’s checkout page, the Participant can log on to the Current Vendor’s web portal and view the status of the payment.

For internet services, once processing MIDs are provided by the Current Vendor, they are implemented by the Treasurer. Once test transactions are complete, a virtual terminal account is created. Website development is then reviewed and finalized by the Treasurer. Website and reporting module training is also provided by the Treasurer.

2. Telephone Solutions

The E-Pay touch-tone and human dialogue solutions are available to Customers from anywhere in the world at any time of the day. Telephone solutions allow Participants to accept credit, debit, and E-check payments.

Telephone services require the Current Vendor to implement the MIDS. Telephone scripts are prepared by the Treasurer and implemented by the Current Vendor. After successful testing, the Participant is trained by the Treasurer.

3. POS Solutions

Over-the-counter, mobile, and virtual terminal POS solutions allow Participants to accept credit/debit card or E-check payments. POS options include a Euro, MasterCard and Visa (“EMV”) compatible terminal.

POS services require the Current Vendor to implement the MIDs, integration testing, processing, and warranty. POS training is performed by the vendor. Some Participants separately procure their POS equipment. POS downloads and technical support are made available to these Participants for implementation of externally procured equipment.

B. Funding and Settlement

E-Pay’s Current Vendor has entered into two separate sub-contracts for merchant processing services (“Processor”) for internet, POS, and telephone solutions. E-check transactions are processed, settled, and funded by our Current Vendor. Credit card transactions are processed, settled, and funded by the applicable Processor. These agreements and the services provided by them, distribute funding from E-Pay activity into settlement accounts at the Settlement Bank. Participants incur usage fees assessed by the Treasurer’s settlement custodial bank (“Settlement Bank”) in addition to any processing fees debited or invoiced by the appropriate Processor. State agency accounts, excluding locally held accounts, fund to specific E-Pay accounts administered by the Treasurer, at which time the Treasurer records the appropriate transactions in the applicable internal general ledger accounts, and provides specialized reporting. As part of the Fund, Participants also have a separate investment account at a designated investment custodial bank (“Investment Bank”). Investment accounts are funded, in part, by E-Pay processing activity. Settlement account balances over a designated target balance are swept daily by the Settlement Bank into the Participant’s associated investment account(s) at the Investment Bank. There are no usage fees on investment accounts.

For PayFac processing, the Current Vendor maintains a chargeback department that notifies Participants when a retrieval or chargeback has occurred. The Current Vendor addresses the chargeback on behalf of the Participant. If the item is determined to be a valid chargeback, the Current Vendor debits the Participant’s settlement account. The Current Vendor provides all of the necessary information to validate the chargeback to the Participant.

For all other processing, each credit card company initiates a retrieval or chargeback notification along with a corresponding debit to the affected Participant. The Participant responds with documentation to the appropriate Processor for resolution.

C. Customer Service

Enrollment procedures are administered by the Treasurer. Following a sales consultation with the Treasurer, Participants complete the required merchant service setup forms and program enrollment documents and submit them via mail to the Treasurer. The Treasurer then forwards documents to the Current Vendor to request payment processing payable and hierarchy processing MIDS. AMEX processing MIDS are acquired directly through AMEX by the Treasurer. The Treasurer also manages quality assurance procedures throughout the enrollment process, including training of Participants on telephone and internet solutions. Depending on the services and functionality, the enrollment timeframe ranges from 4 to 6 weeks.

Customer or technical support is provided by the Treasurer. The Treasurer works with the Current Vendor to address questions related to payment solutions, security, compliance or funding and settlement. The Treasurer provides E-Pay customer support Monday through Friday, 8:00 a.m. to 4:00 p.m. CT.

The Treasurer works with the Current Vendor to identify any needs related to industry initiatives, compliance or issues. Any service disruptions are communicated in a timely manner to Participants, including the manner in which they will be handled.

D. Marketing

Historically E-Pay has relied on referrals and community relations. Currently, community relations are led by the Treasurer via field representatives who have the tools necessary to address E-Pay inquiries. Current marketing tools include the Treasurer's website, promotional items (*i.e.* pens, bags, etc.), marketing collateral, and sales presentations.

E. Reporting

Participants have access to an online reporting portal provided by the Current Vendor. Participants are able to export transaction data from the online reporting portal in a variety of formats, such as XML, CSV, JSON, etc., or through a daily e-mail sent by the Current Vendor's reporting system. The Current Vendor also offers custom reporting that includes data collected on the E-Pay Application. Some Participants utilize integrated reporting solutions, using the Current Vendor's application program interface ("API") and reporting networks. In addition to Participant reports, the Current Vendor offers Treasurer-specific reports. The Current Vendor provides seven (7) years of prior transaction data.

For compliance reporting, E-Pay, in partnership with the Current Vendor, offers PCI compliance assistance to all Participants. The Current Vendor contracts with a Qualified Service Assessor (QSA) and Approved Scanning Vendor (ASV) to provide these compliance services. The Current Vendor maintains and reports on its own PCI compliance.

1099K Reporting

The Housing and Recovery Act of 2008 established a requirement for payment card processing companies to report the gross amounts of their merchant's transactions to the IRS. Our Current Vendor is required to file a 1099-K return reporting the gross amounts of the Participants' transactions to the IRS. The law required our vendors to collect and verify the Tax Identification Number ("TIN") and legal name associated with that TIN for each merchant. If there was a discrepancy between the merchant's TIN and the legal name provided to our vendors with the information maintained by the IRS, the IRS would require our vendors to withhold 28% (backup withholding) of the merchant's future payment card transactions until the issue was resolved.

F. Current Cost Structure

As indicated above, Participants incur maintenance fees on settlement accounts at the Settlement Bank. See Appendix D for a full listing of settlement account maintenance and usage fees.

Participants may elect to pass on the costs of processing fees for both credit/debit card and E-check payments to their Customers versus absorbing the costs. A Participant's processing fees and/or equipment costs are invoiced or debited from its settlement account on a monthly basis by the appropriate Processor. The Treasurer currently does not have high volume pricing under the Current Vendor.

With the exception of some state agencies, POS terminals are purchased directly from the Current Vendor by the Participant.

G. Objectives

Through this RFP, E-Pay plans to grow program capabilities and Participant base by leveraging the Contractor's expertise and capabilities. Below are the key objectives for E-Pay:

1. Advance technology and security for E-Pay payment solutions. This will include offering point-to-point encryption services on all POS devices;
2. In the event the legislation that expands E-Pay eligibility is passed, the Participants may elect to have E-Pay activity fund to a bank/bank account of their choosing. However, Participants that elect this option will incur a premium by means of the E-Pay fee schedule;
3. Leverage the Contractor's enrollment capabilities to acquire MIDs and process the necessary paperwork. Specifically, explore online application and electronic signature functionality;
4. Leverage the Contractor's customer service capabilities, including e-communication processes;

5. Grow promotional efforts through the development and launch of a robust marketing plan;
6. Continue to offer PCI compliance assistance to Participants through QSA and ASV services; and
7. Offer a tiered fee schedule to Participants that takes into account usage, processing volume, the settlement bank, while allowing for a Treasurer's administrative fee to offset operational costs.

III. SCOPE OF WORK

In compliance with all federal and State laws and regulations, the Contractor will be required to provide the services listed in Sections III.A through III.D ("Required Services"). The Treasurer may elect to contract for the services in Section III.E ("Optional Services") (collectively, the "Services").

A. Electronic Processing Services

1. Accept all of the major card brands, namely Visa, MasterCard, Discover and American Express, and E-checks for all Participants;
2. Permit Participants to absorb or pass through processing fees;
3. Provide enrollment capabilities, including online application and electronic signature functionality;
4. Update the Treasurer and provide insight on new technology, security and industry trends in order to maintain and continue to advance suite of services;
5. Provide Participants all equipment or items necessary for POS service or system upgrades, including, but not limited to the following: Card swipe/E-check terminals, EMV-capable terminals, near-field communication, point-to-point encryption, mobile terminals, virtual terminals, printers, debit pin pads, swivels/stands, terminal paper/supplies, equipment instruction manuals, equipment warranty information, and window/counter displays that show card brand and device type acceptance;
6. Manage POS equipment implementation via PCI-certified Qualified Integrator and Reseller ("QIR") staff;
7. Provide a warranty for all POS equipment provided;
8. Provide the Participants the ability to void or reverse an incorrect authorization;

9. Interface with the E-Pay Application, utilizing one of the three methods below:
 - a. Integration through the Data Layer: E-Pay uses a batch interface to pick up data files that have been uploaded to an FTP location. This interface could also be used to pick up banking settlement files or returns files. This type of integration would be for reporting purposes only;
 - b. Functional Integration: E-Pay currently interfaces with our vendor's hosted checkout page through Raw HTTP Posts. E-Pay requests and receives data through predefined parameters within the post. E-Pay also is capable of an HTTP Post to Participants with data that is user configurable and provides an unlimited number of property-value pairs; or
 - c. Integration using SOA: E-Pay can integrate using Web services. This would allow the creation of a fully-functional transaction reporting tool within the E-Pay Application. This type of integration would be for reporting purposes only.
10. Make the computer code changes needed for integration with the E-Pay Application; and
11. Pay the Settlement Bank's \$10 service fee for every Participant who uses the Settlement Bank.

