



FULLY EXECUTED - CHANGE 5

Contract Number: 4400007778

Contract Change Effective Date: 07/13/2016

Valid From: 07/01/2011 To: 09/30/2017

All using Agencies of the Commonwealth, Participating Political
Subdivision, Authorities, Private Colleges and Universities

Purchasing Agent

Name: **Weges Mike**

Phone: 717-346-8112

Fax: 717-346-3820

Your SAP Vendor Number with us: **363982**

Supplier Name/Address:

PNC BANK MERCHANT SERVICES COMPANY
DBA PNC MERCHANT SERVICES COMPANY
620 LIBERTY AVE
PITTSBURGH PA 15222-2722 US

Supplier Phone Number: 412 762-4104

Supplier Fax Number: 412 762-8593

Please Deliver To:

To be determined at
the time of the Purchase Order
unless specified below.

Contract Name:

8414 ELECTRONIC PAYMENT PROCESSING

Payment Terms

NET 30

Solicitation No.: 6100014332

Issuance Date:

Supplier Bid or Proposal No. (if applicable): 6500029203

Solicitation Submission Date: 05/14/2010

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

Item	Material/Service Desc	Qty	UOM	Price	Per Unit	Total
*** Validity Period Changed ***						
1	ELECTRONIC PAYMENT SERVICES	0.000		0.00	1	0.00

*** Validity Period Changed ***						
2	Equipment	0.000		0.00	1	0.00

General Requirements for all Items:

Information:

Supplier's Signature _____

Title _____

Printed Name _____

Date _____



FULLY EXECUTED - CHANGE 5

Contract Number: 4400007778

Contract Change Effective Date: 07/13/2016

Valid From: 07/01/2011 To: 09/30/2017

Supplier Name:

PNC BANK MERCHANT SERVICES COMPANY

DBA PNC MERCHANT SERVICES COMPANY

Header Text

This Contract (4400007778) provides Commonwealth agencies, boards, commissions, departments, etc with the ability to process electro

nic payments for VISA, MasterCard, Discover, American Express, online and offline debit cards, gift cards, smart cards, e-checks, check scanners and dual purpose credit/debit cards through point of sale (POS),

phone, fax, mail, internet, POS Kiosks, and interactive voice response (IVR).

Supplier Information:

Rick Klinger

PNC Merchant Services Company

Phone:(301) 766-5673

Fax: (301) 766-5424

Email: Richard.Klinger@firstdata.com

No COSTARS Participation.

Purchase Orders will not be created from this Contract. Any agency requesting electronic payment processing services must follow th

e set-up procedures for this service as outline in the Ecommerce Developers Guide, which is attached to this Contract as a reference.

No further information for this Contract

Information:

AMENDMENT NUMBER 5

TO

CONTRACT NO. 4400007778

This Amendment Number 5 is made and agreed to this ___ day of _____ 2016, by and between PNC Merchant Services Company ("Contractor"), and the Commonwealth of Pennsylvania, acting through the Department of General Services, (hereinafter called "DGS") and the Pennsylvania Liquor Control Board (PLCB).

WHEREAS, the Contractor, DGS, and PLCB entered into a contract, identified as SRM No. 4400007778 (the "Contract"), for the provision of electronic payment processing services beginning with contract execution and ending June 30, 2016; and

WHEREAS, DGS and PLCB exercised the option in Section V.3 of the Contract to extend the term of the Contract for up to three (3) months upon the same terms and conditions, extending the Contract end date to September 30, 2016.

WHEREAS, DGS, PLCB, and the Contractor desire to amend the contract by extending the term of the contract and continuing to provide services upon the same terms and conditions for an additional one-year period to September 30, 2017 or until DGS and PLCB execute a new contract for electronic payment processing services with a successor contractor, whichever occurs first;

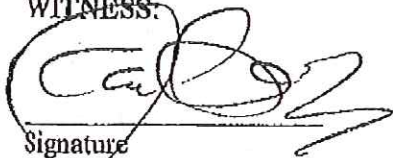
NOW THEREFORE, for valuable mutual consideration and intending to be legally bound hereby, the parties agree as follows:

1. The term of the Contract is extended by one (1) year and will expire on September 30, 2017, except that DGS and PLCB may terminate the Contract earlier upon entering a new fully executed contract for electronic payment processing services with a successor contractor.
2. Once the Contractor signs this Amendment Number 5, the Commonwealth's Contracting Officer will enter this document into the Commonwealth's SAP/SRM system to obtain the required Commonwealth approvals. This Amendment Number 5 will be effective following the final required Commonwealth approval.
3. Except as amended by this Amendment Number 5, all other terms and conditions of the Contract and Amendments Number 1 to 4 shall remain as originally written.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

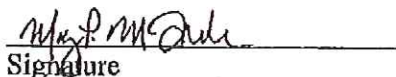
IN WITNESS WHEREOF, the parties hereto have signed this Amendment No. 5 to the Contract the day and year first above written. Execution by the Commonwealth will be as described in the Contract Terms and Conditions, paragraph 003.1b Signatures-Contract (March 2007)

WITNESS:


Signature

JOSEPH BASTYN 6-03-16
Printed Name/Date

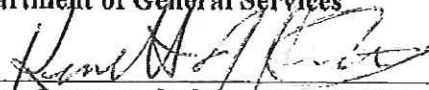
CONTRACTOR:


Signature

Mary P. McQuade, Senior Vice President, 4/3/2016
Printed Name/Title/Date

25-1786760
Federal Identification Number

Commonwealth of Pennsylvania
Department of General Services

By  6/7/16
Deputy Secretary for Procurement Date

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board

By  6/7/16
~~Chief Executive Officer~~ Director

APPROVED AS TO FORM AND LEGALITY:

To be obtained electronically
Office of Chief Counsel Date

To be obtained electronically
Office of General Counsel Date

To be obtained electronically
Office of Attorney General Date

APPROVED FOR FISCAL RESPONSIBILITY, BUDGETARY APPROPRIATENESS AND AVAILABILITY OF FUNDS:

To be obtained electronically
Comptroller Date



FULLY EXECUTED - CHANGE 4

Contract Number: 4400007778

Contract Change Effective Date: 05/16/2016

Valid From: 07/01/2011 To: 09/30/2016

All using Agencies of the Commonwealth, Participating Political
Subdivision, Authorities, Private Colleges and Universities

Purchasing Agent

Name: **Weges Mike**

Phone: 717-346-8112

Fax: 717-346-3820

Your SAP Vendor Number with us: **363982**

Supplier Name/Address:

PNC BANK MERCHANT SERVICES COMPANY
DBA PNC MERCHANT SERVICES COMPANY
620 LIBERTY AVE
PITTSBURGH PA 15222-2722 US

Supplier Phone Number: 412 762-4104

Supplier Fax Number: 412 762-8593

Please Deliver To:

To be determined at
the time of the Purchase Order
unless specified below.

Contract Name:

8414 ELECTRONIC PAYMENT PROCESSING

Payment Terms

NET 30

Solicitation No.: 6100014332

Issuance Date:

Supplier Bid or Proposal No. (if applicable): 6500029203

Solicitation Submission Date: 05/14/2010

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

Item	Material/Service Desc	Qty	UOM	Price	Per Unit	Total
*** Validity Period Changed ***						
1	ELECTRONIC PAYMENT SERVICES	0.000		0.00	1	0.00

*** Validity Period Changed ***						
2	Equipment	0.000		0.00	1	0.00

General Requirements for all Items:

Information:

Supplier's Signature _____

Title _____

Printed Name _____

Date _____



FULLY EXECUTED - CHANGE 4

Contract Number: 4400007778

Contract Change Effective Date: 05/16/2016

Valid From: 07/01/2011 To: 09/30/2016

Supplier Name:

PNC BANK MERCHANT SERVICES COMPANY

DBA PNC MERCHANT SERVICES COMPANY

Header Text

This Contract (4400007778) provides Commonwealth agencies, boards, commissions, departments, etc with the ability to process electro

nic payments for VISA, MasterCard, Discover, American Express, online and offline debit cards, gift cards, smart cards, e-checks, check scanners and dual purpose credit/debit cards through point of sale (POS),

phone, fax, mail, internet, POS Kiosks, and interactive voice response (IVR).

Supplier Information:

Rick Klinger

PNC Merchant Services Company

Phone:(301) 766-5673

Fax: (301) 766-5424

Email: Richard.Klinger@firstdata.com

No COSTARS Participation.

Purchase Orders will not be created from this Contract. Any agency requesting electronic payment processing services must follow th

e set-up procedures for this service as outline in the Ecommerce Developers Guide, which is attached to this Contract as a reference.

No further information for this Contract

Information:

AMENDMENT NUMBER 4

TO

CONTRACT NO. 4400007778

This Amendment No. 4 is made and agreed to this _____ day of _____, 20____, by and between PNC Merchant Services Company ("Contractor") and the Commonwealth of Pennsylvania, acting through the Department of General Services, (DGS) and the Pennsylvania Liquor Control Board (PLCB).

WHEREAS, the Contractor, DGS and PLCB entered into a contract, identified as SRM No. 4400007778 (the "Contract"), for the provision of electronic payment processing services beginning with contract execution and ending June 30, 2016; and

WHEREAS, the Commonwealth desires to amend the Contract and update Discover card transaction processing by revising Exhibit B Negotiated Cost Submittal of the Contract (Attachment 1); and

WHEREAS, the Contractor has agreed to provide Discover Full Service Processing; and

NOW THEREFORE, for valuable mutual consideration and intending to be legally bound hereby, the parties agree as follows:

1. Exhibit B Negotiated Cost Submittal contained in the Contract is deleted in its entirety and replaced with Revised Exhibit B Negotiated Cost Submittal contained in Attachment 1 to this Amendment No. 4.
2. This Amendment No. 4 adds Discover card services to the Contract for the Commonwealth excluding PLCB. PLCB contracts directly with American Express and Discover for card acceptance. PLCB will pay American Express and Discover directly, except in those instances when a service fee is charged to the customer.
3. Once the Contractor signs this Contract Amendment Number 4, the Commonwealth's Contracting Officer will enter this document into the Commonwealth's SAP/SRM system to obtain the required Commonwealth approvals. This Amendment Number 4 will be effective following the final required Commonwealth approval.
4. Except as amended by this Contract Amendment Number 4, all other terms and conditions of the Contract, Amendment No. 1, Amendment No. 2, and Amendment No. 3 shall remain as originally written.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have signed this Amendment No. 4 to the Contract the day and year first above written. Execution by the Commonwealth will be as described in the Contract Terms and Conditions, paragraph 003.1b Signatures-Contract (March 2007)

WITNESS:

CONTRACTOR:


Signature


Signature

FRANK J. BUZZLETT / 8/12/2015
Printed Name/Date

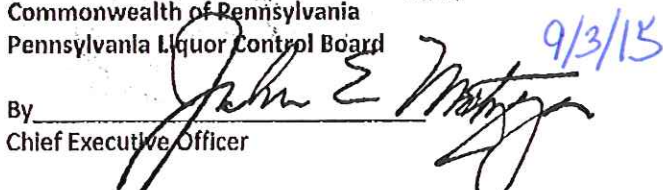
M. P. McDermott / S.V.P. 8/12/2015
Printed Name/Title/Date

25-1784760
Federal Identification Number

Commonwealth of Pennsylvania
Department of General Services

By  9/13/15
Deputy Secretary for Procurement Date

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board

By  9/3/15
Chief Executive Officer

APPROVED AS TO FORM AND LEGALITY:

To be obtained electronically
Office of Chief Counsel Date

To be obtained electronically
Office of General Counsel Date

To be obtained electronically
Office of Attorney General Date

APPROVED FOR FISCAL RESPONSIBILITY, BUDGETARY APPROPRIATENESS AND AVAILABILITY OF FUNDS:

To be obtained electronically
Comptroller Date

**REVISED EXHIBIT B - NEGOTIATED COST SUBMITTAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
Contract # 4400007778**

Note: The rates in the cost submittal shall include all services as described in Part IV – Work Statement (i.e. authorizing, reporting, marketing, chargebacks, customer service, training, etc.) and cannot be changed during the five-year term of the Contract. The term “transaction” shall represent both sales and credit transactions.

A-1. Unbundled Rate.

Proposed Tiers

Visa/MC/Discover/Off Debit Transaction Volume	Pass Thru+Dial	Pass Thru+Lease
0-5,000,000	\$ 0.0400	\$ 0.0330
5,000,001-10,000,000	\$ 0.0360	\$ 0.0300
10,000,001-12,000,000	\$ 0.0360	\$ 0.0300
12,000,001-12,500,000	\$ 0.0360	\$ 0.0275
12,500,001-13,000,000	\$ 0.0335	\$ 0.0275
13,000,001-13,500,000	\$ 0.0335	\$ 0.0275
13,500,001-14,000,000	\$ 0.0335	\$ 0.0250
14,000,001-14,500,000	\$ 0.0335	\$ 0.0250
14,500,001-15,000,000	\$ 0.0335	\$ 0.0250
15,000,001-15,500,000	\$ 0.0335	\$ 0.0250
15,500,001-16,000,000	\$ 0.0335	\$ 0.0225
16,000,001-16,500,000	\$ 0.0310	\$ 0.0225
16,500,001-17,000,000	\$ 0.0310	\$ 0.0225
17,000,001-17,500,000	\$ 0.0310	\$ 0.0200
17,500,001-18,000,000	\$ 0.0310	\$ 0.0200
18,000,001-18,500,000	\$ 0.0310	\$ 0.0200
18,500,001-19,000,000	\$ 0.0310	\$ 0.0200
19,000,001-19,500,000	\$ 0.0310	\$ 0.0200
19,500,001-20,000,000	\$ 0.0285	\$ 0.0185
20,000,001-20,500,000	\$ 0.0285	\$ 0.0185
20,500,001-21,000,000	\$ 0.0285	\$ 0.0185
21,000,001-21,500,000	\$ 0.0285	\$ 0.0185
21,500,001-22,000,000	\$ 0.0285	\$ 0.0170
22,000,001-22,500,000	\$ 0.0285	\$ 0.0170
22,500,001-23,000,000	\$ 0.0285	\$ 0.0170
23,000,001-23,500,000	\$ 0.0285	\$ 0.0170
23,500,001-24,000,000	\$ 0.0270	\$ 0.0160
24,000,001-24,500,000	\$ 0.0270	\$ 0.0160
24,500,001-25,000,000	\$ 0.0270	\$ 0.0160
25,000,001-25,500,000	\$ 0.0270	\$ 0.0160
25,500,001-26,000,000	\$ 0.0270	\$ 0.0160
26,000,001-26,500,000	\$ 0.0270	\$ 0.0150
26,500,001 and above	\$ 0.0270	\$ 0.0150

**A-2. Online Debit Card.
Proposed Tiers**

Debit Transaction Volume	Pass Thru+Dial	Pass Thru+Lease
0-5,000,000	\$ 0.0450	\$ 0.0355
5,000,001-10,000,000	\$ 0.0405	\$ 0.0305
10,000,001-10,500,000	\$ 0.0355	\$ 0.0255
10,500,001-11,000,000	\$ 0.0330	\$ 0.0230
11,000,001-11,500,000	\$ 0.0330	\$ 0.0225
11,500,001-12,000,000	\$ 0.0305	\$ 0.0200
12,000,001-12,500,000	\$ 0.0305	\$ 0.0200
12,500,001-13,000,000	\$ 0.0305	\$ 0.0200
13,000,001-13,500,000	\$ 0.0290	\$ 0.0190
13,500,001-14,000,000	\$ 0.0290	\$ 0.0190
14,000,001-14,500,000	\$ 0.0290	\$ 0.0190
14,500,001-15,000,000	\$ 0.0290	\$ 0.0190
15,000,001-15,500,000	\$ 0.0280	\$ 0.0180
15,500,001-16,000,000	\$ 0.0280	\$ 0.0180
16,000,001-16,500,000	\$ 0.0265	\$ 0.0165
16,500,001-17,000,000	\$ 0.0265	\$ 0.0165
17,000,001-17,500,000	\$ 0.0265	\$ 0.0165
17,500,001-18,000,000	\$ 0.0255	\$ 0.0155
18,000,001-18,500,000	\$ 0.0255	\$ 0.0155
18,500,001-19,000,000	\$ 0.0240	\$ 0.0150
19,000,001-19,500,000	\$ 0.0240	\$ 0.0150
19,500,001-20,000,000	\$ 0.0230	\$ 0.0150
20,000,001 and above	\$ 0.0230	\$ 0.0150

Note: The fee to be charged for the first quarter of the Contract period will be based on the activity during the first four of the immediately preceding five quarters. For instance, for the quarter beginning on October 1, 2010, the fee will be based on the activity for the four quarters ending June 30, 2010, and for the quarter beginning January 1, 2011, the fee will be based on the activity for the four quarters ending September 30, 2010. If the transactions fall above or below the current tier, the transaction fee will be adjusted accordingly the first month of the next quarter.

Place a check mark in the box below and enter the Company Name if the Offeror agrees to the following statement.

The Offeror, PNC Merchant Services, agrees to charge the Commonwealth the actual, published Visa, MasterCard, Discover and Debit Card Networks industry rates. These industry rates include interchange fees, assessment fees, network fees for debit cards, and fees for offline debit cards.

B. Bundled Rate. A bundled rate includes all service fees, including pass-through fees. Indicate the bundled rate for both "card present" and "card not present" transactions. Separate fees must be presented for (1) Visa, MasterCard, Discover Card and offline Debit Cards; and (2) online Debit Cards, as follows:

B-1: Bundled Rate Year 1.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard/Discover and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	1.00%	\$.035
Card Not Present:	N/A	N/A

B-2: Bundled Rate Year 2.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard/Discover and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	1.00%	\$.035
Card Not Present:	N/A	N/A

B-3: Bundled Rate Year 3.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard/Discover and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	0.85%	\$.035
Card Not Present:	N/A	N/A

B-4: Bundled Rate Year 4.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard/Discover and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	0.85%	\$.035
Card Not Present:	N/A	N/A

B-5: Bundled Rate Year 5:	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard/Discover and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	0.85%	\$.035
Card Not Present:	N/A	N/A

* Agencies must have the option to switch between unbundled rates or bundled rates upon 30 days advance written notice from the agency to the Contractor.

C. Non-Bank Card Costs. Indicate the transaction fee for American Express (state as a dollar amount per transaction). Note: The Commonwealth through the Office of the Budget contracts directly with American Express for card acceptance. The Commonwealth through the Office of the Budget will pay American Express directly, except in those instances when a service fee is charged to the customer. Pennsylvania Liquor Control Board (PLCB) contracts directly with American Express and Discover for card acceptance. PLCB will pay American Express and Discover directly, except in those instances when a service fee is charged to the customer.

T&E Transaction Volume	Dial	Lease
0-500,000	\$ 0.090	\$ 0.055
500,001-1,000,000	\$ 0.080	\$ 0.050
1,000,001-1,500,000	\$ 0.080	\$ 0.050
1,500,001-2,000,000	\$ 0.080	\$ 0.050
2,000,001-2,500,000	\$ 0.080	\$ 0.050
2,500,001-3,000,000	\$ 0.070	\$ 0.045
3,000,001-3,500,000	\$ 0.070	\$ 0.040
3,500,001-4,000,000	\$ 0.050	\$ 0.035
4,000,001-4,500,000	\$ 0.040	\$ 0.025
4,500,001-5,000,000	\$ 0.040	\$ 0.025
5,000,001-5,500,000	\$ 0.030	\$ 0.015
5,500,001-6,000,000	\$ 0.020	\$ 0.015
6,000,001-6,500,000	\$ 0.020	\$ 0.010
6,500,001-7,000,000	\$ 0.020	\$ 0.010
7,000,001 and above	\$ 0.020	\$ 0.010

*Based on total Commonwealth Volume for bundled and unbundled rates

D. Service Fee Charged to Commonwealth Customers. For those agencies required to pass a service fee to their customers to pay for the cost of credit card acceptance, indicate the service fee that will be charged to the customer. This fee shall include all service costs for Visa, MasterCard, American Express, and Discover. If agencies choose to use this service fee structure, the specific service fee to be charged to the payee will be negotiated with the Contractor for each application at time of program implementation.

Visa/MC/Discover/Off Debit Bundled Discount Rate		
Transaction fee for each Visa/Master Card and offline debit card transaction		
	% of net dollar	Cents per trans
Card Present:	1.9000%	see tier
Card Not Present	2.3000%	see tier

*No agencies are currently charging a service fee for credit card transactions, but may in the future.

EQUIPMENT COSTS

E. Equipment Costs. Indicate the following equipment costs.

Type of Equipment (Include name of proposed equipment)	Purchase Cost	Lease Cost	Lease w/option to purchase cost	Monthly Maintenance Fee
Printers	220.00	8.00	*	N/A
Pin Pads	352.00	13.50	*	N/A
Commonwealth Owned Pin Pads*				N/A
Terminals	450.00	17.25	*	N/A
Manual Imprinter	20.00	N/A	N/A	N/A
Portable Imprinter	20.00	N/A	N/A	N/A
IC Verify for Windows Version 2.6				
- single user	315.00	N/A	N/A	
- additional user	75.00	N/A	N/A	
- multi user	435.00	N/A	N/A	
Other**	660.00	17.25	*	N/A

* The Commonwealth currently owns approximately 1,400 pin pads.

** Other equipment to be used for transaction processing.

F. Discounts. Indicate any additional discounts for equipment costs based on quantity or other factors. Be sure to list any additional services/costs that are incorporated into the Contractor's equipment costs.

Please note, the version of IC Verify we are currently supporting is Version 4.0.4

* Indicates option to purchase when 48 month lease term expires

**Wireless Terminal FD 400

Gateway Fees

Not applicable. PNC MS is not charging additional fees for transactions processed through the First Data Global Gateway.



FULLY EXECUTED - CHANGE 1

Contract Number: 4400007778

Contract Change Effective Date: 06/29/2015

Valid From: 07/01/2011 To: 06/30/2016

All using Agencies of the Commonwealth, Participating Political
Subdivision, Authorities, Private Colleges and Universities

Purchasing Agent

Name: **Weges Mike**

Phone: 717-346-8112

Fax: 717-346-3820

Your SAP Vendor Number with us: **363982**

Supplier Name/Address:

PNC MERCHANT SERVICES COMPANY
620 LIBERTY AVE
PITTSBURGH PA 15222-2722 US

Supplier Phone Number: 412 762-4104

Supplier Fax Number: 412 762-8593

Please Deliver To:

To be determined at
the time of the Purchase Order
unless specified below.

Contract Name:

8414 ELECTRONIC PAYMENT PROCESSING

Payment Terms

NET 30

Solicitation No.: 6100014332

Issuance Date:

Supplier Bid or Proposal No. (if applicable): 6500029203

Solicitation Submission Date: 05/14/2010

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

Item	Material/Service Desc	Qty	UOM	Price	Per Unit	Total
1	ELECTRONIC PAYMENT SERVICES	0.000		0.00	1	0.00

2	Equipment	0.000		0.00	1	0.00

General Requirements for all Items:

Information:

Supplier's Signature _____

Title _____

Printed Name _____

Date _____



FULLY EXECUTED - CHANGE 1

Contract Number: 4400007778

Contract Change Effective Date: 06/29/2015

Valid From: 07/01/2011 To: 06/30/2016

Supplier Name:

PNC MERCHANT SERVICES COMPANY

Header Text

This Contract (4400007778) provides Commonwealth agencies, boards, commissions, departments, etc with the ability to process electronic payments for VISA, MasterCard, Discover, American Express, online and offline debit cards, gift cards, smart cards, e-checks, check scanners and dual purpose credit/debit cards through point of sale (POS), phone, fax, mail, internet, POS Kiosks, and interactive voice response (IVR).

Supplier Information:

Rick Klinger
PNC Merchant Services Company
Phone:(301) 766-5673
Fax: (301) 766-5424
Email: Richard.Klinger@firstdata.com

No COSTARS Participation.

Purchase Orders will not be created from this Contract. Any agency requesting electronic payment processing services must follow the set-up procedures for this service as outline in the Ecommerce Developers Guide, which is attached to this Contract as a reference.

No further information for this Contract

Information:

AMENDMENT NUMBER 3

TO

CONTRACT NO. 4400007778

This Amendment No. 3 is made and agreed to this _____ day of _____, 2015, by and between PNC Merchant Services Company ("Contractor") and the Commonwealth of Pennsylvania, acting through the Department of General Services, (DGS) and the Pennsylvania Liquor Control Board (PLCB).

WHEREAS, the Contractor, DGS and PLCB entered into a contract, identified as SRM No. 4400007778 (the "Contract"), for the provision of electronic payment processing services beginning with contract execution and ending June 30, 2016; and

WHEREAS, the Contractor, DGS and PLCB amended the Contract with Amendment No. 1 on September 4, 2014 to add new equipment and services, specifically, Verifone MX925 pin pads and associated accessories and fees; and

WHEREAS, the Commonwealth requires additional key injection and application loading services to be rendered for these Verifone MX925 pin pads; specifically, injection of ACI Worldwide's Point to Point Encryption key as well as EMV enablement; and

WHEREAS, the Contractor has agreed to provide the additional services to the Commonwealth of Pennsylvania.

NOW THEREFORE, for valuable mutual consideration and intending to be legally bound hereby, the parties agree as follows:

1. The Contractor agrees to provide the following services at the costs listed below for a total of seventeen hundred (1,700) Verifone MX925 pin pads already purchased:


Type of Service	Price Per Unit
Point to Point Encryption (ACI) injection	\$39.00
EMV Enablement	\$42.00


2. The Commonwealth agrees to pay the Contractor for the additional services at the costs indicated in paragraph 1 above.
3. The "Allotted Time" for performance of the services is the same time scheduled for PIN pad delivery to the PLCB under Contract No. 4400007778.
4. Once the Contractor signs this Amendment Number 3, the Commonwealth's Contracting Officer will enter this document into the Commonwealth's SAP/SRM system to obtain the required Commonwealth approvals. This Amendment Number 3 will be effective following the final required Commonwealth approval.
5. Except as amended by this Contract Amendment No. 3, all other terms and conditions of the Contract, Amendment No. 1 and Amendment No.2 shall remain as originally written.

IN WITNESS WHEREOF, the parties hereto have signed this Amendment No. 3 to the Contract the day and year first above written. Execution by the Commonwealth will be as described in the Contract Terms and Conditions, paragraph 003.1b Signatures-Contract (March 2007)

WITNESS:

CONTRACTOR:


Signature



Signature

FRANK J. BURLETT 6/16/2015
Printed Name/Date

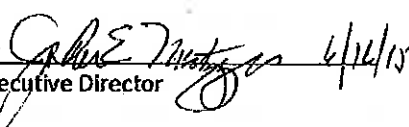
Mary P. McQuade S.V.P.
Printed Name/Title/Date

25-1786740
Federal Identification Number

Commonwealth of Pennsylvania
Department of General Services

By  6/17/15
Deputy Secretary for Procurement Date

Commonwealth of Pennsylvania, Liquor Control Board

By  6/16/15
Executive Director

APPROVED AS TO FORM AND LEGALITY:

To be obtained electronically
Office of Chief Counsel Date

To be obtained electronically
Office of General Counsel Date

To be obtained electronically
Office of Attorney General Date

APPROVED FOR FISCAL RESPONSIBILITY, BUDGETARY APPROPRIATENESS AND AVAILABILITY OF FUNDS:

To be obtained electronically
Comptroller Date

AMENDMENT NUMBER 2

TO

CONTRACT NO. 4400007778

This Amendment No. 2 is made and agreed to this _____ day of _____, 20____, by and between PNC Merchant Services Company ("Contractor") and the Commonwealth of Pennsylvania, acting through the Department of General Services, (DGS) and the Pennsylvania Liquor Control Board (PLCB).

WHEREAS, the Contractor, DGS and PLCB entered into a contract, identified as SRM No. 4400007778 (the "Contract"), for the provision of electronic payment processing services beginning with contract execution and ending June 30, 2016 and Amended on September 4, 2014; and

WHEREAS, the Commonwealth desires access to First Data's Payeezy Gateway for agencies wishing to process credit card transactions via the Hosted Check Out, Real Time Payment Manager or Web Service API that is not currently listed in the Contract; and

WHEREAS, the Contractor has agreed to provide access and account set up to First Data's Payeezy Gateway to the Commonwealth of Pennsylvania and its agencies; and

WHEREAS, the Commonwealth desires to have the ability to utilize PNC Merchant Services offering Mobile Pay, a processing solution for mobile devices that is not currently listed in the Contract; and

WHEREAS, the Contractor has agreed to provide Mobile Pay to the Commonwealth of Pennsylvania.

NOW THEREFORE, for valuable mutual consideration and intending to be legally bound hereby, the parties agree as follows:

1. The Contractor agrees to provide the following access to First Data's Payeezy Gateway at the costs listed below:

Payeezy Gateway Per Transaction Fee (0FC)	\$0.0125
Payeezy Gateway Monthly Fee (40A)	\$N/A
Payeezy Gateway Setup Fee (40B)	\$150

2. The Commonwealth agrees to pay the Contractor for the First Data Payeezy Gateway at the costs indicated in paragraph 1 above.
3. The Contractor agrees to provide Mobile Pay for new and existing locations at the costs listed below:

FD Mobile Pay Setup Fee (31H) \$ 10.00

FD Mobile Pay S-User Monthly Fee (398) \$ 12.00 (single user)

FD Mobile Pay M-User Monthly Fee (396) \$ 12.00 (multi user)

MSR Reader \$ 75.00

4. The Contractor may modify the Mobile Pay fees from time to time in accordance with Contract #4400007778.
5. The Commonwealth agrees to pay the Contractor for Mobile Pay at the costs indicated in paragraph 3 above.
6. Once the Contractor signs this Contract Amendment Number 2, the Commonwealth's Contracting Officer will enter this document into the Commonwealth's SAP/SRM system to obtain the required Commonwealth approvals. This Amendment Number 2 will be effective following the final required Commonwealth approval.
7. Except as amended by this Contract Amendment Number 2, all other terms and conditions of the Contract and Amendment No. 1 shall remain as originally written.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have signed this Amendment No. 2 to the Contract the day and year first above written. Execution by the Commonwealth will be as described in the Contract Terms and Conditions, paragraph 003.1b Signatures-Contract (March 2007)

WITNESS:

CONTRACTOR:

Mary P. H. [Signature]
Signature

[Signature]
Signature

Mary P. H. [Signature] 4/30/2015
Printed Name/Date

FRANK J. BURLETT/VP/4/30/2015
Printed Name/Title/Date

25-1786760
Federal Identification Number

Commonwealth of Pennsylvania
Department of General Services

By [Signature] 5/27/15
Deputy Secretary for Procurement Date

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board

By [Signature] 5/26/15
Chief Executive Officer

APPROVED AS TO FORM AND LEGALITY:

To be obtained electronically
Office of Chief Counsel Date

To be obtained electronically
Office of General Counsel Date

To be obtained electronically
Office of Attorney General Date

APPROVED FOR FISCAL RESPONSIBILITY, BUDGETARY APPROPRIATENESS AND AVAILABILITY OF FUNDS:

To be obtained electronically
Comptroller Date

**AMENDMENT NUMBER 1
TO
CONTRACT NO. 4400007778**

This Amendment No. 1 is made and agreed to this ____ day of _____, 2014, by and between PNC Merchant Services Company ("Contractor"), and the Commonwealth of Pennsylvania, acting through the Department of General Services, ("DGS") and the Pennsylvania Liquor Control Board (PLCB").

WHEREAS, the Contractor, DGS and PLCB entered into a contract, identified as SRM No. 4400007778 (the "Contract"), for the provision of electronic payment processing services beginning with contract execution and ending June 30, 2016; and

WHEREAS, the Commonwealth desires to upgrade its point of sale equipment for the processing of card transactions and desires to purchase new equipment that is not currently listed in the Contract;

WHEREAS, the Contractor has agreed to provide the new equipment.

NOW THEREFORE, for valuable mutual consideration and intending to be legally bound hereby, the parties agree as follows:

1. The Contractor agrees to provide the following additional equipment at the costs listed below:

Type of Equipment	Purchase Price Per Unit
MX925 PCI 3.X, SC TCH ETH SIG INTERNAL CTL5	\$604.00
APP LICENSE FEE	\$17.00
PS+FERRITE,120 VAC/12VDC/1A,505X/2.1MM/C-,USA	\$10.00
BERG +PWR, AUDIO, TAILGATE, ETH,USB USB, OTG, COM2 (RED)	\$38.00
NO BERG, PWR, AUDIO, POE, USB, OTG, USB HOST, COM1, COM2 (GRAY)	\$39.00
CABLE, MULTIPORT Y-CABLE, ETH+PWR MX8XX2M ROHS	\$19.00
CABLE, BROWN MX8XX ENET USB-DEV TAIL 2M	\$27.00

2. The Commonwealth agrees to pay the Contractor for the additional equipment at the costs indicated in paragraph 1 above.

3. Once the Contractor signs this Amendment Number 1, the Commonwealth's Contracting Officer will enter this document into the Commonwealth's SAP/SRM system to obtain the required Commonwealth approvals. This Amendment Number 1 will be effective following the final required Commonwealth approval.

4. Except as amended by this Amendment No. 1 all other terms and conditions of the Contract shall remain as originally written.

IN WITNESS WHEREOF, the parties hereto have signed this Amendment No. 1 to the Contract the day and year first above written. Execution by the Commonwealth will be as described in the Contract Terms and Conditions, paragraph 003.1b Signatures- Contract (March 2007).

WITNESS:

CONTRACTOR:

[Signature]
Signature

[Signature]
Signature

Harry P. McCauley 8/27/14
Printed Name/Date

FRANK J. BURLETT
Printed Name/Title

25-1786760
Federal Identification Number

Commonwealth of Pennsylvania
Department of General Services

By: To be obtained electronically
Deputy Secretary for Procurement Date

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board

By: [Signature] 9/4/14
Chief Executive Officer Date

APPROVED AS TO FORM AND LEGALITY:

To be obtained electronically
Office of Chief Counsel Date

8-FA-19.1
Office of General Counsel Date

8-FA-19.1
Office of Attorney General Date



FULLY EXECUTED
Contract Number: 4400007778
Contract Effective Date: 06/07/2011
Valid From: 07/01/2011 To: 06/30/2016

All using Agencies of the Commonwealth, Participating Political
Subdivision, Authorities, Private Colleges and Universities

Purchasing Agent
Name: Habowski Jennifer
Phone: 717-703-2937
Fax: 717-213-9505

Your SAP Vendor Number with us: 363982

Supplier Name/Address:
PNC Merchant Services Company
SEE 680695
620 Liberty Ave
Pittsburgh PA 15222-2722 US

Please Deliver To:

To be determined at
the time of the Purchase Order
unless specified below.

Supplier Phone Number: 412 762-4104
Supplier Fax Number: 412 762-8593

Contract Name:
8414 ELECTRONIC PAYMENT PROCESSING

Payment Terms
NET 30

Solicitation No.: 6100014332

Issuance Date:

Supplier Bid or Proposal No. (if applicable): 6500029203

Solicitation Submission Date: 05/14/2010

This contract is comprised of: The above referenced Solicitation, the Supplier's Bid or Proposal, and any documents attached to this Contract or incorporated by reference.

Item	Material/Service Desc	Qty	UOM	Price	Per Unit	Total
1	ELECTRONIC PAYMENT SERVICES	0.000		0.00	1	0.00

General Requirements for all Items:

Information:

Supplier's Signature _____
Printed Name _____

Title _____
Date _____



FULLY EXECUTED
Contract Number: 4400007778
Contract Effective Date: 06/07/2011
Valid From: 07/01/2011 To: 06/30/2016

Supplier Name:
PNC Merchant Services Company
SEE 680695

Header Text

This Contract (4400007778) provides Commonwealth agencies, boards, commissions, departments, etc with the ability to process electronic payments for VISA, MasterCard, Discover, American Express, online and offline debit cards, gift cards, smart cards, e-checks, check scanners and dual purpose credit/debit cards through point of sale (POS), phone, fax, mail, internet, POS Kiosks, and interactive voice response (IVR).

