



ITB No. 13-84131600-W  
Attachment B  
DRAFT Contract  
No: 84131600-18-1  
Accidental Death & Dismemberment Statutory Death Benefits

This Contract is between the State of Florida, Department of Management Services (Department), an agency of the State of Florida, on behalf of the Named Insured and \_\_\_\_\_ (Broker), collectively referred to herein as the “Parties”, and is effective on the date last signed.

The Broker submitted a bid to the Department’s solicitation, ITB No: 13-84131600-W for Accidental Death & Dismemberment Statutory Death Benefit Insurance. After verification of the response and determination the Broker is responsive and responsible, the Department has determined that the Broker’s bid provides the lowest price to the State of Florida.

Accordingly, the Parties agree as follows:

I. Contract Term

The term of the contract will be for \_\_\_\_ years, with annual policy terms as follows:

- 1)
- 2)
- 3)
- 4)

II. Contract

As used in this document, the term “Contract” (whether or not capitalized) shall, unless the context requires otherwise, refer to this document, which sets forth the understanding of the Parties regarding the responsibilities and obligations of the Broker as the awarded bidder of the aforementioned solicitation and supersedes all prior agreements. All modifications to this Contract must be in writing and signed by all Parties. The Broker may have additional responsibilities and obligations pursuant to the Insurance Policy.

The Parties agree that the attached Insurance Program General Contract Conditions and the Broker’s Price Sheet are incorporated in their entirety into, and shall form part of this Contract. All attachments to the Contract are incorporated in their entirety, including all documents incorporated by reference therein, and form part of this Contract. The documents shall have priority in the following order:

- 1) This Contract, including General Contract Conditions and Broker’s Price Sheet
- 2) Policy listed in Section 3.2 of the General Contract Conditions
- 3) Addenda to the Solicitation, in reverse order of issuance
- 4) Solicitation and attachments
- 5) Broker’s bid submittal, excluding Broker’s Price Sheet

III. Contract Management.

Department's Contract Manager:

Name

Title

Company

Division

Address

Telephone:

Email:

The Department's Contract Manager is primarily responsible for monitoring and oversight of the Contract performance. In the event that the Department changes its Contract Manager, the Department will notify the Contractor. Such a change does not require an amendment to the Contract.

Broker's Contract Manager:

Name

Title

Company

Division

Address

Telephone:

Email:

The Contractor's employee Contract Manager is primarily responsible for overseeing the Contractor's performance of its duties and obligations pursuant to the terms of this Contract. In the event that the Contractor changes its Contract Manager, the Contractor will notify the Department. Such a change does not require an amendment to the Contract.

**IN WITNESS THEREOF**, the Parties hereto have caused this Contract, to be executed by their undersigned officials as duly authorized. This Contract is not valid and binding until signed and dated by the Parties.

BROKER

STATE OF FLORIDA,

DEPARTMENT OF MANAGEMENT SERVICES

Rosalyn Ingram

Director of State Purchasing and Chief  
Procurement Officer

DATE:

DATE:

Contract  
No: 84131600-18-1  
Accidental Death & Dismemberment Statutory Death Benefits  
Insurance Program  
General Contract Conditions

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These General Contract Conditions supersede and replace in their entirety all General Contract Conditions, Form PUR 1000, which is incorporated by reference in Rule 60A-1.002, Florida Administrative Code (F.A.C.)

SECTION 1. TERMINATION.

1.1 Termination for Convenience.

The Contract may be terminated by the Department in whole or in part at any time, in the best interest of the State. If the Contract is terminated before performance is completed, the Broker will be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed an amount which is the same percentage of the Contract price as the amount of work satisfactorily performed. All work in progress will become the property of the Customer and shall be turned over promptly by the Broker.

1.2 Termination for Cause.

If the Department determines that the performance of the Broker is not satisfactory, the Department, may, at its sole discretion, (a) immediately terminate the Contract, (b) notify the Broker of the deficiency with a requirement that the deficiency be corrected within a specified time, otherwise the Contract will be terminated at the end of such time, or (c) take other action deemed appropriate by the Department.