B. Reporting Services

1. All E-Pay reports shall abide by the following requirements:
 - a. Exportable in the following file formats: .csv; .xml; .pdf; .html; .xls; and .tab;
 - b. Retained by the Contractor for seven (7) years from the report's creation date;
 - c. Customizable by the Treasurer and Participant, based upon the data collected during the transaction;
 - d. Accessible by the Treasurer, regardless of whether it is created for or transmitted to a Participant or Customer;
 - e. Correctable, in the event of an error, and includes a disclaimer that the report has been corrected for audit purposes.
 - f. Customizable; and
 - g. Can be sent daily by email.

2. Provide Participants the following types of reports:
 - a. Sole Source Reports: reports shall provide a summary as well as transaction-specific details for all payments made by every card type or source of payment through every payment processing channel the Participant utilizes;
 - b. Customizable Reports: reports that can be customized by the Participant and delivered via email;
 - c. Origination and Settlement Reports: reports shall provide a summary as well as transaction-specific details for all deposits , credit card/E-check settlements or returns, and chargeback activity
 - d. Payment Transaction Qualifying Report: reports that allow a Participant to track transactions by interchange processing fees; and
 - e. Retrieval and Chargeback Reports: reports shall list all retrieval requests and chargebacks related to their processing. This shall include original retrieval and chargeback documentation initiated by the Customer and/or the credit card issuer.

3. Provide Customers the following:
 - a. A confirmation number at the end of an approved telephone payment. If the payment is declined, provide a message that indicates the cause for the decline;
 - b. A confirmation number for an approved internet payment. If the payment is declined, provide a message that indicates the cause for the decline;
 - c. An email that is immediately sent to a Customer for internet payments, indicating whether his/her payment has been approved or declined. Cardholder information and data regarding the charge shall be included in the email for receipt purposes;
 - d. Notification of any returned E-check for internet and POS payments; and
 - e. A receipt for any POS transaction by email, if elected by the Customer.

4. Provide the Treasurer the following types of reports:
 - a. Sole Source Transactional Reports: reports shall list all payments made by every card type or source of payment through every payment processing channel. Contractor shall make these reports available by MID, Participant hierarchy, payment channel, routing number, absorbing or passing fee, and card brand;

- b. Sole Source Merchant Setup Reports: reports shall list all Contractor-provided and externally procured POS equipment and third-party integrations. Contractor shall make these reports available by MID, Participant hierarchy, payment channel, routing number, and card brand;
 - c. Quarterly and Annual Business Reports: reports shall include, but are not limited to, the following:
 - i. Total E-Pay and by Participant transaction volume by payment channel and payment type;
 - ii. Total E-Pay and by Participant revenue generated;
 - iii. Total number of retrievals/chargebacks by E-Pay and by Participant; and
 - iv. Any other report requested by the Treasurer.
 - d. Participants' Retrieval and Chargeback Reports: reports shall list all retrieval requests and chargebacks related to their processing. This shall include original retrieval and chargeback documentation initiated by the Customer and/or the credit card issuer; and
 - e. Enrollment Report: report that details all E-Pay enrollments, including any MID updates for processing, funding, settlement, unauthorized use of an E-Pay enrollment MID.
5. Provide each Participant a designated IRS validation portal for 1099K reporting purposes. The Contractor shall give the Treasurer access to this reporting portal;
 6. Maintains and reports, no less than thirty (30) days before its PCI compliance deadline, its PCI compliance to the Treasurer;
 7. Provide the Treasurer monthly monetary contributions for use in providing Participants PCI compliance services; and
 8. Provide the Treasurer the reporting necessary for integration of services with the QSA's PCI audit, including a detailed listing of the services Contractor provides E-Pay, and their associated PCI scope.

C. Customer Service

1. Provide a team to provide customer service to the Treasurer ("Customer Service Team"). Within the Customer Service Team, a minimum of two (2) of Contractor's employees shall be fully dedicated to E-Pay, one (1) of whom shall be a project manager, who is available to the Treasurer 24-hours a day, 7-days a

week, 365-days a year. The Customer Service Team shall be able to provide assistance on the following topics:

- a. Technical support, including, but not limited to, third-party integration, equipment, websites, and testing;
 - b. E-Pay enrollment;
 - c. E-Pay marketing;
 - d. Customer service for Participants and Customers;
 - e. Operational communications; and
 - f. Accounting for the funding and settlement of E-Pay transactions.
2. Report to the Treasurer any change in its personnel that could potentially impact the Treasurer;
 3. Provide the Treasurer “view” access to Contractor’s Customer Relationship Management system for ticketing and resolution of Participant and/or Customer issues, in the event Contractor has such a system;
 4. Communicate any service disruptions in a timely manner to the Treasurer and Participants, including the manner in which the disruption will be remedied and a projected timeframe;
 5. Assist in the Treasurer’s E-Pay marketing efforts by lending expertise in targeting potential new Participants and growing existing relationships; and
 6. Provide monthly contributions to the Treasurer’s E-Pay marketing budget.

D. Meetings and Training

1. Provide the Treasurer the following types of training:
 - a. Annual on-site training and training materials that cover the Services, E-Pay enrollment procedures, and maintenance of Services;
 - b. Training and/or an online resource center on new industry products, legal mandates, updates, trends, or industry requirements and the corresponding recommendations for changes in Services, if any. Discussions shall also include the risks and benefits of any recommendations; and
 - c. Telephone or online training on various E-Pay related topics, as requested by the Treasurer.

2. Conduct on-site quarterly planning meetings to review and make recommendations on the structure, organization, and strategies for E-Pay;
3. Conduct an annual review of the Services and E-Pay processes and provide best practice recommendations;
4. Offer timely information about industry, regulatory, or technological trends;
5. Offer a project manager to assist in planning and execution of conversion plan;
6. Provide or recommend education sessions for the Treasurer;
7. Make presentations to the Treasurer on various informational topics, as requested by the Treasurer;
8. Provide the Treasurer a table that shows a Participants' new MID and their old MID, if new MIDS are assigned; and
9. Send the Settlement Bank E-Pay settlement files that are in a standard banking format, approved by the Treasurer.

E. Optional Services

1. Provide Participants a toll-free phone number and email address for customer service. The toll-free number shall be available 24-hours a day, 7-days a week, 365-days a year. This toll-free number does not have to be manned by a live agent before 8 am CT or after 4 pm CT, during which times it may go to a voice mail service. The Contractor shall provide best efforts to resolve all issues within 48-hours. The customer service shall cover the following topics:
 - a. Equipment/software installment and troubleshooting;
 - b. Phone scripts;
 - c. Maintenance of direct integration;
 - d. Participants' reports; and
 - e. Reconciliation and chargeback/dispute resolution.
2. Create and develop E-Pay websites for Participants;
3. Provide the Treasurer and Participants the ability to integrate mobile payment applications;

4. Analyze Participants’ databases to identify usage trends and marketing opportunities; and
5. Facilitate a marketing segmentation analysis to better target existing or potential Participants.

IV. RFP PROCESS AND SCHEDULE

This Section outlines the process and schedule associated with this RFP.

A. Schedule

The following is the schedule for this RFP:

Date	Event
June 15, 2016	RFP published on the Treasurer’s website.
June 28, 2016	Notice of intent to participate in the Bidder’s Conference due by 12:00 pm CT.
June 29, 2016	Mandatory Bidder’s Conference at 11:00 a.m. CT.
July 12, 2016	All Respondent questions due by 12:00 p.m. CT.
July 28, 2016	Responses to all questions posted on the Treasurer’s website by 4:00 p.m. CT.
August 11, 2016	Responses to RFP due at 12:00 p.m. CT.
August 26, 2016	Selection of potentially acceptable candidates.
August 29 through September 9, 2016	If applicable, interviews and site visits.
September 14, 2016	If applicable, best and final offer due by 12:00 p.m. CT.
Week of September 19, 2016	Notification of award and begin negotiation of Agreement.

These dates are subject to change at the Treasurer’s discretion.

