

SINGLE FEASIBLE SOURCE



Missouri Department of Corrections
Fiscal Management Unit
Purchasing Section
2729 Plaza Drive, P.O. Box 236
Jefferson City, MO 65102

Buyer of Record:
Diana Fredrick, CPPB
Procurement Officer II
Telephone: (573) 526-0591
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diana.fredrick@doc.mo.gov

SFS OF14709024

OPEX AS180 Retail Payment Automation
Workstation & Upgrade of ItemAge Application
Software

FOR

Department of Corrections
Division of Human Services
Offender Financial Services

Contract Period:
Date of Award through One Year

Date of Issue: October 29, 2013

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Document must be delivered to the Missouri Department of Corrections, Purchasing Section by E-Mail, Fax, or Mail/Courier (P.O. Box 236, Jefferson City, Missouri 65102 or 2729 Plaza Drive, Jefferson City, MO 65109).

The company identified in the spaces below hereby declares understanding

Company Name: Creditron Corporation
Mailing Address: 210 -15800 Crabbs Branch Way
City, State, Zip: Rockville, MD 20855
Telephone: 888-721-9510 x1028 Fax: 905-822-3585
Federal EIN #: 36-4191602 State Vendor #: _____
Email: dbarrafato@creditron.com

Authorized Signer's Printed Name and Title: Debbie Barrafato, EVP & CFO

Authorized Signature: DB Bid Date: 11/4/2013

NOTICE OF AWARD:

This bid is accepted by the Missouri Department of Corrections as follows:

Contract No. **OF14709024**
Accepted in its entirety.

Cari Collins 11-08-13
Cari Collins, Director, Division of Human Services Date

EXHIBIT A, Pricing Page

- All prices quoted herein shall be firm and fixed for the contract period. Unless stated in **EXHIBIT A, Pricing Page** herein, the Department shall assume that absolutely no other fees or charges shall be assessed to the Department whatsoever in connection with the hardware, software, and software support services.
- On-Site Implementation Services:

The contractor agrees to supply, and the Department agrees to pay such amounts as therein provided for, services to assist the Department in the on-site implementation of the System on the Department's computer System and to train the Department's personnel in the use of the System. Services in addition to the rates shown in **EXHIBIT A, Pricing Page** shall be provided to and paid for by the Department in accordance herein pursuant to Project Assessment Quotation (PAQ) hourly pricing herein.

- Additional Services/Reimbursement:

The contractor will perform services for the Department as requested, and the Department shall pay the contractor pursuant to Project Assessment Quotation (PAQ) hourly pricing herein. If the PAQ includes onsite services, the Department shall reimburse the contractor for reasonable travel, living, and out of pocket expenses in accordance with **ATTACHMENT 2, Travel Policy**. Such reimbursement will include the actual charges incurred by the contractor.

HARDWARE DESCRIPTION	QUANTITY	UNIT OF MEASURE	COST
OPEX Model OP-AS180EP	1	Each	\$40,700.00
OPEX Model OP-MOD72	1	Each	\$24,950.00
3223PC, Corei5-3470, 3.2GHz, 6MB, Win 7	1	Each	\$1,625.00
17" E17OS FP LCD Monitor	1	Each	\$225.00
Shipping Charges PC	1	Each	\$150.00
Hardware Total <i>Shipping OPEX</i>	<i>1</i>	<i>Each</i>	<i>\$1500.00</i> <i>\$69,150.00</i>

SOFTWARE DESCRIPTION	QUANTITY	UNIT OF MEASURE	COST
IAX Opex OXI/IEM File Importer	1	Each	\$10,000.00
IAX Offline Recognition Engine (per site)	1	Each	\$10,000.00
IAX CAR/LAR Opex 180 per scanner	1	Each	\$3,500.00
ItemAge Express Image Data Completion (per site)	1	Each	\$5,400.00
Inquire 2000 for SQL Server (per site)	1	Each	\$8,500.00
Check 21 Upload File per bank	1	Each	\$2,000.00
Software Discount/Trade In Allowance	1	Each	-\$34,500.00
Application Software Total			\$4,900.00

EXHIBIT A, Pricing Page continued on next page

EXHIBIT A, Pricing Page (continued)

SERVICES DESCRIPTION	QUANTITY	UNIT OF MEASURE	COST
Requirements Definition (by phone/email)	1	Each	0.00
ItemAge Express Application Implementation	1	Each	\$4,800.00
Operator Training - ItemAge Express	1	Each	\$4,800.00
Operator Training - Image Data Completion	1	Each	\$1,800.00
Data Conversion	1	Each	\$5,000.00
Services Total			\$16,400.00

SOFTWARE MAINTENANCE DESCRIPTION	QUANTITY	UNIT OF MEASURE	COST
IAX Opex OXI/IEM File Importer - 180	1	Each	\$2,000.00
IAX Offline Recognition Engine	1	Each	\$2,000.00
IAX CAR/LAR & ICR Opex AS180	1	Each	\$1,200.00
ItemAge Express Image Data Completion (per site)	1	Each	\$1,080.00
Inquire 2000 for SQL Server (per site)	1	Each	\$2,040.00
Check 21 Upload File	1	Each	\$1,200.00
Services Total			\$9,520.00
<i>Optional PC Restore Service</i>	<i>1</i>	<i>Each</i>	<i>\$995.00</i>
<i>Extended Support Coverage</i>	<i>1</i>	<i>Hour</i>	<i>\$ 225.00</i>

SOFTWARE MAINTENANCE RENEWAL PRICING	MAXIMUM INCREASE	OR	MINIMUM DECREASE	
RENEWAL PERIOD	ORIGINAL CONTRACT PRICE PLUS %	OR	RENEWAL PERIOD	ORIGINAL CONTRACT PRICE PLUS %
1 st	0 3 %	OR	1 st	%
2 nd	0 3 %	OR	2 nd	%
3 rd	0 3 %	OR	3 rd	%
4 th	0 3 %	OR	4 th	%

EXHIBIT A, Pricing Page continued on next page

EXHIBIT A, Pricing Page (continued)

PROJECT ASSESSMENT QUOTATION PRICING			
The contractor must state below firm fixed hourly rate pricing to be used for Project Assessment Quotations (PAQ) in the event the Department requests services (including but not limited to project management consulting services and personalized distance training services) and/or modifications not identified in the SFS requirements.			
Project Assessment Quotation (PAQ) Pricing			
<i>If providing multiple consulting job classifications, please list consultant job classification titles and their corresponding per hour consulting rate on separate rows below.</i>	PER HOUR	FIRM FIXED HOURLY PRICE	BRIEF DESCRIPTION OF DUTIES/RESPONSIBILITIES
Personalized Distance Learning	Hour	\$250	webinar training
Project Management	Hour	\$250	manage project
Contractor Technical Consulting	Hour	\$250	conference call discussions recommendations

Contractor's Acceptance of the State Purchasing Card (Visa):

The contractor should indicate agreement/disagreement to allow the Department to make purchases using the state purchasing card (Visa). If the contractor agrees, the contractor shall be responsible for all service fees, merchant fees, and/or handling fees. Furthermore, the contractor shall agree to provide the items/services at the prices stated herein:

Agreement X DB Disagreement _____

Terms:

The contractor should state below its discount terms offered for the prompt payment of invoices:

_____ % if paid within _____ days of receipt of invoice None DB

By signing below, the contractor hereby declares understanding, agreement and certification of compliance to provide the item(s) at the prices quoted, in accordance with all requirements and specifications contained herein and in accordance with the Terms and Conditions. The contractor further agrees that the language of this SFS shall govern.

Company Name: Creditron Corporation

Printed Name: Debbie Barrafato Email: dbarrafato@creditron.com

Authorized Signature: Debbie Barrato Date: 11/4/2013

1. INTRODUCTION

1.1 Organization:

1.1.1 This document referred to as Single Feasible Source (SFS) OF14709024, is divided into the following parts:

- Introduction
- Contractual Requirements
- Performance Requirements Applicable to Hardware
- Performance Requirements Applicable to Software
- Exhibit A - Pricing Information
- Exhibit B - Business Entity Certification, Enrollment Documentation, and Affidavit of Work Authorization
- Exhibit C - Escrow Agreement
- Attachment 1 - Creditron's Statement of Technical Support Services
- Attachment 2 - Travel Policy
- Attachment 3 - State Sales & Use Tax Exemption

1.1.2 **Background Information** - In 2006, the Department of Corrections (hereinafter referred to as Department) purchased and installed scanning equipment in order to meet the regulations regarding Check 21 that was implemented by the federal government. This equipment allows for direct deposit of checks, collected by the Department, to the Inmate Canteen Fund and Inmate Revolving Fund accounts. The Department processes approximately 2,250 payments daily. The equipment is seven years old and has a useful life of only five years.

1.2 Purpose and General Requirements/Instructions:

1.2.1 This document establishes a contract for the acquisition of document processing hardware, upgrade of application software, installation and implementation of software, operator training, and annual software maintenance for the Department. The upgrade of software, purchase of hardware, and installation and implementation of software shall be provided in accordance with the requirements and provisions stated herein and in accordance with section 34.044 RSMo for single feasible source procurement.

1.2.2 The contractor shall understand and agree that the desired contract is one in which the contractor delivers, assembles and sets in place the equipment, provides installation and implementation of software, and passes an acceptance test on equipment and software, training, and documentation.

2. GENERAL CONTRACTUAL REQUIREMENTS

2.1 Contract Period:

2.1.1 The original contract period shall be as stated on page 1 of this document. The contract shall not bind, nor purport to bind, the Department for any contractual commitment in excess of the original contract period.

2.2 Renewal Options:

- 2.2.1 The Department shall have the right, at its sole option, to renew the contract for four (4) additional one-year periods, or any portion thereof. In the event the Department exercises such a right, all terms and conditions, requirements and specifications of the contract shall remain the same and apply during the renewal periods. Pricing for the renewal period may adjust according to the applicable pricing adjustment for the specific renewal period as found on **EXHIBIT A, Pricing Page**.
- 2.2.2 If the Department exercises its option for renewal, the contractor shall agree that the price for the renewal period shall not exceed the maximum percentage increase or be less than the minimum percentage decrease quoted for the applicable renewal period as stated on **EXHIBIT A, Pricing Page** of the contract.
- a. If renewal percentages are not provided, then the price during the renewal period shall be the same as during the original contract period.
 - b. The Department does not automatically exercise its option for renewal based upon the maximum percentage and reserves the right to offer or to request renewal of the contract at a percentage less than the maximum stated.

2.3 Contract:

- 2.3.1 A binding contract shall consist of: (1) the Single Feasible Source (SFS) document and any amendments thereto, (2) the contractor's response, (3) clarification of the response, if any, and (4) the Department's acceptance of the response by "Notice of Award" or by "purchase order". All exhibits and attachments included in the SFS shall be incorporated into the contract by reference.
- 2.3.2 A notice of award issued by the Department does not constitute an authorization for shipment of equipment or supplies or a directive to proceed with services. Before providing equipment, supplies, and/or services for the Department, the contractor must receive a properly authorized purchase order or other form of authorization given to the contractor at the discretion of the Department.
- 2.3.3 The contract expresses the complete agreement of the parties and performance shall be governed solely by the specifications and requirements contained herein.
- 2.3.4 Any change to the contract, whether by modification and/or supplementation, must be accomplished by a formal contract amendment signed and approved by and between the duly authorized representative of the contractor and the Department or by a modified purchase order prior to the effective date of such modification. The contractor expressly and explicitly understands and agrees that no other method and/or no other document, including correspondence, acts, and oral communications by or from any person, shall be used or construed as an amendment or modification to the contract.