Supplier Information:

Rick Klinger
PNC Merchant Services Company
Phone:(301) 766-5673
Fax: (301) 766-5424
Email: Richard.Klinger@firstdata.com

No COSTARS Participation.

Purchase Orders will not be created from this Contract. Any agency requesting electronic payment processing services must follow the set-up procedures for this service as outline in the Ecommerce Developers Guide, which is attached to this Contract as a reference.

No further information for this Contract

Information:

**CONTRACT
FOR
ELECTRONIC PAYMENT PROCESSING**

THIS CONTRACT for the provision of **Electronic Payment Processing** ("Contract") is entered into this _____ day of _____, 2011, by and between the **Commonwealth of Pennsylvania (Commonwealth)**, acting through the Department of General Services ("DGS"), and PNC Merchant Services ("**Contractor**").

WHEREAS, DGS issued a Request For Proposals for the provision of **Electronic Payment Processing** for Commonwealth executive agencies, **6100014332** ("RFP"); and

WHEREAS, Contractor submitted a proposal in response to the RFP; and

WHEREAS, DGS determined that Contractor's proposal, was the most advantageous to the Commonwealth after taking into consideration all of the evaluation factors set forth in the RFP and selected Contractor for contract negotiations; and

WHEREAS, DGS and Contractor have negotiated this Contract as their final and entire agreement in regard to **Electronic Payment Processing** to the Commonwealth; and

WHEREAS, The Pennsylvania Liquor Control Board ("PLCB") an independent agency of the Commonwealth of Pennsylvania has elected to participate in this Contract

NOW THEREFORE, intending to be legally bound hereby, DGS, PLCB and Contractor agree as follows:

1. Contractor shall, in accordance with the terms and conditions of this Contract, provide **Electronic Payment Processing** as more fully defined in the RFP, to Commonwealth executive agencies and the PLCB.
2. Commonwealth executive agencies shall procure their requirements for **Electronic Payment Processing** in accordance with the terms and conditions of this Contract.
3. Contractor agrees to provide **Electronic Payment Processing** listed in its final negotiated Cost Submittal, which is attached hereto as Exhibit B and made apart hereof, at the prices listed for those items in Exhibit B.
4. Contractor agrees to meet and maintain the commitments to disadvantaged businesses made in its BAFO Disadvantaged Business Submittal, which is attached hereto as Exhibit C and made a part hereof. Any proposed change to a disadvantaged business commitment must be submitted to the DGS Bureau of Minority and Women Business Opportunities ("BMWBO"), which will make a recommendation as to a course of action to the Contracting Officer. Contractor

shall complete the Prime Contractor's Quarterly Utilization Report and submit it to the Contracting Officer and BMWBO within ten (10) workdays at the end of each calendar quarter until its disadvantaged business commitment has been met.

5. The Contract is comprised of the following documents. Order or precedence of these documents will be as specified in provision V.A.41 of the Negotiated Terms and Conditions:
 - a. The Negotiated Contract Terms and Conditions, which is attached hereto as Exhibit A-1 and made part of this Contract
 - b. The Negotiated SLA agreement, which is attached hereto as Exhibit A-2 and made part of this Contract.
 - c. Parts I-IV of the RFP, including all of the referenced Appendices and as revised by all Addenda issued thereto, which is attached hereto as Exhibit A and made a part hereof.
 - d. The Contractor's final negotiated Cost Submittal, which is attached hereto as Exhibit B and made a part hereof.
 - e. The Contractor's BAFO Disadvantaged Business Submittal, which is attached hereto as Exhibit C and made a part hereof.
 - f. The Contractor's Technical Submittal, which is attached hereto as Exhibit D and made a part hereof.
 - g. The Contractor's Merchant Services Bankcard Agreement, which is attached hereto as Exhibit E and made a part hereof.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have signed this Contract the day and year first above written. Execution by the Commonwealth will be as described in the Contract Terms and Conditions, paragraph 003.1b Signatures- Contract (March 2007).

Witness:

CONTRACTOR:

By: Frank J. Buzlitt

By: Mary P. McQuade

Frank J. Buzlitt / VP / 4-18-2011
Printed Name/Title/Date

Mary P. McQuade / C.O.O. / 4/18/2011
Printed Name/Title/Date

25-1786760
Federal I.D. Number

**Commonwealth of Pennsylvania
Department of General Services**

By: To be affixed electronically
Deputy Secretary for Administration Date
and Procurement

**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board**

By: Joe Conti 4/21/11
Chief Executive Officer Date

APPROVED AS TO FORM AND LEGALITY:

To be affixed electronically
Office of Chief Counsel Date

8-K-1530
Office of General Counsel Date

8-K-1530
Office of Attorney General Date

EXHIBIT A-1

NEGOTIATED CONTRACT TERMS AND CONDITIONS

(Contract provisions that contain language that is different than the Standard Terms and Conditions of the Commonwealth are labeled as V.A)

V.A. AGREEMENT FOR SERVICES NEGOTIATED TERMS AND CONDITIONS

This document fully replaces and modifies the Special Terms and Conditions (Appendix A) and the Standard Terms and Conditions contained in Part V of the RFP. The interpretation of any provision of this Contract, including the Standard Terms and Conditions, shall not be construed against the drafter.

V.1 CONTRACT-001.1a Contract Terms and Conditions (Nov 30 2006)

The Contract with the selected offeror (who shall become the "Contractor") shall include the following terms and conditions:

V.2 CONTRACT-002.1d Term of Contract – Contract (May 2008)

The initial term of the Contract shall be 5 year(s).

The term of the Contract shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Contract, subject to the other provisions of the Contract.

The Effective Date shall be: a) the Effective Date printed on the Contract after the Contract has been fully executed by the Contractor and the Commonwealth (signed and approved as required by Commonwealth contracting procedures) or b) the "Valid from" date printed on the Contract, whichever is later.

V.3 CONTRACT-002.3 Extension of Contract Term (Nov 30 2006)

The Commonwealth reserves the right, upon notice to the Contractor, to extend any single term of the Contract for up to three (3) months upon the same terms and conditions.

V.A.4 Signatures

The Contract shall not be a legally binding contract until the fully-executed Contract has been sent to the Contractor.

No Commonwealth employee has the authority to verbally direct the commencement of any work or delivery of any supply under this Contract prior to the Effective Date. The Contractor hereby waives any claim or cause of action for any service or work performed prior to the Effective Date.

The Contract will be signed in counterparts. The Contractor shall sign the Contract "in ink" and return it to the Commonwealth. After the Contract is signed by the Contractor and returned to the Commonwealth, it will be processed for Commonwealth signatures and approvals. When the Contract has been signed and approved by the Commonwealth as required by Commonwealth contracting procedures, the Commonwealth shall create a second Contract output form which shall: 1) clearly indicate "Fully executed" at the top of the form; 2) include a printed Effective Date and 3) include the printed name of the Purchasing Agent indicating that the document has been electronically signed and approved by the Commonwealth. Until the Contractor receives the Contract output form with this information on the Contract output form, this Contract is not a legally binding contract between the parties.

The fully-executed Contract may be sent to the Contractor electronically or through facsimile equipment. The electronic transmission of the Contract shall require acknowledgement of receipt of the transmission by the Contractor. Receipt of the electronic or facsimile transmission of the Contract shall constitute receipt of the fully-executed Contract.

The Commonwealth and the Contractor specifically agree as follows:

- a. No handwritten signature shall be required in order for the Contract to be legally enforceable.
- b. The parties agree that no writing shall be required in order to make the Contract legally binding, notwithstanding contrary requirements in any law. The parties hereby agree not to contest the validity or enforceability of a genuine Contract or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any genuine Contract or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of a genuine Contract or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Contract or acknowledgement were not in writing or signed by the parties. A Contract or acknowledgment shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such documents.
- c. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.
- d. No amendment to, or change, waiver, or discharge of, any provision of this Contract shall be valid unless in writing and signed by an authorized representative of the party against which such amendment, change, waiver or discharge is sought to be enforced.

V.5 CONTRACT-004.1a Definitions (Dec 12 2006)

As used in this Contract, these words shall have the following meanings:

- a. Agency The department, board, commission or other agency of the Commonwealth of Pennsylvania listed as the Purchasing Agency. If a COSTARS entity or external procurement activity has issued an order against this contract, that entity shall also be identified as "Agency".
- b. Contracting Officer The person authorized to administer this Contract for the Commonwealth and to make written determinations with respect to the Contract.
- c. Days Unless specifically indicated otherwise, days mean calendar days.
- d. Developed Works or Developed Materials All documents, sketches, drawings, designs, works, papers, files, reports, computer programs, computer documentation, data, records, software, samples or any other tangible material without limitation authored or prepared by Contractor as the work product covered in the scope of work for the Project.
- e. Documentation All materials required to support and convey information about the services required by this Contract. It includes, but is not necessarily restricted to, written reports and analyses, diagrams, maps, logical and physical designs, system designs, computer programs, flow charts, disks, and/or other machine-readable storage media.
- f. Services All Contractor activity necessary to satisfy the Contract.

V.A.6 Purchase Orders

Any reference made to purchase orders or purchasing cards in Part V of the RFP shall not be considered applicable to this contract.

V.7 CONTRACT-006.1 Independent Prime Contractor (Oct 2006)

In performing its obligations under the Contract, the Contractor will act as an independent contractor and not as an employee or agent of the Commonwealth. The Contractor will be responsible for all services in this Contract whether or not Contractor provides them directly. Further, the Contractor is the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from the Contract.

V.8 CONTRACT-007.01b Delivery of Services (Nov 30 2006)

The Contractor shall proceed with all due diligence in the performance of the services with qualified personnel, in accordance with the completion criteria set forth in the Contract.

V.A.9 Estimated Quantities

It shall be understood and agreed that any quantities listed in the Contract are estimated only and may be increased or decreased in accordance with the actual requirements of the Commonwealth and that the Commonwealth in accepting any bid or portion thereof, contracts only and agrees to purchase only the materials and services in such quantities as represent the actual requirements of the Commonwealth. Executive agencies and non-executive agencies that elect to join the contract may purchase materials and services covered under the Contract through a separate competitive procurement procedure only if required by legislation, judicial decree or as otherwise required by the legal mandates governing the procurement of services by government agencies.

V.A.10 Warranty

The Contractor warrants that any software developed specifically for the Commonwealth and any hardware obtained from the Contractor will conform in all material respects to the functional specifications agreed to between the parties or as otherwise advertised by the Contractor. The warranty period for any software shall be ninety (90) days from final acceptance. The warranty period for hardware will be the longer of ninety (90) days or the manufacturer's warranty. The Contractor shall correct any non-conformity within the warranty period specified herein.

- a. The Contractor hereby represents and warrants to the Commonwealth that the Contractor will not knowingly cause, or knowingly take any action that may directly or indirectly cause a disruption of the Commonwealth's operations.

- b. In the event of any nonconformity with the foregoing warranties, the Commonwealth will provide written notification of such nonconformity to the Contractor and the Contractor, at no cost to the Commonwealth, shall within ten (10) days notice of the nonconformity, commence work to remedy the nonconformity and shall work diligently, at no charge to the Commonwealth, until such time as the deliverable conforms, in all material respects, to the functional specifications as set forth above. The Contractor shall have no obligation with respect to nonconformities arising out of: (a) modifications to the software or hardware made by the Commonwealth, (b) use of the software or hardware not in accordance with the documentation or specifications applicable thereto, (c) failure by the Commonwealth to implement any corrections or enhancements made available by the Contractor, (d) combination of the software or hardware with any items not supplied or approved by the Contractor, or (e) the failure of any software licensed under a separate license agreement to conform to its specifications or documentation.

THE FOREGOING EXPRESS WARRANTIES ARE THE CONTRACTOR'S SOLE AND EXCLUSIVE WARRANTIES AND NO OTHER WARRANTIES, EXPRESS OR IMPLIED, SHALL APPLY, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

V.A.11 Patent, Copyright, and Trademark Indemnity

The Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the Commonwealth under the contract.

The Contractor shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract.

This is upon condition that the Commonwealth shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same.

As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action.

If information and assistance are furnished by the Commonwealth at the Contractor's written request, it shall be at the Contractor's expense, but the responsibility for such expense shall be only that within the Contractor's written authorization.

The Contractor shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or the Commonwealth may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Contract.

If any of the products provided by the Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, the Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing.

If the Contractor is unable to do any of the preceding, the Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Contractor without its written consent.

Any indemnification under this provision shall be limited to the greater of [REDACTED] or the total net fees paid to the Contractor by the Commonwealth under the Contract. (Net fees equal the total fees less pass-through costs such as Association fees and Interchange.)

V.A.12 Ownership Rights

Except for information which is confidential or proprietary Information pursuant to Revised V.A.43, the Commonwealth shall have unrestricted authority to reproduce, distribute, and use any information provided to the Commonwealth as part of the performance of the Contract.

V.13 CONTRACT-010.1a Acceptance (Oct 2006)

No item(s) received by the Commonwealth shall be deemed accepted until the Commonwealth has had a reasonable opportunity to inspect the item(s). Any item(s) which is discovered to be defective or fails to conform to the specifications may be rejected upon initial inspection or at any later time if the defects contained in the item(s) or the noncompliance with the specifications were not reasonably ascertainable upon the initial inspection. It shall thereupon become the duty of the Contractor to remove rejected item(s) from the premises without expense to the Commonwealth within fifteen (15) days after notification. Rejected item(s) left longer than fifteen (15) days will be regarded as abandoned, and the Commonwealth shall have the right to dispose of them as its own property and shall retain that portion of the proceeds of any sale which represents the Commonwealth's costs and expenses in regard to the storage and sale of the item(s). Upon notice of rejection, the Contractor shall immediately replace all such rejected item(s) with others conforming to the specifications and which are not defective. If the Contractor fails, neglects or refuses to do so, the Commonwealth shall then have the right to procure a corresponding quantity of such item(s), and deduct from any monies due or that may thereafter become due to the Contractor, the difference between the price stated in the Contract and the cost thereof to the Commonwealth.

V.14 CONTRACT-010.2 Product Conformance (Oct 2006)

The Commonwealth reserves the right to require any and all Contractors to:

1. Provide certified data from laboratory testing performed by the Contractor, or performed by an independent laboratory, as specified by the Commonwealth.
2. Supply published manufacturer product documentation.
3. Permit a Commonwealth representative to witness testing at the Contractor's location or at an independent laboratory.
4. Complete a survey/questionnaire relating to the bid requirements and specifications.
5. Provide customer references.
6. Provide a product demonstration at a location near Harrisburg or the using agency location.

V.16 CONTRACT-011.1a Compliance With Law (Oct 2006)

The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Contract.

V.17 CONTRACT-013.1 Environmental Provisions (Oct 2006)

In the performance of the Contract, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations, including, but not limited to: the Clean Streams Law Act of June 22, 1937 (P.L. 1987, No. 394), as amended 35 P.S. Section 691.601 et seq.; the Pennsylvania Solid Waste Management Act, Act of July 7, 1980 (P.L. 380, No. 97), as amended, 35 P.S. Section 6018.101 et seq. ; and the Dam Safety and Encroachment Act, Act of November 26, 1978 (P.L. 1375, No. 325), as amended , 32 P.S. Section 693.1.

V.A.18 Post-Consumer Recycled Content

The following provision shall only apply to materials specifically identified in this Agreement or identified by the Commonwealth in writing, at least thirty days in advance of the date the provision becomes applicable:

Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the Contract must meet the minimum percentage levels for total recycled content as specified on the Department of General Services website at www.dgs.state.pa.us on the date of submission of the bid, proposal or contract offer.

V.A.19 Recycled Content Enforcement

The following provision shall only apply for materials specifically identified in this Agreement or identified by the Commonwealth in writing, at least thirty days in advance of the date the provision becomes applicable:

The Contractor may be required, after delivery of the Contract item(s), to provide the Commonwealth with documentary evidence that the item(s) was in fact produced with the required minimum percentage of post-consumer and recovered material content.

V.A.20 Compensation/Expenses

The Contractor shall be required to perform the specified services at the price(s) quoted in the Contract. All services shall be performed within the time period(s) specified in the Contract. The Contractor shall be compensated only for work performed to the satisfaction of the Commonwealth. The Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Contract.

The parties will work in good faith to resolve any dispute regarding the quality of the Contractor's performance prior to the Commonwealth's determination that the work is unsatisfactory.

V.A.21 Invoicing

- a. Invoices for all costs of providing services and equipment under this Agreement shall be submitted on a monthly basis and in an electronic format. All settlements must be deposited into the Commonwealth's accounts. Unless otherwise specifically permitted under the terms of this Agreement, fees will not offset settlements, nor will any automatic debiting of fees to Commonwealth accounts occur.
- b. Each month, a separate invoice will be submitted to Office of the Budget which will include each agency's location (Merchant ID), the services provided, the monthly transaction volumes, the applicable fee, a calculation of each fee, the total of all fees charged for that application, and the total amount being invoiced. Any fees noted on the invoice must be provided for in this Agreement. All invoices shall be signed by the Contractor and shall set out the Contractor's federal employer identification number.
- c. Each month a summary report, in an Excel (or other agreed) format, will be submitted to the Office of the Budget that lists the information required in part a) above and summarizes it by agency and application within type of fee at the state level.
- d. Each month the Contractor shall submit an invoice, in an Excel (or other agreed) format, to the Commonwealth. The Contractor and the Commonwealth shall use their best efforts to develop an electronic invoice file for use in transmitting invoices to the Commonwealth, in a format to be determined, that can be used by the Commonwealth to interface fee information into the Commonwealth's enterprise resource system.

V.A.22. Payment

- a. All Contractor invoices for payment are subject to Commonwealth approval and, if approved, the Office of the Budget will process an ACH payment through the Commonwealth of Pennsylvania's Treasury Department. Any sum due the Contractor pursuant to any such invoice shall be due and payable on the last business day of the calendar month following the calendar month during which such invoice was delivered to the Commonwealth (e.g., an invoice delivered to the Commonwealth on Jun 15, 200X will be due and payable on July 31, 200X, the last business day of July, 200X). The Contractor shall provide a written reminder notice of the payment due date thirty days following the date of the invoice. The Office of the Budget must agree to any other payment schedule.
- b. All Contractor payments for valid VISA, MasterCard and debit card transactions will be credited to the Commonwealth's accounts within two (2) business days from the Settlement Date. "Settlement Date" shall mean the date upon which batches are transmitted to the Contractor, provided such batches are transmitted prior to 11:15 pm EST. The Settlement Date for batches transmitted after 11:15 pm EST shall be the next calendar day.
- c. Payment of Interest
 - i. Contractor shall be charged interest if, in the event PNC Bank is the depository bank, funds are not available within one business day of the Settlement Date. Contractor shall be charged interest if, in the event any bank other than PNC Bank is the depository bank, funds are not available within two business days of the Settlement Date.
 - ii. The amount of interest shall be calculated using the formula Fed Funds minus one (1).
 - iii. Interest shall be paid on a monthly basis, no later than ten (10) calendar days after the end of the month.
 - iv. Contractor shall pay the interest amount by either a check made payable to the "Commonwealth of Pennsylvania" or by ACH into an account designated by the Commonwealth's Treasury Department. The Contractor shall not apply the interest payment against any Commonwealth billings.
 - v. Contractor shall provide the Commonwealth with a monthly report detailing how the interest was calculated and applied to each agency application to support the interest payment.

V.24 CONTRACT-017.1 Taxes (Dec 5 2006)

The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 23-23740001-K. With the exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction contract.

V.25 CONTRACT-018.1 Assignment of Antitrust Claims (Oct 2006)

The Contractor and the Commonwealth recognize that in actual economic practice, overcharges by the Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Contract, and intending to be legally bound, the Contractor assigns to the Commonwealth all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Contract.

V.A.26 Hold Harmless Provision

Liability hereunder will be determined in accordance with applicable law

V.A.27 Audit Provisions

- a. The Commonwealth reserves the right for State and Federal agencies or their authorized representatives to perform financial and performance audits, if deemed necessary. If it is decided that an audit of this Agreement will be performed, the Contractor will be given thirty (30) days advance written notice. The Contractor shall maintain books, records, and documents which support that the services provided and fees earned are in accordance with the Agreement and Contractor has complied with Agreement terms and conditions. The Contractor agrees to make available, upon the notice referenced above, at the office of the Contractor, during normal business hours, for the term of retention period set forth in this section, any of the books, records, and documents for inspection, audit, or reproduction by any State or Federal agency or its authorized representative.
- b. The Contractor shall preserve all books, records, and documents related to this Agreement for a period of three (3) years from the date the Services are performed, or as required by applicable federal laws and regulations, whichever is longer. If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three (3) years from the date of any resulting final settlement.
- c. Records, which relate to litigation or the settlement of claims arising out of performance or expenditures under this Agreement to which exception has been taken by the auditors, shall be retained by the Contractor or provided to the Commonwealth at the Office of the Budget's option until such litigation, claim, or exceptions have reached final disposition.
- d. Except for documentary evidence delivered pursuant to litigation or settlement of claims arising out of the performance of this Agreement, the Contractor may, in fulfillment of its obligation to retain records as required by this clause, substitute photographs, microphotographs, or other authentic reproductions of such records.
- e. The Contractor shall also ensure that an independent auditor performs annual audits of its policies and procedures applicable to the processing of transactions by the systems under this Agreement. These audits shall be performed in accordance with the Statement of Auditing Standards No. 70 (SAS 70), Service Organizations (as amended by SAS 88). The independent auditor shall issue a report on policies and procedures placed in operation and tests of operating effectiveness as defined in SAS 70.
- f. The Contractor, its subcontractors and affiliates, shall submit to the Office of the Budget a SAS 70, Type 2 audit report for each information system used to process data under this contract. This audit report shall be submitted within 60 days after the end of the entity's annual audit period and shall report on the controls placed in operation to ensure the timeliness, integrity, security and accuracy of data processing

and the tests of their operating effectiveness. Inasmuch as First Data Merchant Services Corporation (FDMS), a subsidiary of First Data Corporation (FDC), provides the data processing services for PNC Merchant Services and Bank for the services specified under this agreement, the Contractor shall provide a SAS 70 audit of FDMS in satisfaction of this requirement. However, in the event that other subcontractors or affiliates of the Contractor are engaged to provide data processing services under the agreement, then such entities shall also provide a SAS 70 audit in accordance with these provisions. When the SAS 70 audit report is other than unqualified, the Contractor shall submit to the Office of the Budget, in addition to the audit report, a plan describing what actions the Contractor will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions and a process for monitoring compliance with the timetable.

V.A.28.A Contractor Default

- a. The Commonwealth may, subject to the Force Majeure provisions of this Contract, and in addition to its other rights under the Contract, declare the Contractor in default by written notice thereof to the Contractor, and terminate (as provided in the Termination Provisions of this Contract) the whole or any part of this Contract or any Purchase Order for any of the following reasons:
 - i. Failure to begin work within 5 days of the time specified in the Contract or Purchase Order or as otherwise specified
 - ii. Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Contract or Purchase Order terms;
 - iii. Unsatisfactory performance of the work;
 - iv. Failure to deliver the awarded item(s) within 5 days of the time specified in the Contract or Purchase Order or as otherwise specified;
 - v. Improper delivery;
 - vi. Failure to provide an item(s) which is materially in conformance with the specifications referenced in the Contract or Purchase Order;
 - vii. Delivery of a materially defective item;
 - viii. Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
 - ix. Discontinuance of work without approval;
 - x. Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
 - xi. Insolvency or bankruptcy;
 - xii. Assignment made for the benefit of creditors;
 - xiii. Failure or refusal within 10 days after written notice by the Contracting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed for equipment rentals, or for utility services rendered;
 - xiv. Failure to materially protect, repair, or make good any damage or injury to property;
 - xv. Material breach of any provision of the Contract;
 - xvi. Failure to materially comply with applicable industry standards, customs, and practice.

- b. If the Contract or a Purchase Order is terminated as provided in Subparagraph a. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Contractor to deliver immediately to the Commonwealth in the manner and to the extent directed by the Contracting Officer, such partially completed items, including, where applicable, reports, working papers and other documentation, as the Contractor has specifically produced or specifically acquired for the performance of such part of the Contract or Purchase Order as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Contract price. Except as provided below, payment for partially completed items including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Contractor and Contracting Officer. The Commonwealth may withhold from amounts otherwise due the

Contractor for such completed or partially completed works, such sum as the Contracting Officer determines to be necessary to protect the Commonwealth against loss.

- c. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- d. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.

V.A.28.B Commonwealth Default

- a. Any of the following shall be an event of default by the Commonwealth:
 - i. A material adverse change in the business, financial condition, business procedures, prospects, products or services of the Commonwealth. For purposes of determining such an adverse change, the governmental nature of the Commonwealth must be considered. Should such a change occur, PNC may not terminate the Agreement, but PNC may immediately begin to offset all settlements for any fees owed to it, and any provision to the contrary in V.A.4 Invoicing and V.A.22 Payment shall have no effect.
 - ii. Irregular card sales by the Commonwealth, excessive Chargeback's as defined in the Associations' operating regulations, or other circumstances which in the Contractor's reasonable discretion and in accordance with industry standards and practices, if applicable, may increase Contractor's exposure for Commonwealth's Chargeback's or otherwise present a material financial or security risk to Contractor;
 - iii. Any representation or warranty of Commonwealth in this Agreement is breached in any material respect or was incorrect in any material respect when made
 - iv. Commonwealth shall default in any material respect in the performance or observance of any term, covenant, condition, or agreement contained in this Agreement;
 - v. Commonwealth shall default in any material respect in the performance or observance of any term, covenant, or condition contained in an agreement with any affiliates of Contractor;
 - vi. The independent certified accountants retained by the Commonwealth shall refuse to deliver an unqualified opinion with respect to its annual financial report.

V.A.29 Force Majeure

Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

The non-performing party shall notify the other party orally within five (5) days and in writing within ten(10) days from the date on which the non-performing party becomes aware, that such cause will prevent or delay its performance. Such notification shall (i) fully describe such cause and its effect on its performance, (ii) state whether performance under the Contract shall be prevented or delayed, and (iii) if performance is delayed, a reasonable estimate of the duration of the delay. The non-performing party shall have the burden of proving that such cause delayed or prevented its performance despite diligent efforts to perform and shall produce such supporting documented as reasonably requested. The party receiving the notification may elect to cancel the Contract only if performance will be prevented or delayed in excess of thirty (30) days.

In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Contractor, may suspend all or a portion of the Contract or Purchase Order.

V.A.30 Termination Provisions

- I. The Commonwealth has the right to terminate this Contract or any Purchase Order for any of the following reasons.
- a. **TERMINATION FOR CONVENIENCE;** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for its convenience upon one hundred and eighty (180) days prior written notice. The Contractor shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Contractor be entitled to recover loss of profits.
 - b. An individual non-executive agency may, of its own accord, elect to exercise the right to cease using this Contract for the provisions of the services specified herein, provided it gives one hundred and eighty (180) days prior written notice. However, in that event, the transactions of the terminating non-executive agency shall be deducted from the total transaction activity of the Commonwealth for the purpose of computing, pursuant to Exhibit B Sections A-1 and A-2, the applicable tier and fees paid by the Commonwealth for subsequent quarters. Furthermore, if the non-executive agency electing to cease service under this paragraph accounts for over 50% of the current volume of the Contract, the Contractor may by written notification to the Commonwealth elect to terminate the entire contract for convenience simultaneously with the expiration of the non-executive agency's 180 notice period.
 - c. **NON-APPROPRIATION:** The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Contract or a Purchase Order. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid from any appropriations available for that purpose
 - d. **TERMINATION FOR CAUSE:** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for Contractor's default as defined in Section V 28 above if Contractor has failed to correct such default within thirty (30) days of receipt of written notice of default from the Commonwealth, or in the event such default cannot reasonably be cured in thirty (30) days, if the Contractor has not commenced such cure and thereafter fails to diligently complete such cure. The Commonwealth shall also have the right, upon written notice to the Contractor, to terminate the Contract or a Purchase Order for other cause as specified in the Contract or by law or equity. If it is later determined that the Commonwealth erred in terminating the Contract or a Purchase Order for cause, then, at the Commonwealth's discretion, the Contract or Purchase Order shall be deemed to have been terminated for convenience under the Subparagraph a.
- II. The Contractor shall have the right to terminate this Agreement as follows:
- a. **Termination for Convenience:** The Contractor shall have the right to terminate the Agreement for convenience upon one hundred eighty (180) days advance written notice. The Contractor shall be paid for work satisfactorily completed prior to the effective date of termination and for costs and fees incurred in processing or reconciling any transactions after the effective date of termination

- b. Termination for Cause: Contractor may terminate this Agreement upon the occurrence of a default as specified in Article V.A.28.B (a) (ii)-(vi) above if the Commonwealth has failed to cure such default within 30 days of receipt of written notice of default from the Contractor, or in the event that such default cannot be reasonably be cured within such thirty (30) day period, if the Commonwealth has not commenced such cure and thereafter fails to diligently complete such cure. The Contractor shall also have the right upon written notice to the Commonwealth, to terminate this Agreement for other cause specified in this Agreement or at law or equity. Upon such termination all amounts payable hereunder shall automatically be due and payable upon demand. If it is later determined that the Contractor erred in terminating this Agreement for cause, then, at the Contractor's discretion, this Agreement shall be deemed to have been terminated for convenience.

V.A.31 Contract Controversies

All controversies or claims arising under this contract shall be handled according to the applicable law.

V.A.32 Assignability and Subcontracting

- a. Subject to the terms and conditions of this paragraph, this Contract shall be binding upon the parties and their respective successors and assigns.
- b. The Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of the Contracting Officer; which consent may be withheld by the Contracting Officer in the exercise of his/her commercially reasonable discretion . For purpose of clarification, the Parties agree that subcontractors identified in the Contractor's Response to the RFP have been approved in writing by the Commonwealth.
- c. The Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Contracting Officer, which consent may be withheld by the Contracting Officer in the exercise of his/her commercially reasonable discretion. For the purpose of clarification, the Parties agree that subcontractors identified in the Contractor's Response to the RFP have been approved in writing by the Commonwealth.
- d. Notwithstanding the foregoing, the Contractor may, without the consent of the Contracting Officer, assign its rights to payment to be received under the Contract, provided that the Contractor provides written notice of such assignment to the Contracting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Contract.
- e. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.
- f. Any assignment consented to by the Contracting Officer shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Contract and to assume the duties, obligations, and responsibilities being assigned.

- g. A change of name by the Contractor, following which the Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Contractor shall give the Contracting Officer written notice of any such change of name.
- h. Notwithstanding anything provided above, an assignment of any portion of this Contract which is committed to a Disadvantaged Business or Enterprise Small Business Zone shall be subject to the provisions of V45.

V.A.33 Other Contractors

Except in cases where there is a legal prohibition preventing an agency from paying fees on credit transactions, the processing of VISA and MasterCard card for all executive agencies during the term of this Agreement must be transacted through this Contract unless a separate competitive procurement process is required by legislation, judicial decrees or otherwise required by legal mandates governing the procurement of services by government agencies. If a non-executive agency elects to obtain card processing services through this contract, such an agency shall make exclusive use of this contract for VISA and MasterCard processing. For all card types other than VISA and MasterCard, the Commonwealth and non-Executive agencies may obtain card processing services through separate competitive procurement processes as permitted by law.

V.A.34 Nondiscrimination/Sexual Harassment Clause

During the term of the Contract, the Contractor agrees as follows:

- a. In the hiring of any employees for the manufacture of supplies, performance of work, or any other activity required under the Contract or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not by reason of gender, race, creed, or color discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
- b. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work or any other activity required under the Contract on account of gender, race, creed, or color.
- c. The Contractor and any subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Contractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contract relates.
- e. The Contractor and each subcontractor shall permit access to all necessary employment policies by the contracting officer and the Department of General Services' Bureau of Contract Administration and Business Development for purposes of investigation to ascertain compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the contracting officer or the Bureau of Contract Administration and Business

Development.

- f. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause (or provisions which are substantially similar) in every subcontract so that such provisions will be binding upon each subcontractor.
- g. The Commonwealth may cancel or terminate the Contract, and all money due or to become due under the Contract may be forfeited for a material violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

V.A.35 Contractor Integrity Provisions

By signing this Agreement, the Contractor agrees to the following integrity provisions:

- a. Definitions
 - i. Confidential Information. Confidential information means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.
 - ii. Consent. Consent means written permission, signed by a duly authorized officer or employee of the Commonwealth, provided that, where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this Agreement.
 - iii. Contractor. Contractor means the individual or entity that has entered into this Agreement with the Commonwealth, including directors, officers, partners, managers, key employees, and owners of more than a five percent (5%) interest.
 - iv. Financial Interest. Financial Interest means:
 - (1) Ownership of more than a five percent (5%) interest in any business; or
 - (2) Holding a position, as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
 - v. Gratuity. 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.
- b. Contractor Requirements
 - i. The Contractor shall maintain the highest standards of integrity in the performance of this Agreement and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.

- ii. The Contractor shall not disclose to others any confidential information gained by virtue of this Agreement.
 - iii. The Contractor shall not, in connection with this or any other Agreement with the Commonwealth, directly or indirectly, offer, confer, or agree to confer, any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.
 - iv. The Contractor shall not, in connection with this or any other Agreement with the Commonwealth, directly or indirectly, offer, give, or agree or promise to give, to anyone, any gratuity for the benefit of, or at the direction or request of, any officer or employee of the Commonwealth.
 - v. Except with the consent of the Commonwealth, neither the Contractor, nor anyone in privity with him or her, shall accept, or agree to accept from, or give, or agree to give to, any person, any gratuity from any person, in connection with the performance of work under this Agreement, except as provided therein.
 - vi. Except with the consent of the Commonwealth, or as otherwise disclosed in its Proposal in response to the RFP, the Contractor shall not have a financial interest in any other Contractor, subcontractor, or supplier providing services, labor or material on this project.
 - vii. The Contractor, upon being informed that any violation of these provisions has occurred, or may occur, shall immediately notify the Commonwealth in writing.
 - viii. The contractor, by execution of this Agreement, and by the submission of any bills or invoices for payment pursuant thereto, certifies and represents that it has not violated any of these provisions.
 - ix. The Contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to the Contractor integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. Such information may include, but shall not be limited to, the Contractor business or financial records, documents or files of any type or form which refer to or concern this Agreement. The Contractor shall retain such information for a period of three (3) years beyond the termination of the Agreement unless otherwise provided by the law.
- c. **Penalty for Violation.** For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim direct damages in an amount not to exceed the net fees paid to Contractor in the immediately preceding 12 months and debar and suspend the Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.

V.A.36 Contractor Responsibility Provisions

- a. The Contractor certifies, for itself and all its subcontractors, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any subcontractors, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid, a written explanation of why such certification cannot be made.
- b. The Contractor also certifies that as of the date of its execution of this Bid/Contract, it has no tax liabilities or other Commonwealth obligations.
- c. The Contractor's obligations pursuant to these provisions are ongoing from and after the Effective Date of the Contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within fifteen (15) days of the date of suspension or debarment.
- d. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.
- e. The Contractor agrees to reimburse the Commonwealth, such reimbursement to be limited to a maximum of [REDACTED] for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth, 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 investigative costs for investigations that do not result in the Contractor's suspension or debarment.
- f. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the internet at <http://www.dgs.state.pa.us/debarment.htm> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No. (717) 783-6472
FAX No. (717) 787-9138

V.A.37 Americans with Disabilities Act

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. Section 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. Section 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.
- b. Subject to the limitation of liability provisions in Paragraph 9 of Exhibit E Merchant Services Bankcard Agreement, the Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages expense, claims demands, suits, and actions brought by any against the Commonwealth of Pennsylvania as a result of Contractor's failure to comply with the provisions of subsection a above.

V.38 CONTRACT-032.1 Covenant Against Contingent Fees (Oct 2006)

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Contract without liability or in its discretion to deduct from the Contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

V.A.39 Applicable Law

This Contract is hereby made and must be performed in compliance with all applicable federal and state laws. This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to its choice of law provisions.