B. Contact information

The Treasurer’s Chief Procurement Officer (“CPO”) is the sole point of contact concerning this RFP.

Respondents should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission

of a Proposal. Respondents must submit their questions in writing by e-mail to the CPO by 12:00 p.m. CT on July 12, 2016.

Jim Underwood
Chief Procurement Officer
Office of the Illinois State Treasurer
400 W. Monroe St., Suite 401
Springfield, IL 62704
Phone: 217.782.1708
Fax: 217.524.3822
junderwood@illinoistreasurer.gov

C. Mandatory Bidder's Conference

Each Respondent must e-mail notice of intent to attend the Bidder's Conference to Jim Underwood at junderwood@illinoistreasurer.gov prior to 12:00 p.m. CT on June 28, 2016. Attendance at the Bidder's Conference is mandatory, but it may be attended via teleconference. The Bidder's Conference shall be on June 29, 2016 at 11:00 a.m. CT at the following address:

400 W. Monroe Street, Suite 401
Springfield, IL 62704

Attendance via video conference at the following address is also permitted:

100 W. Randolph St., Suite 15-600
Chicago, IL 60601

D. Proposal Submittal

All Proposals must be submitted by mail or messenger to the following address, no later than 12:00 p.m. CT on August 11, 2016:

Mr. Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

E. RFP Process

1. Questions about this RFP

Respondents should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission of a response. Respondents must prepare their questions in writing and send them by e-mail to the above contact person.

2. Internet/E-mail Communications
The Treasurer may also communicate with Respondents via e-mail. Each Respondent should provide an e-mail address with its response for ease of communication throughout this RFP process.
3. Verbal Communications
Any verbal communication from the Treasurer's employees or its contractors concerning this RFP is not binding on the Treasurer, and shall in no way alter a specification, term or condition of this RFP.
4. Amendment
If it is necessary to amend this RFP, the Treasurer will post amendments on the Treasurer's website.
5. Respondent's Costs
The cost of developing a response to this RFP is each Respondent's responsibility and may not be charged to the Treasurer.
6. Withdrawal of Proposal
Respondent may withdraw its Proposal at any time prior to the deadline for receipt of Proposals. The Respondent must submit a written withdrawal request, addressed to the CPO and signed by the Respondent's duly authorized representative.
7. Modification of Proposal
A Respondent may submit an amended Proposal before the deadline for receipt of Proposal. Such amended Proposal must be a complete replacement for the previously submitted Proposal and must be clearly identified as such in the transmittal letter to the CPO.
8. Proposal is an Offer
A Proposal submitted response to this RFP is a binding offer valid for 180 days after the due date for Proposals or the due date for the receipt of a best and final offer, whichever falls later.
9. Proposal is State Property
On the Proposal due date all Proposals and related materials submitted in response to this RFP become the property of the State of Illinois.
10. CPO May Cancel the RFP
If the CPO determines it is in the Treasurer's best interest, he reserves the right to do any of the following:
 - a. Cancel this RFP;
 - b. Modify this RFP in writing as needed; or

- c. Reject any or all responses received for this RFP.

V. PROPOSAL

This Section provides the required elements for Respondent's Proposal.

A. Proposal Format

All Proposals must be submitted within the prescribed format to facilitate objective review. Any Proposal that materially deviates from this format will be rejected without further consideration of its content. Proposals that contain false or misleading statements or that provide references that do not support an attribute or condition claimed by the Respondent may also be rejected. Narratives should provide a concise description of capabilities to satisfy the requirements of this RFP. Emphasis should be on clarity, brevity and completeness of response. The following are the sections that must be provided in the Proposal. The sections should be labeled accordingly.

1. Cover Letter - The Proposal must be accompanied by a transmittal letter that designates the name, physical address, e-mail address, and the telephone number of the person or persons available for contact concerning the Proposal and who is authorized to make representations on behalf of the Respondent's organization.
2. Table of Contents - Include a listing of the main chapters and paragraph headings contained in the Proposal, including page numbers.
3. Introduction - Include any introductory remarks, not to exceed three (3) pages, deemed appropriate. Briefly discuss such topics as the Respondent's background, management, facilities, staffing, related experience and financial stability.
4. Scope of Work – Provide a narrative, not to exceed five (5) pages, describing the general conceptual approach to the delivery of specific services and any other information Respondent believes is relevant.
5. Answers to Questions - Respondent must respond to all of the questions. Respondent's answers must include the headings (e.g. "Background and Experience") and be numbered in the order provided in Section V.B of this RFP.
6. Service Team - Provide an organization chart, brief biographies, and resumes for the proposed Service team, including support staff. Please identify the primary contact person and describe the role of each key person.
7. Unique Capabilities - Provide a summary not to exceed five (5) pages of any unique expertise, products or services that distinguish your institution.

8. State Certifications and Disclosures - Respondent and any subcontractor(s) must submit the following three (3) fully executed documents: Illinois State Treasurer Certifications, Disclosures Financial Interest and Potential Conflicts of Interest (Disclosure Form A), and the Disclosures Other Contract and Procurement Related Information (Disclosure Form B).

Proposals must be submitted in a sealed envelope or package bearing the title “E-Pay Proposal for the Office of the Illinois State Treasurer” and the Respondent’s name and address. The package must include one (1) original and nine (9) copies of the Proposal. A separate envelope must contain one (1) original and nine (9) copies of the Cost Proposal. In addition, please provide three (3) electronic copies of the Proposal and three (3) separate electronic copies of the Cost Proposal. Each electronic Proposal copy and each electronic Cost Proposal copy shall be on a separate electronic storage device, such as a CD or thumb drive.

B. Questions to be Addressed in the Proposal

Background and Experience

1. Please provide the year your company was established and give a brief history of your company.
2. Please provide the organization’s name, and the name, title, address, phone number, fax number, and email address of the individual who will be our primary contact.
3. Please provide the address and website of company’s headquarters and all branch offices.
4. Please identify all of your company’s lines of business, products, and services.
5. Please provide a brief description of your company’s plans for growth, such as personnel growth over the next three-five (3-5) years.
6. Please comment on the financial solvency of your company. Do you have any company debt?
7. Please give succession plans for key employees if retirements are planned within five (5) years.
8. What is the current ownership structure of the company? Please include employees at all levels.
9. Who are the principals and/or directors? How long has each been with the company?
10. What provisions are in place to promote the retention of principals and/or directors?

11. Please describe the company's professional turnover for the last five years, citing reasons for each departure.
12. Are any new hires expected in the near term? Please explain at what level these new hires are expected.
13. Does the company have a succession plan in place? If so, please describe.
14. Please describe any significant changes in the organizational structure, ownership or management of your company over the past three (3) years.
15. Please provide a summary organizational chart showing your proposed team. Describe the role of each key person.
16. Please provide three (3) current or past client references and state the organization's name, their website (if any), a point of contact, physical address, telephone number, e-mail address, and the scope of work you provided. The client references should be similar in size to E-Pay.
17. Please provide a listing of governmental entities to which you currently provide services.
18. What existing or potential relationships do you have that could impact your company's ability to provide the Services? Would any such relationships create ethics violations or conflicts of interest?
19. List any industry-related associations of which your company is a member or in which it has direct representation.
20. Provide any additional information that is relevant to this RFP (*i.e.* product brochures, articles in trade journals, etc.).
21. How would you carry out this conversion without impacting the services provided by the Current Vendor? Please include a list of key staff who would oversee the conversion process.
22. Provide a recommended timeline for the conversion.
23. What would your Participant communication strategy be regarding the conversion process?

General

24. Please identify any item listed in Section III of this RFP that you are unwilling or unable to perform and explain why.

25. Do you currently have an office in Springfield, IL? If not, would you be willing to open an office in Springfield or have employees staffed out of Springfield, IL?

Electronic Processing Services

26. Describe in detail all electronic (*i.e.*, internet, telephone, E-check, third party integrations) payment solutions and merchant services you offer. Which services do you recommend for E-Pay and why?

27. Describe the processing platforms pertinent to your recommended solutions.

28. Describe your equipment capabilities for POS, including but not limited to the following:

- a. card swipe/E-check terminals;
- b. EMV-capable terminals;
- c. near-field communication;
- d. point-to-point encryption;
- e. mobile terminals;
- f. virtual terminals;
- g. printers;
- h. debit pin pads;
- i. swivels/stands;
- j. terminal paper/supplies;
- k. equipment instruction manuals;
- l. equipment warranty information; and
- m. card logos/advertisement materials.