1.3 Cancellation / Nonrenewal.

All cancellations or non-renewals must be calculated on a pro-rata basis and must adhere to the requirements of Florida law. For the purpose of this clause, pro-rata means, in the case of cancellation of an insurance policy, the return of the Premium for the unexpired term of the policy, without penalty for interim cancellation. The Department reserves the right to cancel the Insurance

Policy at any time by providing written notice to the Broker at least 30 (thirty) days prior to the effective date of cancellation. Such cancellation request will be mailed to the Broker's Contract Manager Cancellation notices from the Insurer will be as provided for in the Insurance Policy and must be mailed to the Department's Contract Manager.

## SECTION 2. PAYMENT AND FEES.

### 2.1 Rates.

The Contractor pricing rates are subject to insurer underwriting guidelines and will not exceed the rates set forth in the Contract. All rates are to be fixed for the full policy term. Rate or premium de-escalation is permissible at any time during the Contract term. Premiums may only be increased as set forth in Section 5.2, Additions/Deletions.

The Broker must return any overpayment to the Department or Customer within 40 calendar days after discovery by the Broker or its independent auditor, or notification by the Department or Customer of the overpayment.

### 2.2 Payment Invoicing.

The Broker will be paid upon receipt and acceptance of Contractor's properly certified invoices reviewed and approved by the Department or the Customer. Premiums will be invoiced annually at Policy Inception for each Named Insured, and as additions and deletions to the policy dictate.

Invoices are to be issued in the name of each Named Insured, c/o State of Florida – Department of Management Services. Invoices must include an invoice number, the insurance company name, the insurance policy number, effective dates of coverage, a description of the coverage, payment due date, and a remittance address. Invoices must contain detail sufficient for an audit and contain the Broker's Federal Employer Identification Number.

All invoices must be provided via email to the Named Insured and to the Department's Contract Manager. Payment by the Named Insured will be made in accordance with section 215.422, Florida Statutes. The Department may assist the Broker in securing these payments to the best of its ability.

### 2.3 Annual Appropriation.

Pursuant to section 287.0582, Florida Statutes, if the Contract binds the State of Florida or agency for the purchase of services or tangible personal property for a period in excess of one fiscal year, the State of Florida's performance and obligation to pay under the Contract is contingent upon an annual appropriation by the Legislature.

### 2.4 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(22), Florida Statutes. All payments issued by Customers to registered vendors for purchases of commodities or contractual services will be assessed Transaction Fees as prescribed by rule 60A-1.031, Florida Administrative Code, or as may otherwise be established by law. Vendors must pay the Transaction Fees and agree to automatic deduction of the Transaction Fees, when automatic deduction becomes available, unless the transaction is considered exempt per Rule 60A-1.031 Florida Administrative Code. If automatic deduction is not possible, the vendor shall pay the Transaction Fee pursuant to subsection 60A-1.031(2), F.A.C. Vendors will submit any monthly reports required pursuant to the rule. By submission of these reports and corresponding payments, the vendor certifies their correctness. All such reports and payments will be subject to audit by the State or its designee. The vendor shall receive a credit for any Transaction Fee paid by the vendor for the purchase of any item(s) if such item(s) are returned to the vendor through no fault, act, or omission

of the vendor. Notwithstanding the foregoing, a Transaction Fee is non-refundable when an item is rejected or returned, or declined, due to the vendor's failure to perform or comply with specifications or requirements of the agreement. Failure to comply with the payment of the Transaction Fees or reporting of transactions will constitute grounds for declaring the vendor in default and recovering procurement costs from the vendor in addition to all outstanding fees. VENDORS DELINQUENT IN PAYING TRANSACTION FEES SHALL BE EXCLUDED FROM CONDUCTING FUTURE BUSINESS WITH THE STATE.

#### 2.5 Taxes.

The State of Florida is not required to pay any taxes, including customs and tariffs, on commodities or contractual services purchased under the Contract.

#### 2.6 Travel

Travel expenses are not reimbursable unless specifically authorized in writing, and may be reimbursed only in accordance with section 112.061, F.S.

### SECTION 3. CONTRACT MANAGEMENT.

#### 3.1 Composition and Priority.

The Broker agrees to provide commodities or contractual services to the Customer within the manner and at the location specified in the Contract. Additionally, the terms of the Contract supersede the terms of any and all prior or contemporaneous agreements between the Parties.

