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Chief Deputy Treasurer

MARYLAND STATE TREASURER'S OFFICE

**Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401**

REQUEST FOR PROPOSALS

MERCHANT SERVICES

RFP #MS-10052018

DUE DATE: NOVEMBER 16, 2018

Issued: October 5, 2018

KEY INFORMATION SUMMARY SHEET

**Maryland State Treasurer's Office
Request for Proposals
For
Merchant Services
RFP # MS -10052018**

Procurement Officer: Anne Jewell
Tel.: (410)260-7903
Fax: (410)974-3530
Email: procurement@treasurer.state.md.us

Submit Proposals to: Maryland State Treasurer's Office
Attn: Anne Jewell, Procurement Officer
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401

Solicitation Issue Date: October 5, 2018

Pre-Proposal Conference: October 19, 2018 at 10:00 AM Local Time

Deadline for Receipt of Questions: November 5, 2018 by 2:00 PM Local Time

Proposal Due Date and Time: November 16, 2018 by 2:00 PM Local Time

Oral Presentations: December 4-5, 2018

Tentative Contract Award: December 19, 2018

Notice: A prospective Offeror who received this document from a source other than the Issuing Office or eMaryland Marketplace, should immediately contact the Issuing Office and provide their name and email address in order that amendments to the RFP or other communications can be sent to them. A prospective Offeror should also register on eMaryland Marketplace at: (<https://emaryland.buyspeed.com/bsa>). Any prospective Offeror who fails to register on eMaryland Marketplace assumes complete responsibility in the event that they do not receive amendments to the solicitation prior to the closing date.

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SECTION I. PROCUREMENT INFORMATION

1.1 Summary Statement

The purpose of this Request for Proposals ("RFP") issued by the Maryland State Treasurer's Office (STO) is to solicit sealed proposals from qualified Offerors to provide merchant and financial processing services.

The State accepts payment for an array of services, fees, taxes, and activities at over 600 sites. It is our expectation that the selected Offeror will ensure that all transactions, equipment and processes will be in full compliance with all applicable laws, regulations, best practices and updates.

1.2 Procurement Method

The Office will conduct this solicitation in accordance with the competitive sealed proposals process under COMAR 21.05.03 and will award one single contract arising out of this RFP (the "Contract").

1.3 Issuing Office and Procurement Officer

Maryland State Treasurer's Office
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401

Procurement Officer: Anne Jewell
Phone: (410) 260-7903
E-mail: procurement@treasurer.state.md.us

The sole point of contact for purposes of this procurement is the Procurement Officer. The Procurement Officer may designate others to act on her behalf. The Office may change the Procurement Officer or the limits of her authority at its discretion.

1.4 Contract Officer

The Contract Officer monitors the daily activities of the Contract and provides technical guidance to the Contractor. The State Contract Officer is:

Director of Treasury Management
Maryland State Treasurer's Office
Louis L. Goldstein Treasury Building
80 Calvert Street, Room 109
Annapolis, Maryland 21401
Tel: (410)260-7129

1.5 Use of eMaryland Marketplace

eMaryland Marketplace ("eMM") is a free electronic commerce system administered by the Maryland Department of General Services. The RFP, associated materials, and all other solicitation-related material will be provided via eMM.

This means that all such information is immediately available to subscribers of eMM. All subscribers will receive solicitation notifications as well as solicitation update/change order notifications. Because of the instant access afforded by eMM, it is recommended that all Offerors interested in doing business with Maryland State agencies subscribe to eMM. In order to receive a contract award, a vendor must be registered on eMM. Go to: <https://emaryland.buyspeed.com/bsc>, click on "Register" to begin the process and then follow the prompts.

1.6 Schedule of Events

<u>Event</u>	<u>Date</u>
Solicitation Issue Date	October 5, 2018
Pre-Proposal Conference	October 19, 2018 at 10:00 AM Local Time
Deadline for Receipt of Questions	November 5, 2018 by 2:00 PM Local Time
Proposal Due Date	November 16, 2018 by 2:00 PM Local Time
Oral Presentations	December 4-5, 2018
Tentative Date of Contract Award	December 19, 2018

1.7 Pre-proposal Conference

A pre-proposal conference will be held on Friday, October 19, 2018 at 10:00 a.m. local time at the, Louis L. Goldstein Treasury Building, Assembly Room, 1st Floor, 80 Calvert Street, Annapolis, Maryland 21401. Attendance to this pre-proposal conference is strongly encouraged for all Offerors. Please notify the Procurement Officer by email at: procurement@treasurer.state.md.us (identified in Section 1.3 above) to provide your contact information and the number of individuals expected to attend by October 17, 2018.

1.8 Questions and Inquiries

All Offerors should direct their questions and inquiries to the Procurement Officer identified in Section 1.3 above. **Questions must be submitted in writing by mail or via email and received by the Issuing Office no later than 2:00 p.m. on local time on Monday, November 5, 2018.** Oral questions will not be permitted. If the questions or inquiries pertain to a specific section of the RFP, Offerors must reference the relevant page and section number(s).

1.9 Submission Requirements and Deadline

To be considered for award, Offerors must submit to the Procurement Officer a package containing one (1) written original, and five (5) copies (total of 6) of the Technical Proposal and the Price Proposal, each in separate sealed envelopes. All submissions shall indicate the RFP Title and number, and the Offeror's name and address. **Proposals must be received by the Procurement Officer at the Issuing Office no later than 2:00 p.m. local time on Friday, November 16, 2018.** Additionally each Offeror must provide to the Procurement Officer on compact disks one electronic copy of the Technical and Price Proposals submitted. As with the written submission, the electronic copy submission of the Technical Proposal and the Price Proposal must be provided in separate sealed envelopes and labelled. Refer to Section IV. Proposal Format for Two-Volume Submission requirements.

The Office will not grant requests for extension of the submission date or time. Offerors mailing proposals should allow sufficient mail and internal delivery time to ensure timely receipt of the proposals by the Procurement Officer at the Issuing Office. Except as permitted under COMAR 21.05.02.10, the Office will not consider proposals or unsolicited amendments to proposals arriving in the Issuing Office or received by the Procurement Officer after the closing date and time, regardless of the method of their transmission. The Office will not consider proposals submitted by electronic means only (facsimile or e-mail).

1.10 False Statements

Offerors are advised that State Finance and Procurement Article, §11-205.1, Annotated Code of Maryland provides as follows:

- (a) *In general.* - In connection with a procurement contract a person may not willfully:
 - (1) falsify, conceal, or suppress a material fact by any scheme or device;
 - (2) make a false or fraudulent statement or representation of a material fact; or
 - (3) use a false writing or document that contains a false or fraudulent statement or entry of a material fact.
- (b) *Aiding or conspiring with others.* - A person may not aid or conspire with another person to commit an act under subsection (a) of this section.
- (c) *Penalty.* - A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

1.11 Duration of Offer

Proposals submitted in response to this solicitation are irrevocable for 120 days following the later of the proposal due date or the date the Procurement Officer receives final best and final offers, if any. At the request of the Procurement Officer, the Offeror may agree in writing to extend this period.

SECTION II. GENERAL INFORMATION

2.1 **Electronic Distribution**

This RFP is published on *eMaryland Marketplace*, posted on the websites for the National Association of State Treasurers and the Office, and emailed to merchant services processors known to be interested in receiving RFPs. Potential Offerors wishing to receive copies of the written document should contact the Procurement Officer identified in Section 1.3, above.

2.2 **Revisions to the RFP**

The Office reserves the right to amend this RFP at any time prior to the proposal due date and time. If it becomes necessary to revise this RFP at any time prior to the proposal due date and time, the Office will provide amendments to all prospective Offerors that were sent this RFP or otherwise are known by the Procurement Officer to have obtained this RFP. Acknowledgement of the receipt of all amendments to this RFP issued before the proposal due date should be included in the Transmittal letter accompanying the Offeror's Technical proposal. In addition, the Office will post amendments to the RFP on the Office's Web Page at www.treasurer.state.md.us, (select "Procurement" and then "RFP for Merchant Services"), and through eMaryland Marketplace at: <https://emaryland.buyspeed.com/bsa>. The Office will send amendments made after the due date for proposals only to those Offerors who submitted a timely proposal.

Failure to acknowledge receipt of amendments does not relieve the Offeror from complying with all terms of any such amendment.

2.3 **Cancellation of the RFP; Rejection of All Proposals**

The Office may cancel this RFP, in whole or in part, or may reject all proposals submitted in response whenever this action is determined to be fiscally advantageous to the State or otherwise in its best interests.

2.4 **Proposal Acceptance; Discussions**

The Office reserves the right to accept or reject any and all proposals, in whole or in part, received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified Offerors in any manner necessary to serve the best interests of the State of Maryland. The Office also reserves the right, in its sole discretion, to award the Contract based upon the written proposals received without prior discussions or negotiations.

2.5 **Oral Presentation**

In support of their proposals, Offerors may be required to make an oral presentation, or conduct a demonstration, or both, not more than two calendar weeks after the Office has requested an Offeror to do so. Failure to be prepared to make an oral presentation or

conduct a demonstration within this time period may prevent the Offeror's proposal from receiving further consideration. All written representations will become part of the Offeror's proposal and are binding if the Contract is awarded to the Offeror. Oral presentations will be conducted at the Office's main location in Annapolis.

2.6 Incurred Expenses

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal in response to this RFP, including costs incurred in making an oral presentation, if required.

2.7 Proposal Form

Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror's proposal for meeting the requirements of this procurement. The Office will not accept oral, telegraphic, facsimile, mailgram, or electronically transmitted proposals.

2.8 Multiple Proposals

The Office will not accept multiple or alternative proposals.

2.9 Access to Public Records Act Notice

An Offeror should give specific attention to the identification of those portions of its proposal that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, General Provisions Article, Title 4, Annotated Code of Maryland. The Office may charge a fee for copies and search and preparation time, in accordance with COMAR 25.01.04.09. The Office may require payment of such fees before releasing the requested information.

2.10 Protests

Any protest or dispute related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies). Offerors must file in writing any protest regarding this solicitation with the Procurement Officer. If the reason for the protest is apparent before the proposal opening, the Offeror must file the protest before the proposal opening. In all other cases, the Offeror must file the protest within 7 calendar days after the reason for the protest is known or should have been known.

The term "filed" means receipt by the Procurement Officer who has issued this solicitation.

The protest must be in writing and must contain (1) the name and address of the protester; (2) the appropriate identification of the solicitation and, if a Contract has been awarded, the Contract number if it is known; (3) a statement of the reasons for the protest; and (4) any

supporting exhibits, evidence, or documents to substantiate any claims unless the documents are not available within the filing time, in which case the date by which the supporting documents are expected to be available is to be noted.

2.11 Proposal Opening

Proposals will not be opened publicly.

2.12 Proposal Affidavit

All proposals submitted by an Offeror must be accompanied by a completed Proposal Affidavit. A copy of this Affidavit is included as Appendix B to this RFP.

2.13 Living Wage Requirements

A solicitation for services under a State contract valued at \$100,000 or more may be subject to State Finance and Procurement Article, Title 18, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in this solicitation (see Appendix C entitled Living Wage Requirements for Service Contracts). **If the Offeror fails to complete and submit the Affidavit of Agreement (see Appendix D), the State may determine an Offeror to be not responsible.**

Contractors and subcontractors subject to the Living Wage Law shall pay each covered employee at least \$13.79 per hour, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total contract value are performed in the Tier 2 Area, an Offeror shall pay each covered employee at least \$10.36 per hour. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. If the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

The Contract resulting from this solicitation has been deemed to be a Tier 1 contract.

All proposals must be accompanied by a completed Living Wage Affidavit of Agreement. A copy of this Affidavit is included as Appendix D to this RFP.

2.14 Contract Affidavit

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as Appendix F to this RFP. This Affidavit need not be submitted with an Offeror's proposal. For purposes of completing Section "B" of this Affidavit, (Certification of Registration or Qualification with the State Department of

Assessments and Taxation), a business entity that is organized outside the State of Maryland is considered a “foreign” business.

2.15 Representations

By submitting a proposal in response to this RFP, the Offeror represents that (a) it is not in arrears in the payment of any obligation due and owing the State or any department or unit thereof, including but not limited to the payment of taxes and employee benefits (the “State Obligations”), and (b) it is in compliance with all Federal, State and local laws applicable to its activities and obligations under the Contract. Further, if selected for award, the Offeror agrees that these representations will continue in effect during the term of the Contract.

2.16 Service Organization Control (SOC) Audit Report

This section applies to the Contractor and any relevant subcontractor who provides services for the Office’s identified critical functions, handles Sensitive Data, and/or hosts any related implemented system for the State under the Contract. For purposes of this section, “relevant subcontractor” includes any subcontractor that assists the Contractor in the critical functions of the Contract, handles Sensitive Data, and/or assists with any related implemented system, excluding subcontractors that provide secondary services that are not pertinent to assisting the Contractor in the critical functions of the Contract, handling Sensitive Data, and/or assisting with any related implemented system.

2.16.1 The Contractor shall provide annually at no cost to Office’s Contract Officer, evidence of compliant and ongoing internal control of sensitive data and processes through a standard methodology, such as but without limitation the American Institute of Certified Public Accountant (AICPA) Service Organization Control (SOC) Reports. The evidence of compliance shall be contained in a report describing the effectiveness of the Contractor’s internal controls.