29. Describe how you would integrate with the E-Pay web application?

30. Describe your ability to integrate with mobile payment applications.

31. Describe your funding and settlement procedures (*i.e.* batch processing, daily, etc.).

32. Do you have the ability to process internationally? If so, do you settle in US dollars?
33. What are the settlement transmission timeframes for Visa, MasterCard, Discover, AMEX, and E-check?
 - a. What is the latest time that sales transactions can be transmitted to meet these settlement times?
34. What is the cutoff processing time? Can the processing time be changed?
35. Do you allow Participants to have multiple settlement accounts?
36. Discuss your hardware/software infrastructure, and how you remain PCI DSS compliant;
37. Describe your warranty for POS equipment.
38. Discuss any new technologies you currently offer. Provide examples of any product launches or enhancements you have had in the past five (5) years.
39. Discuss any technologies you intend to offer in the future and their projected implementation timeframes.
40. Discuss how you keep up with new payment technology, security, and industry trends in order to advance your product suite.
41. Describe your product development process, including how you launch new products to market.
42. Describe your experience in coordinating with clients to identify new strategies or provide recommendations for payment services.
43. Describe your enrollment process, including whether you offer online applications and electronic signature functionality? What is your enrollment timeframe?
44. Describe your website development services, and how they could be used by E-Pay.
45. Describe how you would accept all card types for all Participants, specifically those who absorb fees and those who pass along the service fee.
46. Do you offer near-field communication capabilities (smart card) for POS?
47. Do you offer point-to-point encryption for POS?
48. Do you offer processing solutions that perform the following:

- a. Deferred billing;
 - b. Installment billing; or
 - c. Recurring billing?
49. What is your procedure for reversing an incorrect authorization?
50. On average, how many service disruptions have your clients experienced in the past twelve (12) months. What type of errors occurred and how long did it take to correct them?

Reporting Requirements

51. Discuss your ability to provide each of the reports listed in Section III.B of this RFP.
52. Provide examples of existing reports you have created that most closely resemble the reports listed in Section III.B of this RFP.
53. Describe any additional reports that you believe would be beneficial to E-Pay and explain their benefit. Please provide a sample of the reports.
54. Describe how you plan to comply with 1099K requirements.
55. Does your merchant reporting system belong to you or a third-party? If a third-party, then provide the name of the third-party.
56. On average, how many reporting errors have occurred in the past twelve months?
- a. What type of errors occurred, if any, and how long did they take to correct?

Marketing

57. What differentiates your services from other providers? How can E-Pay use these differences to target existing or potential new Participants?
58. Discuss how you would assist in marketing E-Pay to existing or new Participants.
59. Discuss your ability to develop marketing collateral, including concept, design, and copy writing.
60. Provide any examples of marketing programs you have worked with clients to implement (*i.e.*, product brochures, website content, direct mail, etc.) and provide the results of the programs.

61. Discuss your process, if any, for acquiring information on competitors to assist field representatives in marketing efforts.
62. How would you analyze Participant database to identify usage trends and marketing opportunities.
63. How would you facilitate a segmentation analysis to better target existing or potential Participants?
64. Detail your proposed reporting capabilities for tracking E-Pay and individual Participant performance.

Customer Service

65. How would you provide the customer service to the Treasurer, set forth in Section III.C of this RFP?
66. How would you collaborate with the Treasurer to provide customer service to Participants, as detailed in Section III.E of this RFP?
67. What technology do you utilize to keep track of Participant issues?
68. How would you send mass communications to Participants, and how would you maintain the Participants' contact information?
69. How would you handle a Service disruption, and how would you communicate to the Treasurer and Participants about such disruption?
70. How would you implement system upgrades or roll out new equipment, such as EMV POS terminals.
71. Describe your training processes for new Participants.
72. Would your POS onboarding and training staff be QIR certified? If not, are you willing to require such certification?
73. What onboarding materials would you provide new Participants?
74. What is your standard timeframe for POS implementation?
75. Discuss how you would resolve Participant issues within 48-hours?

Diversity

76. Please describe the Respondent's prior experience and future capability to engage and evaluate investment funds, who are female, minority, persons with disabilities, or veteran owned or managed. For purposes of this RFP, "female, minority, persons with disabilities, or veteran owned or managed" shall mean

being owned or managed by 51% or more of a combination of female, minority, persons with disabilities, or military veteran.

77. Please provide the number and percentage of Respondent's senior leaders (e.g. partner, president, COO, or managing director) who are female, minority, persons with disabilities, or military veterans. Please cite with supporting data.
78. Please provide the number and percentage of Respondent's professional investment staff, who are female, minority, persons with disabilities, or military veterans. Please cite with supporting data.
79. Is the Respondent or its affiliates female, minority, persons with disabilities, or veteran owned or managed? Please cite with supporting data.
80. Using the definition provided above, what is the percentage of Respondent's intended use of subcontractors for this project, if any, that are female, minority, persons with disabilities, or veteran owned or managed? Please cite with supporting data.

Illinois Presence

81. Please describe what presence the Respondent has in the State of Illinois. Such "presence" can be demonstrated by the percentage of Respondent's full-time employees or employees who spend more than half their time in Illinois and having physical offices or a principal place of business located in Illinois.
82. Using the definition provided above, what is the percentage of Respondent's subcontractors for this project, if any, that have an Illinois presence?

C. Cost Proposal

Respondent shall complete the Cost Proposal Spreadsheet, attached as Appendix B. The instructions for the Cost Proposal Spreadsheet are as follows:

1. In Table 1A, provide your low and high volume pricing for Participants who pass the processing fee to the Customer. In Table 1B, provide your low and high volume pricing for Participants who absorb the processing fee. For Tables 1A and 1B, in the event you would offer additional price breaks based upon volume, please provide those as well. If not, then mark those sections "N/A."
2. In Table 2A, provide your total high and low volume pricing for Participants who pass the processing fee to the Customer for each of the scenarios listed below. In Table 2B, provide your total high and low volume pricing for Participants who absorb the processing fee for each of the scenarios listed below. For Tables 2A and 2B, the total high and low volume pricing shall include the administrative fee for the Treasurer and the Respondent's contribution towards Participants' PCI compliance services. The amount Respondent recommends for the Treasurer's

administrative fee and the Respondent's contribution towards Participants' PCI compliance services should also be provided separately.

- a. Participants who use the E-Pay Settlement Bank and receive no POS equipment or discounted POS equipment;
 - b. Participants who use the Settlement Bank and receive free POS equipment;
 - c. Participants who use a settlement bank of their choosing and receive no POS equipment or discounted POS equipment. The administrative fee for this scenario should be higher than the administrative fee for Participants who use the Settlement Bank;
 - d. Participants who use a settlement bank of their choosing and receive free POS equipment. The administrative fee for this scenario should be higher than the administrative fee for Participants who use the Settlement Bank;
 - e. If applicable, Participants who open an E-Pay account in the Respondent's own settlement bank and receive no POS equipment or discounted POS equipment. The administrative fee for this scenario should be higher than the administrative fee for Participants who use the Settlement Bank. If the Respondent does not have its own settlement bank, these fields should be marked "N/A";
 - f. If applicable, Participants who open an E-Pay account in the Respondent's own settlement bank and receive free POS equipment. The administrative fee for this scenario should be higher than the administrative fee for Participants who use the Settlement Bank. If the Respondent does not have its own settlement bank, these fields should be marked "N/A";
3. In Table 3, provide the total fee in dollars per transaction for E-checks, one for Participants who absorb the processing fee and one for Participants who pass the processing fee to the Customer. The total fee shall include the administrative fee for the Treasurer and the Respondent's contribution towards the Participants' PCI compliance services. The amount Respondent recommends for the Treasurer's administrative fee and the Respondent's contribution towards Participants' PCI compliance services should also be provided separately;
 4. In Table 4, provide the monthly per Participant dollar amount Respondent would provide the Treasurer for marketing assistance; and
 5. In Table 5, provide the additional fees or pricing Respondent would charge Participants. A sampling of additional services has been provided. If Respondent would not charge an additional amount for such services, then mark those fields

“N/A.” Respondent may add additional services. Respondent should specify how the itemized fee would be charged (*i.e.*, per account, per transaction, etc.).

The Cost Proposal shall cover a six (6)-year period. Respondent shall include all costs to the Treasurer and Participants in the Cost Proposal Spreadsheet as outlined above.

VI. EVALUATION PROCESS & CRITERIA

This Section explains how the Treasurer will evaluate the Proposals.

A. Mandatory Requirements

Failure to perform any of the following shall lead to Respondent’s automatic disqualification:

1. Answer all of the questions in this RFP;
2. Submit the name, physical address, e-mail address, and telephone number of an individual with authority to answer questions or clarify their Proposal;
3. Offer the following payment channels: internet, telephone and POS card terminals or virtual terminal software payment solutions; and
4. Offer the ability to accept payment from Visa, Master Card, Discover, American Express, and an E-check.