2.4 Price:

- 2.4.1 All prices shall be as indicated on **EXHIBIT A, Pricing Page(s)**.
- 2.4.2 The Department shall attach a copy of its Sales & Use Tax Exempt Certificate in **ATTACHMENT 3, Sales & Use Tax Exemption Certificate**.

- 2.4.3 Prices are FOB shipping point. Shipping fees shall be as indicated on **EXHIBIT A, Pricing Page**, prepaid by the contractor, and added to the Department's invoice.
- 2.4.4 **Annual Software Maintenance Fees** - The amounts shown on **EXHIBIT A, Pricing Page(s)** are the annual fees for the software maintenance of ItemAge Express. The annual software maintenance services include:
- a. Periodic software product maintenance releases containing new or enhanced features/functions available to the Department;
 - b. Corrections of programming errors determined to be inherent in the contractor's software product(s);
 - c. Toll free telephone access to the contractor's technical support resources for the purpose of resolving software problems;
 - d. Remote technical support to allow the contractor's personnel to perform software maintenance, correction and diagnostic tasks, via broadband connection interface (e.g. VPN, TCP/IP, Secure Internet Hosting Application);
 - e. Modification of existing bank or accounting system upload files that were developed as part of the initial software installation that require subsequent modification; and
 - f. Telephonic consultation regarding the following:
 - 1) Questions related to results obtained from the use of the software;
 - 2) Questions related to the operation of existing software features;
 - 3) Questions related to the configuration of the software;
 - 4) Diagnosis of problems related to equipment, including processors, printers and telephone lines, with referral to the appropriate equipment service provider; and
 - 5) Diagnosis of problems related to system-level software (operating system, resident utilities, networking, etc.) with referral to the appropriate software service provider.
- 2.4.5 The Department shall not pay nor be liable for any other additional costs including but not limited to taxes, insurance, penalties, termination payments, attorney fees, liquidated damages, etc.
- 2.5 Invoicing and Payment Terms:**
- 2.5.1 Payment for annual software maintenance shall be invoiced upon the contractor's receipt of a signed amendment. The first year annual maintenance fee shall be prorated to coincide with the existing annual software maintenance fee billing cycle and is due annually thereafter. Client services' expenses are due and payable on presentation immediately after delivery of services.
- 2.5.2 The contractor shall accurately invoice per the prices indicated on **EXHIBIT A, Pricing Page**.

- 2.5.3 Hardware shipping charges shall be billed at the contractor's cost, and a copy of the shipping invoice shall be provided with the contractor's invoice for reimbursement.
- 2.5.4 The Department may choose to use the state purchasing card (Visa) in place of a purchase order to make purchases under this contract. Unless exception to this condition is indicated on **EXHIBIT A, Pricing Page**, the contractor agrees to accept the state purchasing card as an acceptable form of payment and may not charge any additional fees related to the use of a purchasing card such as service fees, merchant fees, and/or handling charges.
- a. If the Department issues a purchase order, an itemized invoice shall be emailed to doc.canteenpayables@doc.mo.gov or mailed to:
- Attn: Offender Financial Services - Accounts Payable
Missouri Department of Corrections
PO Box 1609
Jefferson City, MO 65102
- 2.5.5 Each invoice submitted must be specific to one purchase order number, referenced on the invoice, and must be itemized in accordance with items listed on the purchase order. Failure to comply with this requirement may delay processing of invoices for payment. Emailed invoices should contain the purchase order number in the subject line.
- a. If the state purchasing card (Visa) is used for payment, an itemized invoice reflecting the charged amount must be faxed or emailed to the institution within one business day. The state purchasing card shall not be charged until the items are received and accepted.
- 2.5.6 The contractor's invoice should include any discount for prompt payment as indicated on **EXHIBIT A, Pricing Page**.
- 2.5.7 The Department may make advance deposits/payment for the initial order of hardware payments only.
- 2.6 Contractor Liability:**
- 2.6.1 The contractor shall be responsible for any and all personal injury (including death) or property damage as a result of the contractor's negligence involving any equipment or service provided under the terms and conditions, requirements and specifications of the contract. In addition, the contractor assumes the obligation or payment arising out of such negligent act or omission. The contractor also agrees to hold the State of Missouri, including its agencies, employees, and assignees, harmless for any negligent act or omission committed by any subcontractor or other person employed by or under the supervision of the contractor under the terms of the contract.
- 2.6.2 The contractor shall not be responsible for any injury or damage occurring as a result of any negligent act or omission committed by the State of Missouri, including its agencies, employees, and assignees.
- 2.6.3 Under no circumstances shall the contractor be liable for any of the following: (1) third party claims against the state for losses or damages (other than those listed above); (2) loss of, or damage to, the state's records or data; or (3) economic consequential damages (including lost profits or savings) or incidental damages, even if the contractor is informed of their possibility.

2.7 Termination:

- 2.7.1 The Department reserves the right to terminate the contract at any time for the convenience of the State of Missouri without penalty or recourse by giving written notice to the contractor at least thirty (30) calendar days prior to the effective date of such termination. The contractor shall be entitled to receive compensation for services and/or supplies delivered to and accepted by the Department pursuant to the contract prior to the effective date of termination.
- 2.7.2 The contractor shall be entitled to receive just and equitable compensation for services and/or supplies delivered to and accepted by the Department pursuant to the contract prior to the effective date of termination. The parties agree that, so long as this contract is in force, the Department shall continue to pay the annual system maintenance fee described in **EXHIBIT A, Pricing Page**.

2.8 Assignment of Contract:

- 2.8.1 The contractor may not assign, transfer, or sell their right or obligation to provide the equipment, software, and services to the Department without written assignment of contract signed by both the contractor and the assignee, and approved by the Department with a written contract amendment. The contractor must notify the Department in writing at least thirty (30) days in advance of its intention to assign, transfer, or sell their right and obligation to provide the equipment, software, and services to the department. The assignee must agree in writing by signature to accept and assume all specifications and terms and conditions of the contract for the duration of the contract period. The contractor shall remain responsible for all specifications and terms and conditions for the contract until the contract is amended in writing by the Department.

2.9 Inventions, Patents and Copyrights:

- 2.9.1 The contractor shall hold the Department harmless, and shall defend any suit or proceeding brought against the Department insofar as such suit or proceeding is based on a claim that the use of the system furnished by the contractor under this contract constitutes infringement of any copyright, patent, trade secret, or other proprietary rights, provided the contractor is promptly notified in writing and given authority, information, and assistance of the defense of same; and the contractor shall, at its own expense and at its option, procure for the Department the right to continue to use said system or to modify it so that it becomes non-infringing or to replace the same with a non-infringing installation. The foregoing shall not be construed to include any agreement by the contractor to accept any liability whatsoever in respect to copyrights, patents, trade secrets, or other proprietary rights for non-contractor software or inventions including more than the system furnished hereunder, or in respect to copyrights or patents, trade secrets, and other proprietary rights for methods and processes to be carried out with the aid of the system, except those that are inherent in the system as furnished, the foregoing states the entire liability of the contractor with regard to the copyright, patent, trade secrets, and other proprietor rights infringement.
- 2.9.2 The contractor shall not be liable for any cost, expense, or compromise incurred or made by the Department in conjunction with any issue of infringement without the contractor's prior written authorization. The foregoing defines the entire warranty and exclusive remedy with respect to any alleged patent infringement by such product or part.

2.10 Confidential Information:

- 2.10.1 The Department acknowledges the proprietary rights of the contractor in and to the System including but not limited to computer programs, user manuals, other supporting material and data, identifying symbols, passwords and user numbers, and further acknowledges that such are properly considered to be trade secrets in that they involve processes and compilation of information that are secret, confidential, and not generally known to the public, and which are the product of the contractor's own expenditure of time, effort, money, and creative skills. The Department also acknowledges and agrees that use of the System is furnished during the terms of the contract to the Department on a confidential or for the sole and exclusive use of the Department and not for resale, and agrees that it will not use, publish, disclose, or otherwise divulge to any person, except necessary officers, employees, and consultants of the Department, at any time, either during or after the termination of the contract, nor permit its officers or employees to so divulge any such information regarding the System, without the prior written consent of an officer of the contractor, except that the Department is authorized hereby to reproduce information derived from the System for its own internal use by authorized officers and employees. Notwithstanding the foregoing, the proprietary or information covered hereby may be disclosed by the Department to a third party, person, firm or corporation if such disclosure is unavoidable because of its or their access to or control of the Department's computer, provided that this sentence shall not be deemed to permit any use of the System that would otherwise be prohibited by this paragraph. In the event any such information is so disclosed, the Department agrees that any unauthorized use or disclosure of such information by such third party, person, firm, or corporation may be treated by the contractor as an unauthorized use or disclosure by the Department and the Department shall remain liable therefore. Nothing herein shall be deemed to limit any rights of the contractor under copyright, patent or other law.
- 2.10.2 The contractor agrees that, without the prior written consent of an officer of the Department, it will not disclose to others nor will it permit its officers or employees to so disclose any technical or accounting data or proprietary information or confidential business information of the Department.
- 2.10.3 The preceding provisions of this Section shall not apply to any data, information, item, or other matter that is in the public domain at the time of disclosure to the contractor or the Department, or that is thereafter disclosed to either, as a matter of right by a third person or persons, or that thereafter passes into public domain by acts other than the unauthorized acts of the contractor or the Department, or that is in the possession of either party at the time of its disclosure by the other, or that is subject to disclosure pursuant to Missouri law.
- 2.10.4 The Department agrees that all tangible objects provided by the contractor containing or relating to the trade secrets described in this Section are the sole and exclusive property of the contractor.
- 2.10.5 Without limiting anything contained in this Section, and subject to the Department's rights under Section 4.3.1 hereof, the Department agrees that it will not modify or permit anyone to modify any part of the System. This Section shall survive termination of this contract.

2.11 Insurance:

- 2.11.1 The contractor shall understand and agree that the State of Missouri cannot save and hold harmless and/or indemnify the contractor or its employees against any liability incurred or arising as a result of any activity of the contractor or any activity of the contractor's employees related to the contractor's performance under the contract. Therefore, the contractor must acquire and

maintain adequate liability insurance in the form(s) and amount(s) sufficient to protect the State of Missouri, the Department, its employees, its clients, and the general public against any such loss, damage, and/or expense related to its performance under the contract.

2.12 Coordination:

2.12.1 The contractor shall fully coordinate all contract activities with those activities of the Department. As the work of the contractor progresses, advice and information on matters covered by the contract shall be made available by the contractor to the Department or the Purchasing Section throughout the effective period of the contract.

2.13 Substitutions:

2.13.1 The contractor shall not substitute any item(s) that has been awarded to the contractor without the prior written approval of the Department.

2.13.2 The Department reserves the right to allow the contractor to substitute any new product/service offered by the contractor on all unshipped and future orders if the quality is equal to or greater than the product/service under contract and if the prices are equal to or less than the contract prices. The Department shall be the final authority as to acceptability.

