

**Appendix D  
State Term Contract  
No. 14-84131503-1  
For  
Commercial Automobile Insurance**

**Between Florida Department of Management Services and Contractor**

This Contract is between the State of Florida, Department of Management Services (Department), Division of State Purchasing (Division), an agency of the State of Florida with offices at 4050 Esplanade Way, Tallahassee, FL 32399-0950, and Contractor.

The Contractor submitted a reply to the Department's Invitation to Bid (ITB) #14-84131503-H for Commercial Automobile Insurance. After evaluation of replies, the Department has determined that the Contractor's reply provides the best value to the State of Florida and has decided to enter into this Contract for Commercial Automobile Insurance.

Accordingly, the Department and Contractor agree as follows:

**I. Scope of Services**

The services to be timely rendered by the Contractor pursuant to this Contract are defined and described in detail in Appendix B, Expiring Policy and Section 7.0, Statement of Work and.

**II. Initial Contract Term**

The Initial Contract Term of this Contract for Commercial Automobile Insurance will be for two (2) years, with annual policy terms as follows:

- a) October 20, 2014, 12:01 am, and ending October 20, 2015, 12:01 am.
- b) October 20, 2015, 12:01 am, and ending October 20, 2016, 12:01 am.

**III. Contract**

This Contract, together with the following attached documents (exhibits), set forth the entire understanding of the parties and supersedes all prior agreements, whether written or oral, with respect to such subject matter.

All exhibits attached to this Contract are incorporated in their entirety into, and form part of, this Contract. The Contract has the following exhibits:

- a) Exhibit A: Definitions & Special Contract Conditions, from Sections 1.3 and 6.1 of ITB #14-84131503-H.
- b) Exhibit B: General Contract Conditions, Form PUR 1000 (10/06).
- c) Exhibit C: Statement of Work, Section 7 and Sections 8 and 9 of ITB # #14-84131503-H.
- d) Exhibit D: Contractor Pricing Sheet.
- e) Exhibit E: Contract Forms, Form 1.

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In case of conflict, the terms of this Contract shall control. If a conflict exists among any of the attached documents, the documents shall have priority in the order listed:

- a) The Contract
- b) Exhibit A: Special Contract Conditions
- c) Exhibit B: General Contract Conditions
- d) Exhibit C: Statement of Work
- e) Exhibit D: Contractor Pricing
- f) Exhibit E: Contract Forms
- g) Resulting Insurance Policy, and all endorsements (provided by the Contractor)

**IV. Amendments**

No oral modifications to this Contract are acceptable. All modifications to this Contract must be in writing and signed by both parties. Any future amendments of the Contract which alter the definition of the services, other than policy endorsements, shall define the services in the same format as Exhibit C, Statement of Work.

Notwithstanding the order listed in section III, amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

**V. Contract Notices**

In addition to the provisions in section 38 of Form PUR 1000 (10/06), contract notices may be delivered by email to the Contractor's designated contact person as prescribed in section VII.

**VI. Contract Management**

The Department employee who is primarily responsible for maintaining the Contract administration file shall be as follows:

Jill Soderberg, MBA, FCCM  
Associate Category Manager,  
Florida Department of Management Services  
4050 Esplanade Way, Suite 360, Tallahassee, FL 32399-0950  
Phone: 850-488-7996  
Email: [Jill.Soderberg@dms.myflorida.com](mailto:Jill.Soderberg@dms.myflorida.com)

The Department may appoint a different Contract Manager, which shall not constitute an amendment to the Contract, by sending written notice to Contractor. Any communication to the Department relating to the Contract shall be addressed to the Contract Manager.

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The Contractor shall assign one individual to serve as the designated contact person for this Contract. All questions and customer service issues concerning this Contract shall be directed to the Contractor's designated contact person. It will be the designated contact person's responsibility to coordinate with necessary Customer personnel as required to answer questions and resolve issues. The Contractor must provide written notice to the Department if a new employee is designated as the contact person for this Contract.

This Contract shall be effective on October 20, 2014 or on the last date upon which this Contract is signed by all parties, whichever date is later.

**Contractor**

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**Signature**

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**Print Name**

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**Date**

**STATE OF FLORIDA  
Department of Management Services**

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**Kelley J. Scott  
Director of State Purchasing and  
Chief Procurement Officer**

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**Date**

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**EXHIBIT A: DEFINITIONS & SPECIAL CONTRACT CONDITIONS  
FOR  
STATE TERM CONTRACT  
No. 14-84131503-1  
COMMERCIAL AUTOMOBILE INSURANCE**

**1. Special Contract Requirements**

The Special Contract Requirements are provisions that relate directly to the performance of this contract.

**2. Definitions**

**a) Broker** – An insurance intermediary in good standing with the State of Florida that holds current and valid Florida resident or nonresident insurance licenses in the appropriate line of business described in this ITB.

**b) Contractor** - The Broker contracted with as a result of this ITB.

**c) Insurance Policy or Policy** - Part of the contract for insurance that the Contractor must provide to the Named Insured. The parties to the Insurance Policy will be the Department, the Named Insured, the Contractor and the Insurer.

**d) Named Insured** – Agencies, as defined in section 287.012, Florida Statutes, university and college boards of trustees, state universities and colleges, and the legislative and judicial branches of state government that have the authority to contract for insurance coverage and choose to become parties to the Insurance Policy.

**e) Insurer or Underwriter** - The insurance company selected by the Contractor to provide insurance coverage.

**f) Policy Inception** - The beginning date of an Insurance Policy.

**g) Premium** - The amount of money the Named Insured pays the Insurer for insurance.

**h) Respondent** - A Vendor that submits a Response to this ITB.

**i) State Purchasing** - The division within the Department responsible for administration of this ITB and the day-to-day administration of the Contract.

**j) Vendor** - A Broker.

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**3. Price**

The pricing of this contract will be the Vendor Price Sheet.

**4. Rate and Premium Adjustment**

No rate or premium escalations are permitted during the term of a policy year. Rate or premium de-escalation is permissible at any time during the contract term. The awarded Contractor will assist in the processing and payment of deposit premium refunds for unused coverage as quickly as possible.

**5. Routine Communications**

All routine communications and reports shall be addressed to the persons identified below. Written communications may be by e-mail, regular mail, or other reliable delivery service.

**For the Contractor:**

Name:  
Company:  
Address:  
E-Mail:  
Telephone No.:  
Facsimile No.:

**For the Department:**

Jill Soderberg, MBA, FCCM  
Associate Category Manager,  
Florida Department of Management Services  
Division of State Purchasing  
4050 Esplanade Way, Suite 360, Tallahassee, FL 32399-0950  
Telephone No. 850-488-7996  
Facsimile No.: 850-488-5498  
Email: Jill.Soderberg@dms.myflorida.com

**6. Financial Consequences for Nonperformance**

Financial consequences shall apply for nonperformance of the contract by a Contractor. The State reserves the right to withhold payment or implement other appropriate remedies, such as contract termination or nonrenewal, when the Contractor fails to perform or comply with provisions of this Contract. These consequences for non-performance shall not be considered penalties.