V.A.40 Integration – RFP

This Agreement consists of the Exhibit A-1 Negotiated Contract Terms and Conditions; Exhibit A-2 Negotiated SLA Agreement; Exhibit A the Commonwealth's RFP excluding the Special Terms and Conditions and Standard Terms and Conditions (both of which have been completely replaced by the Agreement for Services Negotiated Terms and Conditions); Exhibit B negotiated Cost Submittal; Exhibit C BAFO Disadvantaged Business Submittal; Exhibit D Contractor's Technical Submittal; Exhibit E Contractor's Merchant Services Bankcard Agreement.

V.A.41 Order of Precedence -RFP

If any discrepancies in interpretation arise under this Agreement, the order of precedence for interpreting this Agreement shall be as follows (in descending order): (i) Exhibit A-1 Negotiated Terms and Conditions; (ii) Exhibit A-2 Negotiated SLA Agreement; (iii) Exhibit E Merchant Services Bankcard Agreement; (iv) Exhibit B Negotiated Cost Submittal; (v) Exhibit C BAFO Disadvantage Business Submittal; (vi) Exhibit D Contractor's Technical Proposal in response to the RFP; (vii) Exhibit A the Commonwealth's RFP excluding the Special Terms and Conditions and Standard Terms and Conditions (both of which have been completely replaced by the Agreement for Services Negotiated Terms and Conditions.)

V.A.42 Background Checks

- a. The Contractor must, at its expense, arrange for a background check for each of its employees, who will have access to Commonwealth facilities, either through on-site access or through remote access. Except as otherwise agreed to by the parties or otherwise required by law, background checks are to be conducted via the Request for Criminal Record Check form and procedure found at <http://www.psp.state.pa.us/psp/lib/psp/sp4-164.pdf>. The background check must be conducted by the Contractor prior to initial access and no more than annually during the term of the Contract at the request of the Commonwealth.
- b. Before the Commonwealth will permit access to the Contractor, the Contractor must provide written confirmation that the background checks have been conducted. If, at any time, it is discovered that a Contractor employee has a criminal record that includes a felony or misdemeanor involving terroristic behavior, violence, use of a lethal weapon, or breach of trust/fiduciary responsibility or which raises concerns about building, system or personal security or is otherwise job-related, the Contractor shall not assign that employee to any Commonwealth facilities, shall remove any access privileges already given to the employee and shall not permit that employee remote access unless the Commonwealth consents to the access, in writing, prior to the access. The Commonwealth may withhold its consent in its sole discretion. Failure of the Contractor to knowingly comply with the terms of this Section on more than one occasion or Contractor's failure to appropriately address any single failure to the satisfaction of the Commonwealth may result in the Contractor being deemed in default of its Contract.
- c. The Commonwealth specifically reserves the right of the Commonwealth to conduct any background checks permitted by law over and above that described herein.
- d. Access to certain Capitol Complex buildings and other state office buildings is controlled by means of card readers and secured visitors' entrances. Commonwealth contracted personnel who have regular and routine business in Commonwealth worksites may be issued a photo identification or access badge subject to the requirements of the contracting agency and DGS set forth in Enclosure 3 of Commonwealth Management Directive 625.10 Amended (January 30, 2008) Card Reader and Emergency Response Access to Certain Capitol Complex Buildings and Other State Office Buildings The requirements, policy and procedures include a processing fee payable by the Contractor for contracted personnel photo identification or access badges.

V.A.43 Confidentiality

- a. The Contractor and the Commonwealth each agree to guard the confidentiality of the other's proprietary information with the same diligence with which it guards its own proprietary information. If either the Commonwealth or the Contractor needs to disclose all or part of project materials to third parties to assist in the work or service performed under this Contract, it may do so only if such third parties sign agreements containing substantially the same provisions as contained in this Section. Except for customer and cardholder information which shall be deemed confidential and proprietary in all instances, in order for information to be deemed to be confidential or proprietary information, the party claiming confidentiality must designate the information as "confidential" in such a way as to give notice to the other party. The parties agree that such confidential information shall not be copied, in whole or in part, except when essential for authorized use under this Contract. Each copy of such confidential information shall be marked by the party making the copy with all confidentiality notices appearing in the original. Upon termination or cancellation of this Contract or any license granted hereunder, the receiving party will return to the disclosing party all copies of the confidential information in the receiving party's possession, other than one copy, which may be maintained for archival purposes only. Both parties agree

that a material breach of these requirements may, after failure to cure within the time frame specified in this Contract, and at the discretion of the non-breaching party, result in termination for default.

- b. The obligations stated in this Section do not apply to information:
 - i. already known to the recipient at the time of disclosure other than through the contractual relationship;
 - ii. independently generated by the recipient and not derived from the information supplied by the disclosing party;
 - iii. known or available to the public, except where such knowledge or availability is the result of unauthorized disclosure by the recipient of the proprietary information;
 - iv. disclosed to the recipient without a similar restriction by a third party who has the right to make such disclosure;
 - v. required to be disclosed by the recipient by law, regulation, court order, or other legal process; or
 - vi. provided to auditors or regulatory body with jurisdiction over the recipient.

V.A.44 Sensitive Information

The Contractor shall not publish or otherwise disclose, except to the Commonwealth and except matters of public record, any information or data obtained hereunder from private individuals, organizations, or public agencies, in a publication whereby the information or data furnished by or about any particular person or establishment can be identified, except with the consent of such person or establishment. The parties shall not use or disclose any information about a recipient receiving services from, or otherwise enrolled in, a Commonwealth program affected by or benefiting from services under this Contract for any purpose not connected with the parties' Contract responsibilities except with the written consent of such recipient, recipient's attorney, or recipient's parent or guardian pursuant to applicable state and federal law and regulations.

Subject to the limitation of liability provisions in this Agreement, Contractor will be responsible to remediate any improper disclosure of information. Such remediation shall include but not be limited to, credit monitoring for cardholders and reimbursement of any costs incurred by cardholder with respect to whom information is released.

V.45 CONTRACT-041.1 Disadvantaged Business Participation and Enterprise Zone Small Business Participation (Feb 2009)

The selected Contractor's commitments to Disadvantaged Businesses and/or Enterprise Zone Small Businesses made in the Contractor's best and Final Offer dated August 4, 2010 shall be maintained throughout the term of the contract and through any renewal or extension of the contract Any proposed change must be submitted to BMWBO, which will make a recommendation to the Contracting Officer regarding a course of action.

If a contract is assigned to another contractor, the new contractor must maintain the Disadvantaged Business participation and/or Enterprise Zone Small Business participation as agreed to by the Contractor herein.

The Contractor shall provide evidence, in the manner required by the Commonwealth, that its commitment to Disadvantaged and/or Enterprise Zone Small Businesses has been met. .

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF DISADVANTAGED BUSINESSES STATUS OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR DISADVANTAGED BUSINESSES UTILIZATION.

V.A.46 Insurance -General

The Contractor is required to have in place during the term of the Contract and any renewals or extensions thereof, the following types of insurance, issued by companies acceptable to the Commonwealth and authorized to conduct such business under the laws of the Commonwealth of Pennsylvania:

- a. Worker's Compensation insurance sufficient to cover all of the employees of the Contractor working to fulfill this Agreement.
- b. Comprehensive General Liability insurance in commercially reasonable amounts, and in any event, not less than two million dollars (\$2,000,000) for injury or death of one (1) person in a single occurrence and two million dollars (\$2,000,000) for a single occurrence of property damage.

Prior to commencement of work under this Agreement, Contractor must provide the Commonwealth with current certificates of insurance. The policies shall not be cancelled or materially changed absent sixty (60) days prior written notice to the Commonwealth.

V.A.47 Contract Performance Security

As security for Contractor's performance under this Agreement, Contractor shall deliver to the Commonwealth, within fifteen (15) days of the execution of this Agreement, and shall maintain in full force and effect throughout the Term of the Agreement, a performance bond in an amount equal to twenty-five percent (25%) of the estimated yearly cost of the Agreement. The Commonwealth shall review and approve, such approval not to be unreasonably withheld or delayed, the terms and conditions of said performance bond prior to its effective date. In the event that the Commonwealth renews the Agreement, the Contractor shall renew the performance bond prior to the expiration of the existing bond.

V.48 CONTRACT-051.1 Notice (Dec 2006)

Any written notice to any party under this Contract shall be deemed sufficient if delivered personally, or by facsimile, telecopy, electronic or digital transmission (provided such delivery is confirmed), or by a recognized overnight courier service (e.g., DHL, Federal Express, etc.) with confirmed receipt, or by certified or registered United States mail, postage prepaid, return receipt requested, and sent to following:

- a. If to the Contractor: the Contractor's address as recorded in the Commonwealth's Supplier Registration system.
- b. If to the Commonwealth: the address of the Issuing Office as set forth on the Contract.

V.49 CONTRACT-052.1 Right to Know Law (August 2009)

- a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, applies to this Contract.
- b. Unless the Contractor provides the Commonwealth, in writing, with the name and contact information of another person, the agency shall notify the Contractor using the Contractor information provided by the Contractor in SRM, or the legal contact information provided in this Contract, if the agency needs the Contractor's assistance in any matter arising out of the Right to Know Law ("RTKL"). The Contractor shall notify the agency in writing of any change in the name or the contact information within a reasonable time prior to the change.
- c. Upon notification from the Commonwealth that the Commonwealth requires the Contractor's assistance in responding to a RTKL request for records in the Contractor's possession, the Contractor shall provide the Commonwealth, within fourteen (14) calendar days after receipt of such notification, access to, and copies of, any document or information in the Contractor's possession which arises out of the Contract that the Commonwealth requests ("Requested Information") and provide such other assistance as the

Commonwealth may request in order to comply with the RTKL. If the Contractor fails to provide the Requested Information within fourteen (14) calendar days after receipt of such request, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.

- d. If Contractor objects to the release of any information provided to the Commonwealth, it must let the Commonwealth know within seven (7) days of receiving the request. Unless the Commonwealth determines the Contractor's objection to be frivolous and without merit based on prior determinations by the Commonwealth Court or the Office of Open Records that deal with identical material, the Commonwealth agrees to deny the request, provided that the Contractor agrees to handle all appeals to the Office of Open Records and the Courts, and hold the Commonwealth harmless for any fines, fees, or penalties that may arise from such an appeal. Denial of the request to release any information under this paragraph shall not in any way be construed to limit the arguments the Commonwealth may make relating to the release of the material before either the Office of Open Records or the Courts.
- e. The Commonwealth will reimburse the Contractor for any costs associated with complying with this provision only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.
- f. Contractor agrees to abide by any decision to release a record to the public made by the Office of Open Records, or by the Pennsylvania Courts. The Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL. Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

V.A.50 Virus, Malicious, Mischievous or Destructive Programming

Notwithstanding any other provision in this Contract to the contrary, the Contractor shall be liable for any damage to any data and/or software owned or licensed by the Commonwealth if the Contractor or any of its employees, subcontractors or consultants introduces a virus or malicious, mischievous or destructive programming into the Commonwealth's software or computer networks and has failed to comply with the Commonwealth software security standards. The Commonwealth must demonstrate that the Contractor or any of its employees, subcontractors or consultants introduced the virus or malicious, mischievous or destructive programming. The Contractor's liability shall cease if the Commonwealth has not fully complied with its own software security standards.

The Contractor shall be liable for any damages incurred by the Commonwealth including, but not limited to, the expenditure of Commonwealth funds to eliminate or remove a computer virus or malicious, mischievous or destructive programming that result from the Contractor's failure to take proactive measures to keep virus or malicious, mischievous or destructive programming from originating from the Contractor or any of its employees, subcontractors or consultants through appropriate firewalls and maintenance of anti-virus software and software security updates (such as operating systems security patches, etc.).

In the event of destruction or modification of software, the Contractor shall eliminate the virus, malicious, mischievous or destructive programming, restore the Commonwealth's software, and be liable to the Commonwealth for any resulting damages.

The Contractor shall be responsible for reviewing Commonwealth software security standards and complying with those standards.

The Commonwealth may, at any time, audit, by a means deemed appropriate by the Commonwealth, any computing devices being used by representatives of the Contractor to provide services to the Commonwealth for the sole purpose of determining whether those devices have anti-virus software with current virus signature files and the current minimum operating system patches or workarounds have been installed. Devices found to be out of compliance will immediately be disconnected and will not be permitted to connect or reconnect to the Commonwealth network until the proper installations have been made.

The Contractor may use the anti-virus software used by the Commonwealth to protect Contractor's computing devices used in the course of providing services to the Commonwealth. It is understood that the Contractor may not install the software on any computing device not being used to provide services to the Commonwealth, and that all copies of the software will be removed from all devices upon termination of this Contract.

The Commonwealth will not be responsible for any damages to the Contractor's computers, data, software, etc. caused as a result of the installation of the Commonwealth's anti-virus software or monitoring software on the Contractor's computers unless the Commonwealth was grossly negligent or acted with malice aforethought.

Notwithstanding the above, in no event will Contractor's liability under this provision (VA 50) exceed the greater of [REDACTED] or the net fees (total fees minus pass through costs) collected by the Contractor from the Commonwealth throughout the term of the Agreement.



April 1, 2010

**RE: PA Department of General Services
RFP #6100014332**

Dear Supplier:

You are invited to submit a proposal for **Electronic Payment Processing** in accordance with the enclosed Request for Proposal.

All proposals must be submitted in 11 paper copies of the Technical Submittal, one (1) electronic copy of the Cost Submittal via the PA Supplier Portal and two (2) paper copies of the Disadvantaged Business ("DB") Submittal to the PA Department of General Services, Bureau of Procurement, Attn: Jennifer Habowski/RFP #6100014332, 555 Walnut Street, Forum Place 6th Floor, Harrisburg, PA 17101. In addition to the paper copies of the proposal, Offerors must submit two (2) complete and exact, **searchable** copies of the entire proposal (Technical, Cost and DB) on CD-ROM or Flash Drive in PDF, Microsoft Office or Microsoft Office-compatible format. Proposals must be received at the above address **no later than May 13, 2010 at 3:00 pm EST**. Late proposals will not be considered regardless of the reason.

All questions should be submitted by email (with subject line "RFP 6100014332 Question") to **Jennifer Habowski, Commodity Specialist, jhabowski@state.pa.us** no later than **April 12, 2010**. All Offerors will be provided with answers to questions asked by any one Offeror.

A Pre-Proposal Conference will be held on **April 21, 2010 at 10:00 am EST** in **Conference Room 1, Department of General Services, Forum Place, 6th Floor, 555 Walnut Street, Harrisburg, PA 17101**. Since facilities are limited, it is requested you limit your representation to **three**.

In addition, interested Offerors must register as a supplier on the PA Supplier Portal at www.pasupplierportal.state.pa.us before an award can be made. Please be advised that if your company is already registered in the PA Supplier Portal, registration is not necessary.

Prior to registration, I strongly encourage you to review and print the Supplier Registration Reference Guide available through the Supplier Service Center link on the PA Supplier Portal webpage. Also available there is helpful overview information on SRM, including its features and the benefits for your organization, as well as other help options, designed to provide you with the answers you need and access to staff who can assist you. Should you have any questions or issues related to SRM and/or the registration process, please feel free to contact the SRM Customer Service Center (CSC) at 717-346-2676 (local) or 877-435-7363 (outside of Harrisburg).

Thank you for your interest in doing business with the Commonwealth of Pennsylvania.

Sincerely,

Jennifer Habowski
Issuing Officer

REQUEST FOR PROPOSALS FOR

Electronic Payment Processing

ISSUING OFFICE

PA Department of General Services

RFP NUMBER

6100014332

DATE OF ISSUANCE

April 1, 2010

**REQUEST FOR PROPOSALS FOR
ELECTRONIC PAYMENT PROCESSING**

TABLE OF CONTENTS

CALENDAR OF EVENTS	iii
Part I—GENERAL INFORMATION	1
Part II—PROPOSAL REQUIREMENTS	12
Part III—CRITERIA FOR SELECTION	22
Part IV—WORK STATEMENT	25
Part V—STANDARD CONTRACT TERMS AND CONDITIONS	46
APPENDIX A, SPECIAL CONTRACT TERMS AND CONDITIONS	
APPENDIX B, MANDATORY TECHNICAL REQUIREMENTS	
APPENDIX C, DOMESTIC WORKFORCE UTILIZATION CERTIFICATION	
APPENDIX D, PROPOSAL COVER SHEET	
APPENDIX E, EXISTING APPLICATIONS	
APPENDIX F, FUNDS AVAILABILITY	
APPENDIX G, TRANSACTION REPORT DETAIL AND MEDIUM AVAILABLE	
APPENDIX H, COST SUBMITTAL	
APPENDIX I, PLCB CUSTOM FILE FORMAT	

CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via e-mail to jhabowski@state.pa.us .	Potential Offerors	April 12, 2010 12:00 pm EST
Preproposal Conference: Commonwealth of Pennsylvania Department of General Services Forum Place, 6 th Floor Conference Room 1 555 Walnut Street Harrisburg, PA 17101.	Issuing Office/Potential Offerors	April 21, 2010 10:00 AM EST
Answers to Potential Offeror questions posted to the DGS website (http://www.dgsweb.state.pa.us/RTA/Search.aspx) no later than this date.	Issuing Office	April 29, 2010
Please monitor website for all communications regarding the RFP.	Potential Offerors	Ongoing
Sealed proposal must be received by the Issuing Office at: Department of General Services Attn: Jennifer Habowski Forum Place, 6 th Floor 555 Walnut Street Harrisburg, PA 17101.	Offerors	May 13, 2010 at 3:00 pm EST

PART I

GENERAL INFORMATION

I-1. Purpose. This request for proposals (“RFP”) provides to those interested in submitting proposals for the subject procurement (“Offerors”) sufficient information to enable them to prepare and submit proposals for the **PA Department of General Services’** consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for **Electronic Payment Processing** (“Project”).

I-2. Issuing Office. The **PA Department of General Services** (“Issuing Office”) has issued this RFP on behalf of the Commonwealth. The sole point of contact in the Commonwealth for this RFP shall be Jennifer Habowski, Department of General Services, Forum Place, 6th Floor, 555 Walnut Street, Harrisburg, PA 17101, jhabowski@state.pa.us, the Issuing Officer for this RFP. Please refer all inquiries to the Issuing Officer.

I-3. Scope. This RFP contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the service to be provided; requirements which Offerors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFP.

I-4. Problem Statement. This RFP has been issued to obtain proposals from qualified Contractors for the acceptance of, processing and support services of electronic payments for the Commonwealth of Pennsylvania. Additional detail is provided in **Part IV** of this RFP.

I-5. Type of Contract. It is proposed that if the Issuing Office enters into a contract as a result of this RFP, it will be a **Unit Price** contract containing the Standard Contract Terms and Conditions as shown in **Part V** of this RFP. The Issuing Office, in its sole discretion, may undertake negotiations with top Offerors whose proposals, in the judgment of the Issuing Office, show them to be qualified, responsible and capable of performing the Project.

I-6. Rejection of Proposals. The Issuing Office reserves the right, in its sole and complete discretion, to reject any proposal received as a result of this RFP.

I-7. Incurring Costs. The Issuing Office is not liable for any costs the Offeror incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the contract.

I-8. Preproposal Conference. The Issuing Office will hold a preproposal conference as specified in the Calendar of Events. The purpose of this conference is to provide opportunity for clarification of the RFP. Offerors should forward all questions to the Issuing Office in accordance with **Part I, Section I-9** to ensure adequate time for analysis before the Issuing Office provides an answer. Offerors may also ask questions at the conference. In view of the limited facilities available for the conference, Offerors should limit their representation to **three** individuals per Offeror. The preproposal conference is for information only. Any answers furnished during the conference will not be official until they have been verified, in writing, by

the Issuing Office. All questions and written answers will be posted on the Department of General Services' (DGS) website as an addendum to, and shall become part of, this RFP. Attendance at the Preproposal Conference is **optional**.

I-9. Questions & Answers. If an Offeror has any questions regarding this RFP, the Offeror must submit the questions by email (**with the subject line "RFP 6100014332 Question"**) to the Issuing Officer named in **Part I, Section I-2** of the RFP. If the Offeror has questions, they must be submitted via email **no later than** the date indicated on the Calendar of Events. The Offeror shall not attempt to contact the Issuing Officer by any other means. The Issuing Officer shall post the answers to the questions on the DGS website by the dates stated on the Calendar of Events.

All questions and responses as posted on the DGS website are considered as an addendum to, and part of, this RFP in accordance with RFP **Part I, Section I-10**. Each Offeror shall be responsible to monitor the DGS website for new or revised RFP information. The Issuing Office shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFP or formally issued as an addendum by the Issuing Office. The Issuing Office does not consider questions to be a protest of the specifications or of the solicitation. The required protest process for Commonwealth procurements is described on the DGS website.

I-10. Addenda to the RFP. If the Issuing Office deems it necessary to revise any part of this RFP before the proposal response date, the Issuing Office will post an addendum to the DGS website at <http://www.dgsweb.state.pa.us/RTA/Search.aspx>. It is the Offeror's responsibility to periodically check the website for any new information or addenda to the RFP. Answers to the questions asked during the Questions & Answers period also will be posted to the website as an addendum to the RFP.

I-11. Response Date. To be considered for selection, hard copies of proposals must arrive at the Issuing Office on or before the time and date specified in the RFP Calendar of Events. The Issuing Office will **not** accept proposals via email or facsimile transmission. Offerors who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Issuing Office otherwise notifies Offerors. The hour for submission of proposals shall remain the same. The Issuing Office will reject, unopened, any late proposals.

I-12. Proposals. To be considered, Offerors should submit a complete response to this RFP to the Issuing Office, using the format provided in **Part II**, providing **11 paper copies of the Technical Submittal and one (1) electronic copy of the Cost Submittal submitted via the PA Supplier Portal and two (2) paper copies of the Disadvantaged Business Submittal**. In addition to the paper copies of the proposal, Offerors shall submit two **complete and exact, searchable** copies of the entire proposal (Technical, Cost and Disadvantaged Business Submittals, along with all requested documents) on CD-ROM or Flash drive in Microsoft Office

or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. Offerors should ensure that there is no costing information in the technical submittal. Offerors should not reiterate technical information in the cost submittal. The CD or Flash drive should clearly identify the Offeror and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted. The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant. Each proposal page should be numbered for ease of reference. An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet (**Appendix D** to this RFP) and the Proposal Cover Sheet is attached to the Offeror's proposal, the requirement will be met. For this RFP, the proposal must remain valid for **120** days or until a contract is fully executed. If the Issuing Office selects the Offeror's proposal for award, the contents of the selected Offeror's proposal will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

Each Offeror submitting a proposal specifically waives any right to withdraw or modify it, except that the Offeror may withdraw its proposal by written notice received at the Issuing Office's address for proposal delivery prior to the exact hour and date specified for proposal receipt. An Offeror or its authorized representative may withdraw its proposal in person prior to the exact hour and date set for proposal receipt, provided the withdrawing person provides appropriate identification and signs a receipt for the proposal. An Offeror may modify its submitted proposal prior to the exact hour and date set for proposal receipt only by submitting a new sealed proposal or sealed modification which complies with the RFP requirements.

I-13. Disadvantaged Business Information. The Issuing Office encourages participation by small disadvantaged businesses as prime Contractors, joint ventures and subcontractors/suppliers and by socially disadvantaged businesses as prime Contractors.

Small Disadvantaged Businesses are small businesses that are owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy because of social disadvantages. The term includes:

- A. Department of General Services Bureau of Minority and Women Business Opportunities (BMWBO)-certified minority business enterprises (MBEs) and women business enterprises (WBEs) that qualify as small businesses; and
- B. United States Small Business Administration certified 8(a) small disadvantaged business concerns.
- C. Businesses that BMWBO determines meet the Small Business Administration criteria for designation as a small disadvantaged business.

Small businesses are businesses in the United States which are independently owned, are not dominant in their field of operation, employ no more than 100 full-time or full-time equivalent

employees, and earn less than \$20 million in gross annual revenues (\$25 million in gross annual revenues for those businesses in the information technology sales or service business).

Socially disadvantaged businesses are businesses in the United States that BMWBO determines are owned or controlled by a majority of persons, not limited to members of minority groups, who are subject to racial or ethnic prejudice or cultural bias, but which do not qualify as small businesses. In order for a business to qualify as “socially disadvantaged,” the Offeror must include in its proposal clear and convincing evidence to establish that the business has personally suffered racial or ethnic prejudice or cultural bias stemming from the business person’s color, ethnic origin or gender.

Questions regarding this Program can be directed to:

Department of General Services
Bureau of Minority and Women Business Opportunities
Room 611, North Office Building
Harrisburg, PA 17125
Phone: (717) 783-3119
Fax: (717) 787-7052
Email: gs-bmwbo@state.pa.us
Website: www.dgs.state.pa.us

A database of BMWBO-certified minority- and women-owned businesses can be accessed at <http://www.dgsweb.state.pa.us/mbewbe/VendorSearch.aspx>. The federal vendor database can be accessed at <http://www.ccr.gov> by clicking on *Dynamic Small Business Search* (certified companies are so indicated).

I-14. Information Concerning Small Businesses in Enterprise Zones. The Issuing Office encourages participation by small businesses, whose primary or headquarters facility is physically located in areas the Commonwealth has identified as *Designated Enterprise Zones*, as prime Contractors, joint ventures and subcontractors/suppliers.

The definition of headquarters includes, but is not limited to, an office or location that is the administrative center of a business or enterprise where most of the important functions of the business are conducted or concentrated and location where employees are conducting the business of the company on a regular and routine basis so as to contribute to the economic development of the geographical area in which the office or business is geographically located.

Small businesses are businesses in the United States that are independently owned, are not dominant in their field of operation, employ no more than 100 full-time or full-time equivalent employees and earn less than \$20 million in gross annual revenues (\$25 million in gross annual revenues for those businesses in the information technology sales or service business).

There is no database or directory of small businesses located in Designated Enterprise Zones. Information on the location of *Designated Enterprise Zones* can be obtained by contacting:

Aldona M. Kartorie
Center for Community Building
PA Department of Community and Economic Development
4th Floor, Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120-0225
Phone: (717) 720-7409
Fax: (717) 787-4088
Email: akartorie@state.pa.us

I-15. Economy of Preparation. Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror’s ability to meet the requirements of the RFP. When responding to questions and requirements presented in this RFP, the Offeror is warned against the use of technical jargon without further explanation. Offeror responses should be concise and understandable by a “non-technical” audience. Pamphlets, brochures or other marketing material **should not** be included with Offeror’s response.

I-16. Alternate Proposals. The Issuing Office has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Issuing Office will not accept alternate proposals.

I-17. Discussions for Clarification. Offerors may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Offeror responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification.

The Commonwealth reserves the right at its sole option to require, and the Offeror should plan to perform, prior to the selection of a proposal, an operational demonstration and/or an oral presentation on any hardware, software, support services, or any other capabilities included in the proposal. The Issuing Office will schedule these presentations at a location approved by the Commonwealth.

I-18. Prime Contractor Responsibilities. The contract will require the selected Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. The Issuing Office will consider the selected Offeror to be the sole point of contact with regard to contractual matters.

I-19. Proposal Contents.

- A. Confidential Information. The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Offerors’ submissions in order to evaluate proposals submitted in response to this RFP. Accordingly, except as provided herein, Offerors should not label proposal submissions as confidential or proprietary or trade secret protected. Any Offeror who determines that it must divulge such information as part of its proposal must submit the signed written statement described in subsection c. below and must

additionally provide a redacted version of its proposal, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

- B. Commonwealth Use. All material submitted with the proposal shall be considered the property of the Commonwealth of Pennsylvania and may be returned only at the Issuing Office's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of a contract. Notwithstanding any Offeror copyright designations contained on proposals, the Commonwealth shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.
- C. Public Disclosure. After the award of a contract pursuant to this RFP, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a proposal submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. Financial capability information submitted in response to Part II, Section II-7 of this RFP is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-20. Best and Final Offers. While not required, the Issuing Office reserves the right to conduct discussions with Offerors for the purpose of obtaining "best and final offers." To obtain best and final offers from Offerors, the Issuing Office may do one or more of the following:

- A. Schedule oral presentations;
- B. Request revised proposals;
- C. Conduct a reverse online auction; and
- D. Enter into pre-selection negotiations.

The Issuing Office will limit any best and final offer opportunities to responsible Offerors whose proposals the Issuing Office has determined to be reasonably susceptible of being selected for award as being within the top competitive range of responsive proposals. The Evaluation Criteria found in **Part III, Section III-4**, shall also be used to evaluate the best and final offers. Price reductions offered through any reverse online auction shall have no effect upon the Offeror's Technical Submittal. The percentage of commitments to Disadvantaged Businesses and Enterprise Zone Small Businesses cannot be reduced only the dollar amount committed as the percent reduction based on the total price offered through any reverse auction or negotiations.

If an Offeror is selected to conduct discussions for the purpose of obtaining a best and final offer, that Offeror will receive the Commonwealth's counter-proposal as to any revisions to the Standard Terms and Conditions proposed by the Offeror in accordance with Section II-8 of this RFP, including identification of provisions which the Commonwealth will not negotiate. As part of the Offeror's best and final offer, a final proposed version of the Standard Terms and Conditions reflecting and in response to the Commonwealth's counter-proposal must be supplied, which will be binding on the Offeror. The Issuing Office reserves the right to accept the Offeror's final proposed version of the Standard Terms and Conditions, engage in further negotiations of the Standard Terms and Conditions as part of pre-selection, or to disqualify the Offeror from further consideration for contract award if it failed to provide final Standard Terms and Conditions that are acceptable to the Commonwealth.

I-21. News Releases. Offerors shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.

I-22. Restriction of Contact. From the issue date of this RFP until the Issuing Office selects a proposal for award, the Issuing Officer is the sole point of contact concerning this RFP. Any violation of this condition may be cause for the Issuing Office to reject the offending Offeror's proposal. If the Issuing Office later discovers that the Offeror has engaged in any violations of this condition, the Issuing Office may reject the offending Offeror's proposal or rescind its contract award. Offerors must agree not to distribute any part of their proposals beyond the Issuing Office. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified.

I-23. Debriefing Conferences. Offerors whose proposals are not selected will be notified of the name of the selected Offeror and given the opportunity to be debriefed. The Issuing Office will schedule the time and location of the debriefing. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror's proposal in relation to all other Offeror proposals. An Offeror's exercise of the opportunity to be debriefed does not constitute the filing of a protest.

I-24. Issuing Office Participation. Offerors shall provide all services, supplies, facilities, and other support necessary to complete the identified work, except as otherwise provided in this **Part I, Section I-24. The Issuing Office** will provide oversight to ensure that all aspects of any contract that may be entered into are satisfactorily performed. The Offeror is responsible for identifying, in the proposal, all personnel and other needs the Offeror anticipates will be provided by the Commonwealth. Needs not specified will be assumed to be the responsibility of the Offeror. The Commonwealth will not provide office space or reproduction facilities. Training rooms will be made available based on availability and should be scheduled at minimum two weeks in advance.

I-25. Term of Contract. The term of the contract will commence on the Effective Date and will end **5 years after commencement**. The Issuing Office will fix the Effective Date after the contract has been fully executed by the selected Offeror and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The selected

Offeror shall not start the performance of any work prior to the Effective Date of the contract and the Commonwealth shall not be liable to pay the selected Offeror for any service or work performed or expenses incurred before the Effective Date of the contract.

I-26. Offeror's Representations and Authorizations. By submitting its proposal, each Offeror understands, represents, and acknowledges that:

- A. All of the Offeror's information and representations in the proposal are material and important, and the Issuing Office may rely upon the contents of the proposal in awarding the contract(s). The Commonwealth shall treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the Proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.
- B. The Offeror has arrived at the price(s) and amounts in its proposal independently and without consultation, communication, or agreement with any other Offeror or potential Offeror.
- C. The Offeror has not disclosed the price(s), the amount of the proposal, nor the approximate price(s) or amount(s) of its proposal to any other firm or person who is an Offeror or potential Offeror for this RFP, and the Offeror shall not disclose any of these items on or before the proposal submission deadline specified in the Calendar of Events of this RFP.
- D. The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- E. The Offeror makes its proposal in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- F. To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last **four** years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as the Offeror has disclosed in its proposal.
- G. To the best of the knowledge of the person signing the proposal for the Offeror and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.

- H. The Offeror is not currently under suspension or debarment by the Commonwealth, any other state or the federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.
- I. The Offeror has not made, under separate contract with the Issuing Office, any recommendations to the Issuing Office concerning the need for the services described in its proposal or the specifications for the services described in the proposal.
- J. Each Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- K. Until the selected Offeror receives a fully executed and approved written contract from the Issuing Office, there is no legal and valid contract, in law or in equity, and the Offeror shall not begin to perform.

I-27. Notification of Selection. The Issuing Office will notify the selected Offeror in writing of its selection for negotiation after the Issuing Office has determined, taking into consideration all of the evaluation factors, the proposal that is the most advantageous to the Issuing Office.

I-28. RFP Protest Procedure. The RFP Protest Procedure is on the DGS website at <http://www.dgsweb.state.pa.us/comod/ProtestProcedures.doc>. A protest by a party not submitting a proposal must be filed within **seven** days after the protesting party knew or should have known of the facts giving rise to the protest, but no later than the proposal submission deadline specified in the Calendar of Events of the RFP. Offerors may file a protest within **seven** days after the protesting Offeror knew or should have known of the facts giving rise to the protest, but in no event may an Offeror file a protest later than **seven** days after the date the notice of award of the contract is posted on the DGS website. The date of filing is the date of receipt of the protest. A protest must be filed in writing with the Issuing Office.

I-29. Use of Electronic Versions of this RFP. This RFP is being made available by electronic means. If an Offeror electronically accepts the RFP, the Offeror acknowledges and accepts full responsibility to insure that no changes are made to the RFP. In the event of a conflict between a version of the RFP in the Offeror's possession and the Issuing Office's version of the RFP, the Issuing Office's version shall govern.

I-30. Participating Addendum with an External Procurement Activity. For this RFP, the participation of an External Procurement Activity is limited to Electronic Payment Processing Only.

Section 1902 of the *Commonwealth Procurement Code*, 62 Pa.C.S. § 1902, permits external procurement activities to participate in cooperative purchasing agreements for the procurement of services, supplies or construction.

A. **Definitions.** The following words and phrases have the meanings set forth in this subsection a of **Part I, Section 1-30**:

- 1) *External Procurement Activity:* The term, as defined in 62 Pa.C.S. § 1901, means a “ buying or ganization not l o cated i n t he C ommonwealth [of Pennsylvania] w hich i f l o cated i n t his C ommonwealth w ould qualify as a public pr ocurement uni t [under 62 P a.C.S. § 1 901]. A n a gency o f t he United States is an external procurement activity.
- 2) *Participating Addendum:* A bilateral agreement executed by the Contractor and an external procurement activity that clarifies the operation of the contract for the external procurement activity concerned. The terms and conditions in any participating addendum shall affect only the procurements of the purchasing entities under the jurisdiction of the external procurement activity signing the participating addendum.
- 3) *Public Procurement Unit:* The term, as defined in 62 Pa.C.S. § 1901, means a “local public procurement unit or purchasing agency.”
- 4) *Purchasing Agency:* The term, as defined in 62 Pa.C.S. § 1903, means a “Commonwealth agency authorized by this part or any other law to enter into contracts for itself or as the agent of another Commonwealth agency.”

B. **General.** A participating addendum shall incorporate the terms and conditions of the contract resulting from this RFP. The Contractor shall not be required to enter into any participating addendum.

C. **Additional Terms.**

- 1) A participating addendum may include additional terms that are required by the law governing the external procurement activity.
- 2) A participating addendum may include new, mutually agreed upon terms that clarify ordering procedures specific to a participating external procurement activity.
- 3) The construction and effect of any participating addendums shall be governed by and construed in accordance with the laws governing the external procurement activity.
- 4) If an additional term requested by the external procurement activity will result in an increased cost to the Contractor, the Contractor, shall adjust its rebate/discount/incentives accordingly.