2.14 Contractor Status:

2.14.1 The contractor represents itself to be an independent contractor offering such services to the general public and shall not represent itself or its employees to be an employee of the State of Missouri. Therefore, the contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, minimum wage requirements, overtime, etc., and agrees to indemnify, save, and hold the State of Missouri, its officers, agents, and employees harmless from and against any and all loss, cost (including attorney fees), and damage of any kind related to such matters.

2.15 Contractor's Personnel:

2.15.1 The contractor shall only employ personnel authorized to work in the United States in accordance with applicable federal and state laws. This includes but is not limited to the Illegal Immigration Reform and Immigrant Responsibility Act (IIRIRA) and INA Section 274A.

2.15.2 If the contractor is found to be in violation of this requirement or the applicable state, federal and local laws and regulations, and if the State of Missouri has reasonable cause to believe that the contractor has knowingly employed individuals who are not eligible to work in the United States, the state shall have the right to cancel the contract immediately without penalty or recourse and suspend or debar the contractor from doing business with the state. The state has the right to apply any remedies available under applicable federal and state laws.

2.15.3 The contractor shall agree to fully cooperate with any audit or investigation from federal, state, or local law enforcement agencies.

2.15.4 If the contractor meets the definition of a business entity as defined in section 285.525, RSMo, pertaining to section 285.530, RSMo, the contractor shall maintain enrollment and participation in the E-Verify Federal Work Authorization Program with respect to the employees hired after enrollment in the program who are proposed to work in connection with the contracted services

included herein. If the contractor’s business status changes during the life of the contract to become a business entity as defined in section 285.525, RSMo, pertaining to section 285.530, RSMo, then the contractor shall, prior to the performance of any services as a business entity under the contract:

- (1) Enroll and participate in the E-Verify Federal Work Authorization Program with respect to the employees hired after enrollment in the program who are proposed to work in connection with the services required herein; AND
- (2) Provide to the Department the documentation required in **EXHIBIT B, Business Entity Certification, Enrollment Documentation, and Affidavit of Work Authorization** affirming said company’s/individual’s enrollment and participation in the E-Verify Federal Work Authorization Program; AND
- (3) Submit to the Department a completed, notarized Affidavit of Work Authorization provided in **EXHIBIT B, Business Entity Certification, Enrollment Documentation, and Affidavit of Work Authorization.**

2.15.5 In accordance with subsection 2 of section 285.530, RSMo, the contractor should renew their Affidavit of Work Authorization annually. A valid Affidavit of Work Authorization is necessary to award any new contracts.

2.16 Outside the United States:

2.16.1 If any products and/or services offered under this contract are being manufactured or performed at sites outside the United States, the contractor MUST disclose such fact and provide details in the space below or on an attached page.

Are products and/or services being manufactured or performed at sites outside the United States?	Yes <u> X </u>	No <u> </u>
Describe and provide details: <i>support services maybe performed from our Canadian office</i>		

2.17 Intellectual Property Rights:

2.17.1 The contractor hereby warrants that it has and will continue to have free and clear title (including all proprietary rights) to any products delivered to the Department or the right to license, transfer or assign any and all products that are licensed, transferred, or otherwise provided to the Department by the contractor pursuant to this contract.

2.18 Entire Agreement:

2.18.1 The contract expresses the complete agreement of the parties and performance shall be governed solely by the specifications and requirements contained herein. Any change, whether by modification and/or supplementation, must be accomplished by a formal contract amendment signed and approved by and between the duly authorized representative of the contractor and the Department. Each party expressly and explicitly understands and agrees that no other method and/or other document, including correspondence, acts, and oral communications by or from any person, shall be used or construed as an amendment or modification.

2.19 Compliance with Terms and Conditions:

2.19.1 Any language or provisions contained in any “shrink-wrap” or “click wrap” agreement shall be of no force or effect if such provisions conflict with the terms of this contract agreement (SFS OF14709024).

2.20 Business Compliance:

2.20.1 The contractor must be in compliance with the laws regarding conducting business in the State of Missouri. The contractor certifies by signing the signature page of this original document and any amendment signature page(s) that the contractor and any proposed subcontractors either are presently in compliance with such laws or shall be in compliance with such laws prior to any resulting contract award. The contractor shall provide documentation of compliance upon request by the Department. The compliance to conduct business in the state shall include but may not be limited to:

- Registration of business name (if applicable)
- Certificate of authority to transact business/certificate of good standing (if applicable)
- Taxes (e.g., city/county/state/federal)
- State and local certifications (e.g., professions/occupations/activities)
- Licenses and permits (e.g., city/county license, sales permits)
- Insurance (e.g., worker’s compensation/unemployment compensation)

2.21 Notices:

2.21.1 Any notice or communication required or permitted under this contract shall be deemed given when received by the other party, and must be delivered or mailed by United States mail or sent by national delivery service, such as Federal Express or United Parcel Service, charges prepaid, in each case, properly addressed to the addresses of the parties indicated on the signature page of this contract, or at such other address as may hereafter be furnished in writing by either party and such notice shall be deemed to have been given as of the date received by the other party. The Department will designate a contractor “contact” that will provide information requested by the contractor.

2.21.2 Contacts for any such notice or communication are as follows:

For Creditron:

Wally Vogel, CEO
The contractor
15800 Crabbs Branch Way, Ste. 210
Rockville, MD 20855
Phone: 240.252.4985
Email: wvogel@Creditron.com

For Department:

Susan Wood
Fiscal & Administrative Manager
Missouri Department of Corrections
Offender Financial Services
2729 Plaza Drive
Jefferson City, MO 65102
Phone: 573.526.6445
Email: susan.wood@doc.mo.gov

2.22 No Prevailing Wage Work:

2.22.1 The contractor shall not perform any work under contract that by Missouri law (section 290.250, RSMo) requires prevailing wage. The contractor must notify the Department if any requested

work would involve prevailing wage. The Department shall then arrange for said work outside the subject contract in accordance with Missouri law.

2.23 Force Majeure:

- 2.23.1 The contractor shall not be liable for any excess costs for delayed delivery of goods or services to the Department if the failure to perform the contract arises out of causes beyond the control of and without the fault or negligence of the contractor. Such causes may include, however are not restricted to, acts of God, fires, floods, epidemics, quarantine restrictions, strikes, and freight embargoes. In all cases, the failure to perform must be beyond the control of, and without the fault or negligence of, either the contractor or any subcontractor(s). The contractor shall take all possible steps to recover from any such occurrences.

2.24 Project Assessment Quotations:

- 2.24.1 ***Project Assessment Quotation (PAQ)*** - The contractor's solution must allow for customizations of its functionality in order to provide the Department with enhancements and/or new functionality needed by the Department for customization of the system not described in the SFS (outside of the contract requirements included herein). The contractor shall understand and agree the Department shall utilize a PAQ as a means to: (1) identify the specific tasks to be performed and (2) mutually agree upon total price, pursuant to the PAQ hourly pricing stated in **EXHIBIT A, Pricing Page**, herein to be paid to the contractor upon completion of the specified tasks. The Department reserves the right to conduct a separate procurement process(es) to establish a contract(s) for the same or similar services for any of the Department's specific project(s) and/or to continue to utilize valid existing consulting service contracts, if determined to be in the Department's best interests. The PAQ process shall occur in a controlled sequence of proposals and approvals by the Department's designated Project Manager as outlined below. The contractor shall understand and agree that the general protocol for PAQ workflow shall be as described below:

STEP 1: PAQ REQUEST

The Department's designated Project Manager will present a written request for each PAQ to the contractor in a standard format. The Department's request must explain the scope of the project and the tasks the Department desires the contractor to perform, including applicable business and technical specifications.

STEP 2: DRAFT PAQ

The contractor must respond (within a prescribed number of days mutually agreed-upon by the Department and the contractor) to each such PAQ request from the Department's designated Project Manager with a draft PAQ which provides a statement of cost (based upon the hourly/daily rates specified on **EXHIBIT A, Pricing Page**) and time, technical and strategic alternatives, and solution recommendations.

STEP 3: APPROVAL OF DRAFT PAQ

If the draft PAQ is approved by the Department's designated Project Manager, the contractor must then prepare a final PAQ for resubmission to the Department's designated Project Manager for final approval.

STEP 4: FINAL PAQ

The contractor's final PAQ must include:

1. Contract number;
2. Department's name/address;
3. Department's designated Project Manager name and telephone number;
4. Contractor's contact name and telephone number;
5. Brief title of specific PAQ;
6. Final PAQ issue date;
7. A detailed itemization and description of all of the project tasks which shall be completed by the contractor (i.e. project work), including requirements for and specified frequency of any required status reports (the specified project tasks and deliverables must be clearly stated and must be quantifiable);
8. The firm fixed total number of project hours for contractor personnel and the firm fixed cost (based upon hourly/daily rates specified on **EXHIBIT A, Pricing Page**);
9. Detailed completion schedule for each task/component of the project work;
10. Mutually agreed-upon turnaround times for the Department's designated Project Manager to review, approve, and formally accept or reject the components of the contractor's project work in accordance with the approved final PAQ;
11. Mutually agreed-upon milestones for compensation of project costs for the contractor's project work, including any mutually agreed-upon holdbacks for specified deliverables and holdback release time frames for specified deliverable completion;
12. Identification of the specific tasks within each component of the PAQ which must be completed by Department personnel;
13. Signature and date lines for both the contractor and the Department's designated Project Manager to signify approval.

STEP 5: APPROVAL OF FINAL PAQ

The contractor and the Department's designated Project Manager must indicate mutual acceptance of the final PAQ by signing and dating the final PAQ. The Department's designated Project Manager; (1) must retain one signed copy; (2) must forward a copy to the Purchasing Section for inclusion in the contract file; and (3) must send one copy to the contractor.

STEP 6: AUTHORIZATION TO PROCEED/PAQ PROJECT WORK

An approved final PAQ alone does not constitute an authorization to proceed with project work. Before proceeding with project work, the contractor must receive a properly authorized Purchase Order or other form of authorization. Project work shall include the contractor's completion of the tasks identified in the final PAQ.

STEP 7: FORMAL ACCEPTANCE

Upon completion of all project work of a given PAQ, the contractor must notify the Department's designated Project Manager in writing and shall submit an invoice in accordance with the PAQ approved by the Department's designated Project Manager. The Department's designated Project Manager shall review, approve, and formally accept or reject the components of the PAQ project work in accordance with the turnaround time outlined in the PAQ. Formal acceptance shall not be unreasonably delayed or withheld by the Department. Once the PAQ project work has been formally accepted by the Department, the contractor shall deliver the source code materials pertaining to the PAQ project work to the Department within five (5) business days.

STEP 8: COST RECOVERY FOR CONTRACTOR

Project costs for the PAQ project work shall be reimbursable upon formal acceptance by the Department's designated Project Manager in accordance with the milestones for compensation outlined in the PAQ.

GENERAL REQUIREMENTS

The contractor shall submit a draft and final PAQ in a timely manner. The Department and the contractor shall mutually agree upon the prescribed number of days for the contractor to submit the draft and final PAQs.

The Department's designated Project Manager reserves the right to reject any contractor-submitted PAQ and/or request the contractor to submit a revised PAQ with adjustments (revised cost, length of time, solution recommendation, etc.).

The contractor shall not be paid for the preparation of the PAQ.