2.16.2 If deficiencies in the Contractor’s internal control processes and procedures are described in the most recent version of the report, the Contractor shall automatically submit the report to the Contract Officer within a timely manner and shall describe the corrective actions to be put into place by the Contractor to remedy the deficiencies. Failure to report and/or repair deficiencies in a timely manner shall be cause for the STO to make a determination of breach of contract.

2.17 Minority Business Enterprises

The Office has not established a minority business enterprise participation goal for this solicitation, but Offerors are encouraged to work with certified MBE subcontractors. A directory of certified MBEs is maintained by the Maryland State Department of Transportation Office of Minority Business Enterprise. The directory is available online at www.mdot.maryla.gov/newMDOT/MBE/Index.html. Select the “Directory of Certified Firms” label.

2.18 Veteran-Owned Small Business Enterprise

The Office has not established a veteran-owned small business enterprise (“VSBE”) subcontractor participation goal for this solicitation, but Offerors are encouraged to work with certified VSBE subcontractors. A VSBE must be verified by the Center for Veterans Enterprise of the United States Department of Veterans Affairs. The VSBE list is at: <http://www.vetbiz.gov>.

2.19 No Guarantee of Work

No Contractor is guaranteed any minimum amount of work or compensation.

2.20 Order of Precedence

The Contract between the parties will be embodied in the Contract documents which will consist of the following, listed in their order of precedence:

1. the executed Contract;
2. the RFP; and
3. the Offeror's proposal.

The Office will not accept any modifications to the order of precedence provision of this solicitation.

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SECTION III. SCOPE OF SERVICES AND REQUIREMENTS

3.1 **Objective**

The Office is seeking an Offeror to provide all services necessary to process merchant card payments, to include credit cards, PIN-based debit, signature debit and electronic checks. Please note remote capture deposit capabilities are NOT included in this RFP, as this is included in the State Treasurer's contract with its general depository banking contractor. The objectives of this RFP are to seek a contract with the successful vendor which includes, but is not limited to the following:

- Electronic check, debit and credit card processing services, along with other related merchant services for multiple State Agencies with varying requirements;
- Highly secure processing environment to protect cardholder information;
- Attractive pricing that is scalable if the State chooses to include additional State entities at a later date;
- Ensure secure, timely and reliable authorization of credit/debit transactions and expedient collection of revenue;
- Secure reporting products that meet the requirements of both the individual State Agencies and the Office;
- Web based gateway solutions, IVR solutions and other forms of collection services; and
- PCI/DSS compliance reporting and monitoring support.

The Office desires the selected Offeror to be a leader and innovator in the development and execution of merchant services, including gateway services and card processing. The STO is interested in various secure, cost effective technological advances that could improve revenue collection, reduce overall fees, and increase efficiencies in the reconciliation process.

3.2 **Background – Overview of Current Merchant Services**

Currently there are approximately 550 Merchant Identification Numbers ("MIDs") in use. There are approximately 45 State Agencies operating on the TSYs platform that will need conversion. The State cannot guarantee, but fully expects the use of merchant services to increase. Services include, but are not limited to:

- Credit Cards –Card Present and Not Present, and Internet;
- Debit Cards – Both Pin based and Pin-less Card Present and Not Present, and Internet;
- e-Check Transactions;
- Prepaid Cards; and

- Current Card types to support: American Express, Discover, MasterCard and VISA.

It is expected that most agencies will participate in this Contract, however there is no guarantee of 100% participation by all agencies. State agencies are structured to meet their specific missions and have varying processing and data protection needs. Acceptance methods vary according to the State Agencies needs and include point of sale swipe terminals, telephone, mail, interactive voice response (IVR) systems, self-service terminals, electronic cash registers, electronic capture software systems, kiosks, and internet capture systems. Some of the unique solutions in use by Agencies include:

- MD Department of Transportation – Kiosks using IPP320 with RBA software;
- State Highway Administration (SHA) - State Highways Maryland ONE System, a Bentley Transportation product;
- MD Transportation Authority (MDTA) – Integrity Back Office Solution, a TransCore product;
- Parking garage capabilities; and
- Universities – Admin Suite Modules.

3.3 Minimum Qualifications

As part of its proposal, each Offeror must demonstrate that it meets the requirements described in this section. Failure to do so may result in the rejection of the proposal.

3.3.1. The Offeror is Payment Card Industry (PCI) compliant.

3.3.2. The Offeror must act as the State’s acquirer, and supply merchant identification numbers (“MIDs”) used for authorizing and settling all VISA, MasterCard, Discover and American Express transactions.

3.3.3. The vendor must supply at least one processing option for each of the following payment applications:

3.3.3.1. Hardware Terminals for in-person and Mail Order/Telephone Order (MOTO) transactions. This must include credit, PIN debit capability.

3.3.3.2. Hosted payment processing for Internet transactions.

3.3.3.3. Application Program Interface (API) payment processing for integration with Agency applications, including in-person, internet, mobile and MOTO transactions for all card types.

3.3.4. Offeror must have a minimum of ten (10) years of experience in providing electronic payment processing capable of handling credit and debit cards and electronic checks through multiple payment channels. Those payment channels must include websites, over-the-counter terminals, kiosks, and mobile devices, with the ability to adapt to evolving technologies.

3.4 General Requirements

In its proposal, each Offeror must acknowledge and agree that it will meet or exceed the following service requirements, which are intended to ensure that Agencies have ready access to their revenue streams and information about such payments in a timely fashion:

- 3.4.1. The Offeror must have all required licenses, bonding, facilities, equipment, and trained personnel necessary to perform the work as required in this RFP.
- 3.4.2. The State of Maryland does not allow any deduction from any of its accounts without prior authorization from the Office.
- 3.4.3. The Offeror must agree to all terms and conditions set forth in the form of standard contract included as Appendix E to this RFP. Among other things, the Contract provides the following:
 - 3.4.3.1. In all cases where there are any inconsistencies between the Contract and the Exhibits (which includes the RFP and the Offeror's proposal, and may include bank product terms and conditions or agreements), the Contract shall control. Further, if there is any conflict among the Exhibits, the RFP shall control.
 - 3.4.3.2. Only the Procurement Officer may, by written order, make changes to the services to be provided under the Contract, which may result in an equitable adjustment to pricing.
 - 3.4.3.3. The State will not agree to indemnify the Offeror for any claims or losses arising out of the performance of the Contract. The sole method of resolving any disputes under the Contract shall be in accordance with State Finance and Procurement Article, Title 15, Subtitle 2, Annotated Code of Maryland (Dispute Resolution), and COMAR 21.10 (Administrative and Civil Remedies).
 - 3.4.3.4. The governing law shall be the State of Maryland.
 - 3.4.3.5. Any modifications to the Contract must be made in writing signed by both parties, not simply by providing written notice. While an Offeror may change its procedures by providing written notice, the Office must agree in writing to any other changes affecting the Contract.
 - 3.4.3.6. The Offeror does not have the right to terminate the Contract prior to its expiration.

To the extent an Offeror proposes to incorporate into the Contract certain other product terms and conditions, agreements, operating documents or forms, Offeror

acknowledges that the above provisions are not negotiable. Accordingly, if selected for award, any conflicts in the Offeror's proposed terms and conditions, agreements, operating documents or forms will be revised by the Office to be consistent with these provisions. To the extent Office objects to any of the terms in the operating documents or forms, those operating documents or forms must be negotiated and approved by the Office before contract award.

3.5 Merchant Card Service Requirements

In its proposal, each Offeror must acknowledge and agree to comply with the services requirements and/or provide responses to questions by describing such services:

3.5.1. The Offeror shall establish the mechanism(s) and system(s) to enable State agencies to accept and process merchant transactions and then settle the transactions at a designated financial institution including:

- 3.5.1.1. Visa;
- 3.5.1.2. MasterCard;
- 3.5.1.3. Discover;
- 3.5.1.4. American Express;
- 3.5.1.5. Debit Cards – Pin and Pin-less,;
- 3.5.1.6. Prepaid Cards;
- 3.5.1.7. e-Checks/check verification services, and Internet;
- 3.5.1.8. Ability to add cards in the future, if the need arises; and
- 3.5.1.9. Alternate payments to include mobile payment solutions such as Mobile Pay, Apple Pay and compatible Apps.

3.5.2. The Offeror shall provide credit and debit card processing through various acceptance methods to meet the requirements of each participating State Agency. This includes, but may not be limited to:

- 3.5.2.1. Point of Sale terminal swipes;
- 3.5.2.2. Telephone Acceptance;
- 3.5.2.3. Mail In Transactions;
- 3.5.2.4. PC-based, batch processing;
- 3.5.2.5. Interactive Voice Response (IVR) systems;
- 3.5.2.6. Self Service Terminals (SST);
- 3.5.2.7. Internet;
- 3.5.2.8. Kiosk;
- 3.5.2.9. NFC/Mobile devices; and
- 3.5.2.10. Chip readers.

3.5.3. Offeror shall provide the ability for State Agencies to develop proprietary data formats/reporting for credit card authorization and settlement through the use of mechanisms and systems identified in the below Value-added Resellers (VAR's).

- 3.5.3.1. Applications shall provide credit card information (credit card number, expiration date, charge amount) that will process the request and return the authorization number to the application.
- 3.5.3.2. Identify any variations or additional data elements required. Describe the justification for any additional requirements.
- 3.5.3.3. Identify and return as raw data any State Agency-created code contained within VAR or VAN industry standard market data.
- 3.5.4. Offeror shall provide a detailed list of all VAR proprietary software on which it is certified. Include detailed description with respect to the use of those software systems. See Exhibit 1, for existing VAR Merchant Terminals, Software, and Platforms.
- 3.5.5. The Offeror shall provide a toll-free number for verbal credit card authorizations.
- 3.5.6. The Offeror will ensure that each transaction will have a unique identifier per location/site for reconciliation, auditing and security purposes.
- 3.5.7. The Offeror shall have the flexibility to address varying requirements and management styles (centralized or decentralized) to meet State Agencies processing and reporting needs.
- 3.5.8. Offeror's PC based systems shall at a minimum provide the following:
 - 3.5.8.1. Operate in a Windows environment;
 - 3.5.8.2. User friendly package with on-line help;
 - 3.5.8.3. Provide open architecture to easily connect to other systems;
 - 3.5.8.4. Provide spreadsheet or acceptable alternative format for reports;
 - 3.5.8.5. Report View and Printing functions;
 - 3.5.8.6. Meet the most current PCI/DSS Compliance Standards;
 - 3.5.8.7. Allow for User creation of passwords;
 - 3.5.8.8. Ability for User created queries and reports; and
 - 3.5.8.9. EMV compliant.
- 3.5.9. The Offeror shall provide the ability for Maryland State Agencies to develop proprietary data formats/reporting for credit card authorization and settlement through the use of mechanisms and systems identified in number 3.5.8 above.
- 3.5.10. The Offeror shall require applications to provide functional credit card information (credit card number, expiration date, charge amount) that will process the request and return the authorization number to the application.
- 3.5.11. Offeror is required to add the Remittance ID field to the data and pass same back to agencies to enable reconciliation on this unique field between the business system and the credit card system. The Offeror shall disclose the remittance ID field to each agency per location/site.

3.5.12. The Offeror is responsible for providing all hardware and software required. What hardware/software do you recommend for processing and what is your maintenance and/or replacement policy for this equipment? Does the Offeror provide the equipment for lease, purchase, or rental?

3.5.13. The Offeror should be able to support existing equipment, including but not limited to, the following:

Ingenico (electronic signature pad and pin pad entry capabilities)
FD50
FD50Ti
FD130
FD130 Duo
FD200
FD400
FD410GT GPRS

In addition, the Offeror should provide compatibility to the Nashville and Cardnet Platforms, including Buypass.

3.5.14. The Offeror shall provide fraud verification services as listed below but not limited to:

- 3.5.14.1. Address Verification Service, Street Number, Zip Code;
- 3.5.14.2. Card Security Verification Service;
- 3.5.14.3. Real-time authorizations;
- 3.5.14.4. Capabilities to request audit reports based on Agency specified frequencies or criteria, Offerors should enumerate potential capabilities in their responses but the state is looking for capabilities similar to:
 - a) Report of X% of transactions randomly generated for audit review – percentage set on a MID basis.
 - b) Based on dollar amount of transaction – threshold based, either above or below a certain amount.
- 3.5.14.5. Real or near time analytics of card usage for potential fraud patterns – surveillance utilization review system functionality.
- 3.5.14.6. Face to face training shall be provided to agencies on retrieving these reports.

3.5.15. Customer technical support should be available via a toll free number twenty-four hours a day, seven days a week, and three hundred sixty-five days per year.