**7. Compliance with Laws**

The Contractor shall 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. Chapter 287, Florida Statutes, and Rule 60A, Florida Administrative Code, govern the Contract. The Contractor shall comply with section 274A of the

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Immigration and Nationalization Act, the Americans with Disabilities Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. Violation of any applicable laws, rules, codes, ordinances or licensing requirements will be grounds for Contract termination.

**8. Insurance Requirements**

During the Contract term, the Contractor at its sole expense shall provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Contract, which, as a minimum, shall be: workers' compensation and employer's liability insurance per Florida statutory limits, as legislatively amended, during the life of this contract, covering all employees engaged in any Contract work; commercial general liability coverage on an occurrence basis in the minimum amount of \$1,000,000 (defense cost shall be in excess of the limit of liability), naming the State insurance covering all vehicles, owned or otherwise as an additional insured; and automobile liability, used in the Contract work, with minimum combined limits of \$1,000,000, including hired and non-owned liability, and \$10,000 medical payment. Providing and maintaining adequate insurance coverage is a material obligation of the Contractor and is of the essence of the Contract. Upon request, the Contractor shall provide certificate of insurance. The Contract shall not limit the types of insurance Contractor may desire to obtain or be required to obtain by law. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the Contract. All insurance policies shall be through insurers authorized to write policies in Florida.

**9. Notice of Legal Actions**

The Contractor shall 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 Contractor shall 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 shall be grounds for termination or nonrenewal of the contract.

**10. Access to Public Records**

The Contractor shall allow public access to all documents, papers, letters, or other material made or received by the Contractor in conjunction with the Contract, unless the records are exempt from Article I, Section 24(a), Florida Constitution or section 119.07(1), F.S. The Department may unilaterally terminate the Contract if the Contractor refuses to allow public access as required in this section.

**11. Redacted Copies of Confidential Information**

If Contractor considers any portion of any documents, data, or records submitted to the Department to be confidential, proprietary, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, F.S., the Florida Constitution or other authority, Contractor must – upon request, provide the Department with a separate redacted copy of the information it claims as Confidential and briefly describe in writing the grounds for claiming exemption from the public records law, including the specific statutory citation for such exemption. This redacted copy

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shall contain the Contract name and number, and shall be clearly titled "Confidential." The redacted copy should only redact those portions of material that the Contractor claims is confidential, proprietary, trade secret or otherwise not subject to disclosure.

**12. Request for Redacted Information**

In the event of a public records or other disclosure request pursuant to Chapter 119, F.S., the Florida Constitution or other authority, to which documents that are marked as "Confidential" are responsive, the Department will provide the Contractor-redacted copies to the requestor. If a requestor asserts a right to the Confidential Information, the Department will notify the Contractor such an assertion has been made. It is the Contractor's responsibility to assert that the information in question is exempt from disclosure under Chapter 119, F.S., or other applicable law. If the Department becomes subject to a demand for discovery or disclosure of the Confidential Information of the Contractor under legal process, the Department shall give the Contractor prompt notice of the demand prior to releasing the information labeled "Confidential" (unless otherwise prohibited by applicable law). Contractor shall be responsible for defending its determination that the redacted portions of its response are confidential, proprietary, trade secret, or otherwise not subject to disclosure.

**13. Indemnification for Redacted Information**

Contractor shall protect, defend, and indemnify the Department for any and all claims arising from or relating to Contractor's determination that the redacted portions of its response are confidential, proprietary, trade secret, or otherwise not subject to disclosure. If Contractor fails to submit a redacted copy of information it claims is Confidential, the Department is authorized to produce the entire documents, data, or records submitted to the Department in answer to a public records request or other lawful request for these records

**14. Intellectual Property**

The parties do not anticipate that any Intellectual Property will be developed as a result of this contract. However, any Intellectual Property developed as a result of this contract will belong to and be the sole property of the state. This provision will survive the termination or expiration of this contract.

**15. Preferred Pricing Affidavit**

The Department will provide the Preferred Pricing Affidavit, incorporated by reference, for completion by an authorized representative of the Contractor attesting that the Contractor is in compliance with the best pricing provision in section 4(b) of the [PUR 1000](#) form. The Contractor agrees to submit to the Department, at least annually, the completed Preferred Pricing Affidavit (Attachment 7).

**16. E-Verify**

Pursuant to State of Florida Executive Order Number 11-116, Contractor is required to utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment of all new employees hired by the Contractor during the Contract term. Also, Contractor shall include in related subcontracts a requirement that subcontractors performing work or providing services

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pursuant to the Contract utilize the E-Verify system to verify employment of all new employees hired by the subcontractor during the Contract term.

**17. Scrutinized Company List**

Contractor certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to s. 215.473, F.S. Pursuant to section 287.135(5), F.S., Contractor agrees the Department may immediately terminate this contract for cause if the Contractor is found to have submitted a false certification or if Contractor is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List during the term of the Contract.

**18. Diversity Reporting**

The State of Florida is committed to supporting its diverse business industry and population through ensuring participation by minority, women, and veteran owned business enterprises in the economic life of the State. The State of Florida Mentor Protégé Program connects minority-, women-, and veteran business enterprises with private corporations for business development mentoring. We strongly encourage firms doing business with the State of Florida to consider this initiative. For more information on the Mentor Protégé Program, please contact the Office of Supplier Diversity at (850) 487-0915 or email: [osdhelp@dms.myflorida.com](mailto:osdhelp@dms.myflorida.com).

Upon request, the Contractor shall report to the Department, spend with certified and other minority business enterprises. These reports will include the period covered, the name, minority code and Federal Employer Identification Number of each minority vendor utilized during the period, commodities and services provided by the minority business enterprise, and the amount paid to each minority vendor on behalf of each purchasing agency ordering under the terms of this Contract.

**19. Business Review Meetings**

The Department reserves the right to schedule business review meetings as frequently as necessary. The Department will provide the format for the Contractor's agenda. Prior to the meeting, the Contractor shall submit the completed agenda to the Department for review and acceptance. The Contractor shall address the agenda items and any of the Department's additional concerns at the meeting. Failure to comply with this section may result in the Contract being found in default and termination of the Contract by the Department or nonrenewal of the Contract.

**20. Ethical Business Practices**

Any Vendor awarded a Contract as a result of this ITB shall work in partnership with the Department to ensure a successful and valuable contract, and shall comply with ethical standards required of State employees, Contractors, and all parties representing the Contractor. All work performed under this contract will be subject to review by the Department's Inspector General, and any findings suggesting unethical business practices may be cause for termination or cancellation of the Contract.



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**21. Delays and Complaints**

Service delays and service complaints will be monitored on a continual basis. Documented inability of the Contractor or Underwriter to perform under the conditions of the insurance policy may result in default proceedings and/or termination.