- D. **Rebate/Discounts/Incentives.** The Contractor's rebate /discount/incentives for an external procurement activity shall be firm and fixed for the duration of the initial term of the contract. After the initial term of the contract, if the contract is renewed, the Contractor's rebate/discount/incentive may be adjusted with the mutual agreement of both the Contractor and any external procurement activity.
- E. **Usage Reports on External Procurement Activities.** The Contractor shall furnish to the Contracting Officer an electronic quarterly usage report, preferably in spreadsheet format no later than the fifteenth calendar day of the succeeding calendar quarter. Reports shall be e-mailed to the Contracting Officer for the contract number, period covered by the report, the name of the external procurement activity that has used the contract and the total volume of transactions to the external procurement activity for the reporting period.
- F. **Electronic Copy of Participating Addendum.** The Contractor, upon request of the Contracting Officer, shall submit **one** electronic copy of the participating addendum to the Contractor Officer within **ten** days after request.

PART II

PROPOSAL REQUIREMENTS

Offerors must submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFP. Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the Proposal. All cost data relating to this proposal and all Disadvantaged Business cost data should be kept separate from and not included in the Technical Submittal. Each Proposal shall consist of the following **three** separately sealed submittals:

- A. Technical Submittal, which shall be a response to RFP **Part II, Sections II-1 through II-8**;
- B. Disadvantaged Business Submittal, in response to RFP **Part II, Section II-9**; and
- C. Cost Submittal, in response to RFP **Part II, Section II-10**.

The Issuing Office reserves the right to request additional information which, in the Issuing Office's opinion, is necessary to assure that the Offeror's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Issuing Office may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, and the Offeror shall furnish to the Issuing Office all requested information and data. The Issuing Office reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Offeror fails to satisfy the Issuing Office that such Offeror is properly qualified to carry out the obligations of the RFP and to complete the Project as specified.

Offerors are instructed to develop responses that are practical and to elaborate on logistical considerations of project implementation, such as project work plan, work flow continuation/interruption, and how best to complete the tasks and services of this RFP. Also, when indicating that the proposed work plan can satisfy the requirements of this RFP, or that a particular task will be completed, the Offeror should describe how the task will be achieved, or how the Offeror will perform the given functions to ensure the success of the plan.

Sections should be tabbed and pages numbered consecutively for ease of review. Responses should be provided in the same tab and in the same sequence as the questions asked. Each question/requirement in this RFP should be restated (including section and number) by the Offeror and should be followed by the Offeror's corresponding answer or explanation. If an RFP question or requirement is not applicable, or if there is no answer, so state. Provide as an Appendix to the proposal any other information that may be relevant but does not appropriately fit into the tabs. Pamphlets, brochures or other marketing material **should not** be included in the proposal.

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided. Include a copy of the Offeror's most recent Report on Service Organization's Controls (SAS70, as amended).

II-3. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the Description of Services in **Part IV** of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique (PERT) or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach.

II-4. Prior Experience. Include experience in the processing of electronic payments, including those of any proposed subcontractors. The description should address experience with other governmental agencies and engagements similar to the size and scope of the work requested in this RFP. Provide detailed project descriptions, including contract duration, Offeror role and accomplishments. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to must be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

II-5. Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the Project. The Offeror should describe the proposed organization structure, functional and contractual reporting responsibilities. For key personnel defined as the project manager and account manager, include the employee's name and, through a resume or similar document, the Project personnel's education and experience in implementing and managing the processing of electronic payments. Indicate the responsibilities each individual will have in this Project and how long each has been with your company. Identify by name any subcontractors you intend to use and the services they will perform.

II-6. Training. If appropriate, indicate recommended training of agency personnel. Include the agency personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

II-7. Financial Capability. Describe your company's financial stability and economic capability to perform the contract requirements. Financial documents such as audited financial statements will be acceptable to the Commonwealth. Please provide a link to your company's financial statements or include a paper copy with your proposal.

II-8. Objections and Additions to Standard Contract Terms and Conditions. The Offeror will identify which, if any, of the terms and conditions (contained in **Part V** of this RFP) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the standard contract terms and conditions. The Offeror's failure to make a submission under this paragraph will result in its waiving its right to do so later. The Offeror shall not request changes to the other provisions of the RFP, nor shall the Offeror request to completely substitute its own terms and conditions for **Part V** of this RFP. All terms and conditions must appear in one integrated contract. The Issuing Office will not accept references to the Offeror's, or any other, online guides or online terms and conditions contained in any proposal.

Negotiation of any Objections or Additions to the Contract Terms and Conditions will be handled in accordance with the procedures specified in Section I-20. Best and Final Offers of this Contract.

Regardless of any objections set out in its proposal, the Offeror must submit its proposal, including the cost proposal, on the basis of the terms and conditions set out in **Part V** of this RFP. The Issuing Office will reject any proposal that is conditioned on the negotiation of the terms and conditions set out in **Part V of this RFP or to other provisions of the RFP as specifically identified above.**

II-9. Disadvantaged Business Submittal.

A. Disadvantaged Business Information.

- 1) To receive credit for being a Small Disadvantaged Business or a Socially Disadvantaged Business or for entering into a joint venture agreement with a Small Disadvantaged Business or for subcontracting with a Small Disadvantaged Business (including purchasing supplies and/or services through a purchase agreement), an Offeror must include proof of Disadvantaged Business qualification in the Disadvantaged Business Submittal of the proposal, as indicated below:
 - a. A Small Disadvantaged Business certified by BMWBO as an MBE/WBE must provide a photocopy of their BMWBO certificate.
 - b. Businesses certified by the U.S. Small Business Administration pursuant to Section 8(a) of the Small Business Act (15 U.S.C. § 636(a)) as an 8(a) Small Disadvantaged Business must submit proof of U.S. Small Business Administration certification. The owners of such businesses must also submit proof of United States citizenship.
 - c. Businesses, which assert that they meet the U.S. Small Business Administration criteria for designation as a small disadvantaged business, must submit: a) self-certification that the business meets the Small Business Administration criteria and b) documentary proof to support the self-certification. The owners of such businesses must

also submit proof of United States citizenship, and provide any relevant small disadvantaged business certifications by other certifying entities.

- d. All businesses claiming Small Disadvantaged Business status, whether as a result of BMWBO certification, or U.S. Small Business Administration certification as an 8(a) or self-certification as a U.S. Small Business Administration small disadvantaged business, must attest to the fact that the business has no more than 100 full-time or full-time equivalent employees.
- e. All businesses claiming Small Disadvantaged Business status, whether as a result of BMWBO certification, or U.S. Small Business Administration certification as an 8(a) or self-certification as a U.S. Small Business Administration small disadvantaged business, must submit proof that their gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished by including a recent tax return or audited financial statement.

2) All businesses claiming status as a Socially Disadvantaged Business must include in the Disadvantaged Business Submittal of the proposal clear and convincing evidence to establish that the business has personally suffered racial or ethnic prejudice or cultural bias stemming from the business person's color, ethnic origin or gender. The submitted evidence of prejudice or bias must:

- a. Be rooted in treatment that the business person has experienced in American society, not in other countries.
- b. Show prejudice or bias that is chronic and substantial, not fleeting or insignificant.
- c. Indicate that the business person's experience with the racial or ethnic prejudice or cultural bias has negatively impacted his or her entry into and/or advancement in the business world.

BMWBO shall determine whether the Offeror has established that a business is socially disadvantaged by clear and convincing evidence.

3) In addition to the above verifications, the Offeror must include in the Disadvantaged Business Submittal of the proposal the following information:

- a. Those Small Disadvantaged Businesses submitting a proposal as the Offeror, must include a numerical percentage which represents the total percentage of the work (as a percentage of the total cost in the

Cost Submittal) to be performed by the Offeror and not by subcontractors and suppliers.

- b. Those Small Disadvantaged Businesses submitting a proposal as a part of a joint venture partnership, must include a numerical percentage which represents the total percentage of the work (as a percentage of the total cost in the Cost Submittal) to be performed by the Small Disadvantaged Business joint venture partner and not by subcontractors and suppliers or by joint venture partners who are not Small Disadvantaged Businesses. Offeror must also provide:
 - i) The amount of capital, if any, each Small Disadvantaged Business joint venture partner will be expected to provide.
 - ii) A copy of the joint venture agreement signed by all parties.
 - iii) The business name, address, name and telephone number of the primary contact person for the Small Disadvantaged Business joint venture partner.
- c. **All** Offerors must include a numerical percentage which represents the total percentage of the total cost in the Cost Submittal that the Offeror commits to paying to Small Disadvantaged Businesses as subcontractors. To support its total percentage DB subcontractor commitment, Offeror must also include:
 - i) The dollar amount of each subcontract commitment to a Small Disadvantaged Business;
 - ii) The name of each Small Disadvantaged Business. The Offeror will not receive credit for stating that after the contract is awarded it will find a Small Disadvantaged Business.
 - iii) The services or supplies each Small Disadvantaged Business will provide, including the timeframe for providing the services or supplies.
 - iv) The location where each Small Disadvantaged Business will perform services.
 - v) The timeframe for each Small Disadvantaged Business to provide or deliver the goods or services.
 - vi) A signed subcontract or letter of intent for each Small Disadvantaged Business. The subcontract or letter of intent must identify the specific work, goods or services the Small

Disadvantaged Business will perform and how the work, goods or services relates to the project.

- vii) The name, address and telephone number of the primary contact person for each Small Disadvantaged Business.
 - viii) The total percentages and each subcontractor commitment will become contractual obligations once the contract is fully executed.
 - ix) The name and telephone number of the Offeror's project (contact) person for the Small Disadvantaged Business information.
- 4) The Offeror is required to submit **two** copies of its Disadvantaged Business Submittal. The submittal shall be clearly identified as Disadvantaged Business information and sealed in its own envelope, separate from the remainder of the proposal.
 - 5) A Small Disadvantaged Business can be included as a subcontractor with as many prime Contractors as it chooses in separate proposals.
 - 6) An Offeror that qualifies as a Small Disadvantaged Business and submits a proposal as a prime Contractor is not prohibited from being included as a subcontractor in separate proposals submitted by other Offerors.

B. Enterprise Zone Small Business Participation.

- 1) To receive credit for being an enterprise zone small business or entering into a joint venture agreement with an enterprise zone small business or subcontracting with an enterprise zone small business, an Offeror must include the following information in the Disadvantaged Business Submittal of the proposal:
 - a. Proof of the location of the business' headquarters (such as a lease or deed or Department of State corporate registration), including a description of those activities that occur at the site to support the other businesses in the enterprise zone.
 - b. Confirmation of the enterprise zone in which it is located (obtained from the local enterprise zone office).
 - c. Proof of United States citizenship of the owners of the business.

- d. Certification that the business employs no more than 100 full-time or full-time equivalent employees.
 - e. Proof that the business' gross annual revenues are less than \$20,000,000 (\$25,000,000 for those businesses in the information technology sales or service business). This can be accomplished by including a recent tax return or audited financial statement.
 - f. Documentation of business organization, if applicable, such as articles of incorporation, partnership agreement or other documents of organization.
- 2) In addition to the above verifications, the Offeror must include in the Disadvantaged Business Submittal of the proposal the following information:
- a. The name and telephone number of the Offeror's project (contact) person for the Enterprise Zone Small Business.
 - b. The business name, address, name and telephone number of the primary contact person for each Enterprise Zone Small Business included in the proposal. The Offeror must specify each Enterprise Zone Small Business to which it is making commitments. The Offeror will not receive credit for stating that it will find an Enterprise Zone Small Business after the contract is awarded or for listing several businesses and stating that one will be selected later.
 - c. The specific work, goods or services each Enterprise Zone Small Business will perform or provide.
 - d. The total cost amount submitted in the Offeror's cost proposal and the estimated dollar value of the contract to each Enterprise Zone Small Business.
 - e. Of the estimated dollar value of the contract to each Enterprise Zone Small Business, the percent of the total value of services or products purchased or subcontracted that each Enterprise Zone Small Business will provide.
 - f. The location where each Enterprise Zone Small Business will perform these services.
 - g. The timeframe for each Enterprise Zone Small Business to provide or deliver the goods or services.

- h. The amount of capital, if any, each Enterprise Zone Small Business will be expected to provide.
 - i. The form and amount of compensation each Enterprise Zone Small Business will receive.
 - j. For a joint venture agreement, a copy of the agreement, signed by all parties.
 - k. For a subcontract, a signed subcontract or letter of intent.
- 3) The dollar value of the commitment to each Enterprise Zone Small Business must be included in the same sealed envelope with the Disadvantaged Business Submittal of the proposal. The following will become a contractual obligation once the contract is fully executed:
- a. The amount of the selected Offeror's Enterprise Zone Small Business commitment;
 - b. The name of each Enterprise Zone Small Business; and
 - c. The services each Enterprise Zone Small Business will provide, including the timeframe for performing the services.

II-1. Cost Submittal. The information requested in this **Part II, Section II-10** shall constitute the Cost Submittal. The Cost Submittal (**Appendix H**) shall be placed in a separate sealed envelope within the sealed proposal, separated from the technical submittal. The total proposed costs shall be broken down into the following components: **Service Costs and Equipment Costs**. Offerors should **not** include any assumptions in their cost submittals. If the Offeror includes assumptions in its cost submittal, the Issuing Office may reject the proposal. Offerors should direct in writing to the Issuing Office pursuant to **Part I, Section I-9**, of this RFP any questions about whether a cost or other component is included or applies. All Offerors will then have the benefit of the Issuing Office's written answer so that all proposals are submitted on the same basis.

ALL costs associated with the proposal must be itemized and must include, if applicable, the items listed hereafter. (If an item is not applicable, so indicate on your cost statement.)

Contractors may not label a fee category "Miscellaneous Fees". Each fee assessed must be individually named, described and calculated. Note: No other charges, fees, or costs shall be incurred or paid by the Commonwealth without written agreement signed and executed by the Commonwealth and the successful Contractor.

The cost will be comprised of two (2) categories:

- A. Service Costs.
- B. Equipment Costs.

Service Costs shall include all costs for providing the services covered under Part IV-3, Description of Services and will be broken down into the following categories: Unbundled, Bundled, Online Debit Card Costs, Non-Bank Card Costs and Service Fee Charged to Commonwealth Customers.

Equipment costs shall include, but not be limited to, per unit:

- A. Purchase cost (the cost to purchase equipment).
- B. Lease Cost (the cost to lease the equipment).
- C. Lease with option to purchase cost (the cost to lease the equipment with the option to purchase).
- D. Cost of a maintenance contract for leased pin pads or Commonwealth owned pin pads.

Note: Include the costs of all equipment necessary to provide the services requested in this RFP which includes this equipment:

- IC Verify for Windows, version 2.6 for Single User, Multi User, and Additional User (or higher)
- Hypercom Model T1E terminal (or equivalent or higher)
- Hypercom Model S8 keypad (or equivalent or higher)
- Hypercom Model 57-CR keypad (or equivalent or higher)
- Hypercom Model T7P terminal (or equivalent or higher)
- Verifone MX 830 Pin Pad
- Verifone Printer 250 (or equivalent or higher)
- Verifone PinPad 2000 (or equivalent or higher)
- Manual Imprinter
- Portable Imprinter
- Other Equipment to be used for transaction processing

Indicate if discounts are available based on quantity or other factors. Be sure to list any additional services/costs that are incorporated into the Contractor's equipment cost.

The Commonwealth may require that the equipment to implement this effort, the cost of which will be borne by the Commonwealth, be purchased by the Commonwealth through normal procurement methods. If the Contractor buys the equipment and bills the Commonwealth for its

cost, ownership vests with the Commonwealth and the equipment will be delivered by the Contractor to the Commonwealth upon completion of the contract.

The Issuing Office will reimburse the selected Offeror for work satisfactorily performed after execution of a written contract and the start of the contract term, in accordance with contract requirements, and only after the Issuing Office has issued a notice to proceed.

II-2. Domestic Workforce Utilization Certification. Complete and sign the Domestic Workforce Utilization Certification contained in **Appendix C** of this RFP. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal must be:

- A. Timely received from an Offeror;
- B. Able to certify that all mandatory technical requirements in **Appendix B** of this RFP are provided by the Offeror.
- C. Properly signed by the Offeror.

III-2. Technical Nonconforming Proposals. The Issuing Office reserves the right, in its sole discretion, to waive technical or immaterial nonconformities in an Offeror's proposal.

III-3. Evaluation. The Issuing Office has selected a committee of qualified personnel to review and evaluate timely submitted proposals. Independent of the committee, BMWBO will evaluate the Disadvantaged Business Submittal and provide the Issuing Office with a rating for this component of each proposal. The Issuing Office will notify in writing of its selection for negotiation the responsible Offeror whose proposal is determined to be the most advantageous to the Commonwealth as determined by the Issuing Office after taking into consideration all of the evaluation factors. The Issuing Office will award a contract only to an Offeror determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, *Contractor Responsibility Program*.

III-4. Criteria for Selection. The following criteria will be used in evaluating each proposal. In order for a proposal to be considered for selection for best and final offers or selection for contract negotiations, the total score for the technical submittal of the proposal must be greater than or equal to 70% of the highest scoring technical submittal and be in the top competitive range of responsive proposals.

- A. **Technical:** The Issuing Office has established the weight for the Technical criterion for this RFP as **50%** of the total points. Evaluation will be based upon the following in order of importance:
 - 1) Soundness of Approach
 - 2) Offeror's Qualifications
 - 3) Understanding the Problem
 - 4) Personnel Qualifications
- B. **Cost:** The Issuing Office has established the weight for the Cost criterion for this RFP as **30%** of the total points. Cost will be determined by taking a blended figure from the total bundled and unbundled costs provided.

- C. **Disadvantaged Business Participation:** BMWBO has established the weight for the Disadvantaged Business Participation criterion for this RFP as **20%** of the total points. Evaluation will be based upon the following in order of priority:

Priority Rank 1	Proposals submitted by Small Disadvantaged Businesses.
Priority Rank 2	Proposals submitted from a joint venture with a Small Disadvantaged Business as a joint venture partner.
Priority Rank 3	Proposals submitted with subcontracting commitments to Small Disadvantaged Businesses.
Priority Rank 4	Proposals submitted by Socially Disadvantaged Businesses.

Each proposal will be rated for its approach to enhancing the utilization of Small Disadvantaged Businesses and/or Socially Disadvantaged Businesses. Each approach will be evaluated, with Priority Rank 1 receiving the highest score and the succeeding options receiving scores in accordance with the above-listed priority ranking

To the extent that an Offeror qualifies as a Small Disadvantaged Business or a Socially Disadvantaged Business, the Small Disadvantaged Business or Socially Disadvantaged Business cannot enter into subcontract arrangements for more than **40%** of the total estimated dollar amount of the contract. If a Small Disadvantaged Business or a Socially Disadvantaged Business subcontracts more than **40%** of the total estimated dollar amount of the contract to other Contractors, the Disadvantaged Business Participation scoring shall be proportionally lower for that proposal.

- D. **Enterprise Zone Small Business Participation:** In accordance with the priority ranks listed below, bonus points in addition to the total points for this RFP, will be given for the Enterprise Zone Small Business Participation criterion. The maximum bonus points for this criterion is 3% of the total points for this RFP. The following options will be considered as part of the final criteria for selection:

Priority Rank 1	Proposals submitted by an Enterprise Zone Small Business will receive three percent bonus for this criterion.
Priority Rank 2	Proposals submitted by a joint venture with an Enterprise Zone Small Business as a joint venture

partner will receive two percent bonus for this criterion.

Priority Rank 3

Proposals submitted with a subcontracting commitment to an Enterprise Zone Small Business will receive the one percent bonus for this criterion.

Priority Rank 4

Proposals with no Enterprise Zone Small Business Utilization shall receive no points under this criterion.

To the extent that an Offeror is an Enterprise Zone Small Business, the Offeror cannot enter into contract or subcontract arrangements for more than **40%** of the total estimated dollar amount of the contract in order to qualify as an Enterprise Zone Small Business for purposes of this RFP.

- E. **Domestic Workforce Utilization:** Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFP. The maximum bonus points for this criterion is 3% of the total points for this RFP. To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those Offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal. The certification will be included as a contractual obligation when the contract is executed.

PART IV

WORK STATEMENT

This RFP has been issued by the Department of General Services to obtain proposals from qualified Contractors for the acceptance, processing and support services of electronic payments for the Commonwealth of Pennsylvania. The use of the term "Commonwealth" or a gency throughout this work statement shall constitute any agency, department, commission, board, etc. accepting electronic payments. Electronic payments include, but are not limited to:

Electronic payments currently in use:

- Bank and non-bank Credit Cards (Visa, MasterCard, Amex, Discover) by Point of Sale (POS), Phone, Mail, Fax, Internet, POS Kiosks and Interactive Voice Response (IVR)
- On-line and Off-line Debit Cards, combination debit/credit cards by POS and POS Kiosks

Electronic payments that may be used in the future:

- Gift Cards
- Smart Cards
- E-Check by Internet, Check Scanners

The Commonwealth reserves the right to process non-bank cards directly to credit card companies.

The Commonwealth is dependent upon the successful collection of revenue to maintain its operations. The Commonwealth operates within unique fiscal, legal and operating requirements that are not present in normal commercial, business, corporate, and private business environments. The following are examples of the Commonwealth's unique requirements:

- The existence of legal statutes and accounting regulations that currently require the Commonwealth to collect gross, not net, revenues.
- The setting of Commonwealth fees by legislative statute or regulation, with no allowance for adjusting fees to cover processing costs.
- The nonprofit nature of governmental entities, which precludes the option of paying processing fees from profits.
- The non-discretionary nature of many government fees, i.e. taxes, that citizens are required to pay resulting in the need to keep these fees as low as possible.
- The extremely low risk of fraud, chargeback's, reversals, etc. due to the nature of government payments (e.g. taxes, registrations, licenses, etc.).

The Commonwealth seeks a creative working partnership that will enhance the Commonwealth's ability not only to collect revenues, but also to create an environment that encourages the increased use of electronic payments by Commonwealth citizens and customers. The ease of use and cost effectiveness of electronic payment options by both Commonwealth customers and agencies is of the highest priority.

The Commonwealth wishes to acquire the most cost-effective and reliable services without interruption to the current systems. The Contractor should propose the most cost effective way of providing functionality that operates with our current and future systems, which may include enhancements that benefit the current systems. It is the intent that the Contractor will provide the highest level of service to all agencies while maintaining a great deal of flexibility and autonomy for each Commonwealth agency.

IV-1. Objectives.

The objectives of the Commonwealth are:

- A. To provide the taxpayers and customers of government an expanded choice of payment methods.
- B. To enhance customer service and convenience.
- C. To achieve operational efficiencies in its depository functions through the application of a variety of electronic payment technologies.
- D. To expedite availability and access to funds in order to more efficiently manage the day-to-day cash operations of the Commonwealth.
- E. To reduce bank processing charges and to reduce the costs associated with the return and collection of bad checks.
- F. To contract with a Contractor that will provide for electronic payment acceptance, processing and development as technology evolves. To deliver technical support for agency application development using new technology.
- G. To provide for marketing, training, and problem resolution through the contract.
- H. To provide specialized reporting, specialized information requirements, and accounting assistance as provided under the contract.
- I. To deliver to individual Commonwealth agencies specialized technology and customized information reporting functions.
- J. To adhere to agency-specific statutory requirements relating to the acceptance of electronic transfer of funds and credit cards.

IV-2. Statement of Needs. The Commonwealth of Pennsylvania, through its agencies, boards, commissions, departments, etc., accepts payments for admissions, fees, filings, licenses, permits, taxes, merchandise, and other services. The proposed system must provide common interfaces with existing and proposed Commonwealth computer applications described in **Appendix E**. This includes providing services through card present situations such as terminals, cash registers or POS Kiosks as well as card not present situations such as telephone, mail, fax, and Internet. Additionally, the Contractor must be capable of processing Visa, MasterCard, Discover,

American Express, on-line and off-line debit cards, gift cards, smart cards, e-checks, and dual purpose credit/debit cards, which allow the cardholder, at the point of sale, to determine to which account the transaction will be applied. The Contractor must be capable of providing Address Verification Service (AVS) for card not present transactions.

It is the intent of the Commonwealth that the Contractor will provide the highest level of service to all agencies while maintaining a great deal of flexibility and autonomy for each Commonwealth agency.

In general, Commonwealth policy is not to allow service fees to be charged to the customer. However, there may be some instances where the agency may be required to pass a service fee on to the customer, particularly in cases involving the collection of taxes. The Contractor must have the ability to pass fees on to the customer and to collect this fee from the customer as a payment for processing services. This fee shall include all service costs for VISA, MasterCard, American Express, and Discover.

In order to assist Contractors in formulating their proposals, the existing applications and historical volume of transactions is presented in **Appendix E** of this RFP. This information is provided for a Contractor's use in development of its cost proposal and should NOT be considered a guarantee of transactions or dollar amounts. Furthermore, the inclusion or omission of a state agency in this list is not necessarily indicative of that agency's participation in the debit/credit card program. It is imperative that the successful Contractor be flexible to meet the changing needs of the Commonwealth.

IV-3. Description of Service. This section outlines the major tasks required under this RFP. Responses to the RFP must describe in detail how the Contractor will deliver the identified services. The list is not all-inclusive and may require additional information during the implementation as determined by either the Commonwealth or the Contractor. The Contractor is encouraged to supplement this listing in its proposal with additional tasks or ideas that may enhance the processing of Commonwealth credit/debit cards and other electronic payments.

For some services, the Commonwealth may not be aware of the latest technology or management systems that will deliver the services at the most efficient and cost-effective levels. Therefore, it is every Contractor's responsibility to continue to support existing and future applications and to identify and propose the latest technological methods for new applications or applications choosing to convert.

- A. **Types of Electronic Payment Processing Services Requested.** The proposed system must provide for the electronic authorization, data capture and processing of Visa, MasterCard, Discover, American Express (bank and non-bank credit cards), combination debit/credit card, online and offline debit card transactions (sales and returns) and E-checks or its equivalent.

B. **Data Collection Methods.** The proposed system must be able to accommodate the following data collection methods:

- 1) Point-of-Sale (swipe) terminals, registers and POS Kiosks, including Verifone MX830 pin pads.
- 2) Portable Units (including those equipped with PIN pads for debit card processing).
- 3) Internet/Web applications.
- 4) PC-based applications, including IC Verify and Non-swipe terminals used for mail and telephone orders (non IVR).
- 5) Interactive Voice Response (IVR).
- 6) Mainframe processing (batch and real time).
- 7) Wireless devices.

C. **Data Transmission and Retention.** The content of transactions will vary based on agency application. The Contractor must be able to accommodate various agency applications.

- 1) The proposed system must be able to transmit data to the Commonwealth either via the Internet or over a private network utilizing T CPIP/FTP protocol.
- 2) The proposed system must be able to import/export EDI ANSI X.12, XML and various other open systems data transfers.
- 3) The proposed system must be able to import/export/transmit data on-line and in batch mode.
- 4) The Contractor must provide formats of table structures that are made available for interfaces with agency applications.
- 5) The proposed system must retain credit card data in an encrypted format, and this data must only be accessible to authorized Commonwealth personnel.
- 6) The Contractor must be capable of providing timely data processing support in terms of program changes and transmission modifications as may be required and requested by the Commonwealth during the term of this contract.

- 7) The Contractor, at minimum, must retain the data elements required to meet electronic payment operating regulations, federal and state laws. This can be up to a maximum of seven years, based on a agency application requirements.
- 8) The Contractor must demonstrate compliance with PCI Data Security Standards (PCI DSS) by, at minimum, providing the using a agency with documentation of Contractor's annual PCI DSS audit and certification report.

D. **Custom Data Files.** The Contractor must be able to provide custom data files. Custom data files are currently being used by the PLCB and may be used in the future by other agencies. After a batch is closed, the processor must transmit an electronic file of the processed credit/debit card detail transactions by merchant ID to each agency on the following business day. The Contractor must be able to provide data transmissions in the file format specified for PLCB in Appendix I.

E. **General Processing Requirements.** This section describes the processing methodology of the electronic authorization and data capture system as well as the communication network. It includes how individual transaction procedures are accomplished on the part of the Commonwealth personnel using the proposed system.

- 1) The proposed system must perform an exact validation on the credit card number and the credit card expiration date.
- 2) The proposed system must support timeout reversal requests.
- 3) The proposed system must ensure that the quality control system uses sufficient information provided by the Commonwealth to recognize each tender as unique.
- 4) The proposed system must provide the ability to track an individual order by the Commonwealth's unique transaction number from authorization through adjustment, settlement, funding, and reconciliation reporting.
- 5) ***Authorization/Capture.***
 - a. The proposed system must return a authorized/declined data upon receipt of payment authorization.
 - b. The proposed system must perform an automatic reversal if the transaction times out.
 - c. The proposed system must be able to accept, store, and return the Commonwealth's unique transaction identifier.

- d. The proposed system must support the use of Address Verification Service, 3 digit card validation code (CID), Visa C VV2 data and MasterCard CVC2 data in authorization requests for card not present transactions i.e. Internet and mail order.
- 6) **Fulfillment.** The proposed system must be capable of automatic fulfillment when the transaction is authorized. The proposed system must also allow for partial shipping and order fulfillment for those transactions that are not automatically fulfilled.
 - 7) **Adjustment/Voids.** The proposed system must provide the Commonwealth the ability to make adjustments to a transaction before submitting for settlement, including adjustment and cancellation.
 - 8) **Settlement.** (Please refer to **Appendix F** of this RFP)
 - a. The proposed system must be able to automatically close the batch at a designated time or allow the batch to be manually settled. This time may vary by Commonwealth application.
 - b. The proposed system must cutoff exactly at settlement. Example: If auto-settlement is set for 7:00pm daily, a transaction processed at 7:01pm should be in the next day's batch.
 - c. The proposed system must generate a unique batch reference number, a approval notification, confirmation of settlement/non-settlement and a transaction and authorization report upon settlement.
 - d. The proposed system must provide the ability to reconcile funding to the settled batch(es) by agency application and/or location and to the individual transaction within the settled batch(es). The Contractor must provide a detail batch report and transaction totals by issuer report upon settlement. Each settlement batch report must contain, at a minimum, the merchant location/id, unique batch number for that merchant, processing date, type of transaction (sale, refund, and void), type of card used, card number, expiration date, amount, transaction date and time, the Commonwealth's unique transaction number, address verification if the Commonwealth requests it, approval number, a summary showing total transactions for the day, month, and year, and the approval code for that batch. The proposed system must also report any unprocessed transactions.
 - e. The Contractor must be able to provide the Commonwealth before 11:00 a.m. E.S.T. each day, with an amount for the total credit/debit

card sales by a gency, by card type for the preceding business day. For the PLCB, this information must be reported for each store location. The Contractor must propose a method for documenting this amount on a daily basis.

- f. The Contractor must have written procedures for the proper handling of suspended (failed) batches. The Contractor must be able to advise the Commonwealth in the event the settlement did not process or was not received by the host. This notification should be by fax, phone or e-mail within 8 hours. If possible, the Contractor should identify the cause of the failed batch in order to prevent future occurrences.
- g. The proposed system must settle transactions in first-in-first-out order. Example: If transactions # 1 to 1000 were settled resulting in two 500-transaction batches, transactions # 1 to 500 should be in Batch #1 and transactions # 501 to 1000 should be in Batch #2.

9) ***Credits and Refunds.***

- a. The proposed system must allow the Commonwealth to issue credits in the case of an error in payment amount, card number, return, etc. The system must be able to process and obtain a authorization of credit/debit card returns for partial or full credit. In cases where the customer changes credit cards or the credit card's expiration date on the Contractor's system is expired, the system must be able to issue credits for credit cards not previously authorized.
- b. The Contractor must be able to provide separate reports at multiple levels, so that refunds may be mapped back to a specific agency location or entity, with summaries and totals being possible at the agency level.

10) ***Retrievals /Chargeback's.*** Retrieval is defined as a request for sales draft to support a transaction. A chargeback is defined as a transaction in which a cardholder questions and eventually disputes the validity of the transaction posted to his/her statement through his/her issuing bank.

- a. The Contractor must be able to provide notification by fax or e-mail when a chargeback has been initiated by a cardholder's bank. At a minimum, the following information related to the chargeback must be provided: original transaction date, location, Commonwealth transaction identifier, dollar amount, cardholder's account number, reason for the chargeback, and any letters or affidavits from the cardholder. For the PLCB, the store number must also be provided.

- b. The Commonwealth has the right to provide to the Contractor any information/documentation to dispute the claim and accept or deny the chargeback. The Contractor must be capable of receiving information via fax, e-mail or online. The Contractor must confirm via fax or e-mail that the information has been received.
- c. The Contractor must be able to notify the Commonwealth of the outcome of the chargeback request. If the Commonwealth incurs a chargeback, the Contractor must have the ability to debit a bank account designated by the Commonwealth. The Contractor must be able to provide notification prior to debiting this account. The Commonwealth may cancel any products or services if a chargeback occurs.
- d. For Internet transactions, the proposed system must have the ability to report on any previous transaction in its entirety for the purpose of dispute reporting. The proposed system must have the ability to respond to retrieval requests online.

11) ***Processing Time/Requirements.*** Contractors must submit authorized transactions for draft capture within the time frame(s) required by the applicable Card Association(s) that incur the lowest transaction processing rates.

F. **ePay.NET Requirements.** The Commonwealth has developed ePay.NET Version 1.0 (as referenced in **Appendix E** of this RFP) as its standard web service for online credit cards payments. The Offeror must support ePay.NET, which is a **Mandatory Requirement** for submission of a proposal as stated in **Appendix B** of this RFP.

For the user, the ePay.NET Version 1.0 web service provides a seamless transition from the government application to the electronic payment solution provider. The Commonwealth has mandated that all new Internet applications connect to ePay.NET. Reference ITB (Information Technology Bulletin) SEC-0017, Date Issued: September 7, 2006, Date Revised: October 20, 2006. The Information Technology Bulletin can be located at <http://www.portal.state.pa.us/portal/server.pt?open=514&objID=210791&mode=2>.

The Electronic Payment (ePay.NET) Developers Integration Guide (DIG) is available upon request.

Mandatory Contractor deliverables:

- 1) Must be able to support XML-based transactions.
- 2) Must provide an Application Program Interface (API) Guide.
- 3) Must provide detailed transaction error messages for failure in connecting to the payment gateway for troubleshooting purposes.
- 4) Must provide payment gateway availability status upon request.

- 5) Must provide a single point of contact for all payment gateway service technical support issues and maintenance schedules.
- 6) Must provide agency with access to transaction reports for reconciliations, voiding of transactions, and financial report to management for all transactions processed via e-Pay.NET and the vendor payment gateway.

G. **Reporting.** The Commonwealth requires sufficient reports to manage the overall processing of credit/debit cards and to evaluate the Commonwealth's progress toward program goals. Agencies will have varying requirements both in the amount of detail reported and in the mechanism for, and frequency of, reports. The Contractor will be responsible for providing reports to each agency and for ensuring that each agency is only provided the information to which it is entitled and in the format and time frames required. An agency may request that reports be sent to more than one agency location. **Please refer to and complete Appendix G - Transaction Report Detail and Medium Available.**

- 1) **Medium (electronic, e-mail, paper, interface).** All reports, regardless of frequency, must be available electronically. This format requirement must include database search (live query vs. a flat report) based on search criteria. Agencies should be able to download these reports as tab delimited text file format or other file format that may be easily imported into Microsoft Excel 2000 and 2007 and produce hard copies and manipulate the downloaded data with minimum formatting.
- 2) **Frequency of Reports.** The Contract Administrator, or designee, should have access to all agency reports. In addition, Contractors must be able to provide the Contract Administrator with a consolidated monthly summary roll-up report by the 10th calendar day of each month which includes all prior month transactions or the Contract Administrator must have the ability to extract this information electronically.
- 3) **Report Availability.** Reports must be available for next day online query/reporting capabilities, including daily and monthly reports for posting settled funds to the appropriate account(s) and to reconcile available deposits.
- 4) **Level of Report Detail.** Contractors must provide reporting at both a summary and detail level. This detail is required for a assurance, reconciliations and audit purposes. It also provides the required documentation to support all fees charged.
- 5) **Formatting.** The proposed reporting system should provide flexibility and be user friendly. It should have the ability to provide pre-programmed detail and summary reports for the current/unsettled batch and for settled batches by agency application or location. It should also provide for user-initiated ad-hoc queries into both current/unsettled batch and settled batches,

including declined transactions, with various record selection criteria, including transaction date, Commonwealth unique transaction number and ranges, transaction status, credit card type and cardholder name. This information should be available to download as tab delimited text file format or other file format that may be easily imported into Microsoft Excel 2000 and 2007 and should also be easily available to produce hard copy reports. The PLCB requires the database inquiry format to be in a format that includes store totals, store by card type and transaction by store. Search capabilities must include querying by amount, merchant location, and card number.