- 3.5.15.1. Describe downtime and timeouts experienced during the last twelve-month period ending December 31, 2017.
- 3.5.15.2. Provide service/performance level reports for all areas including but not limited to: customer service, technical support, ticket resolution, phone

- 3.5.15.3. authorizations, merchant underwriting, and boarding. Describe the process used for notification of scheduled and non-scheduled down time.
 - 3.5.15.4. Describe backup procedures during scheduled and non-scheduled downtime.
 - 3.5.15.5. For any reports that fell below Contractor's service level metrics, provide an explanation to the circumstances surrounding the event(s) and business plan that restored those services.
- 3.5.16. The Offeror shall provide a single point of contact for customer support to all agencies participating under the Contract, including support during all business hours that agencies are in operation.
- 3.5.17. The Offeror shall post transactions at levels according to State Agency and within the most current PCI/DSS compliance standards:
- 3.5.17.1. Individual merchant number;
 - 3.5.17.2. Batch level; and
 - 3.5.17.3. Total or consolidated.
- 3.5.18. Chargebacks and adjustments pose a reconciliation challenge since many State Agencies deposit into a single checking account. Because of this, the Offeror must be able to meet the following requirements.
- 3.5.18.1. Adjustments or chargebacks shall be identified by merchant number and transaction identifier.
 - 3.5.18.2. State Agencies shall receive notification of all chargebacks and adjustments.
 - 3.5.18.3. Chargebacks and adjustments shall post to the demand deposit account at the financial institution to which it originally settled.
 - 3.5.18.4. Chargebacks shall post to the account individually and cannot be combined. Chargebacks must be set up per location to remain separate.
 - 3.5.18.5. Chargebacks/adjustments shall not be netted against daily transmissions/uploads from agencies.
 - 3.5.18.6. The State of Maryland does not allow any deduction from any of its accounts without prior authorization from the Office.
- 3.5.19. Chargebacks and refunds must be cross-referenced in a manner in which the merchant can easily identify the original charge and meet PCI/DSS compliance standards, and sufficient notification prior to the DDA debit should be sent to the State Agency. Describe your process for handling chargebacks and customer service support. Include requirements the State must follow to avoid receiving any losses associated with chargebacks by card type.

- 3.5.20. Visa Claims Resolution (VCR) is a global mandate from Visa to redefine how merchants and processors handle chargebacks. Please explain your reporting tools available for Agencies to comply with this policy.
- 3.5.21. The daily merchant settlement of each agency shall be posted to the deposit account without any deductions of discount fees.
- 3.5.22. The Offeror shall provide the ability to pass the MID within the NACHA 6-7 field for each ACH transaction to the demand deposit account at the designated financial institution in order to correctly post to the State's general ledger.
- 3.5.23. The Offeror shall provide the agency location name associated with each MID in the NACHA 6-8 field for each ACH transaction to the demand deposit account at the designated financial institution.
- 3.5.24. The Offeror shall maintain procedures to establish and review merchant assignments to the pricing schedule on a quarterly basis. Offeror shall receive and make appropriate adjustments for new participants when assessed incorrectly and as requested.
- 3.5.25. The Offeror shall ensure each Agency completes the PCI/DSS security self-assessment documentation annually.
 - 3.5.25.1. Describe your approach to assisting agencies in meeting this requirement.
 - 3.5.25.2. Some agencies manage this reporting internally, while others prefer to completely outsource this function. Describe the varying levels of support available either directly or through assistance of a third party.
 - 3.5.25.3. Identify key staff or help desk support dedicated to this function.
 - 3.5.25.4. What is the process for notifying agencies of new reporting requirements, assisting them with report preparation and submissions, and educating them on the factors that impact reporting requirements?
- 3.5.26. Offeror shall notify the Agency and the Office when an Agency is non-compliant with PCI/DSS current standards:
 - 3.5.26.1. Describe reasons for non-compliance;
 - 3.5.26.2. Describe grace period;
 - 3.5.26.3. Describe assistance provided to bring Agency into compliance; and
 - 3.5.26.4. Describe assistance provided to new or existing users implementing new systems.
- 3.5.27. Offeror shall notify the merchant and the Office when any merchant ID has experienced 60 consecutive days without any transaction activity.

- 3.5.27.1. List the date of last activity; and
 - 3.5.27.2. Provide a description of the impact of continued inactivity.
- 3.5.28. The Offeror shall allow convenience fees to be passed through to customers for credit card usage according to the most current card association rules. **Do NOT include proposed fee values in responses below. All reference to fee values should be documented in the Price Proposal.**
- 3.5.28.1. Explain in detail the available convenience and service fee programs, as well as programs for qualified merchants and industry types. Include distinctions for those programs (example of available programs are VISA, MasterCard and Tax Programs).
 - 3.5.28.2. Provide definitions for all terminology used for merchant processing.
 - 3.5.28.3. Offeror shall support merchant-managed and processor/third party managed solutions.
 - 3.5.28.4. Provide surcharge restrictions, if any that may be applicable to State of Maryland Agencies and those that may apply to American Express and Discover acceptance.
 - 3.5.28.5. Describe in detail how the merchant account must be established and settlement of funds and fees are applied.
- 3.5.29. The Offeror shall provide a secure environment for the testing of new applications that is entirely separate from the production environment. Test cards, in sufficient number, shall be provided to agencies performing tests. Employees are never allowed to use their own cards for testing purposes.
- 3.5.30. The Offeror must be able to support the transaction volume in a secure environment. Describe in detail the technical expertise and capability you have to process the State of Maryland transaction volumes, amounts and information securely, accurately and on time without interruption. See Exhibit 2 for Merchant Services Sales and Transaction Volumes for calendar years 2016 and 2017.
- 3.5.31. The Offeror shall process and settle each business day to the financial institution designated by the Office. All settlement times will be calculated on Eastern Standard Time.
- 3.5.32. Agencies are not permitted to open merchant services accounts directly with the merchant services provider. All accounts shall be established through the Office, and any changes to designated financial institutions for existing accounts must be pre-approved by the Office prior to set up.
- 3.5.33. The Offeror must be able to provide research and problem resolution related to transaction and/or settlement discrepancies. Describe the resources available to manage this.

- 3.5.34. All methods utilized to initiate electronic payments will need to provide safeguards to stop users from accidentally initiating multiple payments in error. Upon award, the Offeror will be expected to supply API documentation.
- 3.5.35. The Offeror will ensure that all credit card, debit card and ACH payment information is stored in an encrypted and secured environment.
- 3.5.36. Ensure that every officer, director or employee who is authorized to act on behalf of the Offeror for the purpose of receiving, processing and depositing funds pursuant to this Contract shall be bonded to provide protection against loss. Fidelity bonding secured must name the State of Maryland, State Treasurer's Office, as beneficiary.

Additional Questions

- 3.5.37. Describe the operating system platform pertinent to the recommended solution. Provide system specifications.
- 3.5.38. Provide your merchant settlement processing timeframe and explain next day processing.
- 3.5.39. Do you provide daily automatic settlement on your merchant account?
- 3.5.40. Describe any limitations on files. e.g., number each day, records in a batch, transaction amount, or volume per day.
- 3.5.41. Describe how seasonal MIDs are handled, including activation and de-activations processes.
- 3.5.42. Describe the authorization and settlement of transactions through the appropriate authorization and settlement networks.
- 3.5.43. Describe the back-up procedures in case of system failure to meet availability and respond to time requirements.
- 3.5.44. Describe the process used for notification of scheduled and non-scheduled down time.

3.6 ACH Services

- 3.6.1. The State is looking for solutions for ACH payment processing services. It is expected that state agencies accepting merchant card may be interested in expanding to accept ACH payments. Offerings should include solutions that are independent from merchant card processing and the capability to consolidate the ACH and Merchant Card settlement process. It is desired to have a simple, secure way for citizens to pay the State, and offer the flexibility for accommodating separate or consolidated

funding and reporting to merchants. Offeror should detail its proposal for addressing but not limited to the below:

- 3.6.1.1. Speed to settlement
- 3.6.1.2. Utilizing Gateway Services
- 3.6.1.3. Utilizing traditional NACHA file processing host to host. File settlement shall occur at the Office's designated financial institution and account.
- 3.6.1.4. Use of ACH Account Validation Services and other pre note and analytics available.
- 3.6.1.5. Ability to combine settlement and reconciliation with merchant card.
- 3.6.1.6. Explain in detail how ACH returns are handled. The State does not permit debits to the State's account. Solution should include process flow, options available, and Offeror requirements for those returns.

3.6.2 Provide flow chart for End-to-End processing, including creation of file, and movement of funds. Note ACH collection must be a direct pass-thru from the Receiving Financial Institution and deposited to the State's designated account.

3.7 Web Based Gateway Solution Services

Currently, the State has over 34 different gateway solutions in use through Govolutions, Inc Gateway. In addition to supporting these existing gateways, the Offeror shall provide services to assist agencies in creating new or converting existing gateway solutions linked to their websites.

- 3.7.1. Is your solution compatible with Govolutions?
- 3.7.2. Provide a proposed list of services and products that are available to support these requirements. Describe ability to offer recurring payment functionality.
- 3.7.3. Describe the processes for converting existing solutions and requirements by existing provider and the applicable agency
- 3.7.4. Describe the processes for setting up new solutions upon Agency requests, including average turnaround time to set up new gateway solutions.
- 3.7.5. Describe compatibility of your solution with various internet browsers and mobile devices. Does your solution integrate with Internet Explorer, Google Chrome, Mozilla Firefox, Safari and Microsoft Edge?

3.8 Interactive Voice Response (IVR) Services

Offeror shall provide an interactive voice response solution meeting a wide range of typical services available in Automated Pay by Phone environments. Solution should provide ability for card holders to set up payment plans. As the Offeror, explain your IVR Services and those offered through a subcontractor who has an existing relationship.

3.9 Additional Specialized Services

3.9.1. The State Highway Administration (SHA) has a heavily integrated processing solution called MD ONE, a Bentley Transportation product, to issue hauling permits for overweight and over dimensional loads. SHA requires an electronic credit card processing service to interface with MD ONE permitting system to provide another means for customers to obtain Maryland hauling permits in an expedited manner as well as replenish escrow accounts and make account payments. The solution must provide for card not present, internet gateway and in-person transactions.

3.9.1.1. Describe capabilities to interface with this solution, including prior experience if applicable.

3.9.1.2. Describe your ability to meet the following requirements:

- a. Fees to use this service are passed along to the cardholder and must be disclosed to the card holder before the transaction is complete. The amount of the service fee shall be firm for per permit application fees and a predetermined percentage shall be charged for the total amount for escrow and account payments. Any fixed fee rate in excess of \$4.00 must be invoiced separately to SHA for payment. All services and products related to this Contract are to be covered by these fees.
- b. SHA requires daily settlement by 4:00 p.m. Eastern Time, with funds available within 24 hours. Reports should be provided for reconciliation of all transactions by 4:00 p.m. daily. See Exhibit 3 for sample daily and monthly reports.
- c. All equipment, software and gateway solutions must remain compatible with MD One throughout the contract term, and must provide seamless updates to maintain compatibility with MD One upgrades, with no disruption of service to account holders and at no additional cost to SHA.
- d. The software shall provide a web service interface to all MD ONE to capture pre-authorized amounts, refunding and voiding previously charge amounts.
- e. The software shall allow SHA technical staff to access all credit card and e-check transactions. This interface access includes, but is not limited to the following: generating daily, weekly, monthly and yearly reports, and credit transactions, if applicable; search for transactions; reprint receipts; review transaction statuses; and, reconciliation of days. Reports may be run for statistical purposes as well.

3.9.2. The Maryland Transportation Authority (MDTA) is implementing a new tolling system that uses a back end toll processing solution provided by TransCore called Integrity Back Office Solution. This tolling system will replace the existing toll lane terminals and all associated hardware and software.

- 3.9.2.1. Describe capabilities to interface with this solution, including prior experience if applicable.
 - 3.9.2.2. MDTA requires utilization of card updater services to maintain credit card information for repeat transactions and provide reports containing a listing of credit cards that expired in the previous month and those that are due to expire in the coming month. The updater service should provide updated information for replacement cards issued to card holders and apply to their accounts. Describe your ability to meet these requirements.
- 3.9.3. Universities use various backend solutions for specialized areas such as dining services, tuition payments, athletic ticket sales and bookstores.
- 3.9.3.1. Describe any solutions available to assist colleges and universities with these services either through your company or through partnerships with other providers.
 - 3.9.3.2. Provide a list of certified VARs that interface with your platform to provide these specialized services.
 - 3.9.3.3. In order to accept tuition payments via credit card, the universities would like the option to outsource this service to the Merchant Service Processor (“MSP”), allowing the MSP to assess a separate service fee to the card holder in lieu of assessing fees to the university. In addition, the universities would like for the MSP to manage all cardholder data without transferring any data to the university with the assumption of eliminating or reducing PCI compliance responsibilities for the universities.
 - a) Describe your capabilities to assess these fees and provide this service.
 - b) Describe your PCI compliance responsibilities to manage cardholder’s data.
 - c) Describe the university’s PCI compliance responsibilities.

3.10 Reporting

Reporting capabilities must allow for customization. Agencies use various reports to comply with diverse administrative and business requirements. Each Agency may or may not choose the same reports or reporting frequency. The reporting system must include user defined parameters that will allow for ad hoc reporting.

- 3.10.1. Provide an overview of reporting cycles, procedures and capabilities.
- 3.10.2. Define the download capabilities, levels of customization, and drill down capabilities available in online reporting and reports.
- 3.10.3. Describe electronic inquiry functionality available for daily transaction activity.

3.10.4. Offeror shall provide the following reports and include samples of each in its proposal. For each report, please provide the options available for accessing the information. All reports shall be made available electronically.

3.10.5. State Agency Reports:

- 3.10.5.1. Daily deposit activity report including transaction date, deposit totals by MID, and total consolidated deposit by batch and/ or State Agency.
- 3.10.5.2. Monthly summary deposit report including total daily deposit by merchant number and total for all depositing agencies. Consolidated grand total of deposit for the month by merchant number and in aggregate.
- 3.10.5.3. Chargeback activity report by MID upon occurrence.
- 3.10.5.4. Monthly chargeback activity report by MID and location of each agency activity.
- 3.10.5.5. Detailed transaction activity by MID, batch, or agency upon request.
- 3.10.5.6. Separate monthly invoicing for each State Agency with details of monthly activity by MID.