**22. Performance and Payment Bonds**

No Performance or Payment bonds will be required under this Contract.

**23. Commission Reporting**

The awarded Respondent will provide the Department with a letter disclosing the firm's commission per policy within thirty (30) days of the placement of any policy.

**24. MyFloridaMarketPlace (MFMP) Transaction Fee**

Premiums paid toward this policy shall be exempt from the 1% MFMP transaction fee.

**25. Additional Provisions**

The provisions of ss. 287.058(1)(a) and (b), F.S., are hereby incorporated by reference.

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**EXHIBIT B: GENERAL CONTRACT CONDITIONS  
State of Florida  
PUR 1000  
General Contract Conditions**

**Contents**

1. Definitions.
2. Purchase Orders.
3. Product Version.
4. Price Changes Applicable only to Term Contracts.
5. Additional Quantities.
6. Packaging.
7. Inspection at Contractor's Site.
8. Safety Standards.
9. Americans with Disabilities Act.
10. Literature.
11. Transportation and Delivery.
12. Installation.
13. Risk of Loss.
14. Transaction Fee.
15. Invoicing and Payment.
16. Taxes.
17. Governmental Restrictions.
18. Lobbying and Integrity.
19. Indemnification.
20. Limitation of Liability.
21. Suspension of Work.
22. Termination for Convenience.
23. Termination for Cause.
24. Force Majeure, Notice of Delay, and No Damages for Delay.
25. Changes.
26. Renewal.
27. Purchase Order Duration.
28. Advertising.
29. Assignment.
30. Antitrust Assignment
31. Dispute Resolution.
32. Employees, Subcontractors, and Agents.
33. Security and Confidentiality.
34. Contractor Employees, Subcontractors, and Other Agents.
35. Insurance Requirements.

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- 36. Warranty of Authority.
- 37. Warranty of Ability to Perform.
- 38. Notices.
- 39. Leases and Installment Purchases.
- 40. Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE).
- 41. Products Available from the Blind or Other Handicapped.
- 42. Modification of Terms.
- 43. Cooperative Purchasing.
- 44. Waiver.
- 45. Annual Appropriations.
- 46. Execution in Counterparts.
- 47. Severability.

**1. Definitions.** The definitions contained in s. 60A-1.001, F.A.C. shall apply to this agreement. The following additional terms are also defined:

(a) "Contract" means the legally enforceable agreement that results from a successful solicitation. The parties to the Contract will be the Customer and Contractor.

(b) "Customer" means the State agency or other entity identified in a contract as the party to receive commodities or contractual services pursuant to a contract or that orders commodities or contractual services via purchase order or other contractual instrument from the Contractor under the Contract. The "Customer" may also be the "Buyer" as defined in the PUR 1001 if it meets the definition of both terms.

(c) "Product" means any deliverable under the Contract, which may include commodities, services, technology or software.

(d) "Purchase order" means the form or format a Customer uses to make a purchase under the Contract (e.g., a formal written purchase order, electronic purchase order, procurement card, contract or other authorized means).

**2. Purchase Orders.** In contracts where commodities or services are ordered by the Customer via purchase order, Contractor shall not deliver or furnish products until a Customer transmits a purchase order. All purchase orders shall bear the Contract or solicitation number, shall be placed by the Customer directly with the Contractor, and shall be deemed to incorporate by reference the Contract and solicitation terms and conditions. Any discrepancy between the Contract terms and the terms stated on the Contractor's order form, confirmation, or acknowledgement shall be resolved in favor of terms most favorable to the Customer. A purchase order for services within the ambit of section 287.058(1) of the Florida Statutes shall be deemed to incorporate by reference the requirements of subparagraphs (a) through (f) thereof. Customers shall designate a contract manager and a contract administrator as required by subsections 287.057(15) and (16) of the Florida Statutes.

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**3. Product Version.** Purchase orders shall be deemed to reference a manufacturer's most recently release model or version of the product at the time of the order, unless the Customer specifically requests in writing an earlier model or version and the contractor is willing to provide such model or version.

**4. Price Changes Applicable only to Term Contracts.** If this is a term contract for commodities or services, the following provisions apply.

(a) Quantity Discounts. Contractors are urged to offer additional discounts for one time delivery of large single orders. Customers should seek to negotiate additional price concessions on quantity purchases of any products offered under the Contract. State Customers shall document their files accordingly.

(b) Best Pricing Offer. During the Contract term, if the Customer becomes aware of better pricing offered by the Contractor for substantially the same or a smaller quantity of a product outside the Contract, but upon the same or similar terms of the Contract, then at the discretion of the Customer the price under the Contract shall be immediately reduced to the lower price.

(c) Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, a Contractor may conduct sales promotions involving price reductions for a specified lesser period. A Contractor shall submit to the Contract Specialist documentation identifying the proposed (1) starting and ending dates of the promotion, (2) products involved, and (3) promotional prices compared to then-authorized prices. Promotional prices shall be available to all Customers. Upon approval, the Contractor shall provide conspicuous notice of the promotion.

(d) Trade-In. Customers may trade-in equipment when making purchases from the Contract. A trade-in shall be negotiated between the Customer and the Contractor. Customers are obligated to actively seek current fair market value when trading equipment, and to keep accurate records of the process. For State agencies, it may be necessary to provide documentation to the Department of Financial Services and to the agency property custodian pursuant to Chapter 273, F.S.

(e) Equitable Adjustment. The Customer may, in its sole discretion, make an equitable adjustment in the Contract terms or pricing if pricing or availability of supply is affected by extreme and unforeseen volatility in the marketplace, that is, by circumstances that satisfy all the following criteria: (1) the volatility is due to causes wholly beyond the Contractor's control, (2) the volatility affects the marketplace or industry, not just the particular Contract source of supply, (3) the effect on pricing or availability of supply is substantial, and (4) the volatility so affects the Contractor that continued performance of the Contract would result in a substantial loss.

**5. Additional Quantities.** For a period not exceeding ninety (90) days from the date of solicitation award, the Customer reserves the right to acquire additional quantities up to the

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amount shown on the solicitation but not to exceed the threshold for Category Two at the prices submitted in the response to the solicitation.

**6. Packaging.** Tangible product shall be securely and properly packed for shipment, storage, and stocking in appropriate, clearly labeled, shipping containers and according to accepted commercial practice, without extra charge for packing materials, cases, or other types of containers. All containers and packaging shall become and remain Customer's property.

**7. Inspection at Contractor's Site.** The Customer reserves the right to inspect, at any reasonable time with prior notice, the equipment or product or plant or other facilities of a Contractor to assess conformity with Contract requirements and to determine whether they are adequate and suitable for proper and effective Contract performance.