The Broker must provide the Department an original complete copy of the Insurance Policy, including declarations, insuring agreements, conditions, exclusions, schedule of coverage, and all necessary endorsements at the Policy Inception, or an insurance binder until such Insurance Policy is received. The Insurance Policy must include a manuscript endorsement with any mandatory contractual language required by section 287.058, Florida Statutes, and must conform to the requirements stated in this Contract. Failure to submit a complete Insurance Policy will constitute sufficient grounds for termination.

#### 3.2 Policy Administration

The Broker must aid in the fulfillment of all obligations to the Department and its Named Insureds as provided for under the policy that results from this ITB, hereby incorporated by reference. The Broker will, at a minimum: communicate with the Insurer on all changes to the policy requested by the Department; provide endorsements for changes to the policy schedule; forward premium payments to the Insurer, as appropriate; and assist in the filing of claims and claim settlement refunds. Any failure by the Broker to provide policy administration to the Department will constitute a breach of contract.

#### 3.3 Notices.

All notices required under the Contract must be delivered to the designated Contract Manager by certified mail, return receipt requested, by reputable air courier service, email, or by personal delivery, or as otherwise identified by the Department.

#### 3.4 Claims Settlement

Claims must be submitted by the Named Insured to the Broker as outlined in the Insurance Policy that results from this contract. The Department must be notified in writing at the time the claim is filed by the Broker or Underwriter of all Claims submitted during the policy period by any Named Insured. The Broker must coordinate with the Named Insured filing the Claim on any details required by the Broker to ensure proper settlement.

The Broker is to track all claims submitted and identify which Named Insured filed the claim.

Any settlement checks must be issued in the name of the Named Insured that filed the Claim, c/o State of Florida – Department of Management Services. Settlement checks must include: policy name and number; the Named Insured who filed the claim; date of loss; total claim filed, deductible, check number and check amount. Whenever possible, a letter on appropriate letterhead from the Broker or Underwriter should accompany the claim settlement check.

The Broker will provide Claim settlement checks directly to the Named Insured filing the claim, and provide a copy of the settlement check to the Department's Contract Manager.

### 3.5 Loss Reporting

The Broker must submit a Claim and loss summary report annually to the Department's Contract Manager. The Department reserves the right to request loss runs at any time during the policy period.

### 3.6 Diversity Reporting.

The State of Florida supports its diverse business community by creating opportunities for woman-, veteran-, and minority-owned small business enterprises to participate in procurements and contracts. The Department encourages supplier diversity through certification of woman-, veteran-, and minority-owned small business enterprises, and provides advocacy, outreach, and networking through regional business events. For additional information, please contact the Office of Supplier Diversity (OSD) at [osdhelp@dms.myflorida.com](mailto:osdhelp@dms.myflorida.com).

Upon request, the Broker shall report to the Customer its spend with business enterprises certified by the OSD. These reports must include the time period covered, the name and Federal Employer Identification Number of each business enterprise utilized during the period, commodities and contractual services provided by the business enterprise, and the amount paid to the business enterprise on behalf of each Customer purchasing under the Contract.

## SECTION 4. COMPLIANCE WITH LAWS.

### 4.1 Conduct of Business.

The Broker must comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and authority. For example, the Broker shall comply with Section 247A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status.

Pursuant to subsection 287.058(1), F.S., the provisions of subparagraphs 287.058(1)(a)-(c), and (g), F.S., are hereby incorporated by reference, to the extent applicable.

### 4.2 Governing Law and Venue.

The laws of the State of Florida govern the Contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action related to the Contract. Further, the Broker hereby waives any and all privileges and rights relating to venue it may have under Chapter 47, F.S., and any and all such venue privileges and rights it may have under any other statute, rule, or case law, including, but not limited to those based on convenience. The Broker hereby submits to venue in the county chosen by the Department.

### 4.3 Department of State Registration.

The Broker and any subcontractors that assert corporate status must provide the Department with conclusive evidence, per section 607.0127, Florida Statutes, of a certificate of status, not subject to

qualification, if a Florida business entity, or of a certificate of authorization if a foreign business entity and maintain such status or authorization through the life of the Contract and any resulting Contract or purchase order.

#### 4.4 Broker License.

The Broker, for the duration of the Contract term, must hold current and valid Florida resident or non-resident insurance licenses in the appropriate line of business for the insurance coverage provided under the Contract.