3.10.6 Treasurer's Office Reports:

- 3.10.6.1. A monthly consolidated summary report sorted by State Agencies shall include:
 - a) Number of MIDs;
 - b) Number and amount of transactions;
 - c) Average ticket price;
 - d) Number and amount of chargebacks. (Also, discuss your ability to provide a report for the Bank Reconciliation Section that provides individual chargebacks by MID for entities depositing to the State's DDA account.); and
 - e) Merchant's invoiced amount.
- 3.10.6.2. Quarterly reports sorted by State Agencies in a format mutually agreed upon, to include:
 - a) Consolidated summary report of all MIDs opened or inactive. Report shall include date of last activity.
 - b) Invoiced fees summary report for Merchant numbers that have outstanding invoices greater than 60 days. Report must include comments on collection attempts.
 - c) New and existing Merchant tracker shall include Offeror's summary and marketing of any new and existing business in the last 90 days. Report shall provide an overview of Merchant location, products, and service initiatives progression, and timeline to production.
 - d) Summary notification report including communication of reporting inactivity and non-compliance issues. Report shall capture the last names of those contacted at the agency and provide details surrounding infractions for any non-compliance issues.

- 3.10.6.3. Annual Reports to the Office should provide annual pro forma analysis based on the State of Maryland credit card volume following the close of each fiscal year.

3.10.7. Distribution of Reports

- 3.10.7.1. Agency and Office reports shall be available to be retrieved electronically.
- 3.10.7.2. The Office reserves the right to request hard copies of any reports to be mailed to the following address:

Maryland State Treasurer's Office
Treasury Management Division
80 Calvert Street, Room 414
Annapolis, MD 21401

- 3.10.8. Describe any additional reporting capabilities and level of detail that is available. Include retrieval and imaging capabilities.

3.11. User and Data Security

- 3.11.1. Describe the security measures to prevent unauthorized user access to the system/data.
- 3.11.2. Provide a detailed explanation of your processing data system security, including an overview of all subcontractors and 3rd parties certified to its systems. In addition, Offeror shall provide a list of all subcontractors and 3rd parties used and approved under the term of this Contract. The Office should be immediately informed of any changes to current list for annual validation. All subcontractor relationships used under this Contract must be compliant to the latest version of PCI/DSS.
- 3.11.3. Offeror shall explain available options for point-to-point encryption on all components or solutions.
- 3.11.4. Offeror shall explain available options to provide for tokenization and de-tokenization of data transmissions as requested by state agencies.
- 3.11.5. Please describe any prior security breaches that have compromised your systems. Include notification process to customers, how this impacted customers and the systems put in place to prevent future similar occurrences.
- 3.11.6. In case of a security breach, what is the process to notify the State and its customers, including timing of notification, form of notification, details outlining the breach and potential loss to our customers, and description of recovery and timing of recovery.

3.12 Customer Service

- 3.12.1. Describe your customer service organizational structure. Describe your approach to assigning customer service resource(s) to our account.
- 3.12.2. For how many other accounts is this primary customer service representative responsible?
- 3.12.3. How do you ensure continuity of service when the primary customer service representative is unavailable?
- 3.12.4. Describe the responsibilities of customer service personnel, including the chain of command and escalation procedures for problem resolution.
- 3.12.5. Discuss all methods (e.g., phone, fax, email, real-time messaging, etc.) the State can use to initiate and track inquiries. Describe the security measures associated with each method.
- 3.12.6. Describe your procedures for processing inquiries that require research and/or adjustments.
- 3.12.7. Are there established turn-around times for research and adjustment items?
- 3.12.8. Describe your technical customer support for computer hardware, software, and communications problems.

3.13. Quality

- 3.13.1. Describe in detail any quality improvement program you have in place. Provide statistics or other available performance data related to the level of service quality, as well as any other data that demonstrates your commitment to quality improvement.
- 3.13.2. Do you monitor the performance of each of the proposed products and services?
- 3.13.3. What are the key performance measures tracked?
- 3.13.4. What is the reporting frequency and period covered for each measure?
- 3.13.5. What are your last three performance levels for each measure?
- 3.13.6. Are results of the performance measurement published or otherwise made available? Discuss.
- 3.13.7. Describe your customer satisfaction program and how you measure customer satisfaction.

3.13.8. Do you maintain an internal scorecard that is shared with clients?

3.14 Training

The Offeror shall provide participating agencies and the Office sufficient documentation and training related to card processing, and equipment usage. Describe your approach to on-site, web based or other training methods and any materials made available by the Offeror in the areas listed below:

3.14.1. On-site training shall be available in all areas as requested by the Agencies and Office.

3.14.2. Equipment hardware and software setup and usage;

3.14.3. Design and ongoing support for web-based gateway collection solutions;

3.14.4. Training for generating and retrieving reports

3.14.5. Technical support

3.14.6. Any other training as requested by the Office or the Agency.

3.15 Implementation and Conversion

3.15.1. Offeror shall provide a proposed summary implementation and transition project plan. There are approximately 550 existing merchant accounts and approximately 34 gateway solutions to be converted among 45 agencies, assuming a contract award date of November 15, 2018, all merchant service and gateway solution transitions shall be completed within a within 6 months. Offeror's work plan shall include, at a minimum, key dates, communication, development phase, rollout readiness.

3.15.2. Provide a detailed conversion plan for transitioning each of the merchant locations. Discuss estimated duration time for transition and effort required on the part of the Agency, the Office, Offeror, and subcontractors.

3.15.3. Identify who will be responsible for coordinating the transition for each location. If a conversion team is used, discuss how this team will effectively coordinate with the ongoing client service team.

3.15.4. Discuss requirements, if any, of the current provider.

3.15.5. Discuss the assignment of implementation managers and implementation teams. Take into consideration geography, availability, and complexity of moving all participating agencies.

3.15.6. Describe system testing and validation methodology. Include the scope of testing and various components and functionality stages tested. Describe how testing will be coordinated between using agencies, Contractor, and the Office.

3.15.7. Offeror will provide using agencies with test card account numbers to enable administrator and others to thoroughly review and evaluate Offeror's production processes prior to implementation.

3.16 Other Services for Consideration

3.16.1 Creative solutions and alternative suggestions.

All offerors are encouraged to be as creative as possible in responding to this RFP. Based on your review of the background information, specific needs and requirements, discuss any creative approaches to this service which have not been specifically requested or which would enhance efficiency and/or reduce costs.

Do not limit your suggestions to the following, but present any creative suggestions for:

3.16.1.1. Account validation for ACH receivables

3.16.1.2. Alternative solutions using email and cell phones for receipts within your hosted payment offerings.

3.16.1.3. Tell us how your company plans to stay abreast and competitive in the merchant card market. Tell us how we will be notified of new services and the timeframe in which we will be notified.

3.17 Personnel

3.17.1. The Offeror shall provide a single point of contact for an account representative responsible for the Office relationship in its entirety, including coordinating all activities necessary to service, train, and implement systems with all Agencies that may come under this agreement.

3.17.2. Due to the complex nature of this RFP, and the number of different Agencies supported, the account representative proposed for this engagement must have a minimum of five years of experience in providing credit/debit card services. The representative should have experience with the public sector and card present and card-not-present transactions. This requirement will also apply to any person(s) who cover for this representative in his/her absence and future representatives assigned to the State.

3.17.3. The Offeror must agree to provide the necessary staffing to meet all the requirements detailed in this RFP. The Offeror agrees to make staff available to meet with the Office as frequently as needed (minimum of monthly conference calls and quarterly visits) to ensure the State of Maryland's needs are being met.

3.17.4. The Offeror shall include the Office in all meetings with state Agencies.

3.18 Term

The initial term of the Contract will shall be for a period beginning January 2, 2019 and ending December 31, 2023. The Contract will also contain an option to renew, upon the same

terms and conditions, for three additional two year periods. Exercise of the renewal options will be solely at the discretion of the Treasurer or the Treasurer's designee.

3.19 Compensation

Fees will not be adjusted during the first three years of the initial five-year term of the Contract. Price adjustments will, however, be permitted to reflect the Consumer Price Index (CPI) based on the end of the third year of the initial Contract period and upon subsequent renewal option periods. The CPI adjustment is not cumulative. Exercise of the renewal options will be solely at the discretion of the Treasurer or the Treasurer's designee.

By submitting a response to this solicitation, the Offeror agrees to accept any payments from the State by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected Offeror shall register using form COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. The COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form may be downloaded from:

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SECTION IV. PROPOSAL FORMAT

4.1 Transmittal Letter

The Offeror must include a brief transmittal letter prepared on the Offeror's business stationery to accompany the original and required copies of the two-volume proposal. The transmittal letter must be signed by an individual authorized to bind the Offeror to all statements, including services and prices contained within the proposals. The transmittal letter should acknowledge the receipt of addenda to the RFP and to also indicate that, if selected, the Offeror will execute a Contract(s) with materially the same terms as the form of Contract included as Appendix D.

4.2 Two-Volume Submission

The selection procedure for this procurement requires that the initial technical evaluation of the proposal be completed before consideration of an Offeror's pricing proposal. Consequently, each proposal must be submitted in two volumes as indicated below.

4.3 Volume I - Technical Proposal

The volume containing the technical proposal shall be labeled "Volume I – RFP for Merchant Services, RFP #-10052018 - Technical." The technical proposal volume shall contain the transmittal letter (Section 4.1), the completed Bid/Proposal Affidavit (Appendix B), and the Affidavit of Agreement Maryland Living Wage Requirements (Appendix D). The proposal must include responses to the Minimum Qualifications and General Requirements for Merchant Services.

The technical proposal volume should be prepared in a clear and concise manner and address all subsections below. Offerors submitting proposals need to address the information requested in the RFP. The ideal response would reiterate each subsection and then list the Offeror's response, item by item so that an evaluator can read the requirement followed by the response.

The technical proposal shall provide all required information for merchant services in the following subsections:

4.3.1. Request for General Information

- 4.3.1.1. Name of Offeror;
- 4.3.1.2. Mailing address of the office from which the proposal is being submitted;
- 4.3.1.3. Name of individual who will represent the Offeror as the primary contact person on matters relating to the proposal; and
- 4.3.1.4. Telephone number and e-mail address of the individual identified in paragraph c (above).

4.3.2. Offeror's Qualifications:

- 4.3.2.1. Each Offeror shall specifically and clearly state in its proposal that it meets each Minimum Qualifications in Section 3.3 and complies with the General Requirements in Section 3.4 of this RFP.
- 4.3.2.2. The Offeror shall provide evidence of Payment Card Industry (PCI) compliance.
- 4.3.2.3. The Offeror shall include one and only one copy of the Offeror's most recent audited financial statements with all attachments, including the unqualified audit opinion, in the original volume of its Technical Proposal.
- 4.3.2.4. Each Offeror shall include a brief description of its plan for business continuity and recovery as a result of disaster.

4.3.3. Offeror's Capabilities

- 4.3.3.1. Each Offeror must provide detailed descriptions of the Merchant Service Requirements listed in Sections 3.5 through 3.14. Offeror's may provide brief supporting statements where compliance/acknowledgement is requested. Offerors are to address any questions included in this section.
- 4.3.3.2. Each Offeror shall provide a detailed transition plan of the services as described in Section 3.15 Implementation and Conversion.
- 4.3.3.3. Each Offeror shall provide sample reports.
- 4.3.3.4. Each Offeror is to include a brief description of any other value added services as indicated in Section 3.16 Other Services for Consideration.

4.3.4. Personnel

This section should include the personnel who are to be assigned to this project if the Offeror is awarded the Contract, and should indicate the proposed project role or assignment and resume of key personnel (project manager, team leader, and assigned project team members).

- 4.3.4.1 Each Offeror must provide detailed descriptions of the Personnel requirements listed in Section 3.17 Personnel.
- 4.3.4.2. Each Offeror is to provide the primary point of contact who will be the State's contact for coordination of all activities related to this Contract, including adding new Agencies/locations, problem resolution (settlement, billing, reporting, etc.), customer and technical service support, new technologies, etc.

4.3.4.3. Provide a list the personnel who are to be assigned to perform the services if the Offeror is selected for award of the Contract by providing an organizational chart that includes the following:

- a) Proposed project team;
- b) Description of activities and responsibilities of key team members and their proposed lines of authority; and
- c) Use of subcontractors and their proposed project role.

4.3.4.4. Describe how the proposed management structure will ensure adequate oversight and provide executive direction.

4.3.4.5. Include resumes of the key personnel.

4.3.5. Client References

Offerors are to identify a minimum of three client references that the Offeror is currently performing the services required under the RFP, or has performed services similar to those required under this RFP within three years. References shall include the entity name, and a contact person's name, title, email address and telephone number. Include a brief description of the services rendered for each reference (i.e., number of mids).

4.3.6. Standard Operating Agreements (if applicable)

If you intend to incorporate your own operating documents/agreements into the Contract, submit copies of your standard operating agreements associated with the services proposed to be provided.

4.3.7. Economic Benefits to the State of Maryland

Each proposal submitted in response to this solicitation must describe the benefits that will accrue to the Maryland economy as a direct result of the Offeror's performance of the contract resulting from the solicitation. Economic benefits include:

4.3.7.1. The Contract dollars to be recycled into Maryland's economy in support of the Contract, through the use of Maryland suppliers, and partners. Offerors should be as specific as possible and provide a breakdown of expenditures in this category. Do not provide actual dollars for each category. Include percent of the total budget requested.