**8. Safety Standards.** All manufactured items and fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner acceptable to the appropriate State inspector. Acceptability customarily requires, at a minimum, identification marking of the appropriate safety standard organization, where such approvals of listings have been established for the type of device offered and furnished, for example: the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories and/or National Electrical Manufacturers' Association for electrically operated assemblies; and the American Gas Association for gas-operated assemblies. In addition, all items furnished shall meet all applicable requirements of the Occupational Safety and Health Act and state and federal requirements relating to clean air and water pollution.

**9. Americans with Disabilities Act.** Contractors should identify any products that may be used or adapted for use by visually, hearing, or other physically impaired individuals.

**10. Literature.** Upon request, the Contractor shall furnish literature reasonably related to the product offered, for example, user manuals, price schedules, catalogs, descriptive brochures, etc.

**11. Transportation and Delivery.** Prices shall include all charges for packing, handling, freight, distribution, and inside delivery. Transportation of goods shall be FOB Destination to any point within thirty (30) days after the Customer places an Order. A Contractor, within five (5) days after receiving a purchase order, shall notify the Customer of any potential delivery delays. Evidence of inability or intentional delays shall be cause for Contract cancellation and Contractor suspension.

**12. Installation.** Where installation is required, Contractor shall be responsible for placing and installing the product in the required locations at no additional charge, unless otherwise designated on the Contract or purchase order. Contractor's authorized product and price list shall clearly and separately identify any additional installation charges. All materials used in the installation shall be of good quality and shall be free of defects that would diminish the appearance of the product or render it structurally or operationally unsound. Installation includes the furnishing of any equipment, rigging, and materials required to install or replace the

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product in the proper location. Contractor shall protect the site from damage and shall repair damages or injury caused during installation by Contractor or its employees or agents. If any alteration, dismantling, excavation, etc., is required to achieve installation, the Contractor shall promptly restore the structure or site to its original condition. Contractor shall perform installation work so as to cause the least inconvenience and interference with Customers and with proper consideration of others on site. Upon completion of the installation, the location and surrounding area of work shall be left clean and in a neat and unobstructed condition, with everything in satisfactory repair and order.

**13. Risk of Loss.** Matters of inspection and acceptance are addressed in s. 215.422, F.S. Until acceptance, risk of loss or damage shall remain with the Contractor. The Contractor shall be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer shall: record any evidence of visible damage on all copies of the delivering carrier's Bill of Lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's Bill of Lading and damage inspection report. When a Customer rejects a product, Contractor shall remove it from the premises within ten days after notification or rejection. Upon rejection notification, the risk of loss of rejected or non-conforming product shall remain with the Contractor. Rejected product not removed by the Contractor within ten days shall be deemed abandoned by the Contractor, and the Customer shall have the right to dispose of it as its own property. Contractor shall reimburse the Customer for costs and expenses incurred in storing or effecting removal or disposition of rejected product.

**14. Transaction Fee.**

The Contractor is required to submit timely monthly Transaction Fee Reports in electronic format. For information on how to submit Transaction Fee Reports online, please reference the detailed fee reporting instructions and Vendor training presentations available online at the Transaction Fee Reporting and Vendor Training subsections under Vendors on the MFMP website: MFMP Transaction Fee and Reporting. Assistance is also available with the Transaction Fee Reporting System from the MFMP Customer Service Desk at the email address hyperlink: MFMP Customer Service Desk Email, or telephone 866-FLA-EPRO (866-352-3776) between the hours of 8:00 AM to 5:30 PM Eastern Time.

**15. Invoicing and Payment.** Invoices shall contain the Contract number, purchase order number if applicable, and the appropriate vendor identification number. The State may require any other information from the Contractor that the State deems necessary to verify any purchase order placed under the Contract.

At the State's option, Contractors may be required to invoice electronically pursuant to guidelines of the Department of Management Services. Current guidelines require that Contractor supply electronic invoices in lieu of paper-based invoices for those transactions processed through the system. Electronic invoices shall be submitted to the Customer through the Ariba Supplier Network (ASN) in one of the following mechanisms – EDI 810, cXML, or web-based invoice entry within the ASN.

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Payment shall be made in accordance with sections 215.422 and 287.0585 of the Florida Statutes, which govern time limits for payment of invoices. Invoices that must be returned to a Contractor due to preparation errors will result in a delay in payment. Contractors may call (850) 413-7269 Monday through Friday to inquire about the status of payments by State Agencies. The Customer is responsible for all payments under the Contract. A Customer's failure to pay, or delay in payment, shall not constitute a breach of the Contract and shall not relieve the Contractor of its obligations to the Department or to other Customers.

**16. Taxes.** The State does not pay Federal excise or sales taxes on direct purchases of tangible personal property. The State will not pay for any personal property taxes levied on the Contractor or for any taxes levied on employees' wages. Any exceptions to this paragraph shall be explicitly noted by the Customer in the special contract conditions section of the solicitation or in the Contract or purchase order.

**17. Governmental Restrictions.** If the Contractor believes that any governmental restrictions have been imposed that require alteration of the material, quality, workmanship or performance of the products offered under the Contract, the Contractor shall immediately notify the Customer in writing, indicating the specific restriction. The Customer reserves the right and the complete discretion to accept any such alteration or to cancel the Contract at no further expense to the Customer.

**18. Lobbying and Integrity.** Customers shall ensure compliance with Section 11.062, FS and Section 216.347, FS. The Contractor shall not, in connection with this or any other agreement with the State, directly or indirectly (1) offer, confer, or agree to confer any pecuniary benefit on 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 any gratuity for the benefit of, or at the direction or request of, any State officer or employee. For purposes of clause (2), "gratuity" means any payment of more than nominal monetary value in the form of cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or contracts of any kind. Upon request of the Customer's Inspector General, or other authorized State official, the Contractor shall provide any type of information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the Contract. The Contractor shall retain such records for the longer of (1) three years after the expiration of the Contract or (2) the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dhis.dos.state.fl.us/barm/genschedules/gensched.htm>). The Contractor 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 Contractor's compliance with the terms of this or any other agreement between the Contractor and the State which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Contractor shall not be responsible for any costs of investigations that do not result in the Contractor's suspension or debarment.

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**19. Indemnification.** The Contractor shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless the State and Customers, and their officers, agents, and employees, from suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Contractor, its agents, employees, partners, or subcontractors, provided, however, that the Contractor shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of the State or a Customer.

Further, the Contractor shall fully indemnify, defend, and hold harmless the State and Customers from any suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right, provided, however, that the foregoing obligation shall not apply to a Customer's misuse or modification of Contractor's products or a Customer's operation or use of Contractor's products in a manner not contemplated by the Contract or the purchase order. If any product is the subject of an infringement suit, or in the Contractor's opinion is likely to become the subject of such a suit, the Contractor may at its sole expense procure for the Customer the right to continue using the product or to modify it to become non-infringing. If the Contractor is not reasonably able to modify or otherwise secure the Customer the right to continue using the product, the Contractor shall remove the product and refund the Customer the amounts paid in excess of a reasonable rental for past use. The customer shall not be liable for any royalties.