- 6) **Reporting Records Retention.** The Commonwealth requires that the Contractor maintain records and other data as specified in the contract and in such detail as shall properly substantiate claims for payment under a contract and meet electronic payment operating regulations, federal and state laws. This can be up to a maximum of seven years, based on agency application requirements.
- 7) **Online Reporting.** The Commonwealth requires the Contractor to provide a secure online reporting tool for report generation, inquiry and transaction maintenance (voids and credits).

H. **Invoicing.**

- 1) **Gross, not Netted Revenues.** Currently the Commonwealth is legally required to collect gross, not netted revenues. If a Contractor assists an agency in the collection of revenue, the total of all revenues collected must first be accounted for in the state accounting system prior to payment being made to the Contractor (i.e. no “netting” of revenues and fees). There will be no automatic debiting of Commonwealth accounts for contract-related fees.
- 2) **Monthly Statement of Services Provided.** For agencies that are required to pass the processing or convenience fee to the customer, an itemized listing shall be provided to indicate the fees charged to the customer, including the payment amount, processing or convenience fee, and total amount charged.

For all other agencies, the Contractor must prepare and submit to each serviced agency a monthly statement of the services provided and costs charged under this contract. This statement must delineate volumes, rates and charges at both the agency and location within agency (Merchant ID). Please describe rounding for invoice transaction fees.

- 3) **User-Friendly Invoices.** Invoices must be written in user-friendly language. All terminology should be explained. All charges should reference and be in compliance with the agreed upon fee schedule(s). The Commonwealth

agency should be able to easily match the fees listed on the invoice with the fee schedule(s). No lump sum categories such as “additional fees” or “miscellaneous fees” should appear on the invoice.

- 4) ***Invoice Format.*** Contractors should prepare one invoice for the Commonwealth for all services and equipment costs. This invoice must be delineated by agency and must detail all costs applicable to each agency. This invoice must be delineated by agency, program (application), and location (merchant ID), and must provide support for all fees charged.
- 5) ***Monthly Invoicing.*** Invoices should be based upon the previous calendar month’s activity.
- 6) ***Electronic Invoicing.*** The Contractor must electronically send invoices to the Bureau of Financial Management in a file format agreed to by the Commonwealth.

In addition to the monthly invoice, the Contractor must prepare and submit to each serviced agency a monthly statement of the services provided under this contract. The specific form, content and recipient addresses of the statement of services provided and the invoice will be mutually determined by the Contractor and Contract Administrator. Both of these documents shall be of sufficient detail to delineate the specific goods and services provided and the related costs.

- 7) ***Payments.*** The Commonwealth will approve all invoices for payment and will process a check or ACH payment through the Commonwealth of Pennsylvania’s Treasury Department.
- 8) ***Payments Made in Arrears.*** All fees will be paid monthly in arrears.

- I. **Hardware and Software Requirements.** The Contractor must be able to support the hardware and software described in **Appendix E** of this RFP. Any costs associated with fulfilling this requirement must be absorbed by the Contractor.

For agencies with new or existing applications, the Contractor must be able to provide various types of software and equipment for both card present and card not present transactions.

For Internet transactions, the Contractor must be able to provide a payment gateway. If a processing or service fee is **not** passed to the customer, the agency web site would interface with this gateway, directly or through e-Pay.NET (Reference **Appendix E** of this RFP), rather than redirect the customer. The Contractor must be able to provide the IP Address, URL and port number where the transaction is to be sent. For those agencies required to pass a processing or service fee to the customer, the customer may be redirected to a website to enter payment information.

In the event that the Commonwealth leases equipment, the Commonwealth shall be relieved from all risks of loss or damage to vendor's equipment during the entire period the equipment is in possession of the Commonwealth, except when such loss or damage is due to the direct fault or negligence of the Commonwealth.

- J. **Terminal and Related Equipment Maintenance.** The PLCB requires a maintenance agreement for the Verifone MX830 pin pads. Under this agreement, when a pin pad becomes inoperable, PLCB Help Desk personnel will attempt to isolate and resolve the problem through diagnostic testing. If the problem cannot be resolved, new equipment will be shipped by the PLCB to the store via overnight delivery. The Contractor must keep PLCB Central Office personnel supplied with PLCB specific Key Injection and Application Loaded Verifone MX830 pin pads. Inoperable pin pads will be returned to the depot maintenance area designated by Contractor. This maintenance agreement must cover all costs of the equipment and processing including postage and handling.

The Contractor must provide other agencies maintenance agreements for all equipment leased and purchased from the Contractor to cover all costs of the equipment and processing, including postage and handling. Under this agreement, inoperable equipment will be returned to the depot maintenance area designated by the Contractor. If the problem cannot be resolved, the Contractor will ship new equipment via overnight delivery.

- K. **System Assurance.**

- 1) ***Test Environment.*** The proposed system must provide a test environment that is a mirror of the production environment. The test environment must be available from at least 7:30 a.m. to 6:00 p.m. Monday through Friday, and periodically beyond these hours as required by the Commonwealth.

Any changes to the test environment must be submitted to the Commonwealth for review prior to implementation. Any changes deemed to have a negative impact on the processing of Commonwealth test or production transactions may be rejected.

The Contractor must provide necessary systems and data accesses to Commonwealth representatives performing independent verification and validation testing of the system's readiness (including but not limited to applications testing, stress testing, vulnerability testing, security testing, and usability testing). A certification analyst must be assigned to the Commonwealth's representative within five (5) business days of the Commonwealth's Request.

- 2) **Acceptance Testing.** Acceptance testing will be performed for the following devices and applications, and other devices that may be added to the contract upon mutual written consent of the Commonwealth and the Contractor. All devices must be certified to the Contractor's system. These include, but are not limited to:
 - POS Terminals
 - POS Kiosks
 - Registers
 - Equipment provided by either the agency or Contractor
 - Internet applications
 - PC Applications (whether or not the software is provided to the agency by the Contractor)
 - Interactive Voice Response Systems
 - Mainframe processing systems
 - Other (specify)
- 3) **Sufficient Processing Capacity.** Sufficient processing capacity is required to meet the Commonwealth's potential volume.
- 4) **Change Control Process.** The Contractor must have in place a Change Control Process for program changes and/or transmission modifications that includes a Commonwealth sign-off. If the Contractor plans to make changes to its operating platform, the Commonwealth and each using agency must be notified in writing 60 days in advance and provide at least 120 days to test the platform and modify its own systems prior to implementation of the platform changes.
- 5) **Security and Confidentiality.** All materials and information provided to the Contractor by the Commonwealth or acquired by the Contractor on behalf of the Commonwealth shall be regarded as confidential information in accordance with federal and state laws and ethical standards.

The Contractor must provide an electronic system between the Contractor and Commonwealth agencies to ensure the security and confidentiality of information passed. The proposed system must have in place a system of controls and procedures to accurately account for all transactions and occurrences. The Contractor must incorporate system security measures to prevent disclosure of information, except as authorized by the Commonwealth in any personally identifiable system user records.

The Contractor must comply with the Office of Administration, Office of Information Technology's Electronic Commerce/EDI security requirements ITB-SEC020 Encryption Standards for Data at Rest, Issued: 8/17/07, Revised: 3/19/08; and ITB-SEC031 Encryption Standards for Data in Transit, Issued: 8/17/07, Revised: 11/6/07 located at <http://www.portal.state.pa.us/portal/server.pt?open=514&objID=210791&mode=2>.

- 6) **Data Mining.** The Contractor must not sell, use, or provide lists of cardholder/customer information except to the extent authorized in writing by the Issuing Officer.
- 7) **Service Continuity.** The Contractor shall maintain seamless, redundant back-up systems, including fail over facilities, in order to facilitate uninterrupted services, exclusive of planned maintenance downtime. Service availability is required 24 hours a day, 365 days a year. The Contractor must schedule planned maintenance at non-peak business hours, giving at least 24 hours notice for scheduled downtime.

Monthly downtime/failure report must be provided to the Contract Administrator which includes the date of the report, period covered, issue number, description of the issue, the time frame of the issue, corrective action, status, contact person, and impact analysis.

If the Commonwealth experiences service interruptions, face-to-face credit card transactions under \$200 can be processed without obtaining an authorization for the transaction. All other credit card procedures will be followed. The Commonwealth will not be liable for chargeback's for disputed transactions that occur during this time frame.

- 8) **Back Up Plan.** The Contractor must provide incident reports of any network outages, work stoppages, or other payment processing problems. This includes, but is not limited to, systemic problems related to authorizing credit on-line and human errors that result in duplicate payments or non-payments. The Contractor shall inform the Contract Administrator of all incidents within 24 hours of occurrence or awareness, and shall provide an incident report within 5 business days. Incident reports shall include a

description of the incident, the cause, number of customers impacted, duration of the incident, and actions taken to remedy the incident.

- 9) ***Disaster Recovery Plan.*** A Disaster Recovery Plan must be in place at contract inception and tested annually to assure that all operations continue during a man-made or natural disaster situation with minimal disruption. Maximum projected service gaps shall be defined. The plan shall include, but not limited to, a full description of: steps to be taken to provide services from an alternate site if necessary; data protection actions; equipment recovery; resumption of services; restoration services to the original site; and a projected timeline to accomplish these actions in a hypothetical state of emergency. The plan shall also describe preventative steps put in place to reduce service disruption.

L. **Customer Support.**

- 1) ***Hours of Availability/Response Time.*** Contractors must provide help desk, technical support, maintenance support and any other customer related services to the Commonwealth consistent with the operating hours of the various Commonwealth agencies. **For Internet applications support is required to be available 24 hours a day, 365 days per year.** The Contractor must provide a toll free help desk number. The help desk must be available 24 hours a day, 365 days a year. The Contractor should provide a weekly report to include the number of calls received, average response time, and number of calls resolved.
- 2) ***Problem Resolution.*** The Contractor must have a plan for resolution of Commonwealth issues including points of contact and escalation procedures. The escalation procedures must indicate at what points in time unresolved problems are escalated through the Contractor's chain of command. The escalation procedures must indicate the time frames in terms of hours following placement of a call, and include the level of support and management notified at each step. The list for points of contacts shall be updated quarterly and provided to the Contract Administrator via e-mail.

The Contractor must be included in any communication between agencies and subcontractors – agencies do not independently contact subcontractors. The Contractor must contact the subcontractor the same day the agency's inquiry occurs. The agency should receive a response within 24 hours.

Because of the huge customer impact with the PennDOT and other agency web applications, upon identifying an outage, the Contractor must notify all affected agencies within 30 minutes. The notification should include estimated downtime.

- 3) **Responsibility / Accountability.** As our credit card processor, the Contractor must play a major role in the resolution of any payment processing errors, especially when it directly affects the Commonwealth's customers. This includes, but is not limited to, correspondence with affected customers.
- 4) **Training.** Training is to be provided at both a user and technical support level for Commonwealth staff and shall include both existing as well as new software and equipment. The Contractor must provide a user manual for the reporting tool, including reconciliation, reporting, ad-hoc querying, funding, etc. Please **do not** provide copies of training materials with the proposal. Training materials will be requested at a later time.
- 5) **Marketing.** The Contractor must provide marketing material that supports public awareness of Commonwealth e-commerce applications and electronic payments. The Contractor must work with the Commonwealth agencies to develop a collaborative marketing plan that supports public awareness of Commonwealth electronic payments. The marketing plan will include specific marketing activities to be performed by both the Contractor and the Commonwealth. Marketing programs designed to increase both awareness and usage will be put in place before critical payment periods.

M. **Cash Management.**

- 1) The merchant bank responsible for the electronic payment processing contract must have a Fitch International Individual Bank Rating of "B" or higher **or** a Fitch International Long-Term Credit Rating of "BBB" or higher.
- 2) The Contractor must credit the Commonwealth account(s) with funds equal to each agency's end-of-day settlement for all bankcard and debit card transactions (i.e. Visa, MasterCard and debit card funding) on the next business day from the settlement date. Please refer to **Appendix F** of this RFP. All agencies' end-of-day settlement is defined as a calendar day ending no later than 11:00 p.m. EST. If next business day funding is not available, the Contractor must pay interest on for the one day that cash is not available. Interest shall be paid on a monthly basis, no later than 10 calendar days after the end of the calendar month. The Contractor must pay this interest by either a check made payable to the Commonwealth of Pennsylvania" or by an ACH into a n a ccount designated by the Commonwealth's Treasury Department. The Contractor cannot apply the interest payment against any Commonwealth billings. A monthly report detailing how the interest was calculated and applied to each agency application must be sent to the Commonwealth to support the interest payment. The interest paid will be calculated by using Prime as stated in the Wall Street Journal at <http://www.wsjprimerate.us/>.

For example:

Next Day Funding - An agency's Thursday sales are credited to the Commonwealth account(s) on Friday. An agency's Friday, Saturday and Sunday sales are credited to the Commonwealth account on Monday.

Two-Day Funding – An agency's Thursday sales are credited to the Commonwealth account(s) on Monday. Interest is payable for one day. An agency's Friday, Saturday and Sunday sales are credited to the Commonwealth account on Tuesday. Interest is payable for one day.

Note: The Commonwealth contracts directly with American Express and Discover; therefore funding for American Express and Discover are covered under those contracts.

The Contractor must initiate the deposit of the funds as described above through an ACH payment to the Commonwealth's designated depository bank accounts that have been established for electronic payment deposits. The Contractor must be able to debit multiple bank accounts as designated by the Commonwealth. For example, the PLCB has its credit/debit card accounts structured with four accounts: two (2) affiliate sub-accounts, a chargeback account and a control account. Each store's bank card credit/debit sales are posted as one amount to one affiliate account for each of the PLCB's approximately 725 stores. Chargeback's and other funding adjustments are posted to the chargeback account, upon written notification by the PLCB. Agencies will provide the Contractor with this depository bank account information, following approval by the State Treasurer.

N. **Implementation.**

- 1) ***Contractor Implementation Process – New and Transitioning Users.*** The selected Contractor will be expected to collaborate with designated Commonwealth personnel to develop a comprehensive plan for this effort and then make every effort in support of this plan to ensure that a turnover is successful and smooth. The Contractor must be capable of making an orderly transition of services without any interruption of services to Commonwealth customers.

The Contractor must provide a detailed implementation plan for accomplishing all of the work proposed in this RFP. If a "phased-in" conversion is proposed, the start of the phase-in must be coordinated with the Commonwealth. This should include the Contractor's approach to testing, meeting the required timelines for implementation, transitioning

issues, and solutions for transitioning from the current Contractor and for transition to future phased-in applications. (See **Appendix E** of this RFP for current Contractor, service providers and future applications).

The Pa Liquor Control Board anticipates beginning the transition into a new POS system in the fall of 2010 with pilot stores. The transition will be a phased-in approach with full rollout to remaining stores anticipated to begin January 2011. The Contractor must be able to assist the PLCB with this orderly transition and provide uninterrupted service through both POS systems until the transition is complete.

Implementation cannot take place between April and September for DCNR and between October and January for PLCB. These are high volumes periods for the two agencies and preclude transitioning during those times.

- 2) ***Agency Participation Procedures.*** Agencies using the electronic payment processing contract for new programs will contact the Contract Administrator, who will provide them with an enrollment package. This package will contain all information agencies need to have prior to participating in the contract. If an agency contacts a Contractor directly, the Contractor should direct the agency to the Contract Administrator. Contractors are not authorized to conduct business with any Commonwealth agency without following these procedures.

After an agency receives the enrollment package, the Contractor and agency will meet to discuss agency needs and determine services the Contractor will offer the agency. The Contract Administrator should be notified by the Contractor of every meeting held between the Contractor and any agency. The Contract Administrator may attend any of these meetings.

- 3) ***Weekly Development Status Reports.*** The Contractor must provide weekly status reports. Status reports are due by the close of business each Monday for the preceding week through the implementation date of the program. The reports shall cover the overall progress of the program's development and will be used throughout the initial development phase of the project and any subsequent expansion of the program. Reports shall be provided to the Contract Administrator. The report shall contain the following information:
 - Date of report.
 - Project manager name.
 - Project manager telephone number, fax number, e-mail address.
 - Brief description of the work accomplished, emphasizing progress made since last reporting period.
 - Description of any unresolved and/or anticipated problems, if any, name of individual assigned to them, anticipated resolution date

with recommendation for resolution, and if the issue(s) will impact the implementation schedule.

- Estimate of the percent of work accomplished to date.
- Statement on the status of the program as it relates to the work breakdown schedule, either confirming that the task is on schedule or explaining the nature and extent of the pending delay.

A weekly teleconference shall be held between the Contractor, Contract Administrator and agency to discuss the weekly reports.

- O. **Cut-Over/Conversion Plan.** The Contractor must be able to make an orderly transition to a new Contractor upon termination of the contract. Any data files inherent to the continuation of services must be returned to the Commonwealth or new Contractor in their entirety upon completion of the contract. Data files include, but are not limited to the data files used for gift cards.
- P. **Requirements for Passing a Service Fee to the Customer.** In general, Commonwealth policy is not to allow service fees to be charged to the customer. However in some instances the agency may be required to pass a service fee on to the customer. The Contractor must have the ability to pass service fees on to the customer and to collect this fee from the customer as payment for processing services. This fee shall include all service costs for VISA, MasterCard, American Express, and Discover.
- 1) The proposed system must notify customers of the dollar amounts of all fees to be charged to their credit card and obtain customers' acknowledgements of charges prior to initiating credit authorizations.
 - 2) The proposed system must be able to provide a merchant descriptor on the customer's credit card statement indicating the service fee amount as a unique line item.
 - 3) The Contractor must provide customers with confirmation of payment transactions electronically (i.e. confirmation number) through the payment means (Internet) used to complete the payment.
 - 4) The Contractor must accept the service fee as full payment of all credit card processing fees.
 - 5) The proposed system must provide distinct WEB identification for the selection of the State Credit Card Payment application. The WEB application access to Credit Card Payments may be no more than 2 mouse clicks; the third screen appearing must be for data entry.

Q. **Miscellaneous.**

- 1) The Contractor will provide any federal or credit/debit card company rules and regulations, bylaws, or any other related materials that will affect the Commonwealth during the term of this contract, including any changes, which may be made to said material prior to the effective date of said change. The Contractor must continue to provide this information to the Issuing Officer and may be required to provide this information to each Commonwealth merchant.
- 2) The Contractor must provide 30 days advance notice of policy changes to the Issuing Officer.
- 3) The Contractor must provide a merchant descriptor on the customer's credit card statement indicating what the payment amount is for as specified by each agency.

R. **Future Technologies.** Contractors should stay abreast of Industry Trends and Developments. Contractors should advise the Commonwealth of new technologies that could benefit the Commonwealth.

IV-4. Contract Requirements—Disadvantaged Business Participation and Enterprise Zone Small Business Participation.

All contracts containing Disadvantaged Business participation and/or Enterprise Zone Small Business participation must also include a provision requiring the selected Contractor to meet and maintain those commitments made to Disadvantaged Businesses and/or Enterprise Zone Small Businesses at the time of proposal submittal or contract negotiation, unless a change in the commitment is approved by the BMWBO. All contracts containing Disadvantaged Business participation and/or Enterprise Zone Small Business participation must include a provision requiring Small Disadvantaged Business subcontractors, Enterprise Zone Small Business subcontractors and Small Disadvantaged Businesses or Enterprise Zone Small Businesses in a joint venture to perform at least **50%** of the subcontract or Small Disadvantaged Business/Enterprise Zone Small Business participation portion of the joint venture.

The selected Contractor's commitments to Disadvantaged Businesses and/or Enterprise Zone Small Businesses made at the time of proposal submittal or contract negotiation shall be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to BMWBO, which will make a recommendation to the Contracting Officer regarding a course of action.

If a contract is assigned to another Contractor, the new Contractor must maintain the Disadvantaged Business participation and/or Enterprise Zone Small Business participation of the original contract.

The selected Contractor shall complete the Prime Contractor's Quarterly Utilization Report (or similar type document containing the same information) and submit it to the contracting officer

of the Issuing Office and BMWBO within **10** workdays at the end of each quarter the contract is in force. This information will be used to determine the actual dollar amount paid to Small Disadvantaged Business and/or Enterprise Zone Small Business subcontractors and suppliers, and Small Disadvantaged Business and/or Enterprise Zone Small Business participants involved in joint ventures. Also, this information will serve as a record of fulfillment of the commitment the selected Contractor made and for which it received Disadvantaged Business and Enterprise Zone Small Business points. If there was no activity during the quarter then the form must be completed by stating "No activity in this quarter."

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF DISADVANTAGED BUSINESSES STATUS OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR DISADVANTAGED BUSINESSES UTILIZATION

PART V

STANDARD CONTRACT TERMS AND CONDITIONS

Table of Contents

V.1 CONTRACT-001.1a Contract Terms and Conditions (Nov 30 2006)47

V.2 CONTRACT-002.1d Term of Contract – Contract (May 2008)47

V.3 CONTRACT-002.3 Extension of Contract Term (Nov 30 2006)47

V.4 CONTRACT-003.1b Signatures – Contract (March 2007)47

V.5 CONTRACT-004.1a Definitions (Dec 12 2006)48

V.6 CONTRACT-005.1a Purchase Orders (Feb 2007)48

V.7 CONTRACT-006.1 Independent Prime Contractor (Oct 2006)49

V.8 CONTRACT-007.01b Delivery of Services (Nov 30 2006)49

V.9 CONTRACT-007.02 Estimated Quantities (Nov 30 2006)49

V.10 CONTRACT-008.1a Warranty (Oct 2006)49

V.11 CONTRACT-009.1c Patent, Copyright, and Trademark Indemnity (Oct 2006)50

V.12 CONTRACT-009.1d Ownership Rights (Oct 2006)50

V.13 CONTRACT-010.1a Acceptance (Oct 2006)51

V.14 CONTRACT-010.2 Product Conformance (Oct 2006)51

V.15 CONTRACT-010.3 Rejected material not considered abandoned (Oct 2006)51

V.16 CONTRACT-011.1a Compliance With Law (Oct 2006)52

V.17 CONTRACT-013.1 Environmental Provisions (Oct 2006)52

V.18 CONTRACT-014.1 Post-Consumer Recycled Content (Dec 5 2006)52

V.19 CONTRACT-014.3 Recycled Content Enforcement (Feb 2009)52

V.20 CONTRACT-015.1A Compensation/Expenses (May 2008)52

V.21 CONTRACT-015.2 Billing Requirements (Dec 5 2006)52

V.22 CONTRACT-016.1 Payment (Oct 2006)53

V.23 CONTRACT-016.2 ACH Payments (Aug 2007)53

V.24 CONTRACT-017.1 Taxes (Dec 5 2006)54

V.25 CONTRACT-018.1 Assignment of Antitrust Claims (Oct 2006)54

V.26 CONTRACT-019.1 Hold Harmless Provision (Nov 30 2006)54

V.27 CONTRACT-020.1 Audit Provisions (Oct 2006)54

V.28 CONTRACT-021.1 Default (Dec 12 2006)54

V.29 CONTRACT-022.1 Force Majeure (Oct 2006)56

V.30 CONTRACT-023.1a Termination Provisions (Oct 2006)56

V.31 CONTRACT-024.1 Contract Controversies (Oct 2006)57

V.32 CONTRACT-025.1 Assignability and Subcontracting (Oct 2006)57

V.33 CONTRACT-026.1 Other Contractors (Oct 2006)58

V.34 CONTRACT-027.1 Nondiscrimination/Sexual Harassment Clause (Oct 2006)58

V.35 CONTRACT-028.1 Contractor Integrity Provisions (Oct 2006)59

V.36 CONTRACT-029.1 Contractor Responsibility Provisions (Oct 2006)61

V.37 CONTRACT-030.1 Americans with Disabilities Act (Oct 2006)61

V.38 CONTRACT-032.1 Covenant Against Contingent Fees (Oct 2006)62

V.39 CONTRACT-033.1 Applicable Law (Oct 2006)62

V.40 CONTRACT-034.1a Integration – RFP (Dec 12 2006)62

V.41 CONTRACT-034.2a Order of Precedence - RFP (Dec 12 2006)62

V.42 CONTRACT-036.1 Background Checks (Feb 2008)62

V.43 CONTRACT-037.1a Confidentiality (Oct 2006)63

V.44 CONTRACT-037.2a Sensitive Information (Sept 2009)64

V.45 CONTRACT-041.1 Disadvantaged Business Participation and Enterprise Zone Small Business Participation (Feb 2009)64

V.46 CONTRACT-045.1 Insurance - General (Dec 12 2006)65

V.47 CONTRACT-048.1c Contract Performance Security (December 2006)65

V.48 CONTRACT-051.1 Notice (Dec 2006)66

V.49 CONTRACT-052.1 Right to Know Law (August 2009)66

PART V - CONTRACT TERMS and CONDITIONS

PART V - CONTRACT TERMS and CONDITIONS

V.1 CONTRACT-001.1a Contract Terms and Conditions (Nov 30 2006)

The Contract with the selected offeror (who shall become the "Contractor") shall include the following terms and conditions:

V.2 CONTRACT-002.1d Term of Contract – Contract (May 2008)

The initial term of the Contract shall be 5 year(s).

The term of the Contract shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Contract, subject to the other provisions of the Contract.

The Effective Date shall be: a) the Effective Date printed on the Contract after the Contract has been fully executed by the Contractor and the Commonwealth (signed and approved as required by Commonwealth contracting procedures) or b) the "Valid from" date printed on the Contract, whichever is later.

V.3 CONTRACT-002.3 Extension of Contract Term (Nov 30 2006)

The Commonwealth reserves the right, upon notice to the Contractor, to extend any single term of the Contract for up to three (3) months upon the same terms and conditions.

V.4 CONTRACT-003.1b Signatures – Contract (March 2007)

The Contract shall not be a legally binding contract until the fully-executed Contract has been sent to the Contractor.

No Commonwealth employee has the authority to verbally direct the commencement of any work or delivery of any supply under this Contract prior to the Effective Date. The Contractor hereby waives any claim or cause of action for any service or work performed prior to the Effective Date.

The Contract will be signed in counterparts. The Contractor shall sign the Contract "in ink" and return it to the Commonwealth. After the Contract is signed by the Contractor and returned to the Commonwealth, it will be processed for Commonwealth signatures and approvals. When the Contract has been signed and approved by the Commonwealth as required by Commonwealth contracting procedures, the Commonwealth shall create a second Contract output form which shall: 1) clearly indicate "Fully executed" at the top of the form; 2) include a printed Effective Date and 3) include the printed name of the Purchasing Agent indicating that the document has been electronically signed and approved by the Commonwealth. Until the Contractor receives the Contract output form with this information on the Contract output form, there is no legally binding contract between the parties.

The fully-executed Contract may be sent to the Contractor electronically or through facsimile equipment. The electronic transmission of the Contract shall require acknowledgement of receipt of the transmission by the Contractor. Receipt of the electronic or facsimile transmission of the Contract shall constitute receipt of the fully-executed Contract.

The Commonwealth and the Contractor specifically agree as follows:

- a. No handwritten signature shall be required in order for the Contract to be legally enforceable.
- b. The parties agree that no writing shall be required in order to make the Contract legally binding, notwithstanding contrary requirements in any law. The parties hereby agree not to contest the validity or enforceability of a genuine Contract or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party

bound thereby. Any genuine Contract or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of a genuine Contract or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the Contract or acknowledgement were not in writing or signed by the parties. A Contract or acknowledgement shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such documents.

c. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.

V.5 CONTRACT-004.1a Definitions (Dec 12 2006)

As used in this Contract, these words shall have the following meanings:

- a. Agency The department, board, commission or other agency of the Commonwealth of Pennsylvania listed as the Purchasing Agency. If a COSTARS entity or external procurement activity has issued an order against this contract, that entity shall also be identified as "Agency".
- b. Contracting Officer The person authorized to administer this Contract for the Commonwealth and to make written determinations with respect to the Contract.
- c. Days Unless specifically indicated otherwise, days mean calendar days.
- d. Developed Works or Developed Materials All documents, sketches, drawings, designs, works, papers, files, reports, computer programs, computer documentation, data, records, software, samples or any other tangible material without limitation authored or prepared by Contractor as the work product covered in the scope of work for the Project.
- e. Documentation All materials required to support and convey information about the services required by this Contract. It includes, but is not necessarily restricted to, written reports and analyses, diagrams, maps, logical and physical designs, system designs, computer programs, flow charts, disks, and/or other machine-readable storage media.
- f. Services All Contractor activity necessary to satisfy the Contract.

V.6 CONTRACT-005.1a Purchase Orders (Feb 2007)

Commonwealth agencies may issue Purchase Orders against the Contract. These orders constitute the Contractor's authority to make delivery. All Purchase Orders received by the Contractor up to and including the expiration date of the Contract are acceptable and must be performed in accordance with the Contract. Each Purchase Order will be deemed to incorporate the terms and conditions set forth in the Contract.

Purchase Orders will not include an "ink" signature by the Agency. The electronically-printed name of the purchaser represents the signature of that individual who has the authority, on behalf of the Commonwealth, to authorize the Contractor to proceed.

Purchase Orders may be issued electronically or through facsimile equipment. The electronic transmission of a purchase order shall require acknowledgement of receipt of the transmission by the Contractor. Receipt of the electronic or facsimile transmission of the Purchase Order shall constitute receipt of an order. Orders received by the Contractor after 4:00 p.m. will be considered received the following business day.

- a. No handwritten signature shall be required in order for the Contract or Purchase Order to be legally enforceable.

b. The parties agree that no writing shall be required in order to make the order legally binding. The parties hereby agree not to contest the validity or enforceability of a Purchase Order or acknowledgement issued electronically under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any Purchase Order or acknowledgement issued electronically, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of Purchase Orders or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the order or acknowledgement were not in writing or signed by the parties. A purchase order or acknowledgement shall be deemed to be genuine for all purposes if it is transmitted to the location designated for such documents.

c. Each party will immediately take steps to verify any document that appears to be obviously garbled in transmission or improperly formatted to include re-transmission of any such document if necessary.

Purchase Orders under five thousand dollars (\$5,000) in total amount may also be made in person or by telephone using a Commonwealth Purchasing Card. When an order is placed by telephone, the Commonwealth agency shall provide the agency name, employee name, credit card number, and expiration date of the card. Contractors agree to accept payment through the use of the Commonwealth Purchasing Card.

V.7 CONTRACT-006.1 Independent Prime Contractor (Oct 2006)

In performing its obligations under the Contract, the Contractor will act as an independent contractor and not as an employee or agent of the Commonwealth. The Contractor will be responsible for all services in this Contract whether or not Contractor provides them directly. Further, the Contractor is the sole point of contact with regard to all contractual matters, including payment of any and all charges resulting from the Contract.

V.8 CONTRACT-007.01b Delivery of Services (Nov 30 2006)

The Contractor shall proceed with all due diligence in the performance of the services with qualified personnel, in accordance with the completion criteria set forth in the Contract.

V.9 CONTRACT-007.02 Estimated Quantities (Nov 30 2006)

It shall be understood and agreed that any quantities listed in the Contract are estimated only and may be increased or decreased in accordance with the actual requirements of the Commonwealth and that the Commonwealth in accepting any bid or portion thereof, contracts only and agrees to purchase only the materials and services in such quantities as represent the actual requirements of the Commonwealth. The Commonwealth reserves the right to purchase materials and services covered under the Contract through a separate competitive procurement procedure, whenever Commonwealth deems it to be in its best interest.

V.10 CONTRACT-008.1a Warranty (Oct 2006)

The Contractor warrants that all items furnished and all services performed by the Contractor, its agents and subcontractors shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the

Contract, all items are warranted for a period of one year following delivery by the Contractor and acceptance by the Commonwealth. The Contractor shall repair, replace or otherwise correct any problem with the delivered item. When an item is replaced, it shall be replaced with an item of equivalent or superior quality without any additional cost to the Commonwealth.

V.11 CONTRACT-009.1c Patent, Copyright, and Trademark Indemnity (Oct 2006)

The Contractor warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Contract which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the Commonwealth under the contract.

The Contractor shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Contract.

This is upon condition that the Commonwealth shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same.

As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action.

If information and assistance are furnished by the Commonwealth at the Contractor's written request, it shall be at the Contractor's expense, but the responsibility for such expense shall be only that within the Contractor's written authorization.

The Contractor shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Contractor or the Commonwealth may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Contract.

If any of the products provided by the Contractor in such suit or proceeding are held to constitute infringement and the use is enjoined, the Contractor shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal performance products or modify them so that they are no longer infringing.

If the Contractor is unable to do any of the preceding, the Contractor agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Contractor under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Contractor without its written consent.

V.12 CONTRACT-009.1d Ownership Rights (Oct 2006)

The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Contract.

V.13 CONTRACT-010.1a Acceptance (Oct 2006)

No item(s) received by the Commonwealth shall be deemed accepted until the Commonwealth has had a reasonable opportunity to inspect the item(s). Any item(s) which is discovered to be defective or fails to conform to the specifications may be rejected upon initial inspection or at any later time if the defects contained in the item(s) or the noncompliance with the specifications were not reasonably ascertainable upon the initial inspection. It shall thereupon become the duty of the Contractor to remove rejected item(s) from the premises without expense to the Commonwealth within fifteen (15) days after notification. Rejected item(s) left longer than fifteen (15) days will be regarded as abandoned, and the Commonwealth shall have the right to dispose of them as its own property and shall retain that portion of the proceeds of any sale which represents the Commonwealth's costs and expenses in regard to the storage and sale of the item(s). Upon notice of rejection, the Contractor shall immediately replace all such rejected item(s) with others conforming to the specifications and which are not defective. If the Contractor fails, neglects or refuses to do so, the Commonwealth shall then have the right to procure a corresponding quantity of such item(s), and deduct from any monies due or that may thereafter become due to the Contractor, the difference between the price stated in the Contract and the cost thereof to the Commonwealth.

V.14 CONTRACT-010.2 Product Conformance (Oct 2006)

The Commonwealth reserves the right to require any and all Contractors to:

1. Provide certified data from laboratory testing performed by the Contractor, or performed by an independent laboratory, as specified by the Commonwealth.
2. Supply published manufacturer product documentation.
3. Permit a Commonwealth representative to witness testing at the Contractor's location or at an independent laboratory.
4. Complete a survey/questionnaire relating to the bid requirements and specifications.
5. Provide customer references.
6. Provide a product demonstration at a location near Harrisburg or the using agency location.

V.15 CONTRACT-010.3 Rejected material not considered abandoned (Oct 2006)

The Commonwealth will have the right to not regard any rejected material as abandoned and to demand that the Contractor remove the rejected material from the premises within thirty (30) days of notification. The Commonwealth shall have the right to demand, and upon demand, the Contractor shall be responsible for proper clean-up at all locations upon demand by the Commonwealth, the Commonwealth may set-off the costs for removal and clean-up from any payments due to the Contractor under this or any other Contract with the

Commonwealth. This is in addition to all other rights to recover costs incurred by the Commonwealth.

V.16 CONTRACT-011.1a Compliance With Law (Oct 2006)

The Contractor shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Contract.

V.17 CONTRACT-013.1 Environmental Provisions (Oct 2006)

In the performance of the Contract, the Contractor shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations, including, but not limited to: the Clean Streams Law Act of June 22, 1937 (P.L. 1987, No. 394), as amended 35 P.S. Section 691.601 et seq.; the Pennsylvania Solid Waste Management Act, Act of July 7, 1980 (P.L. 380, No. 97), as amended, 35 P.S. Section 6018.101 et seq.; and the Dam Safety and Encroachment Act, Act of November 26, 1978 (P.L. 1375, No. 325), as amended, 32 P.S. Section 693.1.

V.18 CONTRACT-014.1 Post-Consumer Recycled Content (Dec 5 2006)

Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the Contract must meet the minimum percentage levels for total recycled content as specified on the Department of General Services website at www.dgs.state.pa.us on the date of submission of the bid, proposal or contract offer.