A PAQ request, the draft and final PAQs, and the contractor's project work must be within the scope of the performance requirements identified in the contract that the contractor was awarded and must not change any provision of the contract.

Any changes to the PAQ must be formalized in writing as an official revision of the final PAQ. The format of PAQ revisions shall be consistent with the format of the final PAQ as outlined above, including the distribution of the original to the Purchasing Section, a copy to the contractor, and retaining a copy for the Department's designated Project Manager. The contractor shall agree and understand the firm fixed cost stated in the final PAQ shall not be increased unless the Department requests a corresponding increase in the scope of work under the PAQ. If the scope of work does not increase, the contractor shall complete all work agreed upon in the PAQ at the firm fixed cost stated in the PAQ.

The Department's designated Project Manager shall have the right to terminate the PAQ at any time for the convenience of the Department, without penalty or recourse, by giving written notice to the contractor at least five (5) business days prior to the effective date of such termination. In the event of termination pursuant to this paragraph, all developed source code, documents, data reports, and accomplishments prepared, furnished, or completed by the contractor pursuant to the terms of the contract shall, at the option of the Department's designated Project Manager, become the property of the Department. The contractor shall be entitled to receive compensation for that work completed and accepted by the Department pursuant to the PAQ prior to the effective date of termination.

The duration of any PAQ must not exceed the effective contract period.

PAQ Invoicing: The contractor shall submit an itemized invoice to the Department within 30 calendar days after completion of and in accordance with the mutually agreed-upon milestones for compensation of project costs for the contractor's project work (as specified in the applicable PAQ).

3. PERFORMANCE REQUIREMENTS APPLICABLE TO HARDWARE**3.1 Installation and Technical Services:**

- 3.1.1 **INSTALLATION** - The equipment provided under this contract shall be assembled and set in place by the contractor. The contractor's technical personnel shall be available to the Department in the use of the equipment. The charges, if any, for such services are listed on **EXHIBIT A, Pricing Page**.
- 3.1.2 **OPERATING AND MAINTENANCE MANUALS** - The contractor shall furnish the Department with one (1) copy of all operating and maintenance manuals which are normally provided with the equipment being purchased.

3.2 Inspection/Acceptance

- 3.2.1 The contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Department reserves the right to inspect or test any equipment that has been tendered for acceptance. The Department may require repair or replacement of nonconforming equipment at no increase in contract price. The Department must exercise its post acceptance rights (1) within a reasonable time after the defect is discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

3.3 Delivery Performance:

- 3.3.1 The contractor must coordinate its delivery schedule with the Department. Delivery shall include unloading shipment at the Department dock or other designated unloading site as requested by the Department. Hardware, OPEX Model OP-AS180EP and OPEX Model OP-MOD72, shall be shipped FOB, Destination, Freight Prepaid and Added.

3.4 Prices for Ordered Equipment:

- 3.4.1 The purchase price that the Department will be charged will be the price as indicated on **EXHIBIT A, Pricing Page**.

4. PERFORMANCE REQUIREMENTS APPLICABLE TO SOFTWARE

4.1 Installation and Technical Services:

- 4.1.1 **INSTALLATION** - The software provided under this contract shall be installed by the contractor. The contractor's technical personnel shall be available to the Department in the use and maintenance of the software system. The charges, if any, for such services are listed on **EXHIBIT A, Pricing Page**.
- 4.1.2 **OPERATING AND MAINTENANCE MANUALS** - The contractor shall furnish the Department with one (1) copy of all operating and maintenance manuals which are normally provided with the software being purchased.
- 4.1.3 The contractor understands and agrees that it will be its responsibility to work with the Missouri Office of Information Technology Services Division (ITSD) and Central Bank in Jefferson City, Missouri, to establish Check21 functionality. The contractor must adhere to the Department's regulations regarding the transfer of data to an outside source. The contractor may have to work with ITSD and Huber and Associates to verify that they are following the Department's regulations as well as any regulations required by Central Bank.

4.2 Inspection and Acceptance

4.2.1 The contractor shall only tender for acceptance those items that conform to the requirements of this contract. The Department reserves the right to inspect or test any software that has been tendered for acceptance. The Department may require repair or replacement of nonconforming software at no increase in contract price. The Department must exercise post acceptable rights (1) within a reasonable time after the defect is discovered or should have been discovered; and (2) before any substantial change occurs in the condition of the software, unless the change is due to the defect in the software.

4.3 Technical Services:

4.3.1 The contractor, without additional charge to the Department, shall provide a hot-line technical support number for the purpose of providing user assistance and guidance in the implementation of the software. The technical support number shall be available from 8:30 a.m. to 5:00 p.m. central time weekdays.

4.4 Software Maintenance and Support Services:

4.4.1 Except as expressly provided herein, the contractor's maintenance obligations in this section shall apply only if payments are not delinquent. If the Department discovers an error in the coding or logic of the System as delivered to the Department that prevents the System from performing substantially in accordance with the documentation, the Department shall notify the contractor of the error, and on request by the contractor, will deliver its analysis thereof accompanied by complete data listings, screen listings, and sample runs exhibiting the error. Upon receipt of such notice, the contractor shall, within ten (10) days, respond at its option in one of the following ways and deliver to the Department:

- a. An updated version of the System that corrects the error. The System shall be in the same form and quantity originally supplied to the Department in exchange for the CDs, documentation, and data originally delivered, or;
- b. Detailed and effective procedures for avoiding the error until such error is corrected in a subsequent release of the System; or
- c. An agreed upon plan to fix the error.

4.4.2 The contractor shall periodically notify the Department of the availability of newer versions of the System within the scope of work under this contract that have been released for use by its customers generally and shall, within sixty (60) days of receipt of written request by the Department, supply the Department with such newer version. The System shall be provided to the Department without additional charges except for cost of on-site installation, if required, in the same form and quantity as originally delivered. The Department shall assist the contractor in its performance under this Section by allowing the contractor to use the Department's computer System, data listings, and sample runs to reproduce and/or correct any error and to install and check updated versions of the System.

4.4.3 This Section shall not apply to System Maintenance services rendered by the contractor if the rendering of such services is required due to Department changes to procedures, or computer environment, or due to Department changes to the contractor's software, or due to alteration of the data used by the System through methods other than provided by the System software, and

any such services will be provided by the contractor at the Project Assessment Quotation (PAQ) pricing herein. The Department is required to perform daily backups of System data.

4.4.4 In the event neither the contractor nor any successor (by operation of law or otherwise) to the business of the contractor is ready, willing, and able to fulfill the obligations of the contractor under the terms of this contract, the contractor agrees to make available to the Department, without charge, the source code of the System provided; however, that so long as the contractor or any such successor shall be proceeding with due diligence and in good faith to fulfill such obligations, it shall be deemed to be ready, willing, and able to fulfill the contractor's obligations hereunder. In the event such source code is made available pursuant to the terms of this Section, the provisions relating to confidential information shall apply to the Department's use of such source code, except that the provisions shall not prohibit the Department's modification of such source code for its own use. The System source code shall be held in an escrow account by an escrow agent of the Department's choice.

4.4.5 The contractor must provide technical support as outlined in **ATTACHMENT 1, Creditron's Statement of Technical Support Services**.

4.5 Changes:

4.5.1 Changes to the System configuration or implementation schedule must be made in writing and require mutual consent. Such changes may result in a change of price and/or other terms of this contract. Additional trips to facilitate implementation can be made at the Department's request and at the PAQ prices stated herein.

4.6 License:

4.6.1 The contractor hereby grants the Department a non-transferrable, non-exclusive license to operate and use the contractor's System on a Department-owned (or operated) server or computer for the sole and exclusive benefit of the Department as defined in **EXHIBIT A, Pricing Page**. The Department agrees to pay the sum set forth in **EXHIBIT A, Pricing Page**.

4.7 System Version Distribution:

4.7.1 The contractor shall supply to the Department one (1) copy of the On-line Help System and documentation, covering the installation and use of the System. The current version on the System shall be supplied for installation under this license. The contractor will place one (1) set of compact discs (CDs) containing the object code of the System in Escrow.

a. The contractor shall be responsible for all fees charged by the Escrow Agent.

b. **EXHIBIT C**, Escrow Agreement, attached hereto shall be the terms of the Escrow and incorporated into this contract by reference. Although **EXHIBIT C**, Escrow Agreement, is incorporated into this contract, it is its own agreement and any terms and conditions stated in **EXHIBIT C**, Escrow Agreement, shall only apply to the Escrow Agreement and not to the contract. In the event of any conflict between the terms and conditions of the Escrow Agreement and the terms and conditions of the contract, the terms and conditions of the contract shall prevail.

4.8 Non-Contractor Software and Hardware:

- 4.8.1 The Department agrees to install the System on a Department supplied server operated for the exclusive use by the Department, which will meet or exceed the specifications set forth herein, or as approved by the contractor.
- a. Title of the System passes to the Department on delivery to the Department.
 - b. Warranty service to be performed by the manufacturer, with the Department being responsible for warranty validation procedures, if any, notwithstanding any OEM licenses provided by the contractor.
 - c. The Department is responsible to arrange for maintenance service and repair and replacement parts for equipment with the manufacturer.

4.9 Warranty:

- 4.9.1 The contractor warrants the system and the materials supplied in conjunction therewith to be free from any defect in material, workmanship, or programming at the time of delivery, and in the event of any such defect, remedies available to the customer will be those provided herein.
- 4.9.2 The system licensed hereunder shall substantially conform to the system documentation in accordance with this agreement at the time it is delivered to the Department. The contractor agrees to correct any and all defects in the system arising from the system. The contractor shall not be liable for any defects in the event that the system is changed or altered in any respect by anyone other than an authorized agent of the contractor after the delivery of the system to the Department. The contractor shall not be liable in any respect for any damages arising from the furnishing by the Department of incorrect information submitted and used as input to the system.
- 4.9.3 The above warranty is in addition to all other warranties expressed or implied, including but not limited to the implied warranties of merchantability and fitness for a particular purpose.

4.10 Software Conversions:

- 4.10.1 Full monetary credit will be allowed to the Department when conversion from one version of the software to another is made as the result of a change in operating system, or from one computer system to another. Under a perpetual license, the purchase price of the new software shall be reduced by the amount that was paid to purchase the earlier version.

4.11 Delivery/Setup/Testing Requirements:

- 4.11.1 The contractor shall be responsible for the complete setup of the equipment and software at the Department's site in accordance with all manufacturer and industry standards and recommendations. The system and system's software must be tested and proved fully functional as part of the complete setup provided by the contractor at no additional cost to the Department before the system is considered accepted by the Department.
- 4.11.2 The contractor shall coordinate with the Department's schedule and shall deliver, setup and have the system operable within one-hundred and twenty (120) days after receipt of order. The decision of the Department is final regarding specific delivery and setup dates.

4.12 Training Requirements/Manual:

- 4.12.1 The contractor shall provide all on-site training necessary for the efficient operation of the system at the Department's location at the firm fixed price indicated on **EXHIBIT A, Pricing Page**.
- 4.12.2 In addition, the contractor shall provide the user documentation/operating manual necessary to setup, operate and maintain the system at no additional cost to the Department.