#### 4.5 Convicted and Discriminatory Vendor Lists.

In accordance with sections 287.133 and 287.134, Florida Statutes, an entity or affiliate who is on the Convicted Vendor List or the Discriminatory Vendor List may not perform work as a Broker, supplier, subcontractor, or consultant under the Contract. The Broker must notify the Department if it or any of its suppliers, subcontractors or consultants have been placed on the Convicted Vendor List or the Discriminatory Vendor List during the term of the Contract.

#### 4.6 Broker Certification.

If the Contract exceeds \$1,000,000.00 in total, not including renewal years, Broker certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List created pursuant to sections 215.473, Florida Statutes, and 215.4725 Florida Statutes, respectively. Pursuant to section 287.135(5), Florida Statutes, and 287.135(3), Florida Statutes, Broker agrees the Department may immediately terminate the Contract for cause if the Broker is found to have submitted a false certification or if Broker is placed on the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or the Scrutinized Companies that Boycott Israel List, or is engaged in a boycott of Israel during the term of the Contract.

#### 4.7 Cooperation with Inspector General.

Pursuant to subsection 20.055(5), Florida Statutes, Broker, and any subcontractor to the Broker, understand and will comply with their duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Broker must provide any type of information the Inspector General deems relevant to the Broker's integrity or responsibility. Such information may include, but will not be limited to, the Broker's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Broker will retain such records for five years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>), whichever is longer. The Broker agrees to reimburse the State for the reasonable costs of investigation incurred by the Inspector General or other authorized State official for investigations of the Broker's compliance with the terms of this or any other agreement between the Broker and the State which results in the suspension or debarment of the Broker. Such costs will include, but will not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees.

### SECTION 5. MISCELLANEOUS.

#### 5.1 Underwriting Information

The Underwriter is not obligated to provide coverage for a risk determined to be inappropriate for the coverage described in this Contract.

The Department, Broker or Underwriter have the right to refuse coverage to any State University

System (SUS) eligible user as described by Section 1000.21(6), Florida Statutes, with adverse loss histories, or those requesting coverage after having secured private coverage of a similar nature and requesting to join or rejoin the policy after an absence of coverage under an insurance policy procured by the Department.

## 5.2 Additions/Deletions

The Department reserves the right to request additions to or deletions from existing coverages or exposures stated in the Insurance Policy on behalf of the Named Insured when deemed to be in the State's best interest.

Additions in coverage or exposure must be consistent with current Contract Insurance Policy rates, terms, and conditions. However, the insurer is not required to accept the state's addition if it can document that such addition results in an exposure change warranting a change in current Contract Insurance Policy rates, conditions, or terms.

The Broker and Underwriter have 30 days from receipt of the Department's request to add a new Named Insured to the State Policy and receipt of all applicable previous and current coverage information to accept or reject a new Named Insured to the State policy.

Upon acceptance by the Contactor and Underwriter, the Broker will invoice the Named Insured as indicated above.

The Broker or Underwriter will provide premium refund checks to the Named Insured, as appropriate, when changes are made to individual Named Insureds schedules. Refund checks may be provided directly to the Named Insured. The Broker will provide a copy of all refund checks to the Department's Contract Manager for the contract file.

## 5.3 Notice of Legal Actions.

The Broker must notify the Department of any legal actions filed against it for a violation of any laws, rules, codes, ordinances or licensing requirements within 30 days of the action being filed. The Broker must notify the Department of any legal actions filed against it for a breach of a contract of similar size and scope to this Contract within 30 days of the action being filed. Failure to notify the Department of a legal action within 30 days of the action will be grounds for termination for cause of the Contract.

## 5.4 Subcontractors.

The Broker will not subcontract any work under the Contract without prior written consent of the Department. The Broker is fully responsible for satisfactory completion of all subcontracted work. The Department supports diversity in its procurements and contracts, and requests that Broker offer subcontracting opportunities to certified woman-, veteran-, and minority-owned small businesses. The Broker may contact the OSD at [osdhelp@dms.myflorida.com](mailto:osdhelp@dms.myflorida.com) for information on certified small business enterprises available for subcontracting opportunities.

## 5.5 Assignment.

The Broker will not sell, assign or transfer any of its rights, duties or obligations under the Contract without the prior written consent of the Department. In the event of any assignment, the Broker remains secondarily liable for performance of the Contract. The Department may assign the Contract with prior written notice to the Broker.