V.19 CONTRACT-014.3 Recycled Content Enforcement (Feb 2009)

The Contractor may be required, after delivery of the Contract item(s), to provide the Commonwealth with documentary evidence that the item(s) was in fact produced with the required minimum percentage of post-consumer and recovered material content.

V.20 CONTRACT-015.1A Compensation/Expenses (May 2008)

The Contractor shall be required to perform the specified services at the price(s) quoted in the Contract. All services shall be performed within the time period(s) specified in the Contract. The Contractor shall be compensated only for work performed to the satisfaction of the Commonwealth. The Contractor shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Contract.

V.21 CONTRACT-015.2 Billing Requirements (Dec 5 2006)

The Contractor shall include in all of its invoices the following minimum information:

- Vendor name and "Remit to" address, including SAP Vendor number;
- Bank routing information, if ACH;
- SAP Purchase Order number;
- Delivery Address, including name of Commonwealth agency;
- Description of the supplies/services delivered in accordance with SAP Purchase Order (include purchase order line number if possible);

- Quantity provided;
- Unit price;
- Price extension;
- Total price; and
- Delivery date of supplies or services.

If an invoice does not contain the minimum information set forth in this paragraph, the Commonwealth may return the invoice as improper. If the Commonwealth returns an invoice as improper, the time for processing a payment will be suspended until the Commonwealth receives a correct invoice. The Contractor may not receive payment until the Commonwealth has received a correct invoice.

Contractors are required to establish separate billing accounts with each using agency and invoice them directly. Each invoice shall be itemized with adequate detail and match the line item on the Purchase Order. In no instance shall any payment be made for services to the Contractor that are not in accordance with the prices on the Purchase Order, the Contract, updated price lists or any discounts negotiated by the purchasing agency.

V.22 CONTRACT-016.1 Payment (Oct 2006)

- a. The Commonwealth shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Contract; (b) thirty (30) days after a proper invoice actually is received at the "Bill To" address if a date on which payment is due is not specified in the Contract (a "proper" invoice is not received until the Commonwealth accepts the service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in the Contract. If any payment is not made within fifteen (15) days after the required payment date, the Commonwealth may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Contractor as acceptance of the service performed by the Contractor. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Contractor agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Contractor or its subsidiaries to the Commonwealth against any payments due the Contractor under any contract with the Commonwealth.
- b. The Commonwealth shall have the option of using the Commonwealth purchasing card to make purchases under the Contract or Purchase Order. The Commonwealth's purchasing card is similar to a credit card in that there will be a small fee which the Contractor will be required to pay and the Contractor will receive payment directly from the card issuer rather than the Commonwealth. Any and all fees related to this type of payment are the responsibility of the Contractor. In no case will the Commonwealth allow increases in prices to offset credit card fees paid by the Contractor or any other charges incurred by the Contractor, unless specifically stated in the terms of the Contract or Purchase Order.

V.23 CONTRACT-016.2 ACH Payments (Aug 2007)

- a. The Commonwealth will make contract payments through the Automated Clearing House (ACH). Within 10 days of award of the contract or purchase order, the contractor must submit or must have already submitted their ACH information within their user profile in the Commonwealth's procurement system (SRM).
- b. The contractor must submit a unique invoice number with each invoice submitted. The unique invoice number will be listed on the Commonwealth of Pennsylvania's ACH remittance advice to enable the contractor to properly apply the state agency's payment to the invoice submitted.

c. It is the responsibility of the contractor to ensure that the ACH information contained in SRM is accurate and complete. Failure to maintain accurate and complete information may result in delays in payments.

V.24 CONTRACT-017.1 Taxes (Dec 5 2006)

The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 23-23740001-K. With the exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction contractor from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction contract.

V.25 CONTRACT-018.1 Assignment of Antitrust Claims (Oct 2006)

The Contractor and the Commonwealth recognize that in actual economic practice, overcharges by the Contractor's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Contract, and intending to be legally bound, the Contractor assigns to the Commonwealth all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Contract.

V.26 CONTRACT-019.1 Hold Harmless Provision (Nov 30 2006)

- a. The Contractor shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all third party claims, demands and actions based upon or arising out of any activities performed by the Contractor and its employees and agents under this Contract, provided the Commonwealth gives Contractor prompt notice of any such claim of which it learns. Pursuant to the Commonwealth Attorneys Act (71 P.S. Section 732-101, et seq.), the Office of Attorney General (OAG) has the sole authority to represent the Commonwealth in actions brought against the Commonwealth. The OAG may, however, in its sole discretion and under such terms as it deems appropriate, delegate its right of defense. If OAG delegates the defense to the Contractor, the Commonwealth will cooperate with all reasonable requests of Contractor made in the defense of such suits.
- b. Notwithstanding the above, neither party shall enter into any settlement without the other party's written consent, which shall not be unreasonably withheld. The Commonwealth may, in its sole discretion, allow the Contractor to control the defense and any related settlement negotiations.

V.27 CONTRACT-020.1 Audit Provisions (Oct 2006)

The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Contractor to the extent that the books, documents and records relate to costs or pricing data for the Contract. The Contractor agrees to maintain records which will support the prices charged and costs incurred for the Contract. The Contractor shall preserve books, documents, and records that relate to costs or pricing data for the Contract for a period of three (3) years from date of final payment. The Contractor shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

V.28 CONTRACT-021.1 Default (Dec 12 2006)

- a. The Commonwealth may, subject to the Force Majeure provisions of this Contract, and in addition to its other rights under the Contract, declare the Contractor in default by written notice thereof to the Contractor, and terminate (as provided in the Termination Provisions of this Contract) the whole or any part of this Contract or any Purchase Order for any of the following reasons:
- 1) Failure to begin work within the time specified in the Contract or Purchase Order or as otherwise specified;
 - 2) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Contract or Purchase Order terms;
 - 3) Unsatisfactory performance of the work;
 - 4) Failure to deliver the awarded item(s) within the time specified in the Contract or Purchase Order or as otherwise specified;
 - 5) Improper delivery;
 - 6) Failure to provide an item(s) which is in conformance with the specifications referenced in the Contract or Purchase Order;
 - 7) Delivery of a defective item;
 - 8) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
 - 9) Discontinuance of work without approval;
 - 10) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
 - 11) Insolvency or bankruptcy;
 - 12) Assignment made for the benefit of creditors;
 - 13) Failure or refusal within 10 days after written notice by the Contracting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
 - 14) Failure to protect, to repair, or to make good any damage or injury to property;
 - 15) Breach of any provision of the Contract;
 - 16) Failure to comply with representations made in the Contractor's bid/proposal; or
 - 17) Failure to comply with applicable industry standards, customs, and practice.
- b. In the event that the Commonwealth terminates this Contract or any Purchase Order in whole or in part as

provided in Subparagraph a. above, the Commonwealth may procure, upon such terms and in such manner as it determines, items similar or identical to those so terminated, and the Contractor shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical items included within the terminated part of the Contract or Purchase Order.

- c. If the Contract or a Purchase Order is terminated as provided in Subparagraph a. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Contractor to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Contracting Officer, such partially completed items, including, where applicable, reports, working papers and other documentation, as the Contractor has specifically produced or specifically acquired for the performance of such part of the Contract or Purchase Order as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Contract price. Except as provided below, payment for partially completed items including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Contractor and Contracting Officer. The Commonwealth may withhold from amounts otherwise due the Contractor for such completed or partially completed works, such sum as the Contracting Officer determines to be necessary to protect the Commonwealth against loss.
- d. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.
- e. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.
- f. Following exhaustion of the Contractor's administrative remedies as set forth in the Contract Controversies Provision of the Contract, the Contractor's exclusive remedy shall be to seek damages in the Board of Claims.

V.29 CONTRACT-022.1 Force Majeure (Oct 2006)

Neither party will incur any liability to the other if its performance of any obligation under this Contract is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

The Contractor shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Contractor becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the contract is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Contractor shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect to cancel the Contract, cancel the Purchase Order, or to extend the time for performance as reasonably necessary to compensate for the Contractor's delay.

In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Contractor, may suspend all or a portion of the Contract or Purchase Order.

V.30 CONTRACT-023.1a Termination Provisions (Oct 2006)

The Commonwealth has the right to terminate this Contract or any Purchase Order for any of the following reasons. Termination shall be effective upon written notice to the Contractor.

- a. **TERMINATION FOR CONVENIENCE:** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for its convenience if the Commonwealth determines termination to be in its best interest. The Contractor shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Contractor be entitled to recover loss of profits.
- b. **NON-APPROPRIATION:** The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Contract or a Purchase Order. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under the Contract. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid for any appropriations available for that purpose
- c. **TERMINATION FOR CAUSE:** The Commonwealth shall have the right to terminate the Contract or a Purchase Order for Contractor default under Default Clause upon written notice to the Contractor. The Commonwealth shall also have the right, upon written notice to the Contractor, to terminate the Contract or a Purchase Order for other cause as specified in the Contract or by law. If it is later determined that the Commonwealth erred in terminating the Contract or a Purchase Order for cause, then, at the Commonwealth's discretion, the Contract or Purchase Order shall be deemed to have been terminated for convenience under the Subparagraph a.

V.31 CONTRACT-024.1 Contract Controversies (Oct 2006)

- a. In the event of a controversy or claim arising from the Contract, the Contractor must, within six months after the cause of action accrues, file a written claim with the contracting officer for a determination. The claim shall state all grounds upon which the Contractor asserts a controversy exists. If the Contractor fails to file a claim or files an untimely claim, the Contractor is deemed to have waived its right to assert a claim in any forum.
- b. The contracting officer shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of the contracting officer and the Contractor. The contracting officer shall send his/her written determination to the Contractor. If the contracting officer fails to issue a final determination within the 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The contracting officer's determination shall be the final order of the purchasing agency.
- c. Within fifteen (15) days of the mailing date of the determination denying a claim or within 135 days of filing a claim if, no extension is agreed to by the parties, whichever occurs first, the Contractor may file a statement of claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Contractor shall proceed diligently with the performance of the Contract in a manner consistent with the determination of the contracting officer and the Commonwealth shall compensate the Contractor pursuant to the terms of the Contract.

V.32 CONTRACT-025.1 Assignability and Subcontracting (Oct 2006)

- a. Subject to the terms and conditions of this paragraph, this Contract shall be binding upon the parties and their respective successors and assigns.

- b. The Contractor shall not subcontract with any person or entity to perform all or any part of the work to be performed under this Contract without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.
- c. The Contractor may not assign, in whole or in part, this Contract or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Contracting Officer, which consent may be withheld at the sole and absolute discretion of the Contracting Officer.
- d. Notwithstanding the foregoing, the Contractor may, without the consent of the Contracting Officer, assign its rights to payment to be received under the Contract, provided that the Contractor provides written notice of such assignment to the Contracting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Contract.
- e. For the purposes of this Contract, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the Contractor provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.
- f. Any assignment consented to by the Contracting Officer shall be evidenced by a written assignment agreement executed by the Contractor and its assignee in which the assignee agrees to be legally bound by all of the terms and conditions of the Contract and to assume the duties, obligations, and responsibilities being assigned.
- g. A change of name by the Contractor, following which the Contractor's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Contractor shall give the Contracting Officer written notice of any such change of name.

V.33 CONTRACT-026.1 Other Contractors (Oct 2006)

The Commonwealth may undertake or award other contracts for additional or related work, and the Contractor shall fully cooperate with other contractors and Commonwealth employees, and coordinate its work with such additional work as may be required. The Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Commonwealth employees. This paragraph shall be included in the Contracts of all contractors with which this Contractor will be required to cooperate. The Commonwealth shall equitably enforce this paragraph as to all contractors to prevent the imposition of unreasonable burdens on any contractor.

V.34 CONTRACT-027.1 Nondiscrimination/Sexual Harassment Clause (Oct 2006)

During the term of the Contract, the Contractor agrees as follows:

- a. In the hiring of any employees for the manufacture of supplies, performance of work, or any other activity required under the Contract or any subcontract, the Contractor, subcontractor or any person acting on behalf of the Contractor or subcontractor shall not by reason of gender, race, creed, or color discriminate against any citizen of this Commonwealth who is qualified and available to perform the work to which the employment relates.
- b. Neither the Contractor nor any subcontractor nor any person on their behalf shall in any manner discriminate against or intimidate any employee involved in the manufacture of supplies, the performance of work or any

other activity required under the Contract on account of gender, race, creed, or color.

- c. The Contractor and any subcontractors shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Contractor shall not discriminate by reason of gender, race, creed, or color against any subcontractor or supplier who is qualified to perform the work to which the contract relates.
- e. The Contractor and each subcontractor shall furnish all necessary employment documents and records to and permit access to its books, records, and accounts by the contracting officer and the Department of General Services' Bureau of Contract Administration and Business Development for purposes of investigation to ascertain compliance with the provisions of this Nondiscrimination/Sexual Harassment Clause. If the Contractor or any subcontractor does not possess documents or records reflecting the necessary information requested, it shall furnish such information on reporting forms supplied by the contracting officer or the Bureau of Contract Administration and Business Development.
- f. The Contractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subcontract so that such provisions will be binding upon each subcontractor.
- g. The Commonwealth may cancel or terminate the Contract, and all money due or to become due under the Contract may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the agency may proceed with debarment or suspension and may place the Contractor in the Contractor Responsibility File.

V.35 CONTRACT-028.1 Contractor Integrity Provisions (Oct 2006)

- a. For purposes of this clause only, the words "confidential information," "consent," "contractor," "financial interest," and "gratuity" shall have the following definitions.
 - 1) **Confidential information** means information that is not public knowledge, or available to the public on request, disclosure of which would give an unfair, unethical, or illegal advantage to another desiring to contract with the Commonwealth.
 - 2) **Consent** means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by prequalification, bid, proposal, or contractual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this agreement.
 - 3) **Contractor** means the individual or entity that has entered into the Contract with the Commonwealth, including directors, officers, partners, managers, key employees and owners of more than a five percent interest.
 - 4) **Financial interest** means:
 - a) Ownership of more than a five percent interest in any business; or

- b) Holding a position as an officer, director, trustee, partner, employee, or the like, or holding any position of management.
- 5) **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.
- b. The Contractor shall maintain the highest standards of integrity in the performance of the Contract and shall take no action in violation of state or federal laws, regulations, or other requirements that govern contracting with the Commonwealth.
 - c. The Contractor shall not disclose to others any confidential information gained by virtue of the Contract.
 - d. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly, or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any officer or employee of the Commonwealth.
 - e. The Contractor shall not, in connection with this or any other agreement with the Commonwealth, directly or indirectly, offer, give, or agree or promise to give to anyone any gratuity for the benefit of or at the direction or request of any officer or employee of the Commonwealth.
 - f. Except with the consent of the Commonwealth, neither the Contractor nor anyone in privity with him or her shall accept or agree to accept from, or give or agree to give to, any person, any gratuity from any person in connection with the performance of work under the Contract except as provided therein.
 - g. Except with the consent of the Commonwealth, the Contractor shall not have a financial interest in any other contractor, subcontractor, or supplier providing services, labor, or material on this project.
 - h. The Contractor, upon being informed that any violation of these provisions has occurred or may occur, shall immediately notify the Commonwealth in writing.
 - i. The Contractor, by execution of the Contract and by the submission of any bills or invoices for payment pursuant thereto, certifies, and represents that he or she has not violated any of these provisions.
 - j. The Contractor, upon the inquiry or request of the Inspector General of the Commonwealth or any of that official's agents or representatives, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to the Contractor's integrity or responsibility, as those terms are defined by the Commonwealth's statutes, regulations, or management directives. 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 which refers to or concern the Contract. Such information shall be retained by the Contractor for a period of three years beyond the termination of the Contract unless otherwise provided by law.
 - k. For violation of any of the above provisions, the Commonwealth may terminate this and any other agreement with the Contractor, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all expenses incurred in obtaining another Contractor to complete performance hereunder, and debar and suspend the Contractor from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or nonuse of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute,

regulation, or otherwise.

V.36 CONTRACT-029.1 Contractor Responsibility Provisions (Oct 2006)

- a. The Contractor certifies, for itself and all its subcontractors, that as of the date of its execution of this Bid/Contract, that neither the Contractor, nor any subcontractors, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Contractor cannot so certify, then it agrees to submit, along with its Bid, a written explanation of why such certification cannot be made.
- b. The Contractor also certifies, that as of the date of its execution of this Bid/Contract, it has no tax liabilities or other Commonwealth obligations.
- c. The Contractor's obligations pursuant to these provisions are ongoing from and after the effective date of the contract through the termination date thereof. Accordingly, the Contractor shall have an obligation to inform the Commonwealth if, at any time during the term of the Contract, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subcontractors are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
- d. The failure of the Contractor to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Contract with the Commonwealth.
- e. The Contractor agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the Commonwealth, 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 investigative costs for investigations that do not result in the Contractor's suspension or debarment.
- f. The Contractor may obtain a current list of suspended and debarred Commonwealth contractors by either searching the internet at <http://www.dgs.state.pa.us/> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg , PA 17125
Telephone No. (717) 783-6472
FAX No. (717) 787-9138

V.37 CONTRACT-030.1 Americans with Disabilities Act (Oct 2006)

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. Section 35.101 et seq., the Contractor understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Contract or from activities provided for under this Contract on

the basis of the disability. As a condition of accepting this contract, the Contractor agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. Section 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through contracts with outside contractors.

- b. The Contractor shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Contractor's failure to comply with the provisions of Subparagraph a. above.

V.38 CONTRACT-032.1 Covenant Against Contingent Fees (Oct 2006)

The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure the Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Contract without liability or in its discretion to deduct from the Contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

V.39 CONTRACT-033.1 Applicable Law (Oct 2006)

This Contract shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Contractor consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Contractor agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

V.40 CONTRACT-034.1a Integration – RFP (Dec 12 2006)

This Contract, including the Request for Proposals, Contractor's Proposal, Contractor's Best and Final Offer, if any, all referenced documents, and any Purchase Order constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Contractor has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Contract, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Contract. No modifications, alterations, changes, or waiver to the Contract or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties.

V.41 CONTRACT-034.2a Order of Precedence - RFP (Dec 12 2006)

In the event there is a conflict among the documents comprising this Contract, the Commonwealth and the Contractor agree on the following order of precedence: the Contract; the RFP, the Best and Final Offer, if any; the Contractor's Proposal in Response to the RFP.

V.42 CONTRACT-036.1 Background Checks (Feb 2008)

- a. The Contractor must, at its expense, arrange for a background check for each of its employees, as well as the employees of any of its subcontractors, who will have access to Commonwealth facilities, either through on-site access or through remote access. Background checks are to be conducted via the Request for Criminal Record Check form and procedure found at <http://www.psp.state.pa.us/psp/lib/psp/sp4-164.pdf> . The background check must be conducted prior to initial access and on an annual basis thereafter.
- b. Before the Commonwealth will permit access to the Contractor, the Contractor must provide written confirmation that the background checks have been conducted. If, at any time, it is discovered that a Contractor employee has a criminal record that includes a felony or misdemeanor involving terroristic behavior, violence, use of a lethal weapon, or breach of trust/fiduciary responsibility or which raises concerns about building, system or personal security or is otherwise job-related, the Contractor shall not assign that employee to any Commonwealth facilities, shall remove any access privileges already given to the employee and shall not permit that employee remote access unless the Commonwealth consents to the access, in writing, prior to the access. The Commonwealth may withhold its consent in its sole discretion. Failure of the Contractor to comply with the terms of this Section on more than one occasion or Contractor's failure to appropriately address any single failure to the satisfaction of the Commonwealth may result in the Contractor being deemed in default of its Contract.
- c. The Commonwealth specifically reserves the right of the Commonwealth to conduct background checks over and above that described herein.
- d. Access to certain Capitol Complex buildings and other state office buildings is controlled by means of card readers and secured visitors' entrances. Commonwealth contracted personnel who have regular and routine business in Commonwealth worksites may be issued a photo identification or access badge subject to the requirements of the contracting agency and DGS set forth in Enclosure 3 of Commonwealth Management Directive 625.10 Amended (January 30, 2008) Card Reader and Emergency Response Access to Certain Capitol Complex Buildings and Other State Office Buildings The requirements, policy and procedures include a processing fee payable by the Contractor for contracted personnel photo identification or access badges.

V.43 CONTRACT-037.1a Confidentiality (Oct 2006)

- a. The Contractor agrees to guard the confidentiality of the Commonwealth with the same diligence with which it guards its own proprietary information. If the Contractor needs to disclose all or part of project materials to third parties to assist in the work or service performed for the Commonwealth, it may do so only if such third parties sign agreements containing substantially the same provisions as contained in this Section. The Commonwealth agrees to protect the confidentiality of Contractor's confidential information. In order for information to be deemed to be confidential, the party claiming confidentiality must designate the information as "confidential" in such a way as to give notice to the other party. The parties agree that such confidential information shall not be copied, in whole or in part, except when essential for authorized use under this Contract. Each copy of such confidential information shall be marked by the party making the copy with all confidentiality notices appearing in the original. Upon termination or cancellation of this Contract or any license granted hereunder, the receiving party will return to the disclosing party all copies of the confidential information in the receiving party's possession, other than one copy, which may be maintained for archival purposes only. Both parties agree that a material breach of these requirements may, after failure to cure within the time frame specified in this Contract, and at the discretion of the non-breaching party, result in termination for default.
- b. The obligations stated in this Section do not apply to information:
 - (1) already known to the recipient at the time of disclosure other than through the contractual relationship;
 - (2) independently generated by the recipient and not derived from the information supplied by the disclosing party;
 - (3) known or available to the public, except where such knowledge or availability is the result of unauthorized disclosure by the recipient of the proprietary information;
 - (4) disclosed to the recipient without a similar restriction by a third party who has the right to make such disclosure; or

(5) required to be disclosed by the recipient by law, regulation, court order, or other legal process.

- c. There shall be no restriction with respect to the use or disclosure of any ideas, concepts, know-how, or data processing techniques developed alone or jointly with the Commonwealth in connection with services provided to the Commonwealth under this Contract.

V.44 CONTRACT-037.2a Sensitive Information (Sept 2009)

The Contractor shall not publish or otherwise disclose, except to the Commonwealth and except matters of public record, any information or data obtained hereunder from private individuals, organizations, or public agencies, in a publication whereby the information or data furnished by or about any particular person or establishment can be identified, except with the consent of such person or establishment. The parties shall not use or disclose any information about a recipient receiving services from, or otherwise enrolled in, a Commonwealth program affected by or benefiting from services under this Contract for any purpose not connected with the parties' Contract responsibilities except with the written consent of such recipient, recipient's attorney, or recipient's parent or guardian pursuant to applicable state and federal law and regulations.

Contractor will be responsible to remediate any improper disclosure of information. Such remediation may include, but not be limited to, credit monitoring for individuals for whom information has been released and reimbursement of any costs incurred by individuals for whom information has been released. Costs for which Contractor is responsible under this paragraph are not subject to any limitation of liability set out in this Contract or Purchase Order.

V.45 CONTRACT-041.1 Disadvantaged Business Participation and Enterprise Zone Small Business Participation (Feb 2009)

The selected Contractor's commitments to Disadvantaged Businesses and/or Enterprise Zone Small Businesses made at the time of proposal submittal or contract negotiation shall be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to BMWBO, which will make a recommendation to the Contracting Officer regarding a course of action.

Small Disadvantaged Business subcontractors, Enterprise Zone Small Business subcontractors and Small Disadvantaged Businesses or Enterprise Zone Small Businesses in a joint venture must perform at least 50% of the subcontract or Small Disadvantaged Business/Enterprise Zone Small Business participation portion of the joint venture.

If a contract is assigned to another contractor, the new contractor must maintain the Disadvantaged Business participation and/or Enterprise Zone Small Business participation of the original contract.

The Contractor shall complete the Prime Contractor's Quarterly Utilization Report (or similar type document containing the same information) and submit it to the contracting officer of the Issuing Office and BMWBO within 10 workdays at the end of each quarter the contract is in force. This information will be used to determine the actual dollar amount paid to Small Disadvantaged Business and/or Enterprise Zone Small Business subcontractors and suppliers, and Small Disadvantaged Business and/or Enterprise Zone Small Business participants involved in joint ventures. Also, this information will serve as a record of fulfillment of the commitment the selected contractor made and for which it received Disadvantaged Business and Enterprise Zone Small Business points. If there was no activity during the quarter then the form must be completed by stating "No activity in this quarter."

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF DISADVANTAGED BUSINESSES STATUS

OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR DISADVANTAGED BUSINESSES UTILIZATION.

V.46 CONTRACT-045.1 Insurance - General (Dec 12 2006)

The Contractor is required to have in place during the term of the Contract and any renewals or extensions thereof, the following types of insurance, issued by companies acceptable to the Commonwealth and authorized to conduct such business under the laws of the Commonwealth of Pennsylvania:

- A. **Worker's Compensation Insurance** for all of the Contractor's employees and those of any subcontractor, engaged in work at the site of the project as required by law.

- B. **Public Liability and Property Damage Insurance** to protect the Commonwealth, the Contractor, and any and all subcontractors from claims for damages for personal injury (including bodily injury), sickness or disease, accidental death and damage to property including the loss of use resulting from any property damage, which may arise from the activities performed under the Contract or the failure to perform under the Contract, whether such performance or non-performance be by the Contractor, by any subcontractor, or by anyone directly or indirectly employed by either. The minimum amounts of coverage shall be \$250,000 per person and \$1,000,000 per occurrence for bodily injury, including death, and \$250,000 per person and \$1,000,000 per occurrence for property damage. Such policies shall be occurrence rather than claims-made policies and shall not contain any endorsements or any other form designated to limit and restrict any action by the Commonwealth, as an additional insured, against the insurance coverage in regard to work performed for the Commonwealth.

Prior to commencement of the work under the Contract and at each insurance renewal date during the term of the Contract, the Contractor shall provide the Commonwealth with current certificates of insurance. These certificates or policies shall name the Commonwealth as an additional insured and shall contain a provision that the coverage's afforded under the policies will not be cancelled or changed until at least thirty (30) days written notice has been given to the Commonwealth.

The Commonwealth shall be under no obligation to obtain such certificates from the Contractor(s). Failure by the Commonwealth to obtain the certificates shall not be deemed a waiver of the Contractor's obligation to obtain and furnish certificates. The Commonwealth shall have the right to inspect the original insurance policies.

V.47 CONTRACT-048.1c Contract Performance Security (December 2006)

The Contractor is required, no later than ten (10) days after the Contract Effective Date, to submit performance security in the amount of 25.00 % of the total price of the contract. Performance security must be in the form of a specific performance bond, an irrevocable letter of credit or a certificate of deposit, all in a form acceptable to the Commonwealth, or a certified check or a bank cashier's check drawn to the order of the " Commonwealth of Pennsylvania " If the Contractor elects to submit a specific performance bond, the Commonwealth standard specific performance bond, GSPUR-55 is attached and should be used. All performance security shall be conditioned for faithful performance of the contract or purchase order(s). Failure to provide performance security within ten (10) days after the Contract Effective Date shall be considered an event of default.

Checks shall be returned to contractors upon completion of the performance of their obligations under the Contract or purchase order. If an irrevocable letter of credit, certificate of deposit, or escrow account is submitted, the document must require the financial institution to pay to the Commonwealth, upon written notice, the amount demanded by the Commonwealth up to the amount of the irrevocable letter of credit, escrow account, or certificate of deposit.

V.48 CONTRACT-051.1 Notice (Dec 2006)

Any written notice to any party under this Contract shall be deemed sufficient if delivered personally, or by facsimile, telecopy, electronic or digital transmission (provided such delivery is confirmed), or by a recognized overnight courier service (e.g., DHL, Federal Express, etc.) with confirmed receipt, or by certified or registered United States mail, postage prepaid, return receipt requested, and sent to following:

- a. If to the Contractor: the Contractor's address as recorded in the Commonwealth's Supplier Registration system.
- b. If to the Commonwealth: the address of the Issuing Office as set forth on the Contract.

V.49 CONTRACT-052.1 Right to Know Law (August 2009)

a. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, applies to this Contract.

b. Unless the Contractor provides the Commonwealth, in writing, with the name and contact information of another person, the agency shall notify the Contractor using the Contractor information provided by the Contractor in SRM, or the legal contact information provided in this Contract, if the agency needs the Contractor's assistance in any matter arising out of the Right to Know Law ("RTKL"). The Contractor shall notify the agency in writing of any change in the name or the contact information within a reasonable time prior to the change.

c. Upon notification from the Commonwealth that the Commonwealth requires the Contractor's assistance in responding to a RTKL request for records in the Contractor's possession, the Contractor shall provide the Commonwealth, within fourteen (14) calendar days after receipt of such notification, access to, and copies of, any document or information in the Contractor's possession which arises out of the Contract that the Commonwealth requests ("Requested Information") and provide such other assistance as the Commonwealth may request in order to comply with the RTKL. If the Contractor fails to provide the Requested Information within fourteen (14) calendar days after receipt of such request, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.

d. The Commonwealth's determination as to whether the Requested Information is a public record is dispositive of the question as between the parties. Contractor agrees not to challenge the Commonwealth's decision to deem the Requested Information a Public Record. If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, the Contractor will immediately notify the Commonwealth, and will provide a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL within seven (7) calendar days of receiving the request. If, upon review of the Contractor's written statement, the Commonwealth still decides to provide the Requested Information, Contractor will not challenge or in any way hold the Commonwealth liable for such a decision.

e. The Commonwealth will reimburse the Contractor for any costs associated with complying with this provision only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

f. Contractor agrees to abide by any decision to release a record to the public made by the Office of Open Records, or by the Pennsylvania Courts. The Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL. Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

APPENDIX A
SPECIAL CONTRACT TERMS AND CONDITIONS
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332

1. ORDER OF PRECEDENCE

These Special Contract Terms and Conditions supplement the Standard Contract Terms and Conditions. To the extent that these Special Contract Terms and Conditions conflict with the Standard Contract Terms and Conditions, these Special Contract Terms and Conditions shall prevail.

2. PURCHASE ORDERS

All references made to purchase orders shall be considered not applicable to this contract.

3. PURCHASING CARD

All references made to the use of a purchasing card for payment against an invoice on this contract shall be considered not applicable.

4. AUDIT PROVISION

The following provision is in addition to V. 27 Contract-020.1 Audit Provisions (Oct 2006) of the Standard Contract Terms and Conditions.

The Contractor shall also ensure that an independent auditor perform audits of its policies and procedures applicable to the processing of transactions by the systems under this Contract. These audits shall be performed in accordance with Statement on Auditing Standards No. 70 (SAS 70), Service Organizations (as amended by SAS 88). The initial SAS 70 audit shall be completed for the period commencing with the execution of the contract and ending 12 months after the start of execution date and conducted annually thereafter. The independent auditor shall issue a report on policies and procedures placed in operation and tests of operating effectiveness as defined in SAS 70.

The Contractor shall submit the SAS 70 audit report to the Office of the Budget within 60 days after the required period of audit has ended. When SAS 70 audit report is other than unqualified, the Contractor shall submit to the Office of the Budget, in addition to the audit report, a plan describing what actions the Contractor will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions and a process for monitoring compliance with the timetable.

5. VIRUS, MALICIOUS, MISCHIEVOUS OR DESTRUCTIVE PROGRAMMING

Notwithstanding any other provision in this Contract to the contrary, the Contractor shall be liable for any damage to any data and/or software owned or licensed by the Commonwealth if the Contractor or any of its employees, subcontractors or consultants introduces a virus or malicious, mischievous or destructive programming into the Commonwealth's software or computer networks and has failed to comply with the Commonwealth software security standards. The Commonwealth must demonstrate that the Contractor or any of its employees, subcontractors or consultants introduced the virus or malicious, mischievous or destructive programming. The Contractor's liability shall cease if the Commonwealth has not fully complied with its own software security standards.

The Contractor shall be liable for any damages incurred by the Commonwealth including, but not limited to, the expenditure of Commonwealth funds to eliminate or remove a computer virus or malicious, mischievous or destructive programming that result from the Contractor's failure to take proactive measures to keep virus or malicious, mischievous or destructive programming from originating from the Contractor or any of its employees, subcontractors or consultants through appropriate firewalls and maintenance of anti-virus software and software security updates (such as operating systems security patches, etc.).

In the event of destruction or modification of software, the Contractor shall eliminate the virus, malicious, mischievous or destructive programming, restore the Commonwealth's software, and be liable to the Commonwealth for any resulting damages.

The Contractor shall be responsible for reviewing Commonwealth software security standards and complying with those standards.

The Commonwealth may, at any time, audit, by a means deemed appropriate by the Commonwealth, any computing devices being used by representatives of the Contractor to provide services to the Commonwealth for the sole purpose of determining whether those devices have anti-virus software with current virus signature files and the current minimum operating system patches or workarounds have been installed. Devices found to be out of compliance will immediately be disconnected and will not be permitted to connect or reconnect to the Commonwealth network until the proper installations have been made.

The Contractor may use the anti-virus software used by the Commonwealth to protect Contractor's computing devices used in the course of providing services to the Commonwealth. It is understood that the Contractor may not install the software on any computing device not being used to provide services to the Commonwealth, and that all copies of the software will be removed from all devices upon termination of this Contract.

The Commonwealth will not be responsible for any damages to the Contractor's computers, data, software, etc. caused as a result of the installation of the Commonwealth's anti-virus software or monitoring software on the Contractor's computers.

6. **LIQUIDATED DAMAGES**

The selected Offeror shall adhere to a set of minimum service levels and shall agree to incur service-level damages, including liquidated damages, if Service Level Requirements are not fulfilled. The selected Offeror and the Commonwealth agree that if a service level is not met, the failure will interfere with the operation of the Commonwealth's program, to the loss and damage to the Commonwealth. Where that damage is not otherwise clearly calculable (as in the overpayment of a claim) and able to be reimbursed as a direct or consequential damage, it is otherwise impractical and extremely difficult to fix the actual damage sustained. The Commonwealth and the selected Offeror therefore presume, in the event of any failure to meet a service level, the amount of damage which will be sustained from the failure will be the amount listed as liquidated damages under Chart 1 of Appendix A, and that the selected Offeror shall pay such amount as liquidated damages and not as a penalty.

The Commonwealth, at its option, for amounts due the Commonwealth as service-level damages, may deduct the amounts from any money payable to the selected Offeror, or may bill the selected Offeror as a separate item. The Commonwealth shall notify the selected Offeror in writing before deducting such sums from money payable to the selected Offeror. Delivery to the Commonwealth of a product or service that is rejected by the Commonwealth shall not toll the running of the days for purposes of determining the amount of liquidated damages.

In addition to any liquidated damages due, failure to adhere to the set minimum service levels will constitute cause for termination at the Commonwealth's discretion. Further, should the Commonwealth elect to terminate for cause under this paragraph, the selected Offeror agrees not to challenge the award or conduct of any further Emergency Procurement, Request for Proposal, Invitation of Bid, or other procurement for the type of services listed in this RFP that may be conducted for the next two years.

7. **RIGHT TO KNOW LAW 8-K-1532**

The following provision replaces in its entirety section V.49 Contract-052.1 Right to Know Law (August 2009) of the Standard Terms and Conditions.

The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL") applies to this Contract. For the purpose of these provisions, the term "the Commonwealth" shall refer to the contracting Commonwealth agency.

If the Commonwealth needs the Contractor's assistance in any matter arising out of the RTKL related to this Contract, it shall notify the Contractor using the legal contact information provided in this Contract. The Contractor, at any time, may

designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.

Upon written notification from the Commonwealth that it requires the Contractor's assistance in responding to a request under the RTKL for information related to this Contract that may be in the Contractor's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), the Contractor shall:

Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in the Contractor's possession arising out of this Contract that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and

Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Contract.

If the Contractor considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Contractor considers exempt from production under the RTKL, the Contractor must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Contractor explaining why the requested material is exempt from public disclosure under the RTKL.

The Commonwealth will rely upon the written statement from the Contractor in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, the Contractor shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.

If the Contractor fails to provide the Requested Information within the time period required by these provisions, the Contractor shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth.

The Commonwealth will reimburse the Contractor for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

The Contractor may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, the Contractor shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of the Contractor's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, the Contractor agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.