B. Scoring

This following table shows the maximum number of points that can be awarded for each evaluation factor that will be used in reviewing the Proposals.

Evaluation Factor	Maximum Score
Background & Experience	10
Electronic Payment Processing Services	25
Reporting Abilities	25
Customer Service and Marketing Abilities	10
Cost Proposal	20
Diversity	5
Illinois Presence	5
TOTAL	100

C. Evaluation Factors

1. Background and Experience

Scoring will be based on Respondent's experience with and demonstrated ability to provide quality payment solutions and services to the Participants. The breadth and depth of the similar engagements will be considered. The evaluation also will include reference checks regarding the Respondent's work for previous clients receiving services similar to the ones in this RFP.

2. Electronic Payment Processing Services

Scoring will be based on Respondent's answers to the questions in Section V.B of this RFP. The thoroughness and clarity of the Proposal, the perceived validity of the Proposal, and the talent and experience of assigned personnel will be considered.

3. Reporting Abilities

Based on the answers provided to the questions in Section V.B of this RFP, the evaluation will assess the Respondent's ability to provide timely and accurate reports as detailed in the RFP as well as the quality of these reports.

4. Customer Service and Marketing Abilities

Respondent's customer service capabilities and marketing strategies will be evaluated and scored, based on the answers provided to the questions in Section V.B of this RFP.

5. Cost Proposal

Respondent's Cost Proposal score will be scored based on an evaluation of its cost-effectiveness in delivering the essential program requirements.

6. Diversity Score

Respondent's diversity score will be scored based on the answers Respondent provides to the diversity questions in Section V.B of this RFP. The Evaluation Team shall award a higher diversity score to Respondents that are female, minority, person with disabilities, or veteran owned or managed. Having a higher percentage of subcontractors that are female, minority, person with disabilities, or veteran owned or managed shall also result in higher scores.

7. Illinois Presence Score

Respondent's Illinois presence shall be scored based on the answers Respondent provides to the Illinois presence questions in Section V.B of this RFP. Respondents with a principal place in Illinois and a higher percentage of employees in Illinois shall receive higher scores.

D. Evaluation Process

All Responses will be reviewed for compliance with the RFP requirements and specifications. Responses deemed non-responsive will be eliminated from further consideration. The CPO may contact the Respondent for clarification of the Proposal, and the Evaluation Committee may use other sources of publically available information

to perform its evaluation. Finally, the Evaluation Committee will make a recommendation regarding the final Respondent.

VII. CONTRACTUAL TERMS

By submitting a Proposal, the Respondent agrees to each of the contractual provisions set forth below.

A. Contractual Responsibility

If chosen to provide the services under this RFP, Contractor will be contractually responsible for all services provided.

B. Governing Law; Venue.

The Agreement shall be governed by and construed according to the laws of the State of Illinois, without regard to conflicts of law principles. Any action by Contractor against the Treasurer can only be brought in the Illinois Court of Claims.

C. Internal Controls

The Contractor shall annually provide the Treasurer with a copy, either electronically or hard copy, of the Annual Report or Form 10-K of its parent holding company and its most recent SSAE 16 report which will include the attestation of the company's independent registered accounting firm regarding the company's internal control over financial reporting.

D. Disaster Recovery and Backup Facilities

Contractor shall prepare and test a plan for recovery of financial transactions and related information in the event of a disaster or system failure. Contractor shall furnish a copy of the plan, test results, and the results of the annual audit of the disaster recovery plan to the Treasurer.

E. Term of Agreement

The term of the Agreement shall be six (6) years, beginning on November 1, 2016, unless terminated in accordance with the terms of this Agreement. The Treasurer may, with the consent of Contractor, elect to extend the Agreement for additional periods, not to exceed a total term of ten (10) years, including the initial six (6) years.

F. Termination

1. Termination Without Cause.

The Treasurer may elect to terminate the agreement at any time upon thirty (30) calendar days' notice. Upon termination, the Treasurer will pay for work satisfactorily completed prior to the date of termination as determined in a reasonable manner.

2. Termination for Cause.

Notwithstanding any foregoing language to the contrary, the Agreement may be terminated by the Treasurer under any of the following circumstances:

- a. Contractor fails to furnish a satisfactory performance within the time specified;
- b. Contractor fails to perform any of the provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms;
- c. Any services provided under the Agreement are rejected and are not promptly corrected by Contractor, or repeatedly rejected even though Contractor offers to correct services promptly;
- d. There is sufficient evidence to show that fraud, collusion, conspiracy, or other unlawful means obtained the Agreement;
- e. Contractor is guilty of misrepresentation in connection with another contract for services to the State;
- f. Contractor is adjudged bankrupt or enters into a general assignment for the benefit of their creditors or receivership due to insolvency;
- g. Contractor disregards laws and ordinances, rules, or instructions of a contracting officer or acts in violation of any provision of the Agreement or this part, or the Agreement conflicts with any statutory or constitutional provision of the State of Illinois or of the United States; or
- h. Any other breach of contract or other unlawful act by Contractor occurs.

Prior to terminating the Agreement for cause, the Treasurer shall issue a written warning that outlines the remedial action necessary to bring the Contractor into conformance with the Agreement. If such remedial action is not completed to the satisfaction of the Treasurer within thirty (30) business days, a second written warning may be issued. If satisfactory action is not taken by Contractor within five (5) business days of the date of the second written warning, the Agreement may be cancelled and the Treasurer may recover any and all damages involved with the transition to a new vendor including incidental and consequential damages. Failure by the Treasurer to issue a warning or cancel this Agreement does not waive any of the Treasurer's rights to issue subsequent warnings.

In addition, the Treasurer reserves the right to reduce the fee paid to Contractor as compensation for services under the Agreement during any period Contractor fails to perform with reasonable care any of its obligations under the Agreement.

G. Review

The Treasurer may conduct periodic performance reviews of the Contractor, during which its compliance with all aspects of the Agreement will be reviewed and assessed.

H. Liability and Indemnification

Contractor shall indemnify and hold the Treasurer harmless from and against any and all losses, including but not limited to, losses due to breach of the Agreement, the negligent acts or omissions or willful misconduct of Contractor, its employees, or agents. Contractor has a duty to select, with due diligence, all other entities that shall be necessary to implement the Agreement. Contractor shall establish and enforce reasonable procedures to assure the Treasurer of the performance by all other entities of the services necessary to implement this Agreement.

I. Non-Compete

Throughout the term of the Agreement and for one (1) year afterwards, Contractor shall not enter into any new contracts to provide any of the Services with any unit of State or local government in Illinois. In the event that Contractor has an existing contract to provide any of the Services with a unit of State or local government in Illinois at the time the Agreement is executed, Contractor shall provide the Treasurer a list of such contracts and the names of the units of State or local government that are parties to such contracts ("Exempt List"). Notwithstanding anything to the contrary in this Section, Contractor may extend existing contracts and enter into new contracts with any unit of State or local government in Illinois that is on the Exempt List.

J. Confidentiality

This Section shall survive the termination of the Agreement.

1. Confidential Information.

Contractor shall be prohibited from using or disclosing confidential information received in the course of fulfilling its obligations pursuant to the Agreement, except in the performance of its internal responsibilities and normal functions. Confidential information includes all information but the following:

- a. Information already known or independently developed by the recipient;
- b. Information required to be released by law;

- c. Information in the public domain through no wrongful act of the recipient; and
 - d. Information received from a third party who was free to disclose it.
2. Use of Confidential Information by Employees and Agents of Contractor.

The requirement of confidentiality under this Agreement also applies to the employees and agents of the Contractor. The Contractor shall use its best efforts to ensure that its employees and agents adhere to the confidentiality requirements set forth herein. Use by and disclosure to employees and agents of Confidential Information to the extent necessary to carry out the terms and purposes of this Agreement is acceptable.
 3. Protection of Confidential Information.

The Contractor represents, warrants, and covenants that it has implemented and will maintain an information security program reasonably designed to protect Confidential Information, including customer information, which program includes administrative, technical, and physical safeguards to ensure the security and confidentiality of all customer information, to protect against anticipated threats or hazards to the security or integrity of such customer information, and to protect against unauthorized access to or use of such customer information.
 4. Privacy Policy.

Contractor will comply with any applicable federal or state laws or regulations, as well as any privacy policy developed by the Treasurer. Contractor further agrees to establish, maintain, and comply with a privacy policy with respect to the program that meets the requirements of applicable law.
 5. Program Lists.

The Contractor specifically agrees that it shall not, and shall cause its subcontractors and affiliates not to, sell, provide, or otherwise disclose information from, any program list to any third party, unless otherwise directed to or approved by the Treasurer or required by applicable law.