4.13 Software Maintenance:

- 4.13.1 Maintenance shall include the provision of software upgrades, new releases as well as telephone support, and electronic support with problem determination and resolution. Software pricing for new releases may be paid in addition if agreed to by the Department and amended into the contract by formal amendment by the Purchasing Section if not already stated in the contract.
- 4.13.2 The contractor must provide technical support Monday-Friday, 8:30 a.m. to 5 p.m. central time, excluding state holidays.
 - a. The contractor must provide a toll-free number hotline support system that shall be available Monday through Friday from 8 a.m. to 5 p.m. to answer, at minimum, application questions. This support must be on-going and without additional charge.
- 4.13.3 The contractor shall provide electronic support services. Electronic support services shall include the ability to report problems to the contractor online, the ability to browse a database containing problems, technical questions and answers thereto, and the ability to fix problems remotely.
- 4.13.4 The services in the Sections 3 and 4 shall be provided by the contractor in accordance with **ATTACHMENT 1, Creditron's Statement of Technical Support Services**.

EXHIBIT B
BUSINESS ENTITY CERTIFICATION, ENROLLMENT DOCUMENTATION,
AND AFFIDAVIT OF WORK AUTHORIZATION

BUSINESS ENTITY CERTIFICATION:

The contractor must certify their current business status by completing either Box A or Box B or Box C on this Exhibit.

- BOX A:** To be completed by a non-business entity as defined below.
- BOX B:** To be completed by a business entity that has not yet completed and submitted documentation pertaining to the federal work authorization program as described at http://www.dhs.gov/xprevprot/programs/gc_1185221678150.shtm.
- BOX C:** To be completed by a business entity who has current work authorization documentation on file with a Missouri state agency including Division of Purchasing and Materials Management.

Business entity, as defined in section 285.525, RSMo, pertaining to section 285.530, RSMo, is any person or group of persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood. The term "**business entity**" shall include but not be limited to self-employed individuals, partnerships, corporations, contractors, and subcontractors. The term "**business entity**" shall include any business entity that possesses a business permit, license, or tax certificate issued by the state, any business entity that is exempt by law from obtaining such a business permit, and any business entity that is operating unlawfully without such a business permit. The term "**business entity**" shall not include a self-employed individual with no employees or entities utilizing the services of direct sellers as defined in subdivision (17) of subsection 12 of section 288.034, RSMo.

Note: Regarding governmental entities, business entity includes Missouri schools, Missouri universities (other than stated in Box C), out of state agencies, out of state schools, out of state universities, and political subdivisions. A business entity does not include Missouri state agencies and federal government entities.

BOX A – CURRENTLY NOT A BUSINESS ENTITY

I certify that _____ (Company/Individual Name) **DOES NOT CURRENTLY MEET** the definition of a business entity, as defined in section 285.525, RSMo, pertaining to section 285.530, RSMo, as stated above, because: (check the applicable business status that applies below)

- I am a self-employed individual with no employees; **OR**
- The company that I represent utilizes the services of direct sellers as defined in subdivision (17) of subsection 12 of section 288.034, RSMo.

I certify that I am not an alien unlawfully present in the United States and if _____ (Company/Individual Name) is awarded a contract for the services requested herein under Contract C211036001 and if the business status changes during the life of the contract to become a business entity as defined in section 285.525, RSMo, pertaining to section 285.530, RSMo, then, prior to the performance of any services as a business entity, _____ (Company/Individual Name) agrees to complete Box B, comply with the requirements stated in Box B and provide the ITSD-DESE with all documentation required in Box B of this exhibit.

Authorized Representative's Name
(Please Print)

Authorized Representative's Signature

Company Name (if applicable)

Date

EXHIBIT B (continued)**BOX B - CURRENT BUSINESS ENTITY STATUS**

Complete the following if you DO NOT have the E-Verify documentation and a current Affidavit of Work Authorization already on file with the State of Missouri. If completing Box B, do not complete Box C.)

I certify that Creditron Corporation (Business Entity Name) **MEETS** the definition of a business entity as defined in section 285.525, RSMo, pertaining to section 285.530.

Debbie Barrafato
Authorized Business Entity
Representative's Name
(Please Print)

Debbie Barrafato
Authorized Business Entity
Representative's Signature

Creditron Corporation
Business Entity Name

11/4/2013
Date

dbarrafato@creditron.com
E-Mail Address

As a business entity, the contractor must perform/provide the following. The contractor should check each to verify completion/submission:

- Enroll and participate in the E-Verify federal work authorization program (Website: http://www.dhs.gov/xprevprot/programs/gc_1185221678150.shtm; Phone: 888-464-4218; Email: e-verify@dhs.gov) with respect to the employees hired after enrollment in the program who are proposed to work in connection with the services required herein; AND
- Provide documentation affirming said company's/individual's enrollment and participation in the E-Verify federal work authorization program. Documentation shall include EITHER the E-Verify Employment Eligibility Verification page OR a page from the E-Verify Memorandum of Understanding (MOU) listing the contractor's name and the MOU signature page completed and signed, at minimum, by the contractor and the Department of Homeland Security - Verification Division. If the signature page of the MOU lists the contractor's name and company ID, then no additional pages of the MOU must be submitted; AND
- Submit a completed, notarized Affidavit of Work Authorization provided on the next page of this Exhibit.

EXHIBIT B continued on next page

EXHIBIT B (CONTINUED)

AFFIDAVIT OF WORK AUTHORIZATION:

The contractor who meets the section 285.525, RSMo, definition of a business entity must complete and return the following Affidavit of Work Authorization.

Comes now Debbie Barrafato (Name of Business Entity Authorized Representative) as EVP & CFO (Position/Title) first being duly sworn on my oath, affirm Creditron Corporation (Business Entity Name) is enrolled and will continue to participate in the E-Verify federal work authorization program with respect to employees hired after enrollment in the program who are proposed to work in connection with the services related to contract(s) with the State of Missouri for the duration of the contract(s), if awarded in accordance with subsection 2 of section 285.530, RSMo. I also affirm that Creditron Corporation (Business Entity Name) does not and will not knowingly employ a person who is an unauthorized alien in connection with the contracted services provided under the contract(s) for the duration of the contract(s), if awarded.

In Affirmation thereof, the facts stated above are true and correct. (The undersigned understands that false statements made in this filing are subject to the penalties provided under section 575.040, RSMo.)

Debbie Barrafato _____
Authorized Representative's Signature Printed Name

EVP & CFO _____
Title Date

dbarrafato@creditron.com _____
E-Mail Address E-Verify Company ID Number

Subscribed and sworn to before me this 21st of October. I am
(DAY) (MONTH, YEAR)
commissioned as a notary public within the County of Montgomery State of
(NAME OF COUNTY)
Maryland, and my commission expires on 10/5/2017.
(NAME OF STATE) (DATE)

Susan E. Dolan _____
Signature of Notary Date

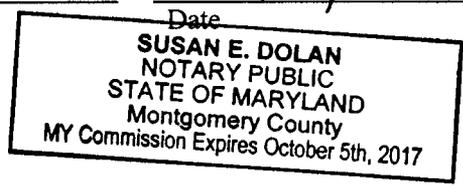


EXHIBIT C
Escrow Agreement
(Proprietary Information)

This Escrow Agreement ("Agreement") is made and entered into as of the 4th day of November 2013, by and between CREDITRON/CONTRACTOR, 15800 Crabbs Branch Way, Ste. 210, Rockville, MD 20855, and the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER, 2729 Plaza Drive, Jefferson City, MO 65109.

WHEREAS, CREDITRON/CONTRACTOR is in the business of remittance processing solutions,

WHEREAS, the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER is in the business of offender control and rehabilitation;

WHEREAS, the parties have had an ongoing business relationship wherein CREDITRON/CONTRACTOR has designed and built various software for the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER that are critical to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER's business.

WHEREAS, the parties desire to provide for the third party escrow of CREDITRON/CONTRACTOR's source codes and operations software related to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER's software, in such a way that they are protected from unnecessary or inadvertent disclosure and are accessible and transferable to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER in the event CREDITRON/CONTRACTOR/CONTRACTOR ceases business operations.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. The following terms shall have the meanings shown below when used in this Agreement:
 - "Escrow Agent/Location": Advanced Records Management, 13700 Watertower Circle, Plymouth, MN 55441 - Attn: Jeff Fronius (jeff@arm-mn.com) Phone: 763-553-1422
 - "Proprietary Information": shall mean full source codes and operation software related to the operations described in Exhibit "A" hereto which was built by CREDITRON/CONTRACTOR for the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER.

2. CREDITRON/CONTRACTOR agrees to deposit (within 21 days of the execution of this Agreement) with the Escrow Agent the Proprietary Information critical to the design and operation described on the attached Exhibit "A". The Proprietary Information shall be deposited in the form and content currently existing and shall include any and all modifications and future releases thereafter made by CREDITRON/CONTRACTOR (such modifications and future releases shall be deposited in Escrow within 7 days of their release). Upon each deposit of Proprietary Information, the parties shall meet to jointly review and verify the content of the deposit. The MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER may, at its sole discretion, waive the meeting requirement if it receives a sworn Affidavit from CREDITRON/CONTRACTOR detailing the content of the deposit and finds such Affidavit acceptable evidence of the deposit. CREDITRON/CONTRACTOR further agrees that the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER shall have full access to such

EXHIBIT C (continued on next page)

EXHIBIT C (continued)
Escrow Agreement

Proprietary Information and that CREDITRON/CONTRACTOR hereby agrees to the automatic transfer of all right title and ownership in and to the Proprietary Information to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER in the event that CREDITRON/CONTRACTOR ceases business operations as defined herein.

3. The MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER agrees it shall not have access to or ownership of such Proprietary Information unless CREDITRON/CONTRACTOR ceases business operations as defined herein.

4. In the event that any of the following circumstances arise, the parties agree that such event will constitute the cessation of CREDITRON/CONTRACTOR's business operations for the purposes of this agreement and shall entitle the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER to access and take ownership of such Proprietary Information:

- a). CREDITRON/CONTRACTOR has filed for protection under the bankruptcy laws or is involuntarily subjected to such laws or otherwise has been adjudicated bankrupt in any chapter, or
- b) CREDITRON/CONTRACTOR makes an assignment for the benefit of creditors or has a trustee or receiver appointed for its business or property; or
- c) CREDITRON/CONTRACTOR has generally ceased business operations related to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER's Equipment; or,
- d) CREDITRON/CONTRACTOR has transferred all or substantially all of its assets to another company and such new company does not intend to maintain the relationship with the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER.

5. Upon the occurrence of the events described in Section 4 (c) and 4(d) above constituting CREDITRON/CONTRACTOR's cessation of business, the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER shall present the Escrow Agent with evidence of the same and the Escrow Agent shall thereby release immediately to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER all of the Proprietary Information contained in the Escrow, thus effectively terminating this Escrow Agreement.