## 5.6 Independent Broker.

The Broker and its employees, agents, representatives, and subcontractors are not employees or agents of the Department and are not entitled to the benefits of State of Florida employees. The Department will not be bound by any acts or conduct of the Broker or its employees, agents,



representatives, or subcontractors. The Broker agrees to include this provision in all of its subcontracts under the Contract.

#### 5.7 Ombudsman.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this office are found in section 215.422, F.S., which include disseminating information relative to prompt payment and assisting Brokers in receiving their payments in a timely manner from a Customer. The Vendor Ombudsman may be contacted at (850) 413-5516.

#### 5.8 Time is of the Essence.

Time is of the essence regarding each and every obligation of the Broker. Each obligation is deemed material, and a breach of any such obligation (including a breach resulting from untimely performance) is a material breach.

#### 5.9 Waiver.

The delay or failure by the Department or Customer to exercise or enforce any rights under the Contract will not constitute waiver of such rights.

#### 5.10 Modification and Severability.

The Contract may only be modified by written agreement between the Department and the Broker. Should a court determine any provision of the Contract is invalid, the remaining provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Contract did not contain the provision held invalid.

### SECTION 6. INDEMNIFICATION.

#### 6.1 Indemnification.

The Broker agrees to indemnify, defend, and hold the Department, Customer, the State of Florida, its officers, employees and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right out of any acts, actions, breaches, neglect or omissions of the Broker, its employees, agents, subcontractors, assignees or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Broker or Broker's employees, agents, subcontractors, assignees or delegates are not independent contractors in relation to the Department. The Contract does not constitute a waiver of sovereign immunity or consent by the Department or the State of Florida or its subdivisions to suit by third parties.

Without limiting this indemnification, the Department or Customer may provide the Broker (1) written notice of any action or threatened action; (2) the opportunity to take over and settle or defend any such action at Broker's sole expense; and (3) assistance in defending the action at Broker's sole expense.

### SECTION 7. PUBLIC RECORDS AND DOCUMENT MANAGEMENT.

#### 7.1 Public Records.

The Department may unilaterally cancel this Contract for refusal by the Broker to comply with this section by not allowing public access to all documents, papers, letters or other material made or received by the Broker in conjunction with the Contract, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), F.S.

Solely for the purposes of this section the contract manager is the agency custodian of public records,

unless another is designated per (e), below.

If, under this Contract, the Broker is providing services and is acting on behalf of a public agency as provided by section 119.0701, Florida Statute, the Broker shall:

- a. Keep and maintain public records required by the public agency to perform the service;
- b. Upon request from the public agency's custodian of public records, provide the public agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law;
- c. Ensure that public records that are exempt or confidential and exempt from public records disclosure are not disclosed except as authorized by law for the duration of the contract term and following the completion of the Contract if the Broker does not transfer the records to the public agency;
- d. Upon completion of the Contract, transfer, at no cost, to the public agency all public records in possession of the Broker or keep and maintain public records required by the public agency to perform the service. If the Broker transfers all public records to the public agency upon completion of the contract, the Broker shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Broker keeps and maintains public records upon completion of the Contract, the Broker shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the public agency, upon request from the public agency's custodian of public records, in a format that is compatible with the information technology systems of the public agency; and
- e. IF THE BROKER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE BROKER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT THE TELEPHONE NUMBER, EMAIL ADDRESS AND MAILING ADDRESS PROVIDED IN THE RESULTING CONTRACT OR PURCHASE ORDER.

## 7.2 Document Management.

The Broker must retain sufficient documentation to substantiate claims for payment under the Contract and all other records, electronic files, papers and documents that were made in relation to this Contract. Broker must retain all documents related to the Contract for five years after expiration of the Contract, or, if longer, the period required by the General Records Schedules maintained by the Florida Department of State available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>.