K. Subcontracting

The Contractor may not use subcontractors to perform the duties as outlined in this RFP unless the subcontractor is approved in advance by the Treasurer. If your response requires a subcontractor, the Respondent must disclose the duties performed by the subcontractor. Subcontractors will be required to submit separate State Certifications and Disclosure Forms, a copy of which is found in Appendix A.

L. Assignment

Each term and provision of the Agreement is binding and enforceable against and inures to the benefit of any successors of the Treasurer and any successors of Contractor, but neither the Agreement nor any of the rights, interests, or obligations is assignable without

the prior written consent of the other party. Any attempt by Contractor to transfer or assign any rights or obligations related to the provision of services under this Agreement, without the prior written consent of the Treasurer, shall render the Agreement voidable by the Treasurer. The Treasurer may unilaterally bind any successor of the provider to the terms and conditions of any Agreement between the parties.

M. Services

Contractor shall not modify any service or the manner of providing such service under this Agreement without the prior written authorization of the Treasurer. Modification means any change to an existing service or the addition of a new service.

N. Access to Information

Upon request, the Contractor shall provide the Treasurer access to all files, records, participant email addresses, documents, and data pertaining to E-Pay that are in its possession and control regardless of how that information is stored. The information shall be provided in a form acceptable to the Treasurer.

O. Most Favorable Terms

If more favorable terms are granted by the Contractor to any similarly sized (*i.e.*, processing amount, number of Participants, or number of MIDs) E-Pay provider in a contemporaneous agreement under the same or similar financial terms and circumstances for comparable services or to an entity on the Exempt List, the more favorable terms will be applicable under the Agreement.

P. State Certifications/Disclosures

The Agreement will incorporate Contractor's fully executed State Certifications and Disclosure Forms, a copy of which is attached hereto as Appendix A.

Q. Right to Audit Books and Records

The Contractor and any subcontractor shall maintain, for a minimum of five (5) years after the termination of the Agreement, adequate books, records, and supporting documents related to the Agreement. These documents shall be available for review and audit by the Treasurer and the Illinois State Auditor General. The Contractor agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this section shall establish a presumption in favor of the Treasurer for the recovery of any funds paid by the Treasurer under the underlying agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

R. Work Product

1. Ownership of work product.

Except as otherwise agreed to in writing, all work product including, but not limited to, documents, reports, data, information, and ideas specially produced, developed or designed by you, including any copyright or service marks you developed on behalf of the Treasurer, under any agreement for the Treasurer, whether preliminary or final, (collectively, the “Work Product”) will become and remain the property of the Treasurer. The Treasurer shall have the right to use all such Work Product without restriction or limitation and without further compensation to you.

2. Return of Work Product.

Within thirty (30) days after expiration or termination of the Agreement, the Contractor shall deliver to Treasurer, or to a third party, if so instructed by the Treasurer, all Work Product in Contractor’s possession in the performance of the Agreement. If requested by the Treasurer, the Contractor shall certify in writing that all such Work Product has been delivered to the Treasurer.

Appendix A

E-Pay Processing Volume

	Credit Transaction Count	Credit Total Volume	Debit Transaction Count	Debit Total	E-Check Transaction Count	E-Check Total	Count of MID
2014	9262805	\$774,711,605	259946	\$7,891,103	293056	\$1,018,173,394	3869
2015	8875167	\$680,539,863	289750	\$8,879,232	346059	\$1,243,100,359	3855
2014	9262805	\$774,711,605	259946	\$7,891,103	293056	\$1,018,173,394	3869
IVR	159248	\$16,274,972	0	\$0	9232	\$896,596	147
INT	4193761	\$465,096,012	128626	\$784,024	209931	\$1,010,283,068	1966
POS	4909796	\$293,340,621	131320	\$7,107,079	73893	\$6,993,731	1756
2015	8875167	\$680,539,863	289750	\$8,879,232	346059	\$1,243,100,359	3855
IVR	214732	\$18,318,281	0	\$0	10554	\$984,158	156
INT	4277108	\$452,220,074	139935	\$799,597	261305	\$1,237,848,066	2154
POS	4383327	\$210,001,508	149815	\$8,079,635	74200	\$4,268,135	1545
2014	9262805	\$774,711,605	259946	\$7,891,103	293056	\$1,018,173,394	3869
Absorbing	5539536	\$351,862,391	259946	\$7,891,103	96518	\$983,583,572	1757
Passing	3723269	\$422,849,214	0	\$0	196538	\$34,589,822	2112
2015	8875167	\$680,539,863	289750	\$8,879,232	346059	\$1,243,100,359	3855
Absorbing	6177019	\$373,482,701	289750	\$8,879,232	103288	\$1,194,792,103	1847
Passing	2698148	\$307,057,162	0	\$0	242771	\$48,308,256	2008

Appendix B - Cost Proposal

1A. Volume Pricing for Pass Through Fees	
Total Volume Processed	Price
Low Volume \$0.00 to \$ _____	
High Volume >\$ _____	
Please add additional tiers below if you will offer additional price breaks for specific processing volumes.	
\$ _____ to \$ _____	
\$ _____ to \$ _____	

1B. Volume Pricing for Absorbed Fees	
Total Volume Processed	Price
Low Volume \$0.00 to \$ _____	
High Volume >\$ _____	
Please add additional tiers below if you will offer additional price breaks for specific processing volumes.	
\$ _____ to \$ _____	
\$ _____ to \$ _____	

2A. Settlement Bank Options for Pass Through Fees

	Low Volume Price (including the Admin Fee and PCI Services)	High Volume Price (including the Admin Fee and PCI Services)	Admin Fee (basis points)	PCI Compliance Services (basis points)
Elect E-Pay's Settlement Bank				
No POS equipment or discounted POS equipment				
Free POS equipment				
Elect Their Own Settlement Bank				
No POS equipment or discounted POS equipment				
Free POS equipment				
Respondent's Settlement Bank, if applicable				
No POS equipment or discounted POS equipment				
Free POS equipment				

2B. Settlement Bank Options for Absorbed Fees

	Low Volume Price (including the Admin Fee and PCI Services)	High Volume Price (including the Admin Fee and PCI Services)	Admin Fee (basis points)	PCI Compliance Services (basis points)
Elect E-Pay's Settlement Bank				
No POS equipment or discounted POS equipment				
Free POS equipment				
Elect Their Own Settlement Bank				
No POS equipment or discounted POS equipment				
Free POS equipment				
Alternative Settlement Bank, if applicable				
No POS equipment or discounted POS equipment				
Free POS equipment				

3. E-Checks			
	Total fee per transaction in dollars (including Admin Fee and PCI Assistance)	Amount per transaction for Admin Fee (dollars)	Amount per transaction for PCI Compliance Services (dollars)
E-check- Pass Through Fees			
E-check - Absorbed Fees			

4. Marketing	
	Monthly per Participant amount (dollars)
Marketing Assistance	

5. Itemized Pricing	
	Specified fee
Retrieval and/or chargeback fee	
E-check return fee	
Authorization fee for all card types	
Credit card processing equipment (standard fee and discounted)	
Training related costs, if applicable	
Application fee, if applicable	
Monthly maintenance fee	
Interactive voice response ("IVR") fee	
Discounted POS price	
Any other services/transactions for which you will charge (please add additional fields below as needed)	
i.	
ii.	
iii.	

Appendix C

ILLINOIS STATE TREASURER CERTIFICATIONS

_____ (“CONTRACTOR”) makes the following certifications:

1.0 ANTI-BRIBERY.

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under Section 50-5 of the Illinois Procurement Code (30 ILCS 500/50-5). Section 50-5 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the contractor has made an admission of guilt of such conduct with is a matter of record. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

2.0 BID-RIGGING/BID-ROTATING.

CONTRACTOR certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33E-3, 33E-4).

3.0 DRUG FREE WORKPLACE.

This certification is required by Section 3 of the Drug Free Workplace Act (30 ILCS 580/3). The Drug Free Workplace Act, effective January 1, 1992, requires that CONTRACTOR shall not be considered for the purposes of being awarded a contract for the procurement of any services from the State unless CONTRACTOR has certified to the State that CONTRACTOR will provide a drug free workplace. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of the contract and debarment of contracting opportunities with the State for at least one (1) year but not more than five (5) years.