Upon the occurrence of the events described in Section 4 (a) and 4 (b) above, constituting CREDITRON/CONTRACTOR's cessation of business, the release of the Proprietary Information to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER will be delayed for up to 60 days after the date of the occurrence of the constituting event. The purpose of the delay is to allow CREDITRON/CONTRACTOR the right to restructure or continue as a new entity, to allow for the IP to remain secure and not jeopardize the new CREDITRON/CONTRACTOR entity's ability to conduct business, not to simply delay release of the information to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER. In the event that the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER has an immediate specific machine process need for its business capacity continuity requirement, the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER shall be allowed immediate access by the Escrow Agent to the specific information related to that machine (drawings, software, and code) with a guarantee that this information will be controlled and not shared with any non-MISSOURI DEPARTMENT OF CORRECTIONS business entity. The MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER will assure that this information will be controlled to the specific operational and able to meet with the MISSOURI DEPARTMENT OF

EXHIBIT C (continued on next page)

EXHIBIT C (continued)
Escrow Agreement

CORRECTIONS/CUSTOMER requirements / specifications to future machine builds. If the 60 days referenced above has passed and CREDITRON/CONTRACTOR's new entity/re-organized entity is not in place, Escrow Agent shall be authorized to release all the Proprietary Information to MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER upon presentation by the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER of evidence of the same.

6. This Agreement shall remain in effect until terminated by the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER upon 30 days written notice to CREDITRON/CONTRACTOR or until the distribution of the escrowed Proprietary Information to the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER following any of the events identified above as CREDITRON/CONTRACTOR's cessation of business.

7. Escrow Agent shall hold the Proprietary Information in an appropriate, secure facility and shall release the same only upon the terms and conditions provided in this Agreement. Any fees due to the Escrow Agent shall be paid in full and when due by the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER so as not to jeopardize the escrow services.

8. Miscellaneous Terms.

a). **Assignment.** Neither party shall assign this Agreement to any third party without the consent of the other. The transfer of a controlling ownership interest in CREDITRON/CONTRACTOR will constitute an assignment for purposes of this section. This Agreement will be binding upon and will inure to the benefit of the parties and their permitted successors and assigns.

b). **Governing Law.** The laws of the State of Minnesota, USA, govern this Agreement, without regard to any conflicts of laws rules.

c). **Force Majeure.** Neither party will be liable to the other if its performance is delayed by circumstances beyond its reasonable control. If a force majeure condition prevents CREDITRON/CONTRACTOR's performance for more than 30 days, the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER may terminate this Agreement immediately.

d). **Severability; Survival.** The terms of this Agreement are severable. If any term is unenforceable for any reason, that term will be enforced to the fullest extent possible, and the Agreement will remain in effect. All obligations that by their terms or nature survive termination of this Agreement will continue until fully performed.

e). **Written Amendments; Electronic Business Transactions.** This Agreement may be changed only by written amendment signed by both parties. The parties may exchange electronic documents in lieu of printed purchase orders, or order acknowledgments. Neither party is prohibited from asserting that an electronic document is invalid for any reason that would also invalidate a written document.

f). **Entire Agreement; No Waiver; Notices.** This Agreement and the documents referred to herein are the entire agreement of the parties with respect to this subject matter, superseding all prior agreements. No failure or delay in exercising any right will be considered a waiver of that right. All notices and other communications must be delivered to the addresses designated on the first page of this Agreement.

EXHIBIT C (continued on next page)

EXHIBIT C (continued)
Escrow Agreement

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the dates written above.

Debbie Bito
Signature

Printed Name: Debbie Barrafato

Title: EVP & CFO

Date: 11/4/2013

Signature

Printed Name: _____

Title: _____

Date: _____

EXHIBIT C (continued)
Escrow Agreement

Software List

The following is a list of Software Modules purchased by the MISSOURI DEPARTMENT OF CORRECTIONS/CUSTOMER and applicable to this Agreement:

ATTACHMENT 1
Creditron's Statement of Technical Support Services

1. CREDITRON TECHNICAL SUPPORT CENTER PROCEDURES - HOW SUPPORT WORKS

The processes and procedures used by Creditron Technical Support help to ensure that each support request is handled in the most efficient, thorough, and professional manner possible, while providing a high level of customer satisfaction.

1.1 When is Support Available?

- All support methods are available from 8:30 a.m. to 5:00 p.m. local time, excluding Saturday, Sunday and holidays. Creditron also provides a support cell phone with extended hour coverage for emergency situations. Extended support coverage is available within service level agreement response times for an additional cost as indicated on **EXHIBIT A, Pricing Page**.

1.2 Who is Supported?

- All customers current in their annual fees are supported.

1.3 Telephone Support

Creditron provides toll-free telephone access to our technical support resources for the purpose of resolving Software problems.

1.4 Web-based Support - The Creditron Customer Portal

Support cases may be created using WebEx Remote Access. When initiating a Remote Access session, the host machine requires an access code or phone authentication to access the machine. This code is stored on the server and can be accessed only by administrators with proper authentication. Remote Access sessions are completely transient, storing no session data on the server. The WebEx Network mediates each Remote access session, with each party (Technical Support Representative/remote machine) initiating an OUTBOUND call from their respective networks. No inbound connections are initiated. In addition, the host computer logs each Remote Access session. Once the remote user logs onto the host machine, the IP address of the host machine is never revealed to the user.

Note: Critical or high-priority issues should always be phoned in to Creditron Technical Support. Only non-critical requests should be made through the Creditron Customer Portal. The Creditron Customer Portal service level commitments are based on the time the case was created.

Before you can get into the Creditron's Customer Portal system, you must obtain a username and password.

1.5 Contacting Creditron Technical Support

Creditron offers many methods of contacting support. We have an 800 number, a support email address support@Creditron.com, and a "Live Chat" feature on our home website www.Creditron.com as alternative methods for support notification.

ATTACHMENT 1 (continued)
Creditron's Statement of Technical Support Services

1.6 Who Can Call?

Any trained user of the Creditron application at a covered customer site may contact Creditron Technical support. However, one or more application experts should be identified at each site who will act as a primary contact. Primary contacts are required to be knowledgeable about the installed Creditron's products at the customer site and how they are used in the Customer-specific environment.

Creditron's Technical Support should be notified if the customer needs to change their contact or site information. This is necessary to ensure we maintain accurate and complete contact information. Please be prepared to provide the following details:

- Company/Site Name
- New Contact Name (to be added) and/or Former Contact Name (to be removed)
- Title
- Address
- Phone, Fax, and E-mail Information

1.7 Before You Call

Telephone support is the best way to get the quickest response from Creditron Technical Support, especially for urgent issues. Non-critical issues can be reported via the Creditron Customer Portal on the Internet. The guidelines below will help you make the most effective use of Creditron's Technical Support, and help us resolve issues quickly and accurately.

If something isn't working the expected way, we recommend that you explore the problem to assess whether it's something you can readily resolve. The following are suggestions to try:

- Verify that the problem is related to the Creditron application. The problem may be with the network, power, third-party software, or interfaces in which case the appropriate vendor for support will need to be contacted.
- Attempt to reproduce the problem.
- Check the obvious things like cabling, power, login information, etc.
- Review all relevant documentation, including any manuals and application help.
- If the problem is reproducible, check to see if any changes have recently taken place in the operating environment that might be responsible for the problem.
- Note any error messages you are getting.
- Go to the Creditron Support and Training Website at <https://Creditron.webex.com> and search for any relevant documentation and/or solutions.

1.8 How to Open A Support Case

Email support@Creditron.com and provide the following information with as much detail about your question/issue:

- Company;
- Contact Name, Phone Number;
- The name of the Creditron application;
- Problem encountered versus expected behavior;

ATTACHMENT 1 (continued)
Creditron's Statement of Technical Support Services

- Actions you have tried in order to resolve the issue;
- Relevant documentation such as screen shots, copies, or text or any error messages; and

OR

Telephone 1-888-721-9510

- Please be ready to identify if you are using ItemAge, RP\$ or ItemAge Express;
- If you reach the automated phone system, press 2 for Support.

1.9 Case Number

Once a call or email is received, a case is opened immediately and will be assigned to the next available representative. You will receive an email with any updates as the case is worked on, and will be updated when the case is marked fixed and closed. If you call or email us to follow-up, please reference the case number received to identify the problem you are interested in discussing.

Each customer support request that comes into Creditron Technical Support by any medium (phone, email, etc.) is logged into our case-tracking system, NetSuite, assigned a case number and monitored. Reports are generated on a regular basis to ensure issues are closed in a timely manner and expedited accordingly, if required.

1.10 Case Resolution/Escalation Process

If you are not satisfied with the handling of your case by a support team member, you should contact the support team manager for the product in use as follows:

- ItemAge Express - Wissam Ballout, Oakville Office, 1-888-721-9510, x1026, wballout@Creditron.com

If following escalation to the support manager you are still not satisfied with our response, you should directly escalate your complaint to the CEO of Creditron, Wally Vogel, wvogel@Creditron.com, 240-252-4985.

1.11 Case Closure/Resolution

The following criteria will be used to determine when a support issue can be closed:

- A solution is provided to the customer to implement.
- A fix is implemented by a Support Technician.
- The customer fails to respond to multiple communications from Creditron.
- It is determined that the issue is not due to the Creditron product but to external issues beyond Creditron's control and influence.

ATTACHMENT 1 continued on next page

ATTACHMENT 1 (continued)
Creditron's Statement of Technical Support Services

2 SERVICE LEVEL**2.1 Response Time**

Support calls are triaged and response times for repair are as follows:

- 2 hours for an IMMEDIATE priority problem which crashes the customer's system and renders the software unusable;
- 4 hours for a HIGH priority problem, which causes a software feature failure that cannot be avoided through alternate methods by the customer;
- 1 business day for a MEDIUM priority problem which causes a software feature failure that can be avoided through alternate methods by the customer; and
- the next scheduled maintenance release for a LOW priority problem which causes only an inconvenience to the customer including, but not limited to, misspellings and report/screen formats.

3. SCOPE OF SUPPORT**3.1 Standard Support**

All support methods are available from 8:30 a.m. to 5:00 p.m. Local Time, excluding Saturday, Sunday, and holidays.

3.2 Off-Hours Support

Creditron also provides a support cell phone with extended hour coverage for emergency situations. Extended support coverage is available with service level agreement response times for an additional cost.

3.3 Training and Implementation

Creditron delivers proven professional services and systems experts that help in every aspect of deployment. We combine a tested project methodology with best practices and advanced tools to ensure projects are completed on time and to your satisfaction with the lowest possible risks. Our professional services experts collaborate with each customer to determine the best strategy for their initiatives, from requirements definition to delivery to testing to ongoing support.

Creditron provides industry leading training for payment and receivables professionals. Adapted to the specific needs of your staff and organization and taught by a highly qualified installer, our training services combine deep systems and industry experience, operations best practices and cutting-edge learning tools.

With our training services, you can get your users quickly and efficiently up-to-speed on Creditron products, reducing call volumes to your support team, speed troubleshooting, provide greater satisfaction to end-users, and speed system implementation.

3.4 System Administration

There should be a system administrator assigned for the system setup other users access and have a basic

ATTACHMENT 1 (continued)
Creditron's Statement of Technical Support Services

understanding of the system as the go to person if an issue should arise. There is very little actual system administration required with our solution.

3.5 Installation and Upgrades

We provide regular release upgrades of the software through our customer support, which is included in the annual maintenance. If a new feature or product is released and desired by the customer, this would be quoted and scheduled through the PAQ process as indicated in Section 2.24 of this contract.

3.6 Customer Responsibility

The customer is responsible for running the software on a daily basis, balancing, uploading, and backing up the system.

3.7 Security and Passwords

The IAX platform is secured based on the business rules of the client. We provide 16 levels of security access, along with password requirements from lengths, special characters, and number of times password must be changed. Everything done in the system is logged for auditing purposes and reported.