## SECTION 8. DATA SECURITY AND SERVICES.

### 8.1 Duty to Provide Secure Data.

The Broker will maintain the security of State of Florida Data including, but not limited to, a secure area around any display of such Data or Data that is otherwise visible. The Broker will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

### 8.2 Warranty of Security.

Unless otherwise agreed in writing, the Broker and its subcontractors will not perform any of the services from outside of the United States. Notwithstanding any provision of this Contract to the contrary, the Broker must notify the Department as soon as possible, in accordance with the requirements of section 501.171, F.S., and in all events within one (1) business day in the event Broker discovers any Data is breached, any unauthorized access of Data occurs (even by persons

or companies with authorized access for other purposes), any unauthorized transmission of Data or any credible allegation or suspicion of a material violation of the above. This notification is required whether the event affects one agency/customer or the entire population. The notification shall be clear and conspicuous and include a description of the following:

- a. The incident in general terms.
- b. The type of information that was subject to the unauthorized access and acquisition.
- c. The type and number of entities who were, or potentially have been affected by the breach.
- d. The actions taken by the Broker to protect the Data from further unauthorized access. However, the description of those actions in the written notice may be general so as not to further increase the risk or severity of the breach.

### 8.3 Remedial Measures.

Upon becoming aware of an alleged security breach, Broker's Contract Manager must set up a conference call with the Department's Contract Manager. The conference call invitation must contain a brief description of the nature of the event. When possible, a 30-minute notice will be given to allow Department personnel to be available for the call. If the designated time is not practical for the Department, an alternate time for the call will be scheduled. All available information must be shared on the call. The Broker must answer all questions based on the information known at that time and answer additional questions as additional information becomes known. The Broker must provide the Department with final documentation of the incident including all actions that took place. If the Broker becomes aware of a security breach or security incident outside of normal business hours, the Broker must notify the Contract Manager and in all events, within one business day.

### 8.4 Indemnification (Breach of Warranty of Security).

The Broker agrees to defend, indemnify and hold harmless the Department, Customer, the State of Florida, its officers, directors and employees from any claims, suits or proceedings related to a breach of the Warranty of Security. The Broker will include credit monitoring services at its own cost for those individuals affected or potentially affected by a breach of this warranty for a two year period of time following the breach.

### 8.5 Annual Certification.

The Broker is required to submit an annual certification demonstrating compliance with the Warranty of Security to the Department by December 31 of each Contract year.

## SECTION 9. GRATUITIES AND LOBBYING.

### 9.1 Gratuities.

The Broker shall not, in connection with this Contract, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any State officer or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any State officer or employee.

### 9.2 Lobbying Restrictions.

In accordance with sections 11.062 and 216.347, F.S., Contract funds are not for the purpose of lobbying the Legislature, the judicial branch, or the Department. Pursuant to subsection 287.058(6), F.S., the Contract does not prohibit the Broker from lobbying the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding the Contract, after the Contract execution and during the Contract's term.

## SECTION 10. CONTRACT MONITORING.

### 10.1 Insurer Serviceability

The Broker will notify the Department's Contract Manager of any concerns regarding the ability to provide ongoing services, Claims settlement or any diminished actions, including but not limited to, the reduction in the financial rating of the insurer providing coverage subsequent to contract award. Failure to notify the Department of concerns may, at the Department's option, result in termination of the Insurance Policy.

### 10.2 Performance Standards.

The Broker agrees to perform all tasks and provide deliverables as set forth in the Contract. The Department and the Customer will be entitled at all times, upon request, to be advised as to the status of work being done by the Broker and of the details thereof. Coordination must be maintained by the Broker with representatives of Customer, the Department, or of other agencies involved in the project on behalf of the Department.

### 10.3 Performance Deficiency.

The Department or Customer may, in its sole discretion, notify the Broker of the deficiency to be corrected, which correction shall be made within a time-frame specified by the Department or Customer. The Broker must provide the Department or Customer with a corrective action plan describing how the Broker will address all issues of contract non-performance, unacceptable performance, and failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance. Documented inability to perform under the conditions of the insurance policy and/or an inability to correct deficiencies identified in a corrective action plan within the specified time frame may result in default proceedings and/or termination.