CONTRACTOR certifies and agrees that it will provide a drug free workplace by:

- a. Publishing a statement:
 - i. Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the grantee’s or contractor’s workplace.
 - ii. Specifying the actions that will be taken against employees for violation of such prohibition.
 - iii. Notifying the employee that, as a condition of employment on such contract or grant, the employee will:
 - a. abide by the terms of the statement; and
 - b. notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- b. Establishing a drug free awareness program to inform employees about:
 - i. the dangers of drug abuse in the workplace;
 - ii. CONTRACTOR’s policy of maintaining a drug free workplace;

- iii. any available drug counseling, rehabilitation, and employee assistance programs; and
- iv. the penalties that may be imposed upon an employee for drug violations.
- c. Providing a copy of the statement required by Section (a) to each employee engaging in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- d. Notifying the Treasurer's Office within ten (10) days after receiving notice under part (b) of paragraph (iii) of Section (a) above from an employee or otherwise receiving actual notice of such conviction.
- e. Imposing a sanction on, or requiring the satisfactory participation in drug abuse assistance or rehabilitation program by, an employee who is so convicted, as required by Section 5 of the Drug Free Workplace Act.
- f. Assisting employees in selecting a course of action in the event of drug counseling, treatment, and rehabilitation is required and indicating that a trained referral team is in place.
- g. Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

4.0 U.S. EXPORT ACT.

CONTRACTOR certifies that neither CONTRACTOR nor any substantial-owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 (50 U.S.C.A. App. § 2401 et seq.) or the regulations of the U.S. Department of Commerce promulgated under that Act.

5.0 NON-DISCRIMINATION.

CONTRACTOR certifies that it is in compliance with the State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable rules that prohibit unlawful discrimination in performance of this Agreement and all other activities, including employment and other contracts. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable laws that prohibit unlawful discrimination.

6.0 AMERICANS WITH DISABILITIES ACT.

CONTRACTOR certifies that it is in compliance with the Americans with Disabilities Act ("ADA") (42 U.S.C. 12101 et seq.) and the regulations thereunder (28 CFR 35.130) prohibit discrimination against persons with disabilities by the Treasurer, whether directly or through contractual arrangements, in the provision of any aid, benefit or service. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with the ADA.

7.0 ILLINOIS HUMAN RIGHTS ACT.

CONTRACTOR certifies that it is presently in compliance with all of the terms, conditions and provisions of Section 5/2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105), together with all rules and regulations promulgated and adopted pursuant thereto.

8.0 FELONY.

CONTRACTOR certifies that it has not been barred from being awarded a contract under Section 50-10 of the Illinois Procurement Code (30 ILCS 500/50-10). Section 50-10 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of a felony and 5 years have not passed from the completion of the sentence for that felony. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

9.0 FORMER EMPLOYMENT.

CONTRACTOR has informed the Treasurer's Office in writing if CONTRACTOR was formerly employed by the Treasurer's Office and has received an early retirement incentive under Section 14-108.3 or 16-133.3 of the Illinois Pension Code (30 ILCS 105/15a).

10.0 INDUCEMENT.

CONTRACTOR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has CONTRACTOR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

11.0 REVOLVING DOOR PROHIBITION.

CONTRACTOR certifies that neither it nor its employees and agents are in violation of section 50-30 of the Illinois Procurement Code (30 ILCS 500/50-30). Section 50-30 prohibits for a period of (2) years after terminating an affected position certain State employees and their designees from engaging in any procurement activity relating to the State agency most recently employing them for a specified period of time.

12.0 REPORTING ANTICOMPETITIVE PRACTICES.

CONTRACTOR shall report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, /50-45, /50-50).

13.0 DISCRIMINATORY CLUB.

CONTRACTOR agrees not to pay any dues or fees on behalf of its employees or agents or subsidize or otherwise reimburse them for payments of any dues or fees to a discriminating club as prohibited by Section 2 of the Discriminatory Club Act (775 ILCS 25/2).

14.0 TAXPAYER IDENTIFICATION NUMBER AND LEGAL STATUS OF CONTRACTOR.

CONTRACTOR shall be in compliance with applicable tax requirements and shall be current payment of such taxes. Under penalty of perjury, CONTRACTOR certifies that # _____ is its correct Taxpayer Identification Number and that it is doing business as a (please check one):

Individual
 Sole Proprietor
 Partnership/Legal Corporation
 Tax Exempt
 Corporation providing or billing
 medical and/or health care services
 Corporation NOT providing or billing
 medical and/or health care services
 Other: _____

Government Entity
 Nonresident alien
 Estate or trust
 Pharmacy (Non-Corp.)
 Pharmacy/Funeral Home/Cemetery
 (Corp.)
 Limited Liability Company (select
 applicable tax classification.)
 C = corporation
 P = partnership

15.0 LICENSE; AUTHORIZED BIDDER OR OFFEROR

CONTRACTOR, directly or through its employees, shall have and maintain any license required by this Agreement. CONTRACTOR further certifies that it is a legal entity authorized to do business in Illinois prior to the submission of the bid, offer, or proposal pursuant to section 20-43 of the Illinois Procurement Code (30 ILCS 500/20-43).

16.0 APPROPRIATION.

This Agreement is subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation for payments under the terms of the contract.

17.0 RECORDS RETENTION; RIGHT TO AUDIT.

CONTRACTOR agrees to maintain books and records related to the performance of the contract and necessary to support amounts charged to the State under the contract for a minimum of three years from the last action on the contract or after termination of the Agreement, whichever is longer. Contractor further agrees to cooperate fully with any audit and to make the books and records available for review and audit by the Auditor General, chief procurement officers, internal auditor and the Treasurer; CONTRACTOR agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. The three-(3)-year period shall be extended for the duration of any audit in progress during the term. Failure to maintain the books, records and supporting documents required by this Section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

18.0 CONFLICTS OF INTEREST.

CONTRACTOR has disclosed, and agrees that it is under a continuing obligation to disclose, to the Treasurer financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest that would prohibit CONTRACTOR from entering into or performing the Agreement. Conflicts of interest include, but are not limited to, conflicts under Section 1400.5020 of the Treasurer’s Procurement Rules (44 Ill. Adm. Code 1400.5020) and Sections 50-13, 50-20, and 50-35 of the Illinois Procurement Code (30 ILCS 500/50).

19.0 LATE PAYMENTS.

Late payment charges, if any, shall not exceed the formula established in the Illinois Prompt Payment Act (30 ILCS 540/1) and the Illinois Administrative Code (74 Ill. Adm. Code 900).

20.0 LIABILITY.

The State's liability for damages is expressly limited by and subject to the provisions of the Illinois Court of Claims Act (705 ILCS 505/1) and to the availability of suitable appropriations.

21.0 DEBT DELINQUENCY.

CONTRACTOR certifies that it, or any affiliate, is not barred from being awarded a contract or subcontract under section 50-11 of the Illinois Procurement Code (30 ILCS 500/50-11). Section 50-11 prohibits a contractor from entering into a contract with the Treasurer's Office if it knows or should know that it, or any affiliate, is delinquent in the payment of any debt to the State as defined by the Debt Collection Board. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR or any affiliate is determined to be delinquent in payment of any debt during the term of the Agreement.

22.0 EDUCATIONAL LOAN DEFAULT.

CONTRACTOR certifies that it is not barred from being awarded a contract under the Educational Loan Default Act (5 ILCS 385). Section 3 of the Educational Loan Default Act prohibits an individual from entering into a contract with the Treasurer's Office if that individual is in default of an educational loan. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to be in default of an educational loan during the term of the Agreement.

23.0 FORCE MAJEURE.

Failure by either party to perform its duties and obligations shall be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, labor or material shortages, labor disputes, fire, flood, explosion, legislation, and governmental regulation.

24.0 ANTITRUST ASSIGNMENT.

CONTRACTOR hereby assigns, sells and transfers to the State of Illinois all right, title and interest in and to any claims and causes of action arising under antitrust laws of Illinois or the United States relating to the subject matter of the Agreement.

25.0 PROHIBITION OF GOODS FROM FORCED LABOR.

CONTRACTOR certifies that it is not barred from being awarded a contract under the State Prohibition of Goods from Forced Labor Act (30 ILCS 583). Section 10 of the State Prohibition of Goods from Forced Labor Act prohibits a contractor from entering into a contract with the Treasurer's

Office if that contractor knew that the foreign-made equipment, materials, or supplies furnished to the State were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to have known that the foreign-made equipment, materials, or supplies furnished to the State during the term of the Agreement were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction.

26.0 PROHIBITION OF GOODS FROM CHILD LABOR.

CONTRACTOR certifies in accordance with Public Act 94-0264 that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12.