3.8 Hardware Maintenance

Hardware maintenance is contracted directly with OPEX who also has an above average customer response rate. OPEX is Creditron's hardware vendor, and we work very closely together and with our customers to ensure 100% satisfaction.

3.9 Remote Access

WebEx remote diagnostics to assist with support of the installed solution at all customer sites.

3.10 Feedback and Customer Satisfaction

Eighty percent (80%) of calls are personally answered and routed to a qualified Customer Support Representative. In the rare case this is not possible, a priority voicemail can be left, which is automatically escalated to management to ensure prompt callback (within one hour). Customer satisfaction is monitored and consistently rates 4.6 above average on a scale of 1-5.

ATTACHMENT 2
Travel Policy

An itemized receipt must accompany any reimbursable expense.

Lodging

- Actual lodging expenses shall be reimbursed at the contractor's cost.
- The contractor's employees are expected to choose hotels that have reasonable room rates, not to exceed \$79.00 per night (excluding taxes). Please refer to the list below for hotels that meet this requirement:
 - Baymont Inn and Suites
 - Days Inn
 - Capital Plaza Hotel
 - Econo Lodge
 - Super 8
 - Truman Hotel
 - Motel 6

On occasion, the Department may recommend a near-by hotel or may have negotiated special rates with the local hotels. The contractor's employee must contact the hotel directly to take advantage of these negotiated rates.

Meals

- Meals, including gratuity, shall not exceed the following:

Continental Breakfast/Breakfast	\$ 5.00
Lunch	\$ 9.00
Dinner	<u>\$16.00</u>
TOTAL PER DAY PER PERSON	\$30.00

Alcoholic beverages shall not be reimbursed.

Air Travel

- Reimbursement for air travel is limited to coach fair.
- Routes that are the least expensive fare must always be used.
- Flight change fees shall not be reimbursable.
- Reimbursement for luggage fees is limited to one checked bag. There will be no reimbursement for overweight luggage fees.

Car Rental

- The maximum reimbursement will be at the "mid-sized" rate per day.
- The lowest possible rates must be used whenever possible.
- The Department will not pay for insurance options as the contractor's insurance should cover the risk.
- The Department will pay for refueling of rental car prior to returning the vehicle.

Ground Transportation

- A personal car shall be reimbursed at the then-current IRS mileage rate.

ATTACHMENT 3
Sales & Use Tax Exemption Certificate

(ATTACHED)
STATE OF MISSOURI
LIMITED EXEMPTION FROM MISSOURI SALES AND USE TAX PURCHASES

**STATE OF MISSOURI
DEPARTMENT OF CORRECTIONS**

TERMS AND CONDITIONS – SINGLE FEASIBLE SOURCE

This contract expresses the complete agreement of the parties and performance shall be governed solely by the specifications and requirements contained herein. Any change must be accomplished by a formal signed amendment prior to the effective date of such change.

1. APPLICABLE LAWS AND REGULATIONS

- a. The contract shall be construed according to the laws of the State of Missouri (state). The contractor shall comply with all local, state, and federal laws and regulations related to the performance of the contract to the extent that the same may be applicable.
- b. To the extent that a provision of the contract is contrary to the Constitution or laws of the State of Missouri or of the United States, the provisions shall be void and unenforceable. However, the balance of the contract shall remain in force between the parties unless terminated by consent of both the contractor and the Department.
- c. The contractor must be registered and maintain good standing with the Secretary of State of the State of Missouri and other regulatory agencies, as may be required by law or regulations.
- d. The contractor must timely file and pay all Missouri sales, withholding, corporate and any other required Missouri tax returns and taxes, including interest and additions to tax.
- e. The exclusive venue for any legal proceeding relating to or arising out of the contract shall be in the Circuit Court of Cole County, Missouri.
- f. The contractor shall only utilize personnel authorized to work in the United States in accordance with applicable federal and state laws and Executive Order 07-13 for work performed in the United States.

2. INVOICING AND PAYMENT

- a. The State of Missouri does not pay state or federal taxes unless otherwise required under law or regulation. Prices shall include all packing, handling and shipping charges FOB destination, freight prepaid and allowed unless otherwise specified herein.
- b. The statewide financial management system has been designed to capture certain receipt and payment information. For each purchase order received, an invoice must be submitted that references the purchase order number and must be itemized in accordance with items listed on the purchase order. Failure to comply with this requirement may delay processing of invoices for payment.
- c. The contractor shall not transfer any interest in the contract, whether by assignment or otherwise, without the prior written consent of the Department.
- d. Payment for all equipment, supplies, and/or services required herein shall be made in arrears unless otherwise indicated in the specific contract terms.
- e. The Department assumes no obligation for equipment, supplies, and/or services shipped or provided in excess of the quantity ordered. Any unauthorized quantity is subject to the Department's rejection and shall be returned at the contractor's expense.
- f. All invoices for equipment, supplies, and/or services purchased by the Department shall be subject to late payment charges as provided in section 34.055, RSMo.
- g. The Department reserves the right to purchase goods and services using the state purchasing card.

3. DELIVERY

- a. Time is of the essence. Deliveries of equipment, supplies, and/or services must be made no later than the time stated in the contract or within a reasonable period of time, if a specific time is not stated.
- b. A Missouri Uniformed Law Enforcement System (MULES) background check may be required on the contractor's delivery driver prior to allowing a delivery vehicle entrance to certain institutions. The driver's social security number and date of birth are required to perform the MULES background check. If a driver or carrier refuses to provide the appropriate information to conduct a MULES background check, or if information received from the background check prohibits the driver or carrier from entering the institution,

the delivery will be refused. Additional delivery cost associated with re-deliveries or contracting with another carrier for delivery shall be the responsibility of the contractor.

- c. Unless a pallet exchange is requested at the time of delivery, all pallets used in the delivery of equipment and supplies shall become property of the Department.

4. INSPECTION AND ACCEPTANCE

- a. No equipment, supplies, and/or services received by an agency of the Department pursuant to a contract shall be deemed accepted until the Department has had reasonable opportunity to inspect said equipment, supplies, and/or services.
- b. All equipment, supplies, and/or services which do not comply with the specifications and/or requirements or which are otherwise unacceptable or defective may be rejected. In addition, all equipment, supplies, and/or services which are discovered to be defective or which do not conform to any warranty of the contractor upon inspection (or at any later time if the defects contained were not reasonably ascertainable upon the initial inspection) may be rejected.
- c. The Department reserves the right to return any such rejected shipment at the contractor's expense for full credit or replacement and to specify a reasonable date by which replacements must be received.
- d. The Department's right to reject any unacceptable equipment, supplies, and/or services shall not exclude any other legal, equitable or contractual remedies the Department may have.

5. CONFLICT OF INTEREST

Officials and employees of the Department, its governing body, or any other public officials of the State of Missouri must comply with sections 105.452 and 105.454, RSMo, regarding conflict of interest.

6. WARRANTY

The contractor expressly warrants that all equipment, supplies, and/or services provided shall: (1) conform to each and every specification, drawing, sample or other description which was furnished to or adopted by the Department, (2) be fit and sufficient for the purpose intended, (3) be merchantable, (4) be of good materials and workmanship, and (5) be free from defect. Such warranty shall survive delivery and shall not be deemed waived either by reason of the Department's acceptance of or payment for said equipment, supplies, and/or services.

7. REMEDIES AND RIGHTS

- a. No provision in the contract shall be construed, expressly or implied, as a waiver by the Department of any existing or future right and/or remedy available by law in the event of any claim by the Department of the contractor's default or breach of contract.
- b. The contractor agrees and understands that the contract shall constitute an assignment by the contractor to the Department of all rights, title and interest in and to all causes of action that the contractor may have under the antitrust laws of the United States or the State of Missouri for which causes of action have accrued or will accrue as the result of or in relation to the particular equipment, supplies, and/or services purchased or procured by the contractor in the fulfillment of the contract with the Department.

8. CANCELLATION OF CONTRACT

- a. In the event of material breach of the contractual obligations by the contractor, the Department may cancel the contract. At its sole discretion, the Department may give the contractor an opportunity to cure the breach or to explain how the breach will be cured. The actual cure must be completed within no more than 10 working days from notification, or at a minimum the contractor must provide state within 10 working days from notification a written plan detailing how the contractor intends to cure the breach.
- b. If the contractor fails to cure the breach or if circumstances demand immediate action, the Department will issue a notice of cancellation terminating the contract immediately. If it is determined the Department

improperly cancelled the contract, such cancellation shall serve as notice of termination for convenience in accordance with the contract.

- c. If the Department cancels the contract for breach, the Department reserves the right to obtain the equipment, supplies, and/or services to be provided pursuant to the contract from other sources and upon such terms and in such manner as the state deems appropriate and charge the contractor for any additional costs incurred thereby.

9. BANKRUPTCY OR INSOLVENCY

Upon filing for any bankruptcy or insolvency proceeding by or against the contractor, whether voluntary or involuntary, or upon the appointment of a receiver, trustee, or assignee for the benefit of creditors, the contractor must notify the Department immediately. Upon learning of any such actions, the Department reserves the right, at its sole discretion, to either cancel the contract or affirm the contract and hold the contractor responsible for damages.

10. INVENTIONS, PATENTS AND COPYRIGHTS

The contractor shall defend, protect, and hold harmless the Department, its officers, agents, and employees against all suits of law or in equity resulting from patent and copyright infringement concerning the contractor's performance or products produced under the terms of the contract.

11. NON-DISCRIMINATION AND AFFIRMATIVE ACTION

In connection with the furnishing of equipment, supplies, and/or services under the contract, the contractor and all subcontractors shall agree not to discriminate against recipients of services or employees or applicants for employment on the basis of race, color, religion, national origin, sex, age, disability, or veteran status unless otherwise provided by law. If the contractor or subcontractor employs at least 50 persons, they shall have and maintain an affirmative action program which shall include:

- a. A written policy statement committing the organization to affirmative action and assigning management responsibilities and procedures for evaluation and dissemination;
- b. The identification of a person designated to handle affirmative action;
- c. The establishment of non-discriminatory selection standards, objective measures to analyze recruitment, an upward mobility system, a wage and salary structure, and standards applicable to layoff, recall, discharge, demotion, and discipline;
- d. The exclusion of discrimination from all collective bargaining agreements; and
- e. Performance of an internal audit of the reporting system to monitor execution and to provide for future planning.

If discrimination by a contractor is found to exist, the Department shall take appropriate enforcement action which may include, but not necessarily be limited to, cancellation of the contract, suspension, or debarment by the Department until corrective action by the contractor is made and ensured, and referral to the Attorney General's Office, whichever enforcement action may be deemed most appropriate.

12. AMERICANS WITH DISABILITIES ACT

In connection with the furnishing of equipment, supplies, and/or services under the contract, the contractor and all subcontractors shall comply with all applicable requirements and provisions of the Americans with Disabilities Act (ADA).

13. FILING AND PAYMENT OF TAXES

The commissioner of administration and other agencies to which the state purchasing law applies shall not contract for goods or services with a vendor if the vendor or an affiliate of the vendor makes sales at retail of tangible personal property or for the purpose of storage, use, or consumption in this state but fails to collect and properly pay the tax as provided in chapter 144, RSMo. For the purposes of this section, "affiliate of the

vendor” shall mean any person or entity that is controlled by or is under common control with the vendor, whether through stock ownership or otherwise.