4.3.7.2. The numbers and types of jobs for Maryland residents resulting from the Contract. Indicate job classifications, number of employees in each classification, and the aggregate payroll to which the Offeror has committed at both prime, and if applicable, subcontract levels. Do not provide actual dollars for each category. Include percent of the total budget requested.

- 4.3.7.3. Tax revenues to be generated for Maryland and its political subdivisions as a result of this Contract. Indicate the tax category (sales tax, payroll taxes, inventory taxes, and estimated personal income taxes for new employee). Provide a forecast of the total tax revenues resulting from the Contract. Do not provide actual dollars for each category. Include percent of the total budget requested.
- 4.3.7.4. Subcontract dollars committed to Maryland Small Business and Minority Business Enterprises. Do not provide actual dollars for each category. Include percent of the total budget requested.
- 4.3.7.5. In addition to the factors listed above, the Offeror should explain any other economic benefits to the State of Maryland that would result from the Offeror's proposal.

4.4 Rationale for Appointment

In this section, the Offeror should present the case for its selection as the merchant services processor to perform the services described in this RFP.

- 4.4.1. What differentiates you as an Offeror from other Offerors?
- 4.4.2. What differentiates your service offering from other Offerors?
- 4.4.3. How do you plan to keep your product offerings current and competitive?
- 4.4.4. What approach is the Offeror taking in the development of new services?
- 4.4.5. What new services or features does the Offeror plan to offer, and within what time frame?

4.5 Additional Information (Optional)

Include any additional information the Offeror deems relevant to this procurement and the satisfaction of the State's objectives.

4.6 Company Literature (if applicable):

If you provide company literature or other material in response to any RFP requirement, describe such literature or other material under this heading and include a reference to the applicable sections of the RFP by name and page citation. If you do not provide the requested section and page citations, the remainder of your response for that section may be considered complete without reference to the additional documents.

4.7 Disclosures

Disclose any relationships with persons or entities that may create a conflict of interest, or the appearance of a conflict of interest. Disclose specific details of any pending legal proceedings (criminal or civil), or regulatory or disciplinary actions by any state or federal regulatory agency, involving the firm or members of the firm; or any convictions, judgments or settlements resulting from such proceedings or actions within the past five years.

4.8 Volume II - Pricing Proposal

This volume shall be labeled "Volume II - Merchant Services, RFP # 10052018 - Price," and sealed separately. The volume must consist of a completed and signed Price Proposal, included as Appendix A-2 to this RFP. Appendix A-2 must be signed by an individual authorized to bind the selected Offeror to all statements and fees contained in the proposal.

In addition to the paper form of the Price Proposal Worksheet (Appendix A-2), the Offeror must include an electronic copy of this file in Excel file format. A copy of Appendix A-2 in Excel format is provided as a separate attachment to this solicitation. (See file: MS_10052018_Appendix A-2_Price Proposal_Merchant Services.)

Note: The Price Proposals are evaluated following the evaluation of the technical proposals. Therefore, no reference to price may be identified within the technical proposal. See Section V for Evaluation and Selection Procedures.

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SECTION V. EVALUATION AND SELECTION PROCEDURE

5.1 Qualifying Proposals

The Procurement Officer first will review each proposal for completeness of response to requirements contained in Section IV, Proposal Format. Failure to respond to the appropriate questions for Merchant Services in the manner required may disqualify an Offeror's proposal from consideration by the Evaluation Committee.

5.2 Evaluation Committee and Evaluation Criteria

An Evaluation Committee appointed by the Treasurer or the Treasurer's designee will evaluate all qualifying proposals (those proposals that are reasonably susceptible for selection for contract award) received by the submission deadline. The Evaluation Committee will rank the proposals and make a recommendation for award based on (1) technical merit (see Section 5.3), as demonstrated in the technical proposal and oral presentations, if any, and (2) price proposal, both as presented in the best and final offer, if any. Technical merit will be given more weight than price in determining the Evaluation Committee's final ranking.

5.3 Technical Evaluation

After the Procurement Officer identifies the qualifying proposals the Evaluation Committee will conduct an initial evaluation of the technical merit of each qualifying proposal based on the information provided in the proposal in response to Section 4.3 Volume I – Technical Proposal. The Evaluation Committee's final technical evaluation may include information obtained during oral presentations, if any.

For the technical evaluation, the Evaluation Committee will take into consideration the following factors listed in the order of relative importance (greatest first):

1. Offeror's Qualifications and Capabilities;
2. Prior Experience;
3. Personnel;
4. Client References;
5. Economic Benefits to Maryland; and
6. Rationale for Appointment.

5.4 Evaluation of Costs/Fees

Following completion of the initial technical evaluation, the Evaluation Committee will conduct an initial evaluation of the pricing of each proposal and will establish a financial ranking of all proposals.

5.5 Best and Final Offer

When deemed in the best interest of the State, the Procurement Officer may permit qualified Offerors to revise their initial proposals by submitting best and final offers. The Procurement Officer shall notify each qualified Offeror of the scope of the requested best and final offer, and shall establish a date and time for the submission. The Procurement Officer may require more than one series of best and final offers and discussions, if determined that it is in the State's best interest to do so. If more than one best and final offer is requested, an Offeror's immediate previous offer shall be construed as its best and final offer unless the Offeror submits a timely notice of withdrawal or another best and final offer. The Procurement Officer may consult with and seek the recommendation of the Evaluation Committee during the best and final offer process.

5.6 Final Evaluation and Recommendation for Award

Following oral presentations, reference checks, and submissions of best and final offers, if any, the Evaluation Committee will perform its final evaluations and will make a recommendation to the Procurement Officer for award of the Contract to the responsible Offeror or Offerors whose proposal is determined to be the most advantageous to the State based on the results of the final technical and financial evaluations. Contract award, if any, is subject to the approval of the Treasurer or the Treasurer's designee upon the recommendation of the Procurement Officer.

5.7 Debriefing of Unsuccessful Offerors

The Office will conduct a debriefing for an unsuccessful Offeror, provided the Procurement Officer receives a written request within a reasonable period of time after sending notice of a final determination of award from the Procurement Officer. Requests for debriefings shall be honored at the earliest feasible time after the request has been received. The Office shall hold debriefings shall be held in accordance with COMAR 21.05.03.06.

5.8 Responsibility

1. General

- (a) The procurement regulations in COMAR Title 21 define a "responsible" Offeror as one "...who has the capability in all respects to perform fully

the Contract requirements, and the integrity and reliability that shall assure good faith performance.”

- (b) COMAR Title 21 also requires that the Procurement Officer determine before awarding a contract to an Offeror whether the Offeror is responsible. The determination of responsibility is based on the subjective judgment of the Procurement Officer about whether the Offeror meets the definition of a “responsible” Offeror.
- (c) In addition, the unreasonable failure of an Offeror to supply information promptly in connection with the determination of responsibility shall be grounds for a determination that the Offeror is not responsible.

2. Discussions

The Office reserves the right to discuss and negotiate with qualified Offerors or potentially qualified Offerors, (i.e., which are reasonably susceptible of being selected for award). Discussions or negotiations will be conducted with all qualified Offerors. The Office, however, is not obligated to conduct any discussions or negotiations. Each Offeror should be aware that the Office can select a proposal without first discussing the matter with the selected Offeror.

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APPENDIX A-1

PRICE PROPOSAL INSTRUCTIONS

1. Offerors must submit their price proposals on the Price Proposal (Appendix A-2) in accordance with these instructions and as specified on the form. The price proposal must be separately sealed and labeled as instructed in Section 4.8.
2. The Price Proposal Worksheet (Appendix A-2) is to be completed and signed by an individual who is authorized to bind the selected Offeror to all fees offered.
3. In addition to the paper copy of the Price Proposal Worksheet (Appendix A-2), the Offeror must include an electronic copy of this file in Excel. A copy of Appendix A-2 in Excel format is provided as an attachment to the solicitation. (See file: MS_10052018_Appendix A-2_Price Proposal_Merchant Services.)
4. All data and information included on the Price Proposal Worksheet (Appendix A-2), is for price evaluation purposes. The State reserves the right, in its sole discretion, to purchase more services, fewer services, or not to purchase any services for which offers are solicited under this RFP.
5. On Appendix A-2:
 - a. Offerors must provide the "Unit Price" and "Annual Total Costs" for the merchant services listed.
 - b. Each line item must include the appropriate unit price or indicate the line item price is waived. If a line item is left blank, the unit price will be deemed as \$0.00.
 - c. Unit price entries of "TBD" are not allowed.
 - c. Nothing shall be entered on the Price Proposal Worksheet (Appendix A-2) that alters or proposes conditions or contingencies on the proposed prices.
5. For any line items that are required to perform the services outlined in the RFP must be submitted on a separate sheet in the same format as Appendix A-2.
6. For any other services beyond those requested in the RFP that the Offeror believes could offer additional benefits to the State must be submitted as a price supplemental on a separate sheet. The service must be described to include name and description, unit price, timing and circumstances under which each unit price is assessed.
6. It is imperative that the price proposal is completed accurately as well as any attached separate price supplemental containing any additional cost. Any incorrect entries or inaccurate fees by the Offeror will be treated as provided in COMAR 21.05.03.03E and 21.05.02.12.
7. In addition to the paper copy of the Price Proposal Worksheet (Appendix A-2), the Offeror must include an electronic copy of this file in Excel.

APPENDIX A-2 – PRICE –MERCHANT SERVICES

**REQUEST FOR PROPOSALS FOR MERCHANT SERVICES,
RFP #-10052018**

(Firm Name)

(Address)

	FREQUENCY	ANNUAL TRANSACTION VOLUMES	UNIT PRICE	ANNUAL TOTAL COSTS
<u>SERVICE FEES (BEYOND INTERCHANGE PASS THROUGH PRICING)</u>				
AUTHORIZATION FEE - VISA	PER TRANSACTION	10,907,000		
AUTHORIZATION FEE - MASTERCARD	PER TRANSACTION	10,907,000		
AUTHORIZATION FEE - DISCOVER	PER TRANSACTION	460,000		
AUTHORIZATION FEE - AMEX	PER TRANSACTION	1,030,000		
PROCESSING FEE - VISA	PER TRANSACTION	10,907,000		
PROCESSING FEE - MASTERCARD	PER TRANSACTION	10,907,000		
PROCESSING FEE - DISCOVER	PER TRANSACTION	460,000		
PROCESSING FEE - AMEX	PER TRANSACTION	1,030,000		
PIN DEBIT	PER TRANSACTION	200,000		
GATEWAY ACCESS FEE	PER TRANSACTION	1,800,000		
INTERNET AUTHORIZATION FEE	PER TRANSACTION	9,100,000		
ECHECK TRANSACTION FEE	PER TRANSACTION	148,500		
ECHECK GUARANTEE FEE	PER TRANSACTION	148,500		
ACH PER ITEM FEE	PER TRANSACTION	148,500		
ACH WARRANTY FEE	PER TRANSACTION	148,500		

	FREQUENCY	ANNUAL TRANSACTION VOLUMES	UNIT PRICE	ANNUAL TOTAL COSTS
ACH FEE	PER BATCH	198,000		
VOICE AUTHORIZATION FEE (IVR) - AUTOMATED SYSTEM	PER TRANSACTION	84,000		
VOICE AUTHORIZATION FEE (IVR) - LIVE SUPPORT	PER TRANSACTION	12,000		
OTHER RECURRING SERVICE FEES				
<u>MISCELLANEOUS RECURRING FEES</u>				
SETTLEMENT FEE	DAILY/ACCOUNT	148,500		
CHARGEBACK FEE	PER ITEM	1,080		
WEBSITE GATEWAY SERVICES (MONTHLY)	PER ACCOUNT	480		
CARD NOT PRESENT FEE	PER TRANSACTION	2,181,400		
WIRELESS FEE	MONTHLY/ACCT	6,600		
WIRELESS ACCESS FEE	MONTHLY/ACCT	6,600		
PCI/DSS COMPLIANCE & SECURITY SELF-ASSESSMENT REPORTING SUPPORT	MONTHLY/ACCT	6,600		
PCI/DSS COMPLIANCE & SECURITY SELF-ASSESSMENT REPORTING SUPPORT	ANNUAL/ACCT	550		
TOKENIZATION & ENCRYPTION FEES	PER TRANSACTION	23,304,000		
<u>REPORTING FEES</u>				
HARD COPY REPORTS: AS REQUESTED FOR REPORTS LISTED ABOVE	UPON REQUEST	12		
<u>ONLINE REPORTING:</u>				
DAILY DEPOSIT ACTIVITY REPORT	DAILY/ACCOUNT	148,500		
MONTHLY SUMMARY DEPOSIT REPORT	MONTHLY/ACCT	6,600		
CHARGEBACK ACTIVITY REPORT PER OCCURRENCE	MONTHLY/ACCT	6,600		
MONTHLY CHARGEBACK ACTIVITY REPORT	MONTHLY/ACCT	6,600		