The Contractor's duties relating to the RTKL are continuing duties that survive the expiration of this Contract and shall continue as long as the Contractor has Requested Information in its possession.

**CHART 1 OF APPENDIX A
RFP# 6100014332**

SERVICE LEVEL AGREEMENTS (SLAs)

Performance Metric	Performance Target	Description	Calculation	Frequency of Review	Liquidated Damages	Unit of Measure
Platform Implementation	100%	Roll-out of electronic payment processing service to using agencies in conformity with specifications of this RFP and the contract.	Number of days late	Quarterly Report	**\$1000 per calendar day for the first 20 days **\$2,500 for every subsequent calendar day or fraction thereof (after day 21) *** EXCEPT that any implementation delays which impact the PLCB shall be assessed liquidated damages in the amount of \$25,000 for <u>every</u> day or fraction of a day that implementation is delayed	Per day of missed deadline.
Submission of Reports and Data Files	100%	Requirement to submit various data files and financial reports as set forth in RFP and contract within 5 days of scheduled due date via Commonwealth approved submission methods.	Number of days late	Monthly report	\$500 per incident, per day late	Per incident, per day

Performance Metric	Performance Target	Description	Calculation	Frequency of Review	Liquidated Damages	Unit of Measure
Funding Availability	100%	Offeror is required to maintain funding availability requirements as agreed.	Number of days late	Monthly report	<p>**\$500 per day late</p> <p>**additional \$100 per incident per day per directly affected agency if delay in funding is caused by failure to settle at agreed-to schedule</p> <p>**for each day that Commonwealth is not funded as agreed, liquidated damages will also be assessed in an amount equal to the interest payable on the unfunded amount for each day that is unfunded and continuing to accrue until proper funding is made. The interest rate paid will be calculated by using Prime as stated in the Wall Street Journal at http://www.wsjprimerate.us/.</p>	Per deadline missed, per day.
Availability of online payment/reconciliation tool	100%	24/7/365 availability of online payment/reconciliation tool (other than downtime allotted for scheduled maintenance)	Unavailability of tool for more than a total of 12 hours between the hours of 6 a.m and 6 p.m. during a rolling 7-day period per using agency	Monthly Report	\$1,000 per hour after 12 hours of unavailability	Per outage, per hour

Performance Metric	Performance Target	Description	Calculation	Frequency of Review	Liquidated Damages	Unit of Measure
System availability	100%	24/7/365 availability of electronic payment processing system to Commonwealth's customers	Number of minutes of system unavailability per calendar day per using agency	Monthly Report	<p>**\$5,000 per calendar day for each daily downtime total of 120 to 240 minutes per using agency</p> <p>**\$15,000 per calendar day for each daily downtime total above 240 minutes</p> <p>**\$10,000 for each calendar month whenever downtime total exceeds 450 minutes for a calendar month, which will be assessed in addition to the daily rate liquidated damages above</p>	Per outage
Impact on Commonwealth applications	100%	Operation of system, including system outages and corrective action plans, must not adversely impact any Commonwealth agency applications	Number of days that corrective action plan is not completed beyond first 30 days.	Monthly Report	<p>**In addition to damages for unavailability of system, liquidated damages of \$5,000 per day for every day after 30 days that a corrective action plan is not completed.</p> <p>**If same problem recurs subsequent to implementation of corrective action plan and is not corrected within 7 calendar days, then liquidated damages of \$5,000 will be assessed each day until the problem is fully and finally resolved.</p>	Per system impact, Per day late.

Performance Metric	Performance Target	Description	Calculation	Frequency of Review	Liquidated Damages	Unit of Measure
Completion of Change Controls	100%	Required change controls are implemented by the agreed upon completion date with no adverse impacts upon any Commonwealth agency applications.	Number of deadlines missed	Quarterly Report	.**\$1,000 per calendar day for first 20 days ** \$2,500 for every subsequent calendar day or fraction thereof (after day 21) *** EXCEPT that any failures impacting applications of the PLCB shall be assessed liquidated damages in the amount of \$25,000 for <u>every</u> day or fraction of a day that implementation is delayed.	Per deadline missed, Per day late.
Delivery of Operating Platform within established timeframe	100%	If Offeror makes a change to the operating platform, Commonwealth must have 120 days to test the platform and make any resultant, necessary Commonwealth system modifications.	Timing of delivery of platform and specification (platform used).	One time	\$5000 per day less than the required 120 days	Per deadline missed, per day.

Mandatory Technical Requirements – Continued

Data Security	YES	NO
<p>4. The Offeror must comply with the current PCI Data Security Standards.</p> <p>a) Can the Offeror demonstrate compliance with the PCI Data Security Standards by providing their audit and certification report annually?</p> <p style="text-align: right;">b) Provide a copy of the Offeror’s most recent PCI Data Security Standards (PCI DSS) report as Attachment 1 to the Technical Questionnaire.</p> <p style="text-align: center;">PCI DSS Report included as Attachment 1 to Appendix B.</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
<p>5. Can the Offeror adhere to all of the following requirements of the Commonwealth Electronic Payment System (ePay.NET)?</p> <p>a) Must be able to support XML-based transactions.</p> <p>b) Must provide an Application Program Interface (API) Guide. Please provide a web address to the Offeror’s API Guide:</p> <p style="text-align: center;">OR</p> <p style="text-align: center;">If a link cannot be provided, please attach a copy of the Offeror’s API Guide as Attachment 2 to Appendix B.</p> <p>c) Must provide detailed transaction error messages for failure in connecting to the payment gateway for troubleshooting purposes.</p> <p>d) Must provide payment gateway availability status upon request.</p> <p>e) Must provide a single point of contact for all payment gateway service technical support issues and maintenance schedules.</p> <p>f) Must provide agency with access to transaction reports for reconciliations, voiding of transactions, and financial report to management for all transactions processed via ePay.NET and the vendor payment gateway.</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>

I certify **Enter Company Name** is eligible for selection by responding “Yes” to all the Mandatory Technical Requirements listed above.

<i>Signature</i>
Signature of an official authorized to bind the Offeror to the provisions contained in the Offeror’s proposal:
Printed Name
Title

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE OFFEROR’S PROPOSAL WILL RESULT IN THE REJECTION OF THE OFFEROR’S PROPOSAL.

APPENDIX C
DOMESTIC WORKFORCE UTILIZATION CERTIFICATION

To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use the domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. In order to be eligible for any consideration for this criterion, offerors must complete and sign the following certification. This certification will be included as a contractual obligation when the contract is executed. Failure to complete and sign this certification will result in no consideration being given to the offeror for this criterion.

I, _____ [title] of _____ [name of Contractor] a _____ [place of incorporation] corporation or other legal entity, ("Contractor") located at _____ [address], having a Social Security or Federal Identification Number of _____, do hereby certify and represent to the Commonwealth of Pennsylvania ("Commonwealth") (Check **one** of the boxes below):

All of the direct labor performed within the scope of services under the contract will be performed exclusively within the geographical boundaries of the United States or one of the following countries that is a party to the World Trade Organization Government Procurement Agreement: Aruba, Austria, Belgium, Bulgaria, Canada, Chinese Taipei, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom

OR

_____ percent (____%) [Contractor must specify the percentage] of the direct labor performed within the scope of services under the contract will be performed within the geographical boundaries of the United States or within the geographical boundaries of one of the countries listed above that is a party to the World Trade Organization Government Procurement Agreement. Please identify the direct labor performed under the contract that will be performed outside the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement and identify the country where the direct labor will be performed:

[Use additional sheets if necessary]

The Department of General Services [or other purchasing agency] shall treat any misstatement as fraudulent concealment of the true facts punishable under Section 4904 of the *Pennsylvania Crimes Code*, Title 18, of Pa. Consolidated Statutes.

Attest or Witness:

Corporate or Legal Entity's Name

Signature/Date

Signature/Date

Printed Name/Title

Printed Name/Title

**APPENDIX D - PROPOSAL COVER SHEET
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332**

Enclosed in three separately sealed submittals is the proposal of the Offeror identified below for the above-referenced RFP:

Offeror Information:	
Offeror Name	
Offeror Mailing Address	
Offeror Website	
Offeror Contact Person	
Contact Person's Phone Number	
Contact Person's Facsimile Number	
Contact Person's E-Mail Address	
Offeror Federal ID Number	

Submittals Enclosed and Separately Sealed:	
<input type="checkbox"/>	Technical Submittal (<i>11 paper copies</i>)
<input type="checkbox"/>	Disadvantaged Business Submittal (<i>2 paper copies</i>)
<input type="checkbox"/>	Cost Submittal (<i>1 electronic copy submitted via the PA Supplier Portal</i>)
<input type="checkbox"/>	Complete and Searchable Electronic Proposal (CD-ROM or Flash Drive) (<i>2 copies</i>)

Signature	
Signature of an official authorized to bind the Offeror to the provisions contained in the Offeror's proposal:	
Printed Name:	
Title:	

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE OFFEROR'S PROPOSAL MAY RESULT IN THE REJECTION OF THE OFFEROR'S PROPOSAL.

**APPENDIX E
EXISTING APPLICATIONS
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332**

(As referenced in Part IV Work Statement,
section IV-2 Statement of Needs and IV-3 Description of Services)

This attachment provides a brief overview of the existing credit card processes, agencies accepting credit cards, and the resulting credit card volumes. This information is provided for a contractor's use in development of its proposal and should NOT be considered a guarantee of transactions or dollar amounts. Furthermore, the inclusion or omission of a state agency in this list is not necessarily indicative of that agency's participation in this contract.

Current Service Provider: The Commonwealth currently utilizes the contract between the Office of the Budget (on behalf of all Commonwealth Agencies) and PNC Financial Corporation (PNC) to provide electronic authorization, data capture and processing of VISA and MasterCard, American Express, Discover, STAR NETWORK, Interlink, Maestro, NYCE and Pulse network debit cards. As of December 31, 2009, the Commonwealth was processing, on an average, over 27,000,000 transactions per year. The below schedule is the total transaction volume for the year ended December 31, 2009.

Commonwealth Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions
VISA	9,587,809
MasterCard	4,128,966
Discover	1,011,793
American Express	1,491,960
Debit	11,495,314
Chargebacks for VISA and MasterCard	66

The Internet solution currently used is First Data Global Gateway. For more information please visit www.firstdata.com.

The PC Interface solution currently used is IC Verify® for Windows. For more information please visit www.ICVERIFY.com.

The equipment currently used varies by agency. See individual agency descriptions below.

The Commonwealth contracts directly with American Express and Discover for card acceptance.

Commonwealth Wide Electronic Payment System (ePay.NET):

The Commonwealth has developed ePay.NET Version 1.0 as its standard web service for online credit cards payments. For the user, the ePay.NET Version 1.0 web service provides a seamless transition from the government application to the electronic payment solution provider. The Commonwealth has mandated that all new Internet applications connect to ePay.NET. Reference ITB (Information Technology Bulletin) SEC-0017, Date Issued: September 7, 2006, Date Revised: October 20, 2006. The Information Technology Bulletin can be located at <http://www.portal.state.pa.us/portal/server.pt?open=514&objID=210791&mode=2>.

The Electronic Payment (ePay.NET) Developers Integration Guide (DIG) is available upon request.

Mandatory vendor deliverables:

1. Must be able to support XML-based transactions.
2. Must provide an Application Program Interface (API) Guide.
3. Must provide detailed transaction error messages for failure in connecting to the payment gateway for troubleshooting purposes.
4. Must provide payment gateway availability status upon request.
5. Must provide a single point of contact for all payment gateway service technical support issues and maintenance schedules.

Must provide agency access to transaction reports for reconciliations, voiding of transactions, and financial report to management for all transactions processed via e-Pay.NET and the vendor payment gateway.

Agencies Currently Accepting Electronic Payments:

Pennsylvania Liquor Control Board (PLCB).

Act 14 of 1987 of the Pennsylvania General Assembly mandated that the PLCB accept credit cards as an alternate payment method for the purchase of liquor and alcohol in Pennsylvania Wine and Spirits Stores. PLCB currently accepts credit/debit cards in all stores and kiosks as well as for internet transactions for Licensing renewals and a limited number of telephone sales. It is the intent of the PLCB to continue to provide the highest quality of service at the lowest possible cost to the general public, and to do so without interruption.

Locations: The wine and spirits store system presently consists of 622 brick and mortar locations throughout the Commonwealth, of which eight are wholesale-only stores. Stores range in size from small one-person operations with one register to large multi-person operations with six registers. The total number of stores is dynamic because of continuous openings and closings. It is expected that brick and mortar locations could change + or – 10 locations each year. Additionally, 100 kiosks are projected for 2010. Kiosk locations for future years have yet to be determined. Locations may be found at www.lcb.state.pa.us.

Hardware/Software/Equipment:

Host Systems and Data Communications Overview. All host and servers are located behind the Commonwealth's Checkpoint firewall. The only machine accessible from the Internet is the Agency's web site located at www.lcb.state.pa.us.

Current communication: Store controllers communicate with the IBM StorePay switch. The StorePay switch resides on an AIX box which is running a number of supporting applications for the StorePay environment. These include the StorePay Key Exchange application responsible for maintaining the encryption keys and communicating those keys to the StorePay Controllers and the StorePay Switch application which is responsible for routing payment requests to the credit card processor using FDMS – Nashville “FDMS Electronic Host Capture Interface Specifications – DSNS-0006-2.7” for credit/debit authorization or ISD for gift card authorization or balance inquiries.

Future communication with new POS system: The store controllers will be communicating to the processor using an ISD Payment Switch. ISD interfaces with the following processors: American Express, Bank of America (NPC), Discover, EDS, Elavon (NOVA), First Data – Atlanta (Buypass), First Data – North (CES), First Data – Omaha, First Data – South (Nabanco), Fifth Third Bank – Cincinnati, Fifth Third Bank – St. Petersburg, First National Merchant Sol – Indy., Global Collect, GM Group (Puerto Rico), GPS East/Big Batch, GPS St. Louis (MAPP), Moneris, Paymentech – Salem, Paymentech – Tampa, Royal Bank, RBS Lynk, Toronto Dominion, US Bank, VisaNet – DEX, TSYS – Dial, TSYS – SSL and TSYS Saratoga. The PLCB is currently coding to First Data – North “First Data ISO 8583 Global Specification September 30, 2009, Version 2009-2 and North Authorization Guide for ISO-8583 Debit.” If proposed contractor would like to change from this specification, all costs associated with this change must be absorbed by the proposing contractor. In addition, as previously noted, all platforms proposed must be ISD-interfaceable.

The agency is currently evaluating the use of an ISD appliance to handle credit/debit and gift card data outside of the POS system. If this appliance is utilized, it will only pass the authorization number to the Oracle POS software.

In-Store (POS) System Overview. Current system: The PLCB POS system is built around an IBM PC, which serves in each store as both the controller and the manager's terminal (IBM 8479). Software on each controller includes the IBM 4690 Operating System, IBM General Sales Application software, and IBM StorePay software. IBM monitors and printers round out the manager's hardware.

The checkout counters are equipped with one to six IBM 4694 Model 245 registers with an integrated magnetic swipe reader and a VeriFone MX830 pin pad, connected through Ethernet with the store controller. Flatbed and hand-held scanners are also used to read the UPC labels on the merchandise.

Wholesale stores use the same configuration as retail stores but they may have one to three additional PCs.

MLink software is installed on the PLCB Host Computer in Harrisburg, PA and is used to transfer data between Central Office and the stores.

Kiosks: The Kiosk will use a Sagem EPP 1218 to capture the credit card information, encrypt it with encryption key created by IBM Key Manager and send it to the IBM StorePay Switch.

Future POS system: In-Store (POS) System Overview. The PLCB POS system is built around an IBM rack mounted server. Oracle Back Office Software (ORBO) is loaded on each server. The software on both the rack mounted server and registers is loaded on the SuSE Linux operating system. The store's business PC would be used to access applications and functions on the ORBO server. The store also has a network laser printer.

The checkout counters are equipped with one to six IBM 784 registers with an integrated magnetic swipe reader and a VeriFone MX830 pin pad, connected through Ethernet to the back office server. Hand-held scanners are also used to read the UPC labels on the merchandise.

Wholesale stores use the same configuration as retail stores but they may have one to three additional PCs.

Skillnet's StoreHub software is used to transfer data between Central Office and the stores

Kiosks: The Kiosk will use a Sagem EPP 1218 to capture the credit card information, encrypt it using a RSA encryption software and key management tool and send it to the ISD Payment Switch. If an ISD appliance is utilized, all encryption authorization will be completed on the appliance and only the approval and authorization code will be passed to the Kiosk software.

PLCB Net Credit Card Store Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	7,025,851	\$306,316,586	\$43.60
MasterCard	3,221,739	\$152,495,525	\$47.34
Discover	796,450	\$35,084,338	\$44.05
American Express	1,224,752	\$123,460,342	\$100.81
Debit	11,474,715	\$340,725,441	\$29.70
Totals	23,743,507	\$958,082,232	\$40.35

PLCB Credit Card Volume – License Renewal Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	2,994	\$2,214,895	\$739.78
MasterCard	1,249	\$909,270	\$728.00
Discover	368	\$255,775	\$695.04
American Express	1,074	\$875,740	\$815.40
Debit	0	\$0	\$0
Totals	5,685	\$4,255,680	\$748.58

Pennsylvania Department of Agriculture.

The Pennsylvania Farm Show Complex and Expo Center accepts credit cards for online registrations for booth rental not only for the Farm Show but all shows that contract with the Complex. We also accept credit cards for online registrations for animals, chickens, etc for the Annual Farm Show.

Agriculture Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	125	\$14,224	\$113.80
MasterCard	53	\$5,447	\$102.78
Discover	19	\$0	\$0
American Express	6	\$0	\$0
Debit	0	\$0	\$0
Totals	203	\$19,671	\$96.91

Pennsylvania Department of Banking.

Dept of Banking accepts credit/debit cards for new and renewals of license application fees.

Banking Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	1,856	\$553,650	\$298.31
MasterCard	874	\$318,700	\$364.65
Discover	153	\$0	\$0
American Express	1,045	\$0	\$0
Debit	0	\$0	\$0
Totals	3,928	\$872,350	\$222.09

Pennsylvania Department of Conservation and Natural Resources (DCNR)

DCNR currently accepts credit cards for reservations, retail sales, fees, and construction contract bids. There are 121 state park locations spread across Pennsylvania with 80 parks having locations taking credit cards. In addition there are four regional park offices, one central office location, and a central call center that is contracted out that takes credit cards along with an on line application. Along with state parks, the Bureau of Facility Design and Construction (FDC) accept credit cards for copies of bid documents for work to be done on state park and forest land. The FDC transactions amount to a small percentage and are included in the volume stated below.

There are currently two (2) ICVerify licenses in use by the state parks Reservation and Revenue System (ReservePA). In addition there are two Merchant Accounts, one for the web reservations and field as one for the call center sales channel. The ICVerify software is programmed and integrated to work internally with the ReservePA program so that the end user does not even realize there are two software programs running, enter credit card information in two places or need to use a separate terminal for credit card processing. Credit card entry can be done manually within ReservePA or by using the dual track swipes. For more information, please visit <http://www.pa.reserveworld.com> and <http://www.dcnr.state.pa.us/stateparks/index.aspx>.

Hardware/Software/Equipment: *No equipment is leased for use with the state parks reservation and revenue program. State parks provide the credit card swipes, receipt printers, and ICVerify licenses.*

State Park and FDC Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	99,777	\$7,798,709	\$78.16
MasterCard	44,222	\$3,647,991	\$82.49
Discover	12,637	\$1,090,447	\$86.29
American Express	6,679	\$517,713	\$77.31
Debit	Not accepted	\$0	\$0
Totals	163,333	\$13,054,860	\$79.93

DCNR offers registration of snowmobiles and titling of all-terrain vehicles since 2003. There are currently more than 76,000 ATVs and snowmobiles registered in Pennsylvania and the numbers are expected to continue to grow. The software program for handling registrations has ICVerify integrated into the program and is used internally for payments. Vendors can obtain information from the program along with law enforcement, but all processing is handled by DCNR staff. For more information, please visit the on line sites at <http://www.dcnr.state.pa.us/forestry/snowmobile/registration.aspx> and <http://www.dcnr.state.pa.us/forestry/atv/registration.aspx>.

Pennsylvania Department of Environmental Protection (DEP).

DEP currently accepts credit cards for bid packages.

DEP Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	6,911	\$1,185,018	\$171.47
MasterCard	3,653	\$640,175	\$175.25
Discover	1,081	\$0	\$0
American Express	1,358	\$0	\$0
Debit	0	\$0	\$0
Totals	13,003	\$1,825,193	\$140.37

Hardware/Software/Equipment:

ePay.NET/First Data Global Gateway

Pennsylvania Department of General Services (DGS).

The Bureau of Supplies and Surplus Operations accepts credit card payments for the sale and donation of state surplus and federal surplus property available at our distribution centers and on eBay.

DGS Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	1,049	\$101,145	\$96.42
MasterCard	451	\$44,707	\$99.13
Discover	84	\$0	\$0
American Express	98	\$0	\$0
Debit	0	\$0	\$0
Totals	1,682	\$145,852	\$86.72

Pennsylvania Department of Health.

The Department of Health, Office of Quality Assurance, Division of Nursing Care Facilities, Division of Acute and Ambulatory Care and Division of Home Health are responsible for the licensing of nursing care facilities, hospitals and home health agencies in Pennsylvania with oversight of 718 nursing homes, 221 hospitals and 351 home care agencies. Nursing homes and home health agencies in the Commonwealth of PA are required to apply for licensure on an annual basis, and hospitals are required to apply for licensure on a two-year licensing cycle. License fees are collected from nursing homes, home health agencies and hospitals across the Commonwealth for issuance of various license types.

The Office of Quality Assurance has established an on-line service for nursing homes, home health agencies and hospitals to afford them the opportunity to pay their license fees on-line. It has facilitated the licensure process by providing this type of service.

The Department of Health, Division of Home Health oversees the registration and compliance of manufactures, distributors, and retailers of drugs, medical devices and medicated cosmetics in accordance with the Drug, Device and Cosmetic Act, the Wholesale Prescription Drug Distributors License Act, and the Pennsylvania Code Title 28 Chapter 25.

In accordance with the Governor’s E-commerce directives, the Department of Health initiated a web based system along with an integrated database program in the Division of Home Health for the Drug, Device, and Cosmetic Program (DDC). The DDC credit card application was developed in September 2000 to accept payment of licenses and registration for manufacturers, distributors, and retailers of drugs, medical devices and equipment, medical gases, and medicated cosmetics. In addition, businesses are able to use the site to update business information, receive e-mail renewal notifications, obtain general information, review and download relevant statues/regulations and forms, link to related registration sites, and send e-mail to DDC staff.

Approximately 14,400 registrants are maintained in a database with 12,300 registrants renewing annually, 1200 filing new business applications, and 850 canceling existing registrations. Approximately \$400,000 in fees is collected annually. The fees are set by regulation and/or statute. In addition to accepting credit card transactions via the web, DDC accepts credit card information via fax, mail, and telephone. DDC accepts Visa, MasterCard, American Express, and Discover cards. All transactions are currently card not present and payment authorization requests are sent directly to First Data Global Gateway.

Hardware/Software/Equipment

Hypercom Model T7P

Health’s DD&C Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	1,568	\$296,243	\$188.93
MasterCard	743	\$136,414	\$183.60
Discover	61	\$0	\$0
American Express	643	\$0	\$0
Debit	Not accepted	\$0	\$0
Totals	3,015	\$432,657	\$143.51

Pennsylvania Department of State.

Department of State – Corporation Bureau & PA Open For Business.

The Corporation Bureau accepts payments for online corporate registrations through the PA Open For Business application. Also, customers can order documents and certificates online through the Bureau’s online database shopping cart feature.

Department of State - Corporate Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average Per Transaction
VISA	21,852	\$1,190,829	\$54.50
MasterCard	12,832	\$773,695	\$60.29
Discover	612	\$59,433	\$97.11
American Express	7,282	\$455,889	\$62.60
Debit	0	\$0	\$0
Totals	42,578	\$2,479,846	\$58.24

Department of State – Online UCC Filings.

The Corporation Bureau accepts credit card payments for online filing of UCC financing statements.

Department of State – UCC Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average Per Transaction
VISA	3,975	\$719,796	\$181.08
MasterCard	795	\$112,224	\$141.16
Discover	0	\$0	\$0
American Express	330	\$43,512	\$131.85
Debit	0	\$0	\$0
Totals	5,100	\$875,532	\$171.67

Department of State – Online BPOA.

The Bureau of Professional & Occupational Affairs accepts credit card payments for online licensing renewals.

Department of State - BPOA Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average Per Transaction
VISA	143,099	\$10,126,659	\$70.77
MasterCard	69,443	\$5,319,796	\$76.61
Discover	15,329	\$1,062,112	\$69.29
American Express	29,721	\$2,862,981	\$96.33
Debit	0	\$0	\$0
Totals	257,592	\$19,371,548	\$75.21

Hardware/Software/Equipment:

ePay.NET/ First Data Global Gateway

Pennsylvania Department of Transportation (PENNDOT).

Governor Tom Ridge, in his 2000-01 Budget Address included Internet Motor Vehicle and Driver License Renewals as an initiative, required by June 2001. Within PENNDOT - Safety Administration, the E-Government initiative was developed. The applications currently available on our website are driver license, photo ID & vehicle registration renewals, which began 5/16/01, and driver information that began 5/15/02. PENNDOT will continue to add other applications through a phase-in process. PENNDOT also accepts credit cards for payment of accounts receivable, merchandise in their sales store, maps, plans, proposals and specifications. For more information, please visit www.dot.state.pa.us.

Hardware/Software/Equipment:

Host System & Data Communication Overview (On-line Services):

In order to allow customers to perform real-time credit card payments for their transactions the e-Government web site sends its payment authorization requests to First Data Global Gateway. The site creates a socket that connects to the First Data Global Gateway URL and uses code provided by First Data Global Gateway to format and parse the data that is communicated over the socket. The security of these communications is ensured by using Java Secure Socket Extension (JSSE) to send data from the server to First Data Global Gateway.

Equipment: The following equipment is being used at the Comptroller Accounts Receivable and Sales Store:

- Terminal: Hypercom Model T1E
- Keypad: Hypercom Model S8
- Keypad: Hypercom Model 57-CR

PENNDOT Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average Per Transaction
VISA	1,969,423	\$88,383,983	\$44.88
MasterCard	749,743	\$34,345,906	\$45.81
Discover	159,694	\$7,537,410	\$47.20
American Express	180,105	\$9,196,837	\$51.06
Debit	9	\$553	\$61.39
Totals	3,058,974	\$139,464,689	\$46.30

Pennsylvania Fish and Boat Commission.

Fish and Boat accepts credit cards for licenses and merchandise purchased online, in person, and through the mail. For more information, please visit www.fish.state.pa.us., www.theoutdoorshop.state.pa.us , and www.theoutdoorshop.state.pa.us//FBG/fish/WebSiteFAQ.asp

Hardware/Software/Equipment:

IBM 14R1896 terminal (2) CAP POS SQL V8 software
 Epson M129C printer (2)
 VeriFone 1000se PinPad 2000 (2)
 Key Source International KSI-2202 card reader (3)

Fish and Boat Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	67,386	\$2,373,917	\$35.23
MasterCard	26,001	\$931,297	\$35.82
Discover	5,969	\$0	\$0
American Express	5,946	\$0	\$0
Debit	0	\$0	\$0
Totals	105,302	\$3,305,214	\$31.39

Pennsylvania Game Commission.

Game accepts credit cards for licenses and merchandise purchased online, in person, or through the mail. For more information, please visit www.pgc.state.pa.us .

Hardware/Software/Equipment:

Terminal - Hypercom Model T7P
ePay.NET/First Data Global Gateway

Locations: Harrisburg - 7 terminals

Other Regions - 6 terminals

Game Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	14,049	\$519,516	\$36.98
MasterCard	5,037	\$182,598	\$36.26
Discover	1,709	\$0	\$0
American Express	521	\$0	\$0
Debit	85	\$3,914	\$46.05
Totals	21,401	\$706,028	\$32.99

Pennsylvania Historical and Museum Commission (H&M).

H&M accepts credit cards for admissions and/or gift shop merchandise at the following locations: Railroad Museum, Landis Valley, Ephrata Cloister, Pennsbury Manor, Cornwall Iron Furnace, Conrad Weiser, Daniel Boone Homestead, Erie Maritime, Washington Crossing, the State Museum and Commonwealth Book Store.

Hardware/Software/Equipment

Hypercom Model T7P

H&M Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	12,710	\$356,919	\$28.09
MasterCard	5,568	\$165,445	\$29.72
Discover	933	\$0	\$0
American Express	1,401	\$0	\$0
Debit	66	\$1,389	\$21.05
Totals	20,768	\$523,753	\$25.22

Pennsylvania Public Utility Commission (PUC).

PUC accepts credit / debit cards for the payments for the e-filing of utility applications via the PUC website.

PUC Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	37	\$7,085	\$191.49
MasterCard	10	\$1,650	\$165.00
Discover	1	\$0	\$0
American Express	15	\$0	\$0
Debit	0	\$0	\$0
Totals	63	\$8,735	\$138.65

Pennsylvania State Police (PSP).

The State Police accepts credit cards for criminal background checks.

PSP Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA	169,247	\$2,294,630	\$13.56
MasterCard	69,531	\$1,041,730	\$14.99
Discover	12,672	\$0	\$0
American Express	23,342	\$0	\$0
Debit	0	\$0	\$0
Totals	274,792	\$3,336,360	\$12.15

Hardware/Software/Equipment:

ePay.NET/First Data Global Gateway

**APPENDIX F
FUNDS AVAILABILITY
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332**

(As referenced in Part IV-3 Description of Services,
section E. General Processing Requirements)

MASTERCARD, VISA AND DEBIT CARD TRANSACTIONS

Directions: Bidders should complete the tables below for domestic MasterCard, VISA, On-line and Off-line Debit Card transactions. Bidders should enter the cut-off time for transactions to be settled by Agencies (column a), the associated day of the week on which the transactions will be processed if they are received before the cut-off time (column b), and the time and day by which funds will be deposited using an ACH transaction (column c).

Note: The vendor must credit the Commonwealth account(s) with funds equal to each agency's end-of-day settlement for all bankcard and debit card transactions (i.e. Visa, MasterCard and debit card funding) on the next business day from the settlement date.

Funds Availability		(a)	(b)	(c)
		Transactions settled before	Will be processed on:	Funds will be deposited via ACH no later than
		(EST) on:		(EST) on:
1	Monday			
2	Tuesday			
3	Wednesday			
4	Thursday			
5	Friday			
6	Saturday			
7	Sunday			

**APPENDIX G
TRANSACTION REPORT DETAIL AND MEDIUM AVAILABLE
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332**

(As referenced in Part IV-3 Description of Services,
section G Reporting)

Directions: Contractors should complete the following table that asks for a listing of reporting elements contained in daily and monthly required reports. The reports must be available electronically. An optional comments section is provided at the end of this document for contractors to use if they wish to provide any additional explanatory information.

Description of Required Report Detail	Daily (Required)	Monthly (Required)
Date of Report		
Period Covered by Report		
Agency Name		
Agency's Merchant Numbers		
Agency Site/Location		
Batch Number		
Card Brand		
Cardholder Number		
Cardholder Name		
Card Expiration Date		
Date of Transaction		
Time of Transaction Initiation		
Commonwealth Unique Transaction Number		
Transaction Dollar Amount		
Transaction Description		
Transaction Reference Number		
Authorization Approval Code		
Deletion or Cancel Code		
Date/time of Authorization		
Date/time of Capture		
Settlement Date		
Dept. User ID Number (if applicable)		
Total Number of Transactions		
Total Transactions/Card Type		
Total Transactions/Collection Method		
Gross \$ Amount of Transaction		
Gross \$ Amount of Transaction/Card Type		
Gross \$ Amount of Transaction/Collection Method		
\$ Fees Applied to Gross Sales/# Transactions		
\$ Fees Applied per Individual Transaction		
Description of Fees		
Total Fees		
Net \$ Amount of Transactions		

Description of Report Detail	Daily (Required)	Monthly (Required)
Net \$ Amount of Transactions /Card Type		
Net \$ Amount of Transactions /Collection Method		
Net Number of Transactions		
Net # Transactions/Card Type		
Net # Transactions/Collection Method		
Average Gross Sales Amount		
Average Net Sales Amount		
Average Gross # of Transactions		
Average Net # of Transactions		
Number of Agency Reversals		
Dollar Amount of Agency Reversals		
Individual Reversal Detail Information		
Number of Chargebacks		
Dollar Amount of Chargebacks		
Individual Chargeback Detail Information		
Month-to-Date Information/Item		
Year-to-Date Information/Item		
Processing & Convenience Fee (if applicable)		
Other (please describe)		

Comments:

**APPENDIX H
 COST SUBMITTAL
 COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF GENERAL SERVICES
 RFP# 6100014332**

(As referenced in Part II Proposal Requirements, section II-10 Cost Submittal)

For purposes of this cost proposal, the following table presents a projection of estimated credit card volumes for each of the four rate requests: Unbundled, Bundled, Non-Bank Card Costs, and Service Fees Charged to Commonwealth Customers. These projections reflect the Commonwealth’s best estimate of future volumes and are based on existing applications or applications under development. No consideration is given for potential future applications. The following projected information is provided for the Contractor’s use in developing its costs under this proposal and should NOT be considered a guarantee of actual transactions or dollar amounts over the life of the Contract.

**PROJECTED CREDIT/DEBIT CARD VOLUMES
 FOR THE FIVE YEAR PERIOD: 2011 TO 2015
 (Transaction Volumes in Thousandths)**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
1. Bank Card					
Transaction Volume:	18,204	19,420	20,655	21,966	23,332
Dollar Volume:	\$822,439	\$897,851	\$977,052	\$1,063,076	\$1,155,294
2. Non Bank Card					
Transaction Volume:	3,885	4,124	4,374	4,637	4,913
Dollar Volume:	\$299,185	\$325,677	\$332,039	\$385,379	\$419,951
3. Debit Card					
Transaction Volume:	12,393	13,384	14,455	15,611	16,860
Dollar Volume:	\$379,105	\$421,716	\$469,117	\$521,846	\$418,951
4. Service Fee*					
Transaction Volume:	-	5	5	5	5
Dollar Volume:	-	\$500	\$512	\$525	\$538

Agencies must have the option to switch between unbundled rates or bundled rates upon 30 days advance written notice from the agency to the Contractor.

Note: The rates in the cost submittal shall include all services as described in Part IV – Work Statement (i.e. authorizing, reporting, marketing, chargebacks, customer service, training, etc.) and cannot be changed during the five-year term of the Contract. The term “transaction” shall represent both sales and credit transactions.