The Contractor's obligations under the preceding two paragraphs with respect to any legal action are contingent upon the State or Customer giving the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense. The Contractor shall not be liable for any cost, expense, or compromise incurred or made by the State or Customer in any legal action without the Contractor's prior written consent, which shall not be unreasonably withheld.

**20. Limitation of Liability.** For all claims against the Contractor under any contract or purchase order, and regardless of the basis on which the claim is made, the Contractor's liability under a contract or purchase order for direct damages shall be limited to the greater of \$100,000, the dollar amount of the contract or purchase order, or two times the charges rendered by the Contractor under the purchase order. This limitation shall not apply to claims arising under the Indemnity paragraph contain in this agreement.

Unless otherwise specifically enumerated in the Contract or in the purchase order, no party shall be liable to another for special, indirect, punitive, or consequential damages, including lost data or records (unless the contract or purchase order requires the Contractor to back-up data or records), even if the party has been advised that such damages are possible. No party shall be liable for lost profits, lost revenue, or lost institutional operating savings. The State and Customer may, in addition to other remedies available to them at law or equity and upon notice



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to the Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them. The State may set off any liability or other obligation of the Contractor or its affiliates to the State against any payments due the Contractor under any contract with the State.

**21. Suspension of Work.** The Customer may in its sole discretion suspend any or all activities under the Contract or purchase order, at any time, when in the best interests of the State to do so. The Customer shall provide the Contractor written notice outlining the particulars of suspension. Examples of the reason for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, the Contractor shall comply with the notice and shall not accept any purchase orders. Within ninety days, or any longer period agreed to by the Contractor, the Customer shall either (1) issue a notice authorizing resumption of work, at which time activity shall resume, or (2) terminate the Contract or purchase order. Suspension of work shall not entitle the Contractor to any additional compensation.

**22. Termination for Convenience.** The Customer, by written notice to the Contractor, may terminate the Contract in whole or in part when the Customer determines in its sole discretion that it is in the State's interest to do so. The Contractor shall not furnish any product after it receives the notice of termination, except as necessary to complete the continued portion of the Contract, if any. The Contractor shall not be entitled to recover any cancellation charges or lost profits.

**23. Termination for Cause.** The Customer may terminate the Contract if the Contractor fails to (1) deliver the product within the time specified in the Contract or any extension, (2) maintain adequate progress, thus endangering performance of the Contract, (3) honor any term of the Contract, or (4) abide by any statutory, regulatory, or licensing requirement. Rule 60A-1.006(3), F.A.C., governs the procedure and consequences of default. The Contractor shall continue work on any work not terminated. Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the Contract arises from events completely beyond the control, and without the fault or negligence, of the Contractor. If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is completely beyond the control of both the Contractor and the subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted products were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule. If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Customer. The rights and remedies of the Customer in this clause are in addition to any other rights and remedies provided by law or under the Contract.

**24. Force Majeure, Notice of Delay, and No Damages for Delay.** The Contractor shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents contributed to the delay and the delay is due directly

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to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Contractor's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. In case of any delay the Contractor believes is excusable, the Contractor shall notify the Customer in writing of the delay or potential delay and describe the cause of the delay either (1) within ten (10) days after the cause that creates or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five (5) days after the date the Contractor first had reason to believe that a delay could result. **THE FOREGOING SHALL CONSTITUTE THE CONTRACTOR'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, other than for an extension of time, shall be asserted against the Customer. The Contractor shall not be entitled to an increase in the Contract price or payment of any kind from the 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 Contractor shall perform at no increased cost, unless the 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 Customer may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers with respect to products subjected to allocation, or (2) purchase from other sources (without recourse to and by the Contractor for the related costs and expenses) to replace all or part of the products 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.

**25. Changes.** The Customer may unilaterally require, by written order, changes altering, adding to, or deducting from the Contract specifications, provided that such changes are within the general scope of the Contract. The Customer may make an equitable adjustment in the Contract price or delivery date if the change affects the cost or time of performance. Such equitable adjustments require the written consent of the Contractor, which shall not be unreasonably withheld. If unusual quantity requirements arise, the Customer may solicit separate bids to satisfy them.

**26. Renewal.** Upon mutual agreement, the Customer and the Contractor may renew the Contract, in whole or in part, for a period that may not exceed 3 years or the term of the contract, whichever period is longer. Any renewal shall specify the renewal price, as set forth in the solicitation response. The renewal must be in writing and signed by both parties, and is contingent upon satisfactory performance evaluations and subject to availability of funds.

**27. Purchase Order Duration.** Purchase orders issued pursuant to a state term or agency contract must be received by the Contractor no later than close of business on the last day of the contract's term to be considered timely. The Contractor is obliged to fill those orders in accordance with the contract's terms and conditions. Purchase orders received by the

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contractor after close of business on the last day of the state term or agency contract's term shall be considered void.

Purchase orders for a one-time delivery of commodities or performance of contractual services shall be valid through the performance by the Contractor, and all terms and conditions of the state term or agency contract shall apply to the single delivery/performance, and shall survive the termination of the Contract.

Contractors are required to accept purchase orders specifying delivery schedules exceeding the contracted schedule even when such extended delivery will occur after expiration of the state term or agency contract. For example, if a state term contract calls for delivery 30 days after receipt of order (ARO), and an order specifies delivery will occur both in excess of 30 days ARO and after expiration of the state term contract, the Contractor will accept the order. However, if the Contractor expressly and in writing notifies the ordering office within ten (10) calendar days of receipt of the purchase order that Contractor will not accept the extended delivery terms beyond the expiration of the state term contract, then the purchase order will either be amended in writing by the ordering entity within ten (10) calendar days of receipt of the contractor's notice to reflect the state term contract delivery schedule, or it shall be considered withdrawn.

The duration of purchase orders for recurring deliveries of commodities or performance of services shall not exceed the expiration of the state term or agency contract by more than twelve months. However, if an extended pricing plan offered in the state term or agency contract is selected by the ordering entity, the contract terms on pricing plans and renewals shall govern the maximum duration of purchase orders reflecting such pricing plans and renewals.

Timely purchase orders shall be valid through their specified term and performance by the Contractor, and all terms and conditions of the state term or agency contract shall apply to the recurring delivery/performance as provided herein, and shall survive the termination of the Contract.

Ordering offices shall not renew a purchase order issued pursuant to a state term or agency contract if the underlying contract expires prior to the effective date of the renewal.

**28. Advertising.** Subject to Chapter 119, Florida Statutes, the Contractor shall not publicly disseminate any information concerning the Contract without prior written approval from the Customer, including, but not limited to mentioning the Contract in a press release or other promotional material, identifying the Customer or the State as a reference, or otherwise linking the Contractor's name and either a description of the Contract or the name of the State or the Customer in any material published, either in print or electronically, to any entity that is not a party to Contract, except potential or actual authorized distributors, dealers, resellers, or service representative.