	FREQUENCY	ANNUAL TRANSACTION VOLUMES	UNIT PRICE	ANNUAL TOTAL COSTS
DETAILED TRANSACTION ACTIVITY UPON REQUEST	UPON REQUEST	6,600		
SEPARATE AGENCY MONTHLY INVOICES	MONTHLY/ACCT	6,600		
MONTHLY CONSOLIDATED SUMMARY REPORT TO TREASURER	MONTHLY	12		
QUARTERLY REPORTS BY STATE AGENCY TO TREASURER	QUARTERLY	4		
QUARTERLY INVOICE FEES SUMMARY REPORT TO TREASURER	QUARTERLY	4		
QUARTERLY NEW AND EXISTING MERCHANT TRACKER TO TREASURER	QUARTERLY	4		
QUARTERLY SUMMARY NOTIFICATION REPORT TO TREASURER	QUARTERLY	4		
ANNUAL REPORTS TO TREASURER	ANNUAL	1		
OTHER MISCELLANEOUS RECURRING FEES				
Annual Recurring Service Fees				\$ -

<u>MISCELLANEOUS ONE-TIME/PER OCCURANCE FEES</u>				
WEBSITE GATEWAY SERVICES DESIGN/CUSTOMIZATION SUPPORT (HOURLY)	PER HOUR	400		
WEBSITE GATEWAY SERVICES CONVERSION FEE	PER ACCOUNT	40		
WEBSITE GATEWAY SERVICES APPLICATION FEE	PER ACCOUNT	40		
MERCHANT SERVICES EQUIPMENT APPLICATION FEE	PER ACCOUNT	550		
OTHER ONE-TIME/PER OCCURANCE FEES				
One-Time Service Fees				\$ -

TERMINAL AND PC SERVICES FEES (SPECIFY EQUIPMENT -MANUFACTURER & MODEL)		Quantity	UNIT PRICE PER MONTH	TOTAL ANNUAL COST
<u>Equipment/Terminals</u>				
EMV Terminal-Lease	Per Unit	1		
EMV Terminal-Rental	Per Unit	1		
EMV Terminal-Purchase	Per Unit	1		
EMV Terminal-Pin Pads	Per Unit	1		
EMV Terminal-Reprogramming Fees	Per Unit	1		
Pin Pad-Lease	Per Unit	1		
Pin Pad-Rental	Per Unit	1		
Pin Pad-Purchase	Per Unit	1		
Pin Pad-Reprogramming Fees	Per Unit	1		
iPad Purchase	Per Unit	1		
iPad Rental	Per Unit	1		
iPad and Mobile Phone Solutions	Per Month Per Device	1		
iPad and MOBILE Phone Solutions - Reprogramming Fees	Per Unit	1		
Scanners	Per Unit	1		
Pos System	Per Unit	1		
Any other equipment Fees	Per Unit	1		
Terminal and PC Services Fees				\$ -

Total Combined Annual Fees **\$ -**

FEES FOR ADDITIONAL SPECIALIZED SERVICES		Quantity	UNIT PRICE	TOTAL COST
CARD UPDATER SERVICE FEE - VISA	PER TRANSACTION	1,090,700		
CARD UPDATER SERVICE FEE - MASTERCARD	PER TRANSACTION	1,090,700		
CARD UPDATER SERVICE FEE - DISCOVER	PER TRANSACTION	46,000		
CARD UPDATER SERVICE FEE - AMEX	PER TRANSACTION	103,000		

TERMINAL AND PC SERVICES FEES (SPECIFY EQUIPMENT -MANUFACTURER & MODEL)		Quantity	UNIT PRICE PER MONTH	TOTAL ANNUAL COST
CARD UPDATER MONTHLY FEES	PER MONTH	120		
CARD UPDATER SETUP FEE	PER ACCOUNT	10		
ADDRESS VERIFICATION FEE	PER ATTEMPT	1,090,700		
SHA FLAT FEE PER TRANSACTION IN EXCESS OF \$4 BASE FEE	PER TRANSACTION	22,000		
SHA PERCENTAGE FEE FOR ESCROW DEPOSIT AND ACCOUNT PAYMENTS (NON PERMIT FEES)	PER TRANSACTION VALUE	\$ 14,000,000		
(Assume: \$5,000 avg trans x 2,800 annual transactions)				
Based on your review of the background information, specific needs, and requirements, provide <u>pricing detail</u> related to any optional approaches to this service which have not been specifically requested or which would enhance efficiency and/or reduce costs. Include pricing for any other services beyond those requested in this RFP that the Offeror believes could offer additional benefits for the State.				

In compliance with the RFP and with all terms and conditions set forth therein, the undersigned represents that he/she has full authority to submit the above Price Proposal and any attached Price Supplement.

Firm Name: _____

Authorized Official: _____

Typed name: _____

Title: _____

Date: _____

APPENDIX B
(To be submitted with Technical Proposal)
PROPOSAL AFFIDAVIT

A. AUTHORITY

I hereby affirm that I, _____ (name of affiant) am the _____ (title) and duly authorized representative of _____ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

The undersigned Bidder/Offeror hereby certifies and agrees that the following information is correct: In preparing its Bid/proposal on this project, the Bidder/Offeror has considered all Bid/proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in § 19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, sexual identity, genetic information or an individual's refusal to submit to a genetic test or make available the results of a genetic test, disability, or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the Bid/proposal submitted by the Bidder/Offeror on this project, and terminate any contract awarded based on the Bid/proposal. As part of its Bid/proposal, the Bidder/Offeror herewith submits a list of all instances within the past four (4) years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the Bidder/Offeror discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder/Offeror agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES.

The undersigned Bidder/Offeror hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, § 14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a Bid/proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority bid/proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the Bid/proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the contract;
or
- (4) Pay the certified minority business enterprise solely for the use of its name in the Bid/proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the Bid/proposal submitted by the Bidder/Offeror on this project, and terminate any contract awarded based on the Bid/proposal.

B-2. CERTIFICATION REGARDING VETERAN-OWNED SMALL BUSINESS ENTERPRISES.

The undersigned Bidder/Offeror hereby certifies and agrees that it has fully complied with the State veteran-owned small business enterprise law, State Finance and Procurement Article, § 14-605, Annotated Code of Maryland, which provides that a person may not:

- (1) Knowingly and with intent to defraud, fraudulently obtain, attempt to obtain, or aid another person in fraudulently obtaining or attempting to obtain public money, procurement contracts, or funds expended under a procurement contract to which the person is not entitled under this title;
- (2) Knowingly and with intent to defraud, fraudulently represent participation of a veteran-owned small business enterprise in order to obtain or retain a Bid/proposal preference or a procurement contract;
- (3) Willfully and knowingly make or subscribe to any statement, declaration, or other document that is fraudulent or false as to any material matter, whether or not that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (4) Willfully and knowingly aid, assist in, procure, counsel, or advise the preparation or presentation of a declaration, statement, or other document that is fraudulent or false as to any material matter, regardless of whether that falsity or fraud is committed with the knowledge or consent of the person authorized or required to present the declaration, statement, or document;
- (5) Willfully and knowingly fail to file any declaration or notice with the unit that is required by COMAR 21.11.13; or
- (6) Establish, knowingly aid in the establishment of, or exercise control over a business found to have violated a provision of § B-2(1) -(5) of this regulation.

C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, § 6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
 - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
 - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. § 1961 et seq., or the Mail Fraud Act, 18 U.S.C. § 1341 et seq., for acts in connection with the submission of Bids/Proposals for a public or private contract;
- (4) Been convicted of a violation of the State Minority Business Enterprise Law, § 14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (5) Been convicted of a violation of § 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;
- (6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)— (5) above;
- (7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of Bids/Proposals for a public or private contract;
- (8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract;
- (9) Been convicted of a violation of one or more of the following provisions of the Internal Revenue Code:
 - (a) §7201, Attempt to Evade or Defeat Tax;
 - (b) §7203, Willful Failure to File Return, Supply Information, or Pay Tax,
 - (c) §7205, Fraudulent Withholding Exemption Certificate or Failure to Supply Information;
 - (d) §7206, Fraud and False Statements, or
 - (e) §7207 Fraudulent Returns, Statements, or Other Documents;
- (10) Been convicted of a violation of 18 U.S.C. §286 Conspiracy to Defraud the Government with Respect to Claims, 18 U.S.C. §287, False, Fictitious, or Fraudulent Claims, or 18 U.S.C. §371, Conspiracy to Defraud the United States;
- (11) Been convicted of a violation of the Tax-General Article, Title 13, Subtitle 7 or Subtitle 10, Annotated Code of Maryland;

(12) Been found to have willfully or knowingly violated State Prevailing Wage Laws as provided in the State Finance and Procurement Article, Title 17, Subtitle 2, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure act; and

(ii) Not overturned on judicial review;

(13) Been found to have willfully or knowingly violated State Living Wage Laws as provided in the State Finance and Procurement Article, Title 18, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure act; and

(ii) Not overturned on judicial review;

(14) Been found to have willfully or knowingly violated the Labor and Employment Article, Title 3, Subtitles 3, 4, or 5, or Title 5, Annotated Code of Maryland, if:

(a) A court:

(i) Made the finding; and

(ii) Decision became final; or

(b) The finding was:

(i) Made in a contested case under the Maryland Administrative Procedure act; and

(ii) Not overturned on judicial review; or

(15) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§ B and C and subsections D(1)—(14) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

- (1) The business was not established and does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and
 - (2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):
-
-

G. SUBCONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

- (1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying Bid/proposal that is being submitted; or
- (2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the Bid/proposal price of the Bidder/Offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying Bid/proposal is submitted.

I. CERTIFICATION OF TAX PAYMENT

I FURTHER AFFIRM THAT:

Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, State Department of Assessments and Taxation, and Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

J. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

K. CERTIFICATION REGARDING INVESTMENTS IN IRAN

- (1) The undersigned certifies that, in accordance with State Finance and Procurement Article, §17-705, Annotated Code of Maryland:
 - (a) It is not identified on the list created by the Board of Public Works as a person engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland; and
 - (b) It is not engaging in investment activities in Iran as described in State Finance and Procurement Article, §17-702, Annotated Code of Maryland.
- (2) The undersigned is unable to make the above certification regarding its investment activities in Iran due to the following activities:

L. CONFLICT MINERALS ORIGINATED IN THE DEMOCRATIC REPUBLIC OF CONGO (FOR SUPPLIES AND SERVICES CONTRACTS)

I FURTHER AFFIRM THAT:

The business has complied with the provisions of State Finance and Procurement Article, §14-413, Annotated Code of Maryland governing proper disclosure of certain information regarding conflict minerals originating in the Democratic Republic of Congo or its neighboring countries as required by federal law.

M. PROHIBITING DISCRIMINATORY BOYCOTTS OF ISRAEL

I FURTHER AFFIRM THAT:

In preparing its bid/proposal on this project, the Bidder/Offeror has considered all bid/proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor, vendor, or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity on the basis of Israeli national origin, or residence or incorporation in Israel and its territories. The Bidder/Offeror also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting

actions. Without limiting any other provision of the solicitation for bid/proposals for this project, it is understood and agreed that, if this certification is false, such false certification will constitute grounds for the State to reject the bid/proposal submitted by the Bidder/Offeror on this project, and terminate any contract awarded based on the bid/proposal.

N. I FURTHER AFFIRM THAT:

Any claims of environmental attributes made relating to a product or service included in the bid or bid/proposal are consistent with the Federal Trade Commission's Guides for the Use of Environmental Marketing Claims as provided in 16 C.F.R. §260, that apply to claims about the environmental attributes of a product, package or service in connection with the marketing, offering for sale, or sale of such item or service.

O. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this Bid/proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

By: _____
Signature of Authorized Representative and Affiant

Printed Name: _____
Printed Name of Authorized Representative and Affiant

Title: _____

Date: _____

APPENDIX C
Living Wage Requirements for Service Contracts

- A. This contract is subject to the Living Wage requirements under Title 18, State Finance and Procurement Article, Annotated Code of Maryland and the regulations proposed by the Commissioner of Labor and Industry. The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
 - (A) has a State contract for services valued at less than \$100,000, or
 - (B) employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
 - (2) A Subcontractor who:
 - (A) performs work on a State contract for services valued at less than \$100,000,
 - (B) employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
 - (C) performs work for a Contractor not covered by the Living Wage Law as defined in B(1)(B) above, or B (3) or C below.
 - (3) Service contracts for the following:
 - (A) services with a Public Service Company;
 - (B) services with a nonprofit organization;
 - (C) services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement ("Unit"); or
 - (D) services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.
- D. A Contractor must not split or subdivide a State contract for services, pay an employee through a third party, or treat an employee as an independent Offeror or assign work to employees to avoid the imposition of any of the requirements of Title 18, State Finance and Procurement, Annotated Code of Maryland.

- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner of Labor and Industry shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's Website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in §18-103(c), State Finance and Procurement Article, Annotated Code of Maryland, shall not lower an employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner of Labor and Industry.
- H. A Contractor/Subcontractor may reduce the wage rates paid under §18-103(a), State Finance and Procurement, Annotated Code of Maryland, by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland.
- I. Under Title 18, State and Finance Procurement Article, Annotated Code of Maryland, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.
- J. Information pertaining to reporting obligations may be found by going to the DLLR Website <https://www.dllr.state.md.us/labor/prev/livingwage.shtml>.