27.0 SARBANES-OXLEY ACT AND ILLINOIS SECURITIES LAW

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-10.5 of the Illinois Procurement Code (30 ILCS 500). Section 50-10.5, amongst other things, prohibits a contractor from bidding or entering into a contract or subcontract with the Treasurer's Office if the contractor or any officer, director, partner, or other managerial agent of the contractor has been convicted in the last 5 years of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 or if the contractor is in violation of Subsection (e). CONTRACTOR further acknowledges that the Treasurer's Office may declare the agreement void if this certification is false or if CONTRACTOR is determined to have been convicted of a felony under the Illinois Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 during the term of the agreement.

28.0 DISPUTES.

Any claim against the State arising out of this Agreement must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any agreement dispute. The State of Illinois does not waive sovereign immunity by entering into this Agreement. Any provision containing a citation to an Illinois statute (cited "ILCS") may not contain the complete statutory language. The official text, which is incorporated by reference, may be found in the appropriate chapter and section of the Illinois Compiled Statutes. An unofficial version may be viewed at www.ilga.gov.

29.0 THIRD-PARTY PAYMENTS.

CONTRACTOR certifies that no fee was paid to a third-party in expectation of being awarded a contract by the Treasurer.

30.0 MOST FAVORABLE TERMS.

If more favorable terms are granted by the CONTRACTOR to any similar governmental agency in any state in a contemporaneous agreement let under the same or similar financial terms and

circumstances for comparable supplies or services, the more favorable terms will be applicable under the Agreement between the Treasurer's Office and the CONTRACTOR.

31.0 BOARD OF ELECTIONS REGISTRATION

_____ The CONTRACTOR certifies that they are not required to register as a business entity with the State Board of Elections pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

(or)

_____ The CONTRACTOR certifies that they have registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

32.0 COLLECTION AND REMITTANCE OF ILLINOIS USE TAX

The CONTRACTOR certifies that it is not barred from being awarded a contract under section 50-12 of the Illinois Procurement Code (30 ILCS 500/50-12). Section 50-12 prohibits a contractor from entering into a contract or subcontract with a State agency if the CONTRACTOR or affiliate has failed to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. The CONTRACTOR further acknowledges that the contract or subcontract may be voided if this certification is false.

33.0 ENVIRONMENTAL PROTECTION ACT VIOLATIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-14 of the Illinois Procurement Code (30 ILCS 500/50-14). Section 50-14 prohibits a CONTRACTOR from entering into a contract or subcontract with a State agency if the CONTRACTOR has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last (5) years. The CONTRACTOR further acknowledges that the contracting State agency may declare the related contract or subcontract void if this certification is false.

34.0 LEAD POISONING PREVENTION ACT VIOLATIONS

The CONTRACTOR certifies that it is not barred from entering into a contract or subcontract under section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5). Section 50-14.5 prohibits a CONTRACTOR from entering into a contract or subcontract with the State of Illinois or a State agency if the CONTRACTOR, while the owner of a residential building, committed a willful or knowing violation of the Lead Poisoning Prevention Act. The CONTRACTOR further acknowledges that the Treasurer may declare the related contract or subcontract void if this certification is false.

35.0 BOND ISSUANCES

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-21 of the Illinois Procurement Code (30 ILCS 500/50-21). Section 50-21 prohibits State agencies from entering into contracts or subcontracts with respect to the issuances of bonds or other securities by the State or a State agency with any entity that uses an “independent consultant” as defined in section 50-21.

36.0 POLITICAL CONTRIBUTIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-37 of the Illinois Procurement Code (30 ILCS 500/50-37). Section 50-37 prohibits business entities whose contracts with State agencies, in the aggregate, annually total more than \$50,000, or whose aggregate pending bids and proposals on State contracts total more than \$50,000, and any affiliated entities or affiliated persons of such business entity, from making any contributions to any political committee established to promote the candidacy of the office holder responsible for awarding the contract on which the business entity has submitted a bid or proposal during the period beginning on the date the invitation for bids or request for proposals are issued and ending on the day after the date the contract is awarded.

37.0 LOBBYING RESTRICTIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-38 of the Illinois Procurement Code (30 ILCS 500/50-38). Section 50-38 prohibits a CONTRACTOR from billing the State for any lobbying costs, fees, compensation, reimbursements, or other remuneration provided to any lobbyist who assisted the CONTRACTOR in obtaining the contract or subcontract.

38.0 DISCLOSURE OF BUSINESS OPERATIONS WITH IRAN (30 ILCS 500/50-36)

Each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company’s revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company’s revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran’s ability to develop petroleum resources of Iran.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

___ There are no business operations that must be disclosed to comply with the above cited law.

___ The following business operations are disclosed to comply with the above cited law:

CONTRACTOR

By:

Signature

Name

Title

Date

DISCLOSURES

FINANCIAL INTEREST AND POTENTIAL CONFLICTS OF INTEREST

(Disclosure Form A)

The Treasurer’s Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offers desiring to enter into certain contracts with the State of Illinois must disclose the financial and potential conflicts of interest information as specified below.

Contractor/offers shall disclose the financial interest and potential conflicts of interest information identified in Sections 1 and 2 below as a condition of receiving an award or contract. Submit this information along with your bid, proposal or offer.

This requirement applies to contracts with an annual value exceeding \$10,000.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in both Sections 1 and 2 below.

Sec. 1. Disclosure of Financial Interest in the Contractor/Offeror

- a. If any individuals have one of the following financial interests in the contractor/offers (or its parent), please check all that apply and show their name and address:

Ownership exceeding 5% ()
Ownership value exceeding \$106,447.20 ()
Distributive Income Share exceeding 5% ()
Distributive Income Share exceeding \$106,447.20 ()

Name: _____

Address: _____

- b. For each individual named above, show the type of ownership/distributable income share: sole proprietorship _____ stock _____ partnership _____ other (explain)

_____.

- c. For each individual named above, show the dollar value or proportionate share of the ownership interest in the contractor/offers (or its parent) as follows:

If the proportionate share of the named individual(s) in the ownership of the contractor/offers (or its parent) is 5% or less, and if the value of the ownership interest of the named individual(s) is \$106,447.20 or less, check here ()

If the proportionate share of ownership exceeds 5% or the value of the ownership interest exceeds \$106,447.20, show either.

The percent of ownership _____%

or

The value of the ownership interest \$ _____

Sec. 2. Disclosure of Potential Conflicts of Interest. For each of the individuals having the level of financial interest identified in Section 1 above, check “Yes” or “No” to indicate which, if any, of the following potential conflicts of interest relationships apply. If “Yes,” please describe (use space under applicable section to explain your answers – attach additional pages as necessary).

- | | | | |
|----|--|--------------|-------------|
| a. | State employment, currently or in the previous 3 years, including contractual employment of services | Yes
_____ | No
_____ |
| b. | State employment for spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. | Yes
_____ | No
_____ |
| c. | Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois, or the statutes of the State of Illinois currently or in the previous 3 years. | Yes
_____ | No
_____ |
| d. | Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. | Yes
_____ | No
_____ |
| e. | Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. | Yes
_____ | No
_____ |
| f. | Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. | Yes
_____ | No
_____ |
| g. | Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. | Yes
_____ | No
_____ |
| h. | Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. | Yes
_____ | No
_____ |
| i. | Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of | Yes
_____ | No
_____ |

State or any county clerk in the State of Illinois, or any political action committee with either the Secretary of State or the Federal Board of Elections.

- | | | | |
|----|--|--------------|-------------|
| j. | Relationship to anyone; spouse, father, mother, son, or daughter, who is or was a compensated employee in the last 2 years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. | Yes
_____ | No
_____ |
|----|--|--------------|-------------|

This disclosure is submitted on behalf of

(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offeror:

Name (printed) _____ Title _____

Signature _____ Date _____

DISCLOSURES
OTHER CONTRACT AND PROCUREMENT RELATED INFORMATION
(Disclosure Form B)

The Treasurer's Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offerors desiring to enter into certain contracts with the State of Illinois must disclose the information as specified below.

Contractor/offeror shall disclose the information identified below as a condition of receiving an award or contract.

This requirement is applicable to only those contracts with an annual value exceeding \$10,000.

You must submit this information along with your bid, proposal or offer.

- a. Contractor/offeror shall identify whether it has current contracts (including leases) with other units of State of Illinois government by checking "Yes" _____ or "No" _____.

If "Yes" is checked, identify each contract by showing agency name and other descriptive information such as purchase order or contract reference number (attach additional pages as necessary).

- b. Contractor/offeror shall identify whether it has pending contracts (including leases), bids, proposals, or other ongoing procurement relationships with other units of State of Illinois government by checking "Yes" _____ or "No" _____.

If "Yes" is checked, identify each such relationship by showing agency name and other descriptive information such as bid or project number (attach additional pages as necessary).

This disclosure is submitted on behalf of _____
(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offeror:

Name (printed) _____ Title _____

Signature _____ Date _____