14. COMMUNICATIONS AND NOTICES

Any notice to the contractor shall be deemed sufficient when deposited in the United States mail postage prepaid, transmitted by facsimile, transmitted by e-mail or hand-carried and presented to an authorized employee of the contractor.

Revised 04/11/2013

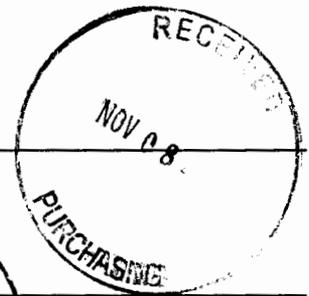
From: (905) 822-3862
Norene Granger
Creditron Inc
2265 Upper Middle Road E
Suite 100
Oakville, ON L6H0G5



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Ship Date: 04NOV13
ActWgt: 1.0 LB
CAD: 4056520/NCA3430

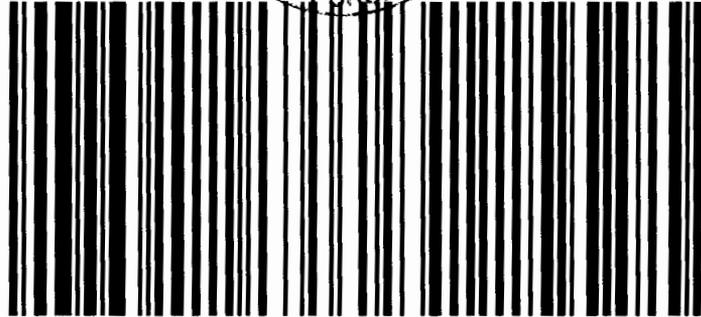
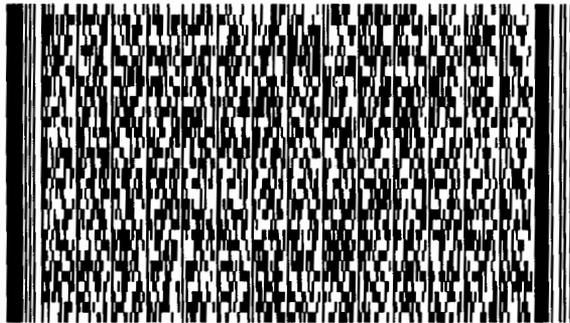
Invoice #
Reference # Business Documents from Debbie
PO #
Dept #
Ship ID



SHIP TO: (573) 526-0591

Diana Fredrick, Procure Officer II
Missouri Department of Corrections

2729 Plaza Drive
Fiscal Mgmt Unit, Purchase Section
JEFFERSON CITY, MO 65109



(9612026) 3346469 15002049

INT-GND 026

Prepaid

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of
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After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: IMPORTANT: TRANSMIT YOUR SHIPPING DATA AND PRINT A MANIFEST:

At the end of each shipping day, you should perform the FedEx Ground End of Day Close procedure to transmit your shipping data to FedEx. To do so, click on the Ground End of Day Close Button. If required, print the pickup manifest that appears. A printed manifest is required to be tendered along with your packages if they are being picked up by FedEx Ground. If you are dropping your packages off at a FedEx drop off location, the manifest is not required.

For FedEx Ground international shipments, the shipper is responsible for completing any and all necessary Customs documentation required for prompt and accurate filing and clearance. Please complete your paperwork, if required, and attach documents securely to the package.

COMMERCIAL INVOICE

EXPORTER : Tax ID# : Contact Name : Norene Granger Telephone No. : 9058223862 E-Mail : SHERONS@CREDITRON Company Name/Address : Creditron Inc 2265 Upper Middle Road E Suite 100 Oakville ON L6H0G5 Country : Canada Parties to Transaction: <input type="checkbox"/> Related <input type="checkbox"/> Non-Related Payment Terms : Purpose of Shipment : Not Sold (Commercial)	Ship Date : 04 Nov, 2013 Air Waybill No. / Tracking No. / Bill of Lading : 334646915002049 Invoice No. : Purchase Order No. :																								
CONSIGNEE : Tax ID# : Contact Name : Diana Fredrick, Procure Officer II Telephone No. : 573-526-0591 E-Mail : Company Name/Address : Missouri Department of Corrections 2729 Plaza Drive Fiscal Mgmt Unit, Purchase Section JEFFERSON CITY MO 65109 Country : United States	SOLD TO (If different from Consignee) : <input type="checkbox"/> Same as CONSIGNEE : Tax ID# : Company Name/Address : Creditron Inc 2265 Upper Middle Road E Suite 100 Oakville ON L6H0G5 Country : Canada																								
If there is a designated broker for this shipment, please provide contact information Name of Broker Tel No. Contact Name Duties and Taxes Payable by <input checked="" type="checkbox"/> Exporter <input type="checkbox"/> Consignee <input type="checkbox"/> Other If Other, please specify																									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">No. of Packages</th> <th style="width: 10%;">No. of Units</th> <th style="width: 10%;">Unit of Measure</th> <th style="width: 40%;">Description of Goods</th> <th style="width: 10%;">Harmonized Tariff Number</th> <th style="width: 10%;">Country of Origin</th> <th style="width: 10%;">Unit Value</th> <th style="width: 10%;">Total Value</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">1.00</td> <td style="text-align: center;">PCS</td> <td>Not Sold (Commercial) - Business Documents</td> <td></td> <td style="text-align: center;">CA</td> <td style="text-align: right;">1.000000</td> <td style="text-align: right;">1.00</td> </tr> <tr> <td colspan="6">Total No. of Packages : 1</td> <td colspan="2">Total Weight (Indicate LBS or KGS): 1.00 lbs</td> </tr> </tbody> </table>		No. of Packages	No. of Units	Unit of Measure	Description of Goods	Harmonized Tariff Number	Country of Origin	Unit Value	Total Value		1.00	PCS	Not Sold (Commercial) - Business Documents		CA	1.000000	1.00	Total No. of Packages : 1						Total Weight (Indicate LBS or KGS): 1.00 lbs	
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Special Instructions :						Incoterms : FCA																			
Declaration Statement(s) :						Subtotal :	1.00																		
						Insurance :	0.00																		
						Freight :	0.00																		
						Packing :	0.00																		
						Handling :	0.00																		
I declare that all the information contained in this invoice to be true and correct						Other :	0.00																		
Originator or Name of Company Representative if the invoice is being completed on behalf of a company or individual :						Invoice Total :	1.00																		
Signature / Title / Date						Currency Code :	CAD																		
						04 Nov, 2013																			

COMMERCIAL INVOICE

EXPORTER : Tax ID# : Contact Name : Norene Granger Telephone No. : 9058223862 E-Mail : SHERONS@CREDITRON Company Name/Address : Creditron Inc 2265 Upper Middle Road E Suite 100 Oakville ON L6H0G5 Country : Canada Parties to Transaction: <input type="checkbox"/> Related <input type="checkbox"/> Non-Related Payment Terms : Purpose of Shipment : Not Sold (Commercial)	Ship Date : 04 Nov, 2013 Air Waybill No. / Tracking No. / Bill of Lading : 334646915002049 Invoice No. : Purchase Order No. :																
CONSIGNEE : Tax ID# : Contact Name : Diana Fredrick, Procure Officer II Telephone No. : 573-526-0591 E-Mail : Company Name/Address : Missouri Department of Corrections 2729 Plaza Drive Fiscal Mgmt Unit, Purchase Section JEFFERSON CITY MO 65109 Country : United States	SOLD TO (if different from Consignee) : <input type="checkbox"/> Same as CONSIGNEE : Tax ID# : Company Name/Address : Creditron Inc 2265 Upper Middle Road E Suite 100 Oakville ON L6H0G5 Country :Canada																
If there is a designated broker for this shipment, please provide contact information Name of Broker Tel No. Contact Name Duties and Taxes Payable by <input checked="" type="checkbox"/> Exporter <input type="checkbox"/> Consignee <input type="checkbox"/> Other If Other, please specify																	
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">No. of Packages</th> <th style="width: 10%;">No. of Units</th> <th style="width: 10%;">Unit of Measure</th> <th style="width: 40%;">Description of Goods</th> <th style="width: 10%;">Harmonized Tariff Number</th> <th style="width: 10%;">Country of Origin</th> <th style="width: 10%;">Unit Value</th> <th style="width: 10%;">Total Value</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">1.00</td> <td style="text-align: center;">PCS</td> <td>Not Sold (Commercial) - Business Documents</td> <td></td> <td style="text-align: center;">CA</td> <td style="text-align: right;">1.000000</td> <td style="text-align: right;">1.00</td> </tr> </tbody> </table>		No. of Packages	No. of Units	Unit of Measure	Description of Goods	Harmonized Tariff Number	Country of Origin	Unit Value	Total Value		1.00	PCS	Not Sold (Commercial) - Business Documents		CA	1.000000	1.00
No. of Packages	No. of Units	Unit of Measure	Description of Goods	Harmonized Tariff Number	Country of Origin	Unit Value	Total Value										
	1.00	PCS	Not Sold (Commercial) - Business Documents		CA	1.000000	1.00										
Total No. of Packages : 1 Total Weight (Indicate LBS or KGS): 1.00 lbs		Incoterms : FCA															
Special Instructions :		Subtotal : 1.00 Insurance : 0.00 Freight : 0.00 Packing : 0.00															
Declaration Statement(s) :		Handling : 0.00 Other : 0.00															
I declare that all the information contained in this invoice to be true and correct		Invoice Total : 1.00															
Originator or Name of Company Representative if the invoice is being completed on behalf of a company or individual :		Currency Code : CAD															
Signature / Title / Date		04 Nov, 2013															

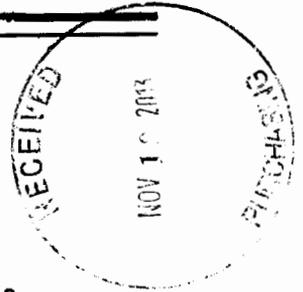
TAXATION DIVISION
P O BOX 3666
JEFFERSON CITY MO 65105-3666



Missouri
DEPARTMENT OF REVENUE

Telephone: (573) 751-9268
Fax: (573) 522-1265
E-mail: taxclearance@dor.mo.gov

VENDOR NO TAX DUE



CREDITRON CORP
210-15800 CRABBS BRANCH WAY
ROCKVILLE MD 20855

DATE ISSUED: NOVEMBER 13, 2013

MISSOURI TAX ID NUMBER: 21666351
FEDERAL IDENTIFICATION NUMBER: 364191602

The Missouri Department of Revenue certifies that based on the information provided the above listed taxpayer/vendor and its disclosed affiliates do not sell taxable tangible personal property or provide taxable services in the State of Missouri. As a result, the above vendor and its disclosed affiliates are in compliance with Section 34.040.6, RSMo.

This statement does not limit the authority of the Director of Revenue to assess and/or collect liabilities under appeal or that become known to the Department as a result of audit or determination of successor liability.

This certificate will remain valid until such time as the business activity changes. Please note that any change in or deviation from the operation of this business as originally described will render this letter inapplicable.

DIRECTOR OF REVENUE OR DELEGATE
STATE OF MISSOURI

BY:

Dwayne Maples
Administrator, Business Tax

TK:DU0978

CBN045
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