APPENDIX D
(To be submitted with Technical Proposal)
Affidavit of Agreement
Maryland Living Wage Requirements-Service Contracts

Contract No. RFP # _____ 2018
Name of Contractor _____
Address _____
City _____ State _____ Zip Code _____

If the Contract is Exempt from the Living Wage Law

The Undersigned, being an authorized representative of the above named Offeror, hereby affirms that the Contract is exempt from Maryland's Living Wage Law for the following reasons: (check all that apply)

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

If the Contract is a Living Wage Contract

- A. The Undersigned, being an authorized representative of the above named Contractor, hereby affirms our commitment to comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living wage rate in effect at the time service is provided for hours spent on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

Attachment D (continued)
Affidavit of Agreement
Maryland Living Wage Requirements-Service Contracts

- B. _____ (initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply)
- All employee(s) proposed to work on the State contract will spend less than one-half of the employee's time during every work week on the State contract;
 - All employee(s) proposed to work on the State contract will be 17 years of age or younger during the duration of the State contract; or
 - All employee(s) proposed to work on the State contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative: _____

Signature of Authorized Representative

Title: _____

Date: _____

Witness Name (Typed or Printed)

Witness Signature

Date

APPENDIX E

**CONTRACT FOR
MERCHANT SERVICES
BETWEEN**

MARYLAND STATE TREASURER'S OFFICE

AND

CONTRACT

THIS CONTRACT (the “Contract”) is made as of the 2 day of January, 2019, by and between [NAME AND ADDRESS] (the “Contractor”), and the **MARYLAND STATE TREASURER’S OFFICE**, 80 Calvert Street, Annapolis, Maryland 21401 (the “Office”), offices of the **STATE OF MARYLAND** (the “State”).

IN CONSIDERATION OF the premises and the covenants herein contained, the parties agree as follows:

ARTICLE I - SCOPE OF SERVICES

The Office hereby engages the Contractor to perform the services set forth below:

1.1. General Services. The Contractor shall provide merchant services as described in this Contract, which includes the following exhibits:

- Exhibit Request for Proposals (“RFP”) for Merchant Services, RFP # MS-100520182018;
- Exhibit Summary of Pre-Proposal Conference dated ____;
- Exhibit Questions and Answers dated __;
- Exhibit Contractor’s Technical Proposal dated ____;
- Exhibit Contractor’s Price Proposal dated ____;
- Exhibit Contractor’s Presentation dated ____;
- Exhibit Bid/Proposal Affidavit dated __;
- Exhibit Living Wage Affidavit date __;
- Exhibit Contract Affidavit dated __; and
- Exhibit Operating Documents dated ____.

1.2. If there are any inconsistencies between this Contract and the Exhibits, the terms of this Contract shall control. If there is any conflict among the Exhibits, Exhibit A, shall control.

1.3 The Procurement Officer unilaterally may, at any time, make changes in the work within the general scope of the Contract by written order designated or indicated to be a change order. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor’s cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if

asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under Section 4.5., Disputes. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

ARTICLE II - TERM

- 2.1. The initial term of this Contract shall be for the period beginning January 2, 2018 and ending December 31, 2023.
- 2.2. In addition there shall be three additional two-year renewal options, which may be exercised at the sole discretion of the Treasurer or the Treasurer's designee.
- 2.3. After the end of the Contract term, should a new contract be awarded to a contractor other than the incumbent, the Contract shall be deemed to be extended, Contractor shall continue to perform Contract services, and Contractor shall continue to receive the compensation specified in the Contract for such services, until such time as the transition to the new Contractor is complete. Contractor shall cooperate and the Office during any transition period to a new contractor and provide all necessary information and data to any subsequent contractor.
- 2.4. The provisions of Sections 4.1 (Liability), 4.5 (Disputes), 4.6 (Maryland Law Prevails), 4.21 (Retention of Records/Audit), 4.25 (Ownership of Documents and Materials), and 4.26 (Patents, Copyrights and Trade Secrets) of this Contract shall survive termination of this Contract for any reason.

ARTICLE III - CONSIDERATION, PAYMENT AND PERFORMANCE

- 3.1. The Office shall be responsible for paying the fees as set forth in Contractor's Price Proposal [BAFO] as attached hereto as Exhibit __. These fees shall not be adjusted during the first three years of the initial five-year term of this Contract. Price adjustments will be permitted to reflect the Consumer Price ("CPI") Index based on the end of the third year of the initial contract period and upon subsequent renewal option periods. The CPI adjustment is not cumulative.
- 3.2. Payments to the Contractor may be withheld, without interest or penalty, when in the sole discretion of the State Treasurer, the Contractor's performance of any of the services under this Contract is unsatisfactory, or does not meet generally accepted industry standards. Notice of such withholding of payment and the reasons therefore shall be promptly provided to the Contractor, who shall be afforded an opportunity to cure any performance deficiencies.

3.3. All invoices for goods and services shall be submitted to:

Maryland State Treasurer's Office
Attn: Accounting Payable
80 Calvert Street, Room 109
Annapolis, Maryland 21401

3.4. Invoices must be submitted either:

- (a) For ongoing services, on a monthly basis for goods or services rendered in the preceding month; or
- (b) For one-time or periodic services, with 30 days of delivery or completion of the goods or services.

3.5. Except as provided in Section 3.2 above, payments to the Contractor pursuant to this Contract will be made no later than 30 days after receipt by the Office's Accounts Payable Division of a properly payable invoice from the Contractor. Each invoice for services rendered must reflect the Contractor's federal tax identification number, which is _____, and shall clearly indicate the specific type of service provided. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1 of the State Finance and Procurement Article, Annotated Code of Maryland, as from time to time amended, are prohibited.

ARTICLE IV – GENERAL CONDITIONS

4.1. Liability

The Contractor agrees to assume full responsibility for any and all damage to the property of the Office, both real and personal, which results from or arises in connection with, the performance of this Contract.

The Contractor hereby agrees to indemnify and save harmless the State against all claims, damages, costs, losses and liabilities whatsoever, including but not limited to any and all injury to persons and property that may arise out of the performance of this Contract.

The Contractor agrees to maintain adequate insurance coverage in order to fulfill its responsibilities under this section.

4.2. Tax Exemption

The State is generally exempt from Federal Excise Taxes, Maryland Sales and Use Taxes, District of Columbia Sales Tax and Transportation Taxes. Exemption certificates shall be completed upon request.

4.3. Subcontracting; Assignment

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the State, nor may the Contractor sell, transfer, or otherwise assign its obligations under this Contract, or any portion thereof, or any of its rights or obligations hereunder, without the prior written approval of the State; provided, however, that the Contractor may subcontract services under or make an assignment of this Contract to an affiliate of the Contractor that is fully capable of performing such services if the Contractor retains full responsibility for the Contract. Any such subcontract or assignment shall be subject to any terms and conditions that the Office deems necessary to protect the interest of the State. The Office shall not be responsible for the fulfillment of the Contractor's obligations to subcontractors.

4.4. Non-Hiring of Officials and Employees

No official or employee of the State of Maryland, as defined under State Government Article, §15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall during the pendency and term of this Contract and while serving as an official or employee of the State become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

4.5. Disputes

This Contract shall be subject to the provisions of Title 15, Subtitle 2 of the State Finance and Procurement Article of the Annotated Code of Maryland (Dispute Resolution), and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision.

4.6. Maryland Law Prevails

The provisions of this Contract shall be governed by the Laws of Maryland.

4.7. Amendments

This Contract, including the exhibits hereto, constitutes the entire agreement between the parties and all other communications prior to its execution, whether written or oral, with reference to the subject matter of this Contract are superseded by this Contract. Any amendment to this Contract must first be approved in writing by the Procurement Officer, subject to any additional approvals required by State law. No amendment to this Contract shall be binding unless so approved and unless it is in writing and signed by the party to be charged.

4.8. Nondiscrimination in Employment

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, sexual orientation, gender identification, marital status, national origin, ancestry genetic information or any otherwise unlawful use of characteristics, or disability of a qualified individual with a disability unrelated in nature and extent so as to reasonably preclude the performance of the employment, or the individual's refusal to submit to a genetic test or make available the results of a genetic test; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

4.9. Commercial Nondiscrimination Clause

- 4.9.1. As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.
- 4.9.2. As a condition of entering into this Contract, upon the Maryland Human Relations Commission's request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that is requested by the State. Contractor

understands that violation of this clause is a material breach of this Contract and may result in Contract termination, disqualification by the State from participating in State contracts, and other sanctions.

4.10. Contingent Fee Prohibition

The Contractor, architect, or engineer (as applicable) warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for the Contractor, architect, or engineer, to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any fee or any other consideration contingent on the making of this Contract.

4.11. Living Wage Requirements

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland.

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least \$13.79 per hour, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total Contract value are performed in the Tier 2 Area, an Contractor shall pay each covered employee at least \$10.36 per hour. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

This Contract has been deemed to be a Tier 1 contract.

4.12. Multi-Year Contracts Contingent upon Appropriations

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be cancelled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any non-recurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

4.13. Termination for Default

If the Contractor fails to fulfill its obligation under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State shall pay the Contractors fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

4.14. Termination for Convenience

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination and all reasonable costs associated with termination of the Contract. However, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12A(2).

4.15. Delays and Extensions of Time

The Contractor agrees to prosecute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.

Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another contractor in the performance of a Contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

4.16. Variations in Estimated Quantities

No equitable adjustment shall be permitted in favor of either the State or the Contractor in the event that the quantity of any pay item in this Contract is an estimated quantity and the

actual quantity of such pay item varies from the estimated quantity stated in the Contract.

4.17. Suspension of Work

The Procurement Officer unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

4.18. Pre-Existing Regulations

In accordance with the provisions of §11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR Title 21) in effect on the date of execution of this Contract are applicable to this Contract.

4.19. Financial Disclosure

The Contractor shall comply with the provisions of §13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

4.20. Political Contribution Disclosure

The Contractor shall comply with Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a procurement contract with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contribution in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on or before: (i) May 31, to cover the six (6) month period ending April 30; and (ii) November 30, to cover the six (6) month period ending October 31. Additional information is available on the State Board of Election website: http://www.elections.state.md.us/campaign_finance/index.html.

4.21. Retention of Records/Audit

The Contractor shall retain and maintain all records and documents relating to this Contract for three years after final payment by the State hereunder or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or his designee, at all reasonable times.

4.22. Compliance with Laws

The Contractor hereby represents and warrants that:

- 4.22.1. It is qualified to do business in the State of Maryland and that it will take such action as, from time to time, hereafter may be necessary to remain so qualified;
- 4.22.2. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
- 4.22.3. It shall comply with all federal, State and local laws, regulations and ordinances applicable to its activities and obligations under this Contract; and
- 4.22.4. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

4.23. Liability for Loss of Data

In the event of loss of any data or records necessary for the performance of this Contract where such loss is due to the error or negligence of the Contractor, the Contractor shall be responsible, irrespective of cost to the Contractor, for recreating such lost data or records.

4.24. Cost and Price Certification

- 4.24.1. The Contractor by submitting cost or price information certifies that, to the best of its knowledge, the information submitted is accurate, complete, and current as a mutually determined specified date prior to the conclusion of any price discussions or negotiations for:
 - (1) A negotiated contract, if the total contract price is expected to exceed \$100,000, or a smaller amount set by the procurement officer; or
 - (2) A change order or contract modification, expected to exceed \$100,000, or a smaller amount set by the procurement officer.
- 4.24.2. The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases

occurring because the Contractor furnished cost or price information which, as of the date agreed upon between the parties, was inaccurate, incomplete, or not current.

4.25. Ownership of Documents and Materials

The Contractor agrees that all documents and materials including, but not limited to, reports, drawings, studies, specifications, estimates, maps, photographs, designs, graphics, mechanical, artwork, and computations prepared by or for it under the terms of this Contract shall at any time during the performance of the services be made available to the State upon request by the State and shall become and remain the exclusive property of the State upon termination or completion of the services. The State shall have the right to use same without restriction or limitation and without compensation to the Contractor other than that provided by this Contract. The State shall be the owner for purposes of copyright, patent or trademark registration.

4.26. Patents, Copyrights and Trade Secrets

4.26.1. If the Contractor furnishes any design, device, material, process or other item, which is covered by a patent, or copyright or which is proprietary to or a trade secret of another, Contractor shall obtain the necessary permission or license to use such item.

4.26.2. Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by Contractor infringes any patent, trademark, copyright, or trade secret. Contractor also will pay all damages and costs that by final judgment may be assessed against the State due to such infringement and all attorney fees and litigation expenses reasonably incurred by the State to defend against such a claim or suit. The obligations of this paragraph are in addition to those stated in paragraph 4.26.3. below.

4.26.3. If any product(s) furnished by Contractor become, or in Contractor's opinion are likely to become, the subject of a claim of infringement, Contractor will, at its option: (1) procure for the State the right to continue using the applicable item; (2) replace the product with a non-infringing product substantially complying with the item's specifications; or (3) modify the item so it becomes non-infringing and performs in a substantially similar manner to the original item.

4.27. Confidentiality

To the extent permitted by Maryland Law, including the Maryland Public Information Act and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with

the law and the confidentiality provisions of the RFP. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

ARTICLE V - NOTICES

5.1. All notices required to be given by one party to the other hereunder shall be in writing and shall be addressed as follows:

If to the Office: Nancy Clark
Director of Treasury Management
Maryland State Treasurer's Office
Louis L. Goldstein Treasury Building
80 Calvert Street
Annapolis, Maryland 21401

If to the Contractor: [Name and Address]

5.2. All invoices and all correspondence and inquiries relating to invoices or payments shall be addressed to the Agency identified above in Section 5.1.

ARTICLE VI - ADMINISTRATION

6.1. The work to be accomplished under this Contract shall be performed under the direction of the Contract Officer, Director of Treasury Management. All matters relating to the administration of this Contract shall be referred to the Procurement Officer for determination.