**29. Assignment.** The Contractor shall not sell, assign or transfer any of its rights, duties or obligations under the Contract, or under any purchase order issued pursuant to the Contract,

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without the prior written consent of the Customer. In the event of any assignment, the Contractor remains secondarily liable for performance of the contract, unless the Customer expressly waives such secondary liability. The Customer may assign the Contract with prior written notice to Contractor of its intent to do so.

**30. Antitrust Assignment.** The Contractor and the State of Florida recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Florida. Therefore, the contractor hereby assigns to the State of Florida any and all claims for such overcharges as to goods, materials or services purchased in connection with the Contract.

**31. Dispute Resolution.** Any dispute concerning performance of the Contract shall be decided by the Customer's designated contract manager, who shall reduce the decision to writing and serve a copy on the Contractor. The decision shall be final and conclusive unless within twenty one (21) days from the date of receipt, the Contractor files with the Customer a petition for administrative hearing. The Customer's decision on the petition shall be final, subject to the Contractor's right to review pursuant to Chapter 120 of the Florida Statutes. Exhaustion of administrative remedies is an absolute condition precedent to the Contractor's ability to pursue any other form of dispute resolution; provided, however, that the parties may employ the alternative dispute resolution procedures outlined in Chapter 120.

Without limiting the foregoing, the exclusive venue of any legal or equitable action that arises out of or relates to the Contract shall be the appropriate state court in Leon County, Florida; in any such action, Florida law shall apply and the parties waive any right to jury trial.

**32. Employees, Subcontractors, and Agents.** All Contractor employees, subcontractors, or agents performing work under the Contract shall be properly trained technicians who meet or exceed any specified training qualifications. Upon request, Contractor shall furnish a copy of technical certification or other proof of qualification. All employees, subcontractors, or agents performing work under the Contract must comply with all security and administrative requirements of the Customer and shall comply with all controlling laws and regulations relevant to the services they are providing under the Contract. The State may conduct, and the Contractor shall cooperate in, a security background check or otherwise assess any employee, subcontractor, or agent furnished by the Contractor. The State may refuse access to, or require replacement of, any personnel for cause, including, but not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with a Customer's security or other requirements. Such approval shall not relieve the Contractor of its obligation to perform all work in compliance with the Contract. The State may reject and bar from any facility for cause any of the Contractor's employees, subcontractors, or agents.

**33. Security and Confidentiality.** The Contractor shall comply fully with all security procedures of the United States, State of Florida and Customer in performance of the Contract. The Contractor shall not divulge to third parties any confidential information obtained by the Contractor or its agents, distributors, resellers, subcontractors, officers or employees in the course of performing Contract work, including, but not limited to, security procedures, business

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operations information, or commercial proprietary information in the possession of the State or Customer. The Contractor shall not be required to keep confidential information or material that is publicly available through no fault of the Contractor, material that the Contractor developed independently without relying on the State's or Customer's confidential information, or material that is otherwise obtainable under State law as a public record. To insure confidentiality, the Contractor shall take appropriate steps as to its personnel, agents, and subcontractors. The warranties of this paragraph shall survive the Contract.

**34. Contractor Employees, Subcontractors, and Other Agents.** The Customer and the State shall take all actions necessary to ensure that Contractor's employees, subcontractors and other agents are not employees of the State of Florida. Such actions include, but are not limited to, ensuring that Contractor's employees, subcontractors, and other agents receive benefits and necessary insurance (health, workers' compensations, and unemployment) from an employer other than the State of Florida.

**35. Insurance Requirements.** During the Contract term, the Contractor at its sole expense shall provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Contract. Providing and maintaining adequate insurance coverage is a material obligation of the Contractor. Upon request, the Contractor shall provide certificate of insurance. The limits of coverage under each policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the Contract. All insurance policies shall be through insurers authorized or eligible to write policies in Florida.

**36. Warranty of Authority.** Each person signing the Contract warrants that he or she is duly authorized to do so and to bind the respective party to the Contract.

**37. Warranty of Ability to Perform.** The Contractor warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, or investigation, or any other legal or financial condition, that would in any way prohibit, restrain, or diminish the Contractor's ability to satisfy its Contract obligations. The Contractor warrants that neither it nor any affiliate is currently on the convicted vendor list maintained pursuant to section 287.133 of the Florida Statutes, or on any similar list maintained by any other state or the federal government. The Contractor shall immediately notify the Customer in writing if its ability to perform is compromised in any manner during the term of the Contract.

**38. Notices.** All notices required under the Contract shall be delivered by certified mail, return receipt requested, by reputable air courier service, or by personal delivery to the agency designee identified in the original solicitation, or as otherwise identified by the Customer. Notices to the Contractor shall be delivered to the person who signs the Contract. Either designated recipient may notify the other, in writing, if someone else is designated to receive notice.

**39. Leases and Installment Purchases.** Prior approval of the Chief Financial Officer (as defined in Section 17.001, F.S.) is required for State agencies to enter into or to extend any

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lease or installment-purchase agreement in excess of the Category Two amount established by section 287.017 of the Florida Statutes.

**40. Prison Rehabilitative Industries and Diversified Enterprises, Inc. (PRIDE).** Section 946.515(2), F.S. requires the following statement to be included in the solicitation: "It is expressly understood and agreed that any articles which are the subject of, or required to carry out, the Contract shall be purchased from the corporation identified under Chapter 946 of the Florida Statutes (PRIDE) in the same manner and under the same procedures set forth in section 946.515(2) and (4) of the Florida Statutes; and for purposes of the Contract the person, firm, or other business entity carrying out the provisions of the Contract shall be deemed to be substituted for the agency insofar as dealings with such corporation are concerned." Additional information about PRIDE and the products it offers is available at <http://www.pridefl.com>.

**41. Products Available from the Blind or Other Handicapped.** Section 413.036(3), F.S. requires the following statement to be included in the solicitation: "It is expressly understood and agreed that any articles that are the subject of, or required to carry out, this contract shall be purchased from a nonprofit agency for the Blind or for the Severely Handicapped that is qualified pursuant to Chapter 413, Florida Statutes, in the same manner and under the same procedures set forth in section 413.036(1) and (2), Florida Statutes; and for purposes of this contract the person, firm, or other business entity carrying out the provisions of this contract shall be deemed to be substituted for the State agency insofar as dealings with such qualified nonprofit agency are concerned." Additional information about the designated nonprofit agency and the products it offers is available at <http://www.respectofflorida.org>.

**42. Modification of Terms.** The Contract contains all the terms and conditions agreed upon by the parties, which terms and conditions shall govern all transactions between the Customer and the Contractor. The Contract may only be modified or amended upon mutual written agreement of the Customer and the Contractor. No oral agreements or representations shall be valid or binding upon the Customer or the Contractor. No alteration or modification of the Contract terms, including substitution of product, shall be valid or binding against the Customer. The Contractor may not unilaterally modify the terms of the Contract by affixing additional terms to product upon delivery (e.g., attachment or inclusion of standard preprinted forms, product literature, "shrink wrap" terms accompanying or affixed to a product, whether written or electronic) or by incorporating such terms onto the Contractor's order or fiscal forms or other documents forwarded by the Contractor for payment. The Customer's acceptance of product or processing of documentation on forms furnished by the Contractor for approval or payment shall not constitute acceptance of the proposed modification to terms and conditions.