### 10.4 Financial Consequences

In accordance with paragraph 287.058(1)(h), Florida Statutes, the Department will apply financial consequences if the Contractor fails to perform in accordance with the contract. The State reserves the right to implement appropriate remedies, such as contract termination if the Contractor fails to perform or comply with provisions of this Contract

### 10.5 Force Majeure, Notice of Delay, and No Damages for Delay.

The Broker will not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Broker or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Broker's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Broker. In case of any delay the Broker believes is excusable, the Broker shall notify the Department or Customer in writing of the delay or potential delay and describe the cause of the delay either (1) within 10 days after the cause that creates or will create the delay first arose, if the Broker could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five days after the date the Broker first had reason to believe that a delay could result. The foregoing shall constitute the Broker's sole remedy or excuse with respect to delay. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages will be asserted by the Broker. The Broker will not be entitled to an increase in the Contract price or payment of any kind from the Department or Customer for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Broker shall perform at no increased cost, unless the Department or Customer determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State or to Customers, in which case the Department or

Customer may (1) accept allocated performance or deliveries from the Broker, provided that the Broker grants preferential treatment to Customers with respect to commodities or contractual services subjected to allocation, or (2) purchase from other sources (without recourse to and by the Broker for the related costs and expenses) to replace all or part of the commodity or contractual services that are the subject of the delay, which purchases may be deducted from the Contract quantity, or (3) terminate the Contract in whole or in part.

## SECTION 11. CONTRACT AUDITS.

### 11.1 Performance or Compliance Audits.

The Department may conduct, or cause to have conducted, either or both performance and compliance audits of the Broker and subcontractors as determined by the Department. The Department may conduct an audit and review all the Broker's and subcontractor's data and records that directly relate to the Contract. To the extent necessary to verify the Broker's claims for payment under the Contract, the Broker's agreements or contracts with subcontractors, partners or agents of the Broker, pertaining to this Contract, may be inspected by the Department upon 15 days' notice, during normal working hours and in accordance with the Broker's facility access procedures where facility access is required. Release statements from its subcontractors, partners or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Broker's contracts relating to this Contract. The State's Chief Financial Officer and the Office of the Auditor General also have authority to perform audits and inspections.

### 11.2 Payment Audit.

Broker will maintain records of costs incurred under terms of the Contract. Records of costs incurred will include the Broker's general accounting records, together with supporting documents and records of the Broker and all subcontractors performing work, and all other records of the Broker and subcontractors considered necessary by the Department, State's Chief Financial Officer or the Office of the Auditor General for audit.

## SECTION 12. BACKGROUND SCREENING AND SECURITY.

### 12.1 E-Verify.

In accordance with Executive Order 11-116, the Broker agrees to utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired during the term of the Contract for the services specified in the Contract. The Broker must also include a requirement in subcontracts that the subcontractor must utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Contract term. In order to implement this provision, the Broker must provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five days of Contract execution. If the Broker is not enrolled in DHS E-Verify System, it will do so within five days of notice of Contract award, and provide the Contract Manager a copy of its MOU within five days of Contract execution. The link to E-Verify is <http://www.uscis.gov/e-verify>. Upon each Broker or subcontractor new hire, the Broker must provide a statement within five days to the Contract Manager identifying the new hire with its E-Verify case number.

### 12.2 Disqualifying Offenses.

If at any time it is determined that a person has a criminal misdemeanor or felony record regardless of adjudication (e.g., adjudication withheld, a plea of guilty or nolo contendere, or a guilty verdict) within the last six (6) years from the date of the court's determination for the crimes listed below, or their equivalent in any jurisdiction, the Broker is required to immediately remove that person from any position with access to State of Florida data or directly performing services under the Contract.

The disqualifying offenses are as follows:

- a. Computer related or information technology crimes.
- b. Fraudulent practices, false pretenses and frauds, and credit card crimes.
- c. Forgery and counterfeiting.
- d. Violations involving checks and drafts.
- e. Misuse of medical or personnel records.
- f. Felony theft.

### 12.3 Communications and Confidentiality.

The Broker agrees that it shall make no statements, press releases, or publicity releases concerning the Contract or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with the Contract, or any particulars thereof, during the period of the Contract, without first notifying the Department's Contract Manager or the Department designated contact person and securing prior written consent. The Broker must maintain confidentiality of all confidential data, files, and records related to the services and commodities provided pursuant to the Contract and must comply with all state and federal laws, including, but not limited to sections 381.004, 384.29, 392.65, and 456.057, Florida Statutes. The Broker's confidentiality procedures must be consistent with the most recent version of the Department security policies, protocols, and procedures. The Broker must also comply with any applicable professional standards with respect to confidentiality of information.

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Contract  
No: 84131600-18-1

Broker's Price Sheet

**<Insert Awarded Bidder's Price Sheet>**