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ARTICLE VII - REPRESENTATIONS

7.1. Each party to this Contract represents and warrants to the other that it has full right, power, and authority to execute this Contract.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date hereinabove set forth.

ATTEST:

[CONTRACTOR'S LEGAL NAME]

By: _____
[Signatory]
[Title]

WITNESS:

**MARYLAND STATE TREASURER'S
OFFICE**

By: _____
Nancy K. Kopp
State Treasurer

WITNESS:

By: _____
Bernadette T. Benik
Chief Deputy Treasurer

Approved for form and legal sufficiency
for the Maryland State Treasurer's Office:

David P. Chaisson
Assistant Attorney General

APPENDIX F
(To be submitted with the Contract)
CONTRACT AFFIDAVIT

A. AUTHORITY

I HEREBY AFFIRM THAT:

I, (print name) _____ possess the legal authority to make this Affidavit.

B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

I FURTHER AFFIRM THAT:

The business named above is a (check applicable items):

- (1) Corporation — domestic or foreign;
- (2) Limited Liability Company — domestic or foreign;
- (3) Partnership — domestic or foreign;
- (4) Statutory Trust — domestic or foreign;
- (5) Sole Proprietorship

and is registered or qualified as required under Maryland Law.

I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID Number: _____

Address: _____

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID Number: _____

Address: _____.

C. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into a procurement contract with the State, a county, a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more shall file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on: (i) May 31, to cover the six (6) month period ending April 30; and (ii) November 30, to cover the six (6) month period ending October 31.

E. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

(i) The dangers of drug and alcohol abuse in the workplace;

(ii) The business's policy of maintaining a drug and alcohol free workplace;

(iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and

(iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), of this regulation;

(h) Notify its employees in the statement required by §E(2)(b), of this regulation, that as a condition of continued employment on the contract, the employee shall:

(i) Abide by the terms of the statement; and

(ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), of this regulation, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), of this regulation, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

(i) Take appropriate personnel action against an employee, up to and including termination; or

(ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), of this regulation.

(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), of this regulation, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

F. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated _____, 20__ , and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

By: _____
Signature of Authorized Representative and Affiant

Printed Name: _____
Printed Name of Authorized Representative and Affiant

Title: _____

Date: _____

EXHIBIT 1
Maryland State Treasurer's Office
Merchant Terminals, Software, VAR Data and Platforms
As of March 16, 2018

Equipment Name	Equipment/Software Type	Equipment Network/Platform
AUTHORIZE.NET GATEWAY	Software	FDC Nashville
CLEARCOMMERCE GATEWAY	Software	Cardnet
ClearComrmerce Gateway ECOM	Software	FDC Nashville
CLEARCOMMERCE GATEWAY	Software	Cardnet
CryptPay RC EC DW	Software	FDC Nashville
CYBERSOURCE CPM V6.4	Software	FDC Nashville
CYBERSOURCE GATEWAY	Software	FDC Nashville
CyberSource Gateway ECOM	Software	FDC Nashville
Cybersource ICS2 (Ecom)	Software	FDC Nashville
DATACAP NETePay4.0 N	Software	Cardnet
DATACAP NETePay5.0 NSH/N	Software	Cardnet
DATACAP TWN/IPTrn3.0BUYP	Software	Buypass
Dcap TwTran 3.0 Cnet	Software	Cardnet
DCAP TWTRAN 3.0 Nash	Software	FDC Nashville
Digital Payment Technologies Corp	Software	FDC Nashville
Direct Payment GTWY	Software	FDC Nashville
DTCP NETePAY 5.05 GTW RC	Software	Cardnet
DTCP NETePAY 5.05 GTW RC	Software	FDC Nashville
Element Pmnt Svc GTWY	Software	FDC Nashville
E-xact Compass GTWY	Software	FDC Nashville
FD-100 TI	Terminal	FDC Nashville
FD130	Terminal	FDC Nashville
FD130 Duo	Terminal	FDC Nashville
FD35 HW PIN Pad w NFC-EMV	Pinpad	FDC Nashville
FD400GT CDMA	Terminal	FDC Nashville
FD410	Terminal	FDC Nashville
FD410DW	Terminal	FDC Nashville
FreedomPay GTW multi	Software	FDC Nashville
FRNTSTRM FASTTRNSCT GTWY	Software	Cardnet
GGE4REALTIMEMGRRTLMOTO	Software	FDC Nashville
Govolution Inc Gateway	Software	FDC Nashville
GOVOLUTION NON EC GTWY	Software	FDC Nashville
Magensa MMPG v1 RC	Software	FDC Nashville
Main St Monetra CRDNETv7	Software	Cardnet
MainstreetMonetra7	Software	FDC Nashville
MBS POS v1	Software	Cardnet

Merchant Link Gateway	Software	Cardnet
Equipment Name	Equipment/Software Type	Equipment Network/Platform
Merchant Link Gateway	Software	FDC Nashville
Monetra 4.1.0 DW EC	Software	FDC Nashville
Monetra 4.1.0 DW EC	Software	Cardnet
MRCH PRTNRS NASH ISO EC	Software	Cardnet
n Software v2.0	Software	Cardnet
NCR SecurePay GTWY	Software	Cardnet
NETPAY PYMNT SWITCH GTWY	Software	FDC Nashville
PARKMOBILE GTWY ECOM	Software	FDC Nashville
PayFlow Pro v 3.0-VVS001	Software	FDC Nashville
Paymetric XiPay v3.3	Software	Cardnet
PAYPAL PAYFLOW GTWY ECOM	Software	Cardnet
PC-Generic	Software	Cardnet
Plug and Pay Gateway	Software	FDC Nashville
PYMNT EX GTWY DW RC	Software	FDC Nashville
PYMNT EX GTWY EC DW RC	Software	FDC Nashville
Shift4\$\$\$OnNet GTW RC	Software	FDC Nashville
Skipjack Gateway	Software	FDC Nashville
Tender Retail Multi Merch Conect v 4.2.8	Software	Cardnet
TenderMercConMul4.2.12EC	Software	FDC Nashville
TenderMerchConv4.2.12	Software	FDC Nashville
TenderRetMCon v5.0 EC RC	Software	FDC Nashville
Touchnet CMM v6.0	Software	Cardnet
Touchnet Comm Mgt v5.0	Software	Cardnet
TOUCHNET DW EC RC	Software	Cardnet
Touchnet Ucomm6.5 RC DW	Software	Cardnet
TouchNetUC6.5 RCSRSEC MS	Software	Cardnet
USA ePay	Software	Cardnet
Ver 4.00 ICVERIFY Val Code-Change MID or Processor	Software	Cardnet
Ver 4.00 ICVERIFY Windows New Single User	Software	Cardnet
Ver 4.00 ICVERIFY Windows Setup	Software	Cardnet
VERIFONE GATEWAY	Software	FDC Nashville
Verisign PayFlow Pro Vap Reseller	Software	FDC Nashville
Verisign Retail MOTO	Software	Cardnet
VFI PAYwareConnect RC	Software	FDC Nashville
VFI PCCharge 5.10.1 Nash	Software	FDC Nashville
Vx510LE - FD POS(Dial Only)	Software	FDC Nashville
Vx570 - FD POS	Terminal	FDC Nashville

EXHIBIT 2
Maryland State Treasurer's Office
Merchant Services Sales and Transaction Volumes
Calendar Year 2016 and 2017

		Jan 2017-Dec 2017	Jan 2016-Dec 2016	
Sales	Bankcard	Visa Sales \$	\$789,428,878	\$774,573,911
		Visa Credits \$	\$11,116,887	\$10,428,631
		Visa Net \$	\$778,311,991	\$764,145,280
		Mastercard Sales \$	\$211,220,669	\$222,973,626
		Mastercard Credits \$	\$2,822,612	\$3,441,040
		Mastercard Net \$	\$208,398,057	\$219,532,587
		Bankcard Sales \$	\$1,000,649,547	\$997,547,538
		Bankcard Credits \$	\$13,939,499	\$13,869,671
		Bankcard Net \$	\$986,710,048	\$983,677,867
		Bankcard Avg Ticket \$	\$75.36	\$78.55
	Non Bankcard	Discover Passthrough Sales \$	\$22,573,234	\$20,879,772
		Discover Passthrough Credits \$	\$547,505	\$531,702
		Discover Passthrough Net \$	\$22,025,729	\$20,348,070
		Amex Passthrough Sales \$	\$103,816,840	\$107,489,375
		Amex Passthrough Credits \$	\$1,492,530	\$1,578,455
		Amex Passthrough Net \$	\$102,324,309	\$105,910,920
		Amex One Point Sales \$	\$0	\$0
		Amex One Point Credits \$	\$0	\$0
		Amex One Point Net \$	\$0	\$0
		Ebt Sales \$	\$0	\$0
Ebt Credits \$	\$0	\$0		
Ebt Net \$	\$0	\$0		
Other Sales \$	\$0	\$0		
Other Credits \$	\$0	\$0		
Other Net \$	\$0	\$0		
Non Bankcard Sales \$	\$126,573,368	\$128,634,248		
Non Bankcard Credits \$	\$2,043,244	\$2,124,335		
Non Bankcard Net \$	\$124,530,124	\$126,509,913		
Debit	Debit Sales \$	\$11,063,129	\$8,824,612	
	Debit Credits \$	\$0	\$0	
	Debit Net \$	\$11,063,129	\$8,824,612	
All Cards Net \$		\$1,122,303,301	\$1,119,012,392	

Transactions	Bankcard	Visa Sales #	10,269,727	9,568,181
		Visa Credits #	52,887	48,362
		Visa Net #	10,216,840	9,519,819
		Visa Total #	10,322,614	9,616,543
		Visa Chargebacks #	3,076	3,241
		Visa Auths #	10,907,391	10,137,972
		Mastercard Sales #	2,890,106	3,019,525
		Mastercard Credits #	13,481	16,436
		Mastercard Net #	2,876,625	3,003,089
		Mastercard Total #	2,903,587	3,035,961
		Mastercard Chargebacks #	892	1,102
		Mastercard Auths #	3,086,381	3,269,784
		<hr/>		
		Bankcard Sales #	13,159,833	12,587,706
		Bankcard Credits #	66,368	64,798
		Bankcard Net #	13,093,465	12,522,908
		Bankcard Total #	13,226,201	12,652,504
		Bankcard Chargebacks #	3,968	4,343
		Bankcard Auths #	13,993,772	13,407,756
	Non Bankcard	Discover Passthrough Sales #	442,650	393,485
		Discover Passthrough Credits #	2,045	1,816
		Discover Passthrough Net #	440,605	391,669
		Discover Passthrough Total #	444,695	395,301
		Discover Passthrough Chargebacks #	0	0
		Discover Auths #	463,622	419,447
		Amex Passthrough Sales #	994,450	1,037,657
		Amex Passthrough Credits #	3,465	3,394
		Amex Passthrough Net #	990,985	1,034,263
		Amex Passthrough Total #	997,915	1,041,051
		Amex Passthrough Chargebacks #	0	0
		Amex One Point Sales #	0	0
		Amex One Point Credits #	0	0
		Amex One Point Net #	0	0
		Amex One Point Total #	0	0
		Amex One Point Chargebacks #	0	0
		Amex Auths #	1,030,495	1,113,958
		Ebt Sales #	0	0
		Ebt Credits #	0	0
		Ebt Net #	0	0
		Ebt Total #	0	0
		Ebt Chargebacks #	0	0
		Ebt Auths #	0	0

	Other Sales #	0	0
	Other Credits #	0	0
	Other Net #	0	0
	Other Total #	0	0
	Other Chargebacks #	0	0
	Other Auths #	254	1,825
	<hr/>		
	Non Bankcard Sales #	1,437,635	1,431,797
	Non Bankcard Credits #	5,516	5,230
	Non Bankcard Net #	1,432,119	1,426,567
	Non Bankcard Total #	1,443,151	1,437,027
	Non Bankcard Chargebacks #	1	0
	Non Bankcard Auths #	1,494,371	1,535,230
Debit	Debit Sales #	133,408	152,800
	Debit Credits #	0	0
	Debit Net #	133,408	152,800
	Debit Auths #	135,338	155,140
	<hr/>		
	All Cards Net #	14,658,992	14,102,275

Exhibit 3
 REPORTS SAMPLE Transaction
 Reports Sample
Credit Card Transactions

Name	Acct #	Per#	Credit Card #	Credit/Adj	Amount
Tina Excavating	21225	0925505730	xxxx1234		30.00
Trucker 1	10235	0925604550	xxxx0784		120.00
Trucker 2	10238	0935025705	xxxx2577		250.00
Trucker 3	10975	0928805750	xxxx0123		700.00
Trucker 4	12598	bk # 328510	xxxx5200		600.00
Tina Excavating	21225	0925505730	xxxx1234	30.00	0.00
				30.00	1700.00
					<u>-30.00</u>
					1670.00

Motor Carrier Division
 Hauling Permits
 Daily Cash Receipts Report

Name	Acct #	Credit Adj	Credit Card#	Check #	Amount
Tina Excavating	21225		xxxx1234		30.00
Trucker 1	10235		xxxx0784		120.00
Trucker 2	10235		xxxx2577		250.00
Trucker 3	10975		xxxx0123		700.00
Tina Excavating	21225		xxxx1234		600.00
Tina Excavating	21225	30.00	xxxx1234		
Big Wheel Trk	10992			ck 5552	1200.00
		30.00			2900.00
					<u>30.00</u>