**43. Cooperative Purchasing.** Pursuant to their own governing laws, and subject to the agreement of the Contractor, other entities may be permitted to make purchases at the terms and conditions contained herein. Non-Customer purchases are independent of the agreement between Customer and Contractor, and Customer shall not be a party to any transaction between the Contractor and any other purchaser.

State agencies wishing to make purchases from this agreement are required to follow the provisions of s. 287.042(16)(a), F.S. This statute requires the Department of Management

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Services to determine that the requestor's use of the contract is cost-effective and in the best interest of the State.

**44. Waiver.** The delay or failure by the Customer to exercise or enforce any of its rights under this Contract shall not constitute or be deemed a waiver of the Customer's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

**45. Annual Appropriations.** The State's performance and obligation to pay under this contract are contingent upon an annual appropriation by the Legislature.

**46. Execution in Counterparts.** The Contract may be executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**47. Severability.** If a court deems any provision of the Contract void or unenforceable, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable and all other provisions shall remain in full force and effect.

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**EXHIBIT C: STATEMENT OF WORK  
FOR  
STATE TERM CONTRACT  
NO. 14-84131503-1  
COMMERCIAL AUTOMOBILE INSURANCE**

**1. Statement of Work**

The purpose of the solicitation is to establish two (2) years of commercial automobile insurance coverage, with annual policy terms as follows:

- a) October 20, 2014, 12:01 am, and ending October 20, 2015, 12:01 am.
- b) October 20, 2015, 12:01 am, and ending October 20, 2016, 12:01 am.

**2. Commodity Code**

Applicable commodity codes for this solicitation are as follows:

84131503 Insurance, Car or Truck

**3. Named Insured**

The contractor shall provide automobile insurance to The State of Florida and the following Named Insured, c/o the Department of Management Services, Division of State Purchasing, 4050 Esplanade Way, Suite 360, Tallahassee, FL 32399, are the Named Insured for whom coverage is being sought. Below is a schedule of current Named Insured:

- a) DFS Department of Financial Services
- b) DOH Department of Health
- c) FAMU Florida Agriculture and Mechanical University
- d) FAU Florida Atlantic University
- e) FSDB Florida School for the Deaf and Blind
- f) FSU Florida State University
- g) JAC Justice Administration Commission
- h) NCF New College of Florida
- i) PRIDE Prison Rehabilitative Industries and Diversified Enterprises, Inc.
- j) UCF University of Central Florida
- k) UNF University of North Florida
- l) USF University of South Florida
- m) UWF University of West Florida

Named Insureds may be added or removed during the policy period.



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**4. Locations of Covered Property**

Locations of the Named Insured vary throughout the State of Florida. The commercial automobile coverage schedule may be modified by the Named Insured throughout the policy period as values vary between each Named Insured throughout the policy term, but each Named Insured shall remain responsible for any Premium payment assessed while participating in the policy coverage.

The Appendix A, Price Sheets, contains the schedule of vehicles and the drivers by named insured for the current State of Florida Commercial Automobile policy. This schedule may be finalized prior to Policy Inception and may be provided to the successful Respondent thirty (30) days prior to Policy Inception to determine final coverage needs and the respective Premium assessments for each Named Insured.

**5. Coverage**

The Insurance Policy shall provide, at a minimum, Comprehensive and Collision coverage for the Named Insured, though some may require liability coverage. Limited liability coverage is currently provided for state owned vehicles by the State Risk Management Trust Fund, managed by the Department of Financial Services, Division of Risk Management.

Cover may include the following as determined by each Named Insured:

- a) Bodily Injury and Property Damage Coverage - Indemnifies the insured (Agency/University) for any sums which the insured shall have become legally obligated to pay as damages because of bodily injury sustained to any person and property damage.
- b) Medical Payments - Designed to pay for medical expenses of an insured who sustains bodily injury caused by an accident.
- c) Personal Injury Protection - Designed to pay first-party benefits for medical expenses, lost income, and funeral expenses.
- d) Physical Damage Coverage - Designed to pay physical damage losses for an automobile on an all-risk basis.

**6. Insurance Policy Conditions**

The insurance policy shall include the following coverage conditions:

- a) The entire coverage is to be written under one policy and represented by one Broker.
- b) Coverage shall include, at a minimum, the coverage in the expiring policy. Refer to Appendix B of these solicitation documents for a copy of the expiring policy.
- c) The applicable policy limit shall not, upon the occurrence of any loss covered, reduce the policy limit.
- d) The Insurance Policy shall include coverage for the Named Insureds' owned or leased property in the care, custody and control of the Named Insured.
- e) Unless prohibited by Underwriting guidelines, whenever possible, the territory for all policies is to be unrestricted and all claims originated in foreign countries are to be filed and settled in the United States.

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- f) Coverage will be provided for all locations of the Named Insured. Where possible we have provided a list of vehicles and drivers be insured under this policy including the requesting organization to be used as an indication of the exposure. This information should only be used for rating purposes.
- g) The Insurance Policy is to include a provision specifying that, except for limits, the insurance applies as though a separate policy is issued for each Named Insured in the event that a claim is made by one Named Insured against another Named Insured.
- h) The Insurer may be required to work with the Department relating to loss prevention and loss control issues.

**7. Underwriting Information**

The Chief Financial Officer is responsible for adjusting and settling amounts due to the state, pursuant to section 17.04, Florida Statutes. Agency Inspectors General are responsible for audits and investigations of their respective agencies, pursuant to section 20.055, Florida Statutes. The Auditor General provides investigation of all matters reported, including the annual audit of the state's general purpose financial statement and administration of the federal awards programs. In addition, at least every other year, operational audits of the accounts and records of all state agencies are performed. Other operational audits are conducted on a three-year cycle, pursuant to section 11.45, Florida Statutes. Each Named Insured operates under its internal policies and procedures; state policies, rules, and statutes; and federal guidelines and statutes, as applicable.

**8. Additions or Deletions**

The Department reserves the right to request additions or deletions of coverage or exposure from the Insurance Policy when deemed in to be in the State's best interest. Additions in coverage or exposure are to be consistent with current policy rates, terms, and conditions; unless the Insurer documents that an addition results in an exposure change that warrants a change from current policy rates, conditions, or terms. All deletions shall be on a pro-rata basis. Additionally, the Department reserves the right to request deductible adjustments or other insurance policy alterations if the Department determines that such adjustments and alterations are in the best interest of the State.

**9. Invoicing and Insurance Premium Payment**

Premiums will be invoiced annually at Policy Inception for each Named Insured. Invoices are to contain the insurance policy number, insurance company name, effective dates of coverage, a description and payment due date, and are to be issued in the name of each Named Insured, c/o State of Florida – State Purchasing. All invoices are to be provided to the Department of Management Services, which will distribute the invoices to the Named Insured. Payment by the Named Insured is to be made and processed in accordance with section 215.422, Florida Statutes. Invoices may need to be revised as a result of additions/deletions in coverage or exposure. The Department may assist the Contractor in securing these payments to the best of its ability. For Named Insureds added to the policy after Policy Inception, or for changes made by existing Named Insureds, invoices are expected to be issued once coverage is bound and to be pro-rated for the appropriate length of coverage during the policy term.

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**10. Certificates of Property Insurance**

The Contractor shall provide Certificates of Property Insurance for any participating Named Insured under the policy as required by each Named Insured during the course of the policy period. Certificates are to be provided electronically, emailed to the requesting Named Insured, and include the person identified in section 1.5.

**11. Claims Settlement and Loss Reporting**

Claims may be submitted by the Named Insured to the Contractor as outlined in the Insurance Policy that results from this ITB. The Department shall be notified in writing by the Contractor or Underwriter, of all claims submitted during the policy period by any Named Insured. The Contractor shall coordinate with the Named Insured filing the claim on any required details required by the Contractor to ensure proper settlement.

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

Claim settlement checks are to be provided to the Department of Management Services, Division of State Purchasing, and are to be mailed to the contract manager.

The claim settlement check should be issued in the name of the Named Insured that filed the claim, c/o State of Florida – State Purchasing. A letter on appropriate letterhead from the Contractor or Underwriter is to accompany the claim settlement check and include: policy name and number; the Named Insured who filed the claim; Date of Loss; total claim filed, deductible, check number and check amount.

State Purchasing is to document and distribute the settlement check to the identified Named Insured.

**12. Reporting**

The Contractor is to submit a loss summary report on a semi-annual basis. Reporting periods are to coincide with the policy effective date:

- a) Report 1 – (October 20 – March 20) – Due April 20
- b) Report 2 – (March 20– July 20) – Due August 20

The report is to state the total number of claims filed, their status (open, closed) and any settlement information. Whenever possible, the specific agency or university that filed the claim should be identified.

The State reserves the right to request additional loss runs at any time during the policy period.

**13. Cancellation/Non-renewal**

All cancellations or non-renewals shall be calculated on a pro-rata basis within the guidelines stated in section 627.7282, Florida Statutes. 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

**Appendix D**  
**State Term Contract**  
**No. 14-84131503-1**  
**For**  
**Commercial Automobile Insurance**

insurance policy at any time by providing written notice to the Contractor at least thirty days prior to the effective date of cancellation. Cancellation notices from the Insurer shall be as provided for in the insurance policy and shall be mailed to the contract manager.

**14. Insurance Policy**

After award, the Contractor shall 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 Policy Inception, or an insurance binder until such insurance policy is received. The insurance policy is to include a manuscript endorsement including any mandatory contractual language required in section 287.058, Florida Statutes, and conform to the requirements stipulated in this ITB. Failure to submit a complete insurance policy shall constitute sufficient grounds for termination pursuant to sections 22 and 23 of the PUR 1000.

**15. Insurer Serviceability**

The Contractor shall notify the person identified in section 1.5 of any concerns regarding its ability to provide ongoing services, claims settlement, or any diminished capability, including but not limited to, reduction in the financial rating of the Insurer. Failure to notify the Department of such concerns may, at the Department's option, result in termination of the contract, pursuant to sections 22 and 23 of the PUR 1000.

**16. Liquidated Damages**

The parties recognize that the Contractor's timely and proper completion of tasks required under the Contract is of paramount importance to the Department, that the parties wish to avoid protracted litigation and that the amount of the Department's damages due to delays in performance of the Contract is difficult to ascertain. Therefore, if the Contractor fails to satisfy contractual requirements as a result of factors directly within the Contractor's control, the Contractor shall pay the Department, as liquidated damages, the amount specified below. If the Contractor fails to ensure that insurance coverage is in place at initial policy or renewal policy onset, the Department may assess the Contractor liquidated damages in the amount of \$3,000.00 per calendar day until insurance coverage is provided by Contractor that is acceptable to the Department.

The amount specified in this section is not intended to be a penalty and is fair and reasonable to compensate the Department for the Contractor's delays or non-performance. These liquidated damages do not prevent the Department from seeking contract damages for breaches for which liquidated damages are not specified. For amounts due the Department as liquidated damages, the Department may bill the Contractor.

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Commercial Automobile Insurance**

**EXHIBIT E: FORMS  
STATE TERM CONTACT  
NO. 14-84131503-1  
COMMERCIAL AUTOMOBILE INSURANCE**

Forms included in this exhibit:

FORM 1: Preferred Pricing Affidavit

**Appendix D  
State Term Contract  
No. 14-84131503-1  
For  
Commercial Automobile Insurance**

**FORM 1: PREFERRED PRICING AFFIDAVIT**

**Preferred Pricing Affidavit**

**REGARDING THE CONTRACT BETWEEN**

\_\_\_\_\_ (THE "CONTRACTOR")

AND

**THE FLORIDA DEPARTMENT OF MANAGEMENT SERVICES**

**CONTRACT No.:** \_\_\_\_\_ **DATED** \_\_\_\_\_ **(THE "CONTRACT")**

PURSUANT TO SECTION 216.0133, FLORIDA STATUTES, PURSUANT TO SECTION 216.0133, FLORIDA STATUTES, THE UNDERSIGNED CONTRACTOR HEREBY ATTESTS THAT THE CONTRACTOR COMPLIES WITH THE PREFERRED-PRICING CLAUSE CONTAINED IN SECTION 7 OF THE CONTRACT.

PRINT CONTRACTOR NAME: \_\_\_\_\_

BY: \_\_\_\_\_

SIGNATURE OF AUTHORIZED REPRESENTATIVE

DATE: \_\_\_\_\_

PRINT REPRESENTATIVE'S NAME/TITLE: \_\_\_\_\_

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

SWORN TO (OR AFFIRMED) AND SUBSCRIBED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, BY

\_\_\_\_\_.

\_\_\_\_\_  
SIGNATURE OF NOTARY

(PRINT, TYPE, OR STAMP COMMISSIONED NAME OF NOTARY PUBLIC)

[CHECK ONE] \_\_\_\_\_ PERSONALLY KNOWN OR \_\_\_\_\_ PRODUCED THE FOLLOWING I.D. \_\_\_\_\_

VENDOR NAME \_\_\_\_\_ FEIN# \_\_\_\_\_

VENDOR'S AUTHORIZED REPRESENTATIVE NAME AND TITLE \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY, STATE, ZIP \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

CORPORATE SEAL (IF APPLICABLE)