***No agencies are currently charging a service fee for credit card transactions, but may in the future.**

SERVICE COSTS

A. **Unbundled Rate**. Indicate the annual unbundled rate for the transactions as follows:

A-1: Unbundled Transaction Fee:

Annual Volume of Transactions for Visa/MasterCard /Offline Debit Cards	Transaction Fee for each Visa, MasterCard, Offline Debit Card Transaction (\$ per transaction)				
	Year 1	Year 2	Year 3	Year 4	Year 5
0 – 5,000,000					
5,000,001 – 10,000,000					
10,000,001 – 12,000,000					
12,000,001 – 12,500,000					
12,500,001 – 13,000,000					
13,000,001 – 13,500,000					
13,500,001 – 14,000,000					
14,000,001 – 14,500,000					
14,500,001 – 15,000,000					
15,000,001 – 15,500,000					
15,500,001 – 16,000,000					
16,000,001 – 16,500,000					
16,500,001 – 17,000,000					
17,000,001 – 17,500,000					
17,500,001 – 18,000,000					
18,000,001 – 18,500,000					
19,500,001 – 20,000,000					
20,000,001 – 20,500,000					
20,500,001 – 21,000,000					
21,000,001 – 21,500,000					
21,500,001 – 22,000,000					
22,000,001 – 22,500,000					
22,500,001 – 23,000,000					
23,000,001 – 23,500,000					
23,500,001 – 24,000,000					
24,000,001 – 24,500,000					
24,500,001 – 25,000,000					
25,000,001 – 25,500,000					
25,500,001 – 26,000,000					
26,000,001 – 26,500,000					
26,500,001 and above					

A-2: On-line Debit Card Costs. Indicate the annual unbundled rate for Online Debit Card transactions as follows:

Annual Volume of Transactions for Online Debit Cards	Transaction Fee for each Online Debit Card Transaction (\$ per transaction)				
	Year 1	Year 2	Year 3	Year 4	Year 5
0 – 5,000,000					
5,000,001 – 10,000,000					
10,000,001 – 10,500,000					
10,500,001 – 11,000,000					
11,000,001 – 11,500,000					
11,500,001 – 12,000,000					
12,000,001 – 12,500,000					
12,500,001 – 13,000,000					
13,000,001 – 13,500,000					
13,500,001 – 14,000,000					
14,000,001 – 14,500,000					
14,500,001 – 15,000,000					
15,000,001 – 15,500,000					
15,500,001 – 16,000,000					
16,000,001 – 16,500,000					
16,500,001 – 17,000,000					
17,000,001 – 17,500,000					
17,500,001 – 18,000,000					
18,000,001 – 18,500,000					
19,500,001 – 20,000,000					
20,000,001 and above					

Note: The fee to be charged for the first quarter of the Contract period will be based on the activity during the first four of the immediately preceding five quarters. For instance, for the quarter beginning on October 1, 2010, the fee will be based on the activity for the four quarters ending June 30, 2010, and for the quarter beginning January 1, 2011, the fee will be based on the activity for the four quarters ending September 30, 2010. If the transactions fall above or below the current tier, the transaction fee will be adjusted accordingly the first month of the next quarter.

A-3: Dial up versus Lease Line: If different rates apply for dial up lines versus leased lines a separate cost schedule should be prepared for each type of line.

A-4: Pass-Through Fees. Fees charged by Visa, MasterCard, and Debit Card Networks must be passed through the Contractor to the Commonwealth. These fees may vary through the term of the Contract. The Contractor must provide written notification 30 days prior to the effective date of any change in the pass-through fees.

Place a check mark in the box below and enter the Company Name if the Offeror agrees to the following statement.

The Offeror, Enter Company Name, agrees to charge the Commonwealth the actual, published Visa, MasterCard and Debit Card Networks industry rates. These industry rates include interchange fees, assessment fees, network fees for debit cards, and fees for offline debit cards.

B. Bundled Rate. A bundled rate includes all service fees, including pass-through fees. Indicate the bundled rate for both “card present” and “card not present” transactions. Separate fees must be presented for (1) Visa, MasterCard and offline Debit Cards; and (2) online Debit Cards, as follows:

B-1: Bundled Rate Year 1.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:		
Card Not Present:		
Transaction Fee for online Debit Cards		
Card Present:		
Card Not Present:		

B-2: Bundled Rate Year 2.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:		
Card Not Present:		
Transaction Fee for online Debit Cards		
Card Present:		
Card Not Present:		

B-3: Bundled Rate Year 3.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:		
Card Not Present:		
Transaction Fee for online Debit Cards		
Card Present:		
Card Not Present:		

B-4: Bundled Rate Year 4.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:		
Card Not Present:		
Transaction Fee for online Debit Cards		
Card Present:		
Card Not Present:		

B-5: Bundled Rate Year 5.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:		
Card Not Present:		
Transaction Fee for online Debit Cards		
Card Present:		
Card Not Present:		

C. Non-Bank Card Costs. Indicate the transaction fee for Discover and American Express (state as a dollar amount per transaction). Note: The Commonwealth contracts directly with American Express and Discover for card acceptance. The Commonwealth will pay American Express and Discover directly, except in those instances when a service fee is charged to the customer.

Number of Transactions for American Express and Discover (Annual Volume)	Transaction fee for American Express and Discover transactions* (\$ per transaction)
0 - 500,000	
500,001 – 1,000,000	
1,000,001 – 1,500,000	
1,500,001 – 2,000,000	
2,000,001 – 2,500,000	
2,500,001 – 3,000,000	
3,000,001 – 3,500,000	
3,500,001 – 4,000,000	
4,000,001 – 4,500,000	
4,500,001 – 5,000,000	
5,000,001 – 5,500,000	
5,500,001 – 6,000,000	
6,000,001 – 6,500,000	
6,500,001 – 7,000,000	
7,000,001 and above	

*Based on total Commonwealth Volume for bundled and unbundled rates

D. Service Fee Charged to Commonwealth Customers. For those agencies required to pass a service fee to their customers to pay for the cost of credit card acceptance, indicate the service fee that will be charged to the customer. This fee shall include all service costs for Visa, MasterCard, American Express, and Discover. If agencies choose to use this service fee structure, the specific service fee to be charged to the payee will be negotiated with the Contractor for each application at time of program implementation.

Service Fee (% of \$ amount)	
Year 1	
Year 2	
Year 3	
Year 4	
Year 5	

EQUIPMENT COSTS

E. Equipment Costs. Indicate the following equipment costs.

Type of Equipment (Include name of proposed equipment)	Purchase Cost	Lease Cost	Lease w/option to purchase cost	Monthly Maintenance Fee
Printers				
Pin Pads				
Commonwealth Owned Pin Pads*				
Terminals				
Manual Imprinter				
Portable Imprinter				
IC Verify for Windows Version 2.6				
- single user				
- additional user				
- multi user				
Other**				

* The Commonwealth currently owns approximately 1,400 pin pads.

** Other equipment to be used for transaction processing.

F. Discounts. Indicate any additional discounts for equipment costs based on quantity or other factors. Be sure to list any additional services/costs that are incorporated into the Contractor's equipment costs.

APPENDIX I
PLCB CUSTOM FILE FORMAT
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332

(As referenced in Part IV-3 Description of Services,
section D Custom Data Files)

PLCB Merchant ID must contain the PLCB Store Number

PLCB File Format:

FD PNC-FILE
RECORDING F
LABEL RECORDS OMITTED
RECORD CONTAINS 80 CHARACTERS.

01 PNC-REC.
05 PNC-RECORD-TYPE PIC XX.
88 TAPE-HEADER VALUE 'TH'.
88 BATCH-HEADER VALUE 'BH'.
88 BATCH-HEADER-ADDENDUM VALUE 'B0'.
88 BATCH-DETAIL VALUE 'BD'.
88 BATCH-TRAILER VALUE 'BT'.
88 BATCH-TRAILER-ADDENDUM-1 VALUE 'B1'.
88 BATCH-TRAILER-ADDENDUM-2 VALUE 'B2'.
88 TAPE-TRAILER VALUE 'TT'.
88 TAPE-TRAILER-ADDENDUM VALUE 'T1'.
05 PNC-DATA PIC X(78).

01 TAPE-HEADER-REC.
05 FILLER PIC XX.
05 TH-PROCESSOR-IDENTIFIER PIC X(15).
05 TH-TRANSMISSION-DATE.
10 TH-TRANSMISSION-MM PIC 99.
10 TH-TRANSMISSION-DD PIC 99.
10 TH-TRANSMISSION-YY PIC 99.
05 TH-TRANSMISSION-TIME PIC 9(4).
05 TH-FILE-FORMAT PIC XX.
05 TH-LETTER-NUMBER PIC X(4).
05 TH-FILLER PIC X(47).

01 BATCH-HEADER-REC.
05 FILLER PIC XX.
05 BH-MERCHANT-NUMBER.
10 BH-MERCHANT-HEADER PIC X(10).
10 BH-MERCHANT-STORE PIC X(4).
10 BH-MERCHANT-CK-DIGIT PIC X.

	10 BH-MERCHANT-FILLER	PIC X(1).
05	BH-MERCHANT-NAME	PIC X(25).
05	BH-MERCHANT-CITY	PIC X(13).
05	BH-MERCHANT-STATE	PIC X(2).
05	BH-MERCHANT-SIC	PIC X(4).
05	BH-MERCHANT-CODE	PIC X(2).
05	BH-SYSTEM-NUMBER	PIC X.
05	BH-BATCH-SUMMARY-NUMBER	PIC 9(8).
05	BH-LETTER-IDENTIFIER	PIC X(2).
05	BH-LETTER-NUMBER	PIC X(4).
05	FILLER	PIC X.
01 BATCH-HEADER-ADDENDUM-REC.		
05	FILLER	PIC X(34).
05	B0-SUMMARY-DATE.	
	10 B0-SUMMARY-YY	PIC 99.
	10 B0-SUMMARY-MM	PIC 99.
	10 B0-SUMMARY-DD	PIC 99.
05	FILLER	PIC X(40).
01 BATCH-DETAIL-REC.		
05	FILLER	PIC XX.
05	BD-ACCOUNT-NUMBER	PIC X(19).
05	BD-TRANSACTION-DATE.	
	10 BD-TRANSACTION-MM	PIC 99.
	10 BD-TRANSACTION-DD	PIC 99.
	10 BD-TRANSACTION-YY	PIC 99.
05	BD-TRANSACTION-AMOUNT	PIC 9(7)V99.
05	BD-TYPE-OF-TRANSACTION	PIC X.
05	BD-AUTHORIZATION-NUMBER	PIC X(6).
05	BD-REFERENCE-NUMBER	PIC 9(6).
05	BD-INVOICE-NUMBER	PIC X(10).
05	BD-REINPUT-FLAG	PIC X.
05	BD-TRANSACTION-ID	PIC X(2).
05	BD-AUTHORIZATION-SOURCE	PIC 9.
05	BD-POS-TERMINAL-CAPABILITY	PIC 9.
05	BD-POS-ENTRY-MODE	PIC 9.
05	BD-CARDHOLDER-ID-METHOD	PIC 9.
05	BD-MERCHANT-LOCATION-ZIP	PIC 9(9).
05	BD-FDR-MERCHANT-ID	PIC 9(3).
05	FILLER	PIC X(2).
01 BATCH-TRAILER-REC.		
05	FILLER	PIC XX.
05	BT-VISA-AMOUNT	PIC 9(7)V99.
05	BT-VISA-SIGN	PIC X.
05	BT-VISA-ITEMS	PIC 9(7).
05	BT-MASTERCARD-AMOUNT	PIC 9(7)V99.
05	BT-MASTERCARD-SIGN	PIC X.
05	BT-MASTERCARD-ITEMS	PIC 9(7).
05	BT-DISCOVER-AMOUNT	PIC 9(7)V99.

05	BT-DISCOVER-SIGN	PIC X.
05	BT-DISCOVER-ITEMS	PIC 9(7).
05	BT-AMERICAN-EXPRESS-AMOUNT	PIC 9(7)V99.
05	BT-AMEX-SIGN	PIC X.
05	BT-AMERICAN-EXPRESS-ITEMS	PIC 9(7).
05	FILLER	PIC X(10).
01 BATCH-TRAILER-ADDENDUM-REC-1.		
05	FILLER	PIC XX.
05	B1-AMEX-ACCT-NO	PIC 9(16).
05	B1-FDR-PRIVATE-LABEL-ACCT-NO	PIC 9(16).
05	FILLER	PIC 9(16).
05	B1-DISCOVER-ACCT-NO	PIC 9(16).
05	B1-DINERS-CARTE-BLANC-ACCT-NO	PIC 9(10).
05	B1-DINERS-ALPHA-ID	PIC X(4).
01 BATCH-TRAILER-ADD-REC-2.		
05	FILLER	PIC XX.
05	B2-DINERS-CLUB-AMOUNT	PIC 9(7)V99.
05	B2-DINERS-CLUB-SIGN	PIC X.
05	B2-DINERS-CLUB-ITEMS	PIC 9(7).
05	FILLER	PIC X(17).
05	B2-DEBIT-CARD-AMOUNT	PIC 9(7)V99.
05	B2-DEBIT-CARD-SIGN	PIC X.
05	B2-DEBIT-CARD-ITEMS	PIC 9(7).
05	FILLER	PIC X(27).
01 TAPE-TRAILER-REC.		
05	FILLER	PIC XX.
05	TT-TOTAL-VISA-AMOUNT	PIC 9(7)V99.
05	TT-VISA-SIGN	PIC X.
05	TT-TOTAL-VISA-ITEMS	PIC 9(7).
05	TT-TOTAL-MASTERCARD-AMOUNT	PIC 9(7)V99.
05	TT-MASTERCARD-SIGN	PIC X.
05	TT-TOTAL-MASTERCARD-ITEMS	PIC 9(7).
05	TT-TOTAL-DISCOVER-AMOUNT	PIC 9(7)V99.
05	TT-DISCOVER-SIGN	PIC X.
05	TT-TOTAL-DISCOVER-ITEMS	PIC 9(7).
05	TT-TOTAL-AMEX-AMOUNT	PIC 9(7)V99.
05	TT-AMERICAN-EXPRESS-SIGN	PIC X.
05	TT-TOTAL-AMEX-ITEMS	PIC 9(7).
05	TT-TOTAL-BATCHES	PIC 9(4).
05	TT-TOTAL-TAPE-RECORDS	PIC 9(6).
01 TAPE-TRAILER-ADDENDUM-REC.		
05	FILLER	PIC XX.
05	T1-TOTAL-DINERS-CLUB-AMOUNT	PIC 9(7)V99.
05	T1-DINERS-CLUB-SIGN	PIC X.
05	T1-TOTAL-DINERS-CLUB-ITEMS	PIC 9(7).
05	FILLER	PIC X(17).
05	T1-TOTAL-DEBIT-CARD-AMOUNT	PIC 9(7)V99.

05 T1-DEBIT-CARD-SIGN
05 T1-TOTAL-DEBIT-CARD-ITEMS
05 FILLER

PIC X.
PIC 9(7).
PIC X(27).



Commonwealth of Pennsylvania

Date: **03/31/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:30 pm EST**
Addendum Number: **1**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Bid Opening Time is 3:00 pm EST.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/12/10**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **2**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Appendix B, section 3, letter a. The VeriFone Pin Pad is a MX 830 and not an MX330 as listed.

Appendix E, page 10, Hardware/Software/Equipment section. Hypercom keypad listed as 57-CR is no longer used and has been deleted from the list of current equipment for PennDot.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/14/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **3**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Part II-1. Cost Submittal should be Part II-10.

Part II-2. Domestic Workforce Utilization Certification should be Part II-11.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/16/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **4**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Add the following equipment to Appendix E, pg. 12 for Pennsylvania Historical and Museum Commission:

- VeriFone Omni 3200
- An internal POS system which is First Data Secure Transport through Gateway Point of Sale.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/23/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **5**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Appendix B, Types of Electronic Payment Processing Services, question # 2 has been changed to read as follows: Can the offeror currently provide or provide by contract award date the electronic authorization, data capture and processing of **all** of the following:

- a) VISA
- b) MasterCard
- c) Discover
- d) American Express
- e) Combination debit/credit cards
- f) Online and Offline debit card transactions (sales and returns)
- g) E-checks or its equivalent

Appendix B, Data Collection Methods, question # 3.

Letter e. Interactive Voice Response (IVR) has been deleted.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us

Form Revised 02/26/08

Page 1 of 1



Commonwealth of Pennsylvania

Date: **04/29/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **6**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

The Pre-Proposal Conference Sign-In Sheet and Questions and Answers for this procurement are attached to this Addendum #6 and are made part of the RFP.

The following appendices have been added to the RFP and are attached to this Addendum #6.

- Appendix J PNCMS March 2010 Invoice Final
- Appendix K PLCB Debit Transactions December 2009
- Appendix L Interchange Clearing Levels
- Appendix M PLCB POS PCI Network Path

The Pre-Proposal PowerPoint presentation, as well as the business cards of the attending suppliers have been provided for informational purposes and are attached to this Addendum #6.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us

**ELECTRONIC PAYMENT PROCESSING
PREPROPOSAL CONFERENCE
RFP# 6100014332
WEDNESDAY, APRIL 21, 2010**

SIGN-IN SHEET

NAME	TITLE	FIRM	PHONE
1. LISA LANE	VP National Bcs	ETPS	773-342-9440
2. Mark Kirsch	Adept, VP	Adept	717-991-1135
3. Margie Anthony	Director Sales	First Data	757-483-7718
4. Jason Baker	Reg. Account Man.	Official Payments	317-674-8916
5. Dawn Martin	Reg. Acct Mgr	OPC	409.402.7727
6. Tom Holloway	Director	Susan Graham Consulting	717-514-5069
7. Pramod Srivastava	owner	iBusiness Solution	717-540-1209
8. Ruthann Black	PRESIDENT	BlackCSI	717-620-3042
9. Jyllyn Conklin	VP	BlackCSI	717-620-3042
10. Rich Drury	VP Bank of America MS	BoA Merchant Services	412-429-8186
11. RICK WELSH	SUP	WELLS FARGO	610-397-2531
12. Bill Carver	VP	Wells Fargo	610-397-2628
13. Kevin Reley	UP	Wells Fargo	267-401-6972
14. Jelena Lukic	SGC intern	Susan Graham Consul	717-560-5227
15. Rick Kumber	Relationship Manager	PNC Merchant Services	301-766-5673
16. PATTY McANDER	C.O.O.	PNC Merchant Ser	412-762-4104
17. David Stephenson	VP Channel Sals	FIS	615-310-0322
18. GREG TUMBLY	Sen. Consultant	INCOM-Direct	610-543-4310
19. Carlo Civitella	Sen Consultant	Incom Direct	610-543-4310
20. Bill Weir	SUP	Bank of America	610-855-2380

**ELECTRONIC PAYMENT PROCESSING
PREPROPOSAL CONFERENCE
RFP# 6100014332
WEDNESDAY, APRIL 21, 2010**

SIGN-IN SHEET

	NAME	TITLE	FIRM	PHONE
1.	Maryam George	SVP	Bank of America	267-675-0347
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				

QUESTIONS / ANSWERS

Electronic Payment Processing

6100014332

Question #	RFP Page #	RFP Section Reference	Question	Answer
(If Known)	(If Known)	(If Known)	(Required)	(Required)
1			How do you obtain a copy of the RFP?	A copy of the RFP can be obtained is by logging into the PA Supplier Portal at www.pasupplierportal.state.pa.us and clicking on Supplier Logon. If you have not registered yet for a User Id and Password within the PA Supplier Portal you will need to do so first.
2			Would you send me a copy of the RFP?	Refer to question #1.
3			I cannot open some of the doc files. Can you send me a copy of the RFP?	DGS Bureau of Procurement has upgraded to Microsoft Office 2007. If you have trouble reading the documents you may need to download the free compatibility pack offered by Microsoft. The link to the free download can be located on the DGS website at www.portal.state.pa.us . Once on the DGS website, click on the procurement link. The free compatibility link is located at the top of the webpage.
4			Where can a copy of the current contract be obtained?	If requested, a copy of the current contract can be emailed to you. Please contact the issuing officer, Jennifer Habowski.
5	2	Appendix E	As stated in the RFP, a copy of the Developer's Guide for ePay.NET web application can be requested. Can you please email me a copy of this guide?	Yes, if requested, a copy of the Developer's Guide can be emailed to you. Please contact the issuing officer, Jennifer Habowski.
6	25	IV	Is the requirement for PA Solicitation # 6100014332 to provide a system for merchant services of the merchant services themselves (say as offered by PNC Bank, etc.)?	This RFP has been issued by the Department of General Services to obtain proposals from qualified Contractors for the acceptance, processing and support services of electronic payments for the Commonwealth of Pennsylvania.
7	iii	Calendar of Events	According to the cover page of RFP 6100014332 for Electronic Payment Processing, a pre-bid conference is scheduled for April 21st. Will the Commonwealth be providing a conference bridge for the pre-bid for non-local vendors?	No. There will not be a conference bridge for non-local suppliers.
8		Appendix B, Section 3	Please verify the model of pin pad listed (MX330) - Can you confirm if this should be VeriFone MX 830?	Yes. It is a VeriFone MX 830.
9		Appendix B, Section 4 (b)	Does this section ask for our processors PCI Certificate of Compliance or the entire report?	The entire report is being requested.
10	10	Appendix E	Hardware/Software/ Equipment section, Hypercom keypad listed as S7-CR, should it be S as in Sam, S7-CR?	Yes. However, keypad: Hypercom Model S7-CR is no longer utilized and should be removed from the list of equipment for PennDOT.
11	5	Appendix H, Section D	Service Fee Charged to Commonwealth Customers, Please clarify what is being requested. If a service fee is allowed under Visa and MasterCard's operating regulations, the Commonwealth would determine the dollar amount charged to cardholders, not PNC Merchant Services.	We are requesting the responder to provide any additional processing fees over and above the bundled or unbundled fees that would be required to handle transactions that pass the fee on to the customer.
12	1	Appendix E	The RFP states that the Commonwealth contracts directly with American Express and Discover for card acceptance. Do these organizations provide funding, reporting and invoicing directly to the Commonwealth as well? If no, please explain.	The Commonwealth receives funding, invoicing and limited reporting from American Express and Discover. Reporting for American Express and Discover is also included in our current processor's reporting since they are processing those transactions for us.
13	29	IV-3, Section C, #8	Is the Commonwealth and/or individual participating agencies compliant with the Payment Card Industry (PCI) Data Security Standards (DSS), as required by the Card Organizations? If no please explain and provide a date as to when compliance is expected.	PCI compliance information will be provided to the awarded contractor.
14	29	IV-3	Has the Commonwealth certified that all payment applications are compliant with the Payment Applications Data Security Standard (PADSS), as required by the Card Organizations?	PCI compliance information will be provided to the awarded contractor.
15	25	IV	Is the PLCB gift card program operated in-house, or is a third party currently running that program for the PLCB? If a third party provider, who is it, and how do they support the program?	The gift card program is operated in-house with the use of ISD Stored Value software.
16	25	IV	Is the PLCB gift card program and related transaction processing services included in this RFP? If yes, please provide more details surrounding the gift card program.	No. The PLCB gift card program is not included in this RFP.

QUESTIONS / ANSWERS
Electronic Payment Processing
6100014332

Question #	RFP Page #	RFP Section Reference	Question	Answer
(If Known)	(If Known)	(If Known)	(Required)	(Required)
17	3	Appendix E	How many Verifone MX830 PIN pads does PLCB generally keep on hand?	20
18	3	Appendix E	How many Verifone MX830 PIN pads does the PLCB require the contractor to stock?	Forty (40), due to the sensitivity of this type of pin pad.
19		Appendix E	Does the Commonwealth currently own the PIN Debit Keys, or are they currently owned by PNC/First Data?	Owned by PNC.
20	2-4	Appendix E	Who currently encrypts the PLCB PIN pads? Is this performed in-house, or is the current provider performing this function?	Currently TASQ Corporation encrypts the PLCB pin pads off-site.
21		Appendix E	Is the Commonwealth using DUKPT or Triple DES encryption in PIN Pads?	DUKPT Encrypted.
22	34	IV-3, Section H.	Convenience Fees: a. Please provide a list of agencies that currently charge a convenience fee. b. Please detail how many convenience fees are currently charged - flat rate or percentage based? c. What software, POS application or third party providers facilitates the charging of convenience fees or is this handled in-house? d. Please explain how the convenience fees are handled from an accounting perspective - i.e. are the convenience fees collected by a third party, or does the Commonwealth/Agency receive these funds as a part of or separate from the actual transaction amount?	a. None b. There are no agencies currently charging a service fee under the current contract. c. This must be determined if implemented. d. This must be determined if implemented.
23	25	IV	Do any of the participating Agencies currently process electronic checks, either in person or via the internet? If yes, please provide details.	Not currently, although some agencies may accept electronic checks in the future.
24	28	IV-3, Section #C, 2	This section states the proposed system must be able to import/export EDI ANSI X.12, XML and various other open systems data transfers. Are you referring to reporting systems ability to export this data or the actual processing network's ability to import and export EDI information? Please provide clarification.	Either the reporting system or the processing network must have the ability to import/export in this stated format.
25	29	IV-3, Section E, #5 C	Section IV-3.E.5.c states that the proposed system must be able to accept, store and return the Commonwealth's unique transaction identifier. a. Please provide more details on the Commonwealth's unique identifier. b. How many characters is it? Is it alpha/numeric? c. What POS system(s)/agencies currently use this unique identifier? d. How is the identifier used by the agency?	PennDot's Response: a. The configuration is YYMM plus a six-digit sequence number. b. 10-digit numeric field. c. eGov Application d. This identifier is used to link our eGov transactions to our mainframe applications. PLCB Response: The PLCB does not utilize a Commonwealth unique transaction identifier. The PLCB utilizes merchant and terminal identification numbers as their identifiers.
26	31	IV-3, Section E, #10 b	The Commonwealth is requiring that it will have the right to accept or deny any chargeback that is presented. All merchants are required to abide by the rules and regulations established by Visa and MasterCard, as they relate to chargebacks. Please provide further clarification.	The Commonwealth is maintaining its right to provide documentation disputing any chargebacks in accordance with the regulations established by the credit card companies. The sentence should have been stated as "The Commonwealth has the right to provide the Contractor any information/documentation to dispute the claim/chargeback."
27	34-35	IV-3, Section H, #1	The Commonwealth must receive gross payment, not net payment. Is the Commonwealth open to receiving gross payment, with fees netted/debited on a daily basis? This option can offer significant savings to the Commonwealth, as it removes the cost of funds expense on daily interchange payments made to the Card Organizations.	No. The Commonwealth must receive the gross amount and be invoiced for the fees on a monthly basis.
28	40	IV-3, Section L, #5	Please provide more details around the type of marketing material the Commonwealth currently receives from PNC, and also provide examples of what it is looking for under the new contract.	Currently, the PLCB's marketing material consists of window/door decals, and counter signage designating types of credit and debit cards accepted at wine and spirits locations. New and innovative programs designed to reach out to customers should be provided by the contractor.
29	25	IV	If the processing costs are not covered how does the Commonwealth pay for services rendered?	We receive a monthly invoice from the current contractor, and process the invoice for payment.
30	25	IV	How does the Commonwealth pay fees for service?	Refer to question 29.
31	34	IV-3, Section H	In lieu of invoicing can a supplier ACH fees for service from an established Demand Deposit Account (DDA) account?	No.

QUESTIONS / ANSWERS
Electronic Payment Processing
6100014332

Question #	RFP Page #	RFP Section Reference	Question	Answer
(If Known)	(If Known)	(If Known)	(Required)	(Required)
32	37	IV-3, Section I	Does the Commonwealth have the resources to integrate Epay.net if we provide a payment gateway API?	Yes.
33	37	IV-3, Section K, #2	Who is the current IVR vendor? Can they provide web services? Does the Commonwealth require the contractor to provide IVR solutions?	The supplier is Active Network. Yes. No. Please refer to Addendum # 5.
34	36	IV-3, Section J	What current policy do you have in place for terminal maintenance?	PNC Merchant Services does not charge the Commonwealth maintenance fees for leased, rented or owned terminals. After the PLCB receives a couple of pin pads from the field that require maintenance, the pin pads are returned with a pre-paid call tag to the designated maintenance depot for repair.
35	37	IV-3, Section K, #1	Please clarify the statement "Any changes deemed to have a negative impact on the processing of Commonwealth test or production transactions may be rejected."	The Commonwealth has the right to reject any system changes on the contractors part that negatively affects our processing.
36	37	IV-3, Section K, #4	"If the contractor plans to make changes to its operating platform the Commonwealth must be notified in writing 60 days in advance and at least 120 days to test the platform....." Is this for changes that affect the Commonwealth directly?	The notification is only required for changes that will affect the Commonwealth.
37	38	IV-3, Section K, #7	Please clarify downtime/failure report and why that is a requirement?	Because of the customer impact, we need to track downtimes and their associated causes/solutions.
38	38	IV-3, Section K, #7	What is the Commonwealth's reasoning behind why the contractor should be responsible for disputed transactions?	The contractor is required to maintain seamless, redundant back-up systems, including fail over facilities, in order to facilitate uninterrupted services. If the contractor fails to meet this requirement, the contractor should be held responsible for disputed transactions that occur during that time frame. Calling for voice authorization on every transaction in every location is not an acceptable practice in this scenario.
39	39	IV-3, Section L, #5	What exactly would the Commonwealth require for marketing materials and activities? Please give examples.	Currently, the PLCB's marketing material consists of window/door decals, and counter signage designating types of credit and debit cards accepted at wine and spirits locations. New and innovative programs designed to reach out to customers should be provided by the contractor.
40	41-42	IV-3, Section N, #1	What is the make, model, and version of the POS system the Commonwealth will be piloting?	IBM 4800-784, SLEPOS 11, ORPOS 13.1.1
41	43	IV-3, Section P	Please provide your definition of a service fee. Is this a fee to be charged and retained by the contractor? Or is this a fee of convenience to be charged and retained by the Commonwealth?	The fee would be charged and retained by the contractor in lieu of charging the Commonwealth for that transaction. Currently, the Department of Revenue is the only agency using a service fee because they are required to collect 100% of the taxes due, but the Department of Revenue is not part of this contract.
42	43	IV-3, Section P	Are Service Fees a hard requirement? Specifically #4 which states that the service fee is collected and retained by the contractor in lieu of all credit card fees. Please elaborate.	See question 41. An agency must receive a waiver to charge a service fee and none have been granted or requested under the current contract; however, the option must be available if an agency is approved to pass the fees on to the customer.
43	43	IV-3, Section P	What percent of the total transactions will require this feature?	The current percent is zero and is expected to remain zero. See questions 41 and 42.
44	43	IV-3, Section P	What is the current method in use today?	See questions 22 a-d, 41, 42, and 43.
45			Is the Commonwealth willing to use our Program Guide as a basis of comparison for contract negotiating? If so one will be provided for review.	Commonwealth will not use the Program Guide as a basis of comparison for contract negotiating. The vendor may attach it for purely informational purposes, but the Commonwealth will not be bound by any language or terms in the document.
46	2-4	Appendix E	Is online debit required for web/telephone/ IVR payments?	The PLCB does not currently require pin-based debit for their web and telephone transactions.
47	2-4	Appendix E	MLink software is installed on the PLCB Host Computer. What is the complete name, model, and version of the MLink software? What is the communication method used? Is MLink Merchant Link Micros? If so, please confirm version and communication method?	CA-ACM/MLINK Version 6.5 0111 was purchased from G & Z software (http://www.g-and-z.com/mlink.html#mlink) The PLCB does not use MLINK software for payment card processing. MLINK is used for other register to host communications. IBM StorePay is used for payment card processing.
48	2-4	Appendix E	Kiosk will use a Sagem EPP 1218. What is the make, model, version, and vendor of Sagem EPP 1218? What is the communication method used? Please confirm if Sagem is integrating with a VAR software/middleware or payment gateway to process credit cards? If so, please confirm software name, version and communication method?	Sagem EPP1218 pin pad is the make, model, version and vendor for this pin pad. The kiosk will send payment transaction to our existing IBM StorePay switch; and in the future, to the ISD Payment switch. Both switches are located within the PLCB's network.
49	2-4	Appendix E	StorePay Switch Application. To confirm you'll be switching from StorePay Switch to ISD Payment Switch when you switch providers? What version of ISD Payment Switch and communication method will you be using?	ISD Payment Switch version 6.5 using secured Network.
50	6	Appendix E	What make, model and version of ICVerify are you using? Are you using PCI Compliant version?	State Parks is using ICVerify Enterprise V1.5, which is PCI compliant.

QUESTIONS / ANSWERS

Electronic Payment Processing

6100014332

Question #	RFP Page #	RFP Section Reference	Question	Answer
(If Known)	(If Known)	(If Known)	(Required)	(Required)
51	7	Appendix E	Is DEP using the First Data Global Gateway as a Virtual Terminal or API?	A Virtual Terminal is being used. The construction department within DEP uses API.
52	7	Appendix E	What is the memory size of the Hypercom T7P currently being used in DGS? Is it 512 K and above?	The Hypercom T7P terminal is 512K memory (RAM).
53	11	Appendix E	What is the make, model, and version of the software/middleware/switch or gateway integrated with Fish and Boat's POS? What is the communication method used?	Fish and Boat uses two separate systems to process credit cards. The program PCCharge is used to process credit cards at the front desk. The Internet e-Commerce transactions (fishing license and boat registrations) for the Outdoor Shop are hosted by Automated License Systems (ALS). This site is a customized web site specifically designed for Fish & Boat (and Game Commission). We do not have any involvement/control how ALS manages these e-Commerce credit card transactions.
54	12	Appendix E	What is the memory size of the Hypercom T7P currently in use at the Game Commission? Is it 512 K and or higher?	The terminal is 512 K or higher.
55	12	Appendix E	What is the memory size of the Hypercom T7P currently in use at the Museum Commission? Is it 512 K and or higher?	The terminal is 512 K or higher.
56	2	Appendix E	In regards to ePay.NET, did the Commonwealth develop this gateway or was it developed by a third party? If a third party, who? Also, is ePay.NET internally hosted?	The Commonwealth developed ePay.NET. Yes, ePay.NET is internally hosted.
57	41	IV-3, Section M, 2	Is the Commonwealth interested in alternative payment types (i.e. BillMeLater)?	The Commonwealth is interested in alternative payment types if they are cost effective.
58	2-4	Appendix E	Does the Commonwealth currently have kiosks in place? If so, which ones?	At this time, there are no kiosks in place.
59			What is the Commonwealth's desired go-live date?	Go-live would be within 3 months of signing the contract with the exceptions noted in section IV-3, N. 1 page 42 of the RFP.
60		Appendix E	Does the Commonwealth require dedicated network connections for interfacing to systems?	For the PLCB, a dedicated network connection is required to the Harrisburg Central Site which our stores would connect into.
61	29	IV-3	Is the Commonwealth currently PCI compliant?	Please refer to questions 13 and 14.
62		Appendix E	Does the Commonwealth want to continue using existing POS equipment or would the Commonwealth be open to utilizing other models?	The Commonwealth wants to continue to use existing POS equipment however some agencies may be open to using other models not currently in use. PLCB will only be using existing and contracted POS equipment.
63		Appendix E	What is each piece of POS equipment being used for currently?	PLCB: POS cash registers – used to ring and tender retail and invoice sales, inventory lookup and minor challenges. POS controllers – invoice creation and processing as well as time and attendance. Scanner – scanning bottle UPCs for transaction sales and Instant Redeemable Coupons. Pin Pad – accepting credit, debit and gift card tender. For all other agencies, refer to Appendix E.
64		Appendix E	What type of application is currently being used on POS equipment (i.e. hotel reservation, etc.)?	PLCB: Retail and invoice sales of wine and spirits. For all other agencies, please refer to Appendix E.
65	6	Appendix E	In what setting is IC Verify being used?	The ICVerify software is programmed and integrated to work internally with the ReservePA program, which is used by DCNR. Please refer to Appendix E.
66			Does the current contract expire July 31, 2010? If yes, what is the time frame expected for conversion to a new provider?	Yes. Please refer to question no. 59.
67			Can you provide a diagram of the PLCB network?	Yes. PLCB POS PCI Network Path has been added as M to this RFP.
68	40	IV-3, Letter M.	Where are deposit accounts today? Is there a willingness to move them to another financial institution?	Deposits are currently made to a PNC Bank account. Yes, deposits can be moved to another financial institution.
69	35, 40	IV-3, Letter H & M.	Are current deposits taking place via ACH or Fed Wire?	ACH
70	13	II-2	We do not generally provide SAS 70 to prospective clients. Is validation of PCI Certification sufficient? If no, will the Commonwealth accept any other documentation?	No. Submission of the PCI report in accordance with Appendix B, Section 4(b) will meet this requirement.
71		Appendix E	Some of the Commonwealth's current hardware/software is not PCI Compliant. Will new/replacement equipment be purchased to replace it?	Yes.
72		Appendix E	Do all locations have high speed internet?	99% of the agencies have high-speed internet.
73	26	IV-1	In regards to the current contract, what is the biggest technical issue facing the Commonwealth today?	The Commonwealth would like access to a more robust online reporting system that is user friendly. PLCB's current platform does not allow certain functionality, i.e., TOR processing. Special coding on the POS had to be written to handle TOR's. PennDot would like to minimize downtime.

QUESTIONS / ANSWERS

Electronic Payment Processing

6100014332

Question #	RFP Page #	RFP Section Reference	Question	Answer
(If Known)	(If Known)	(If Known)	(Required)	(Required)
74	26	IV-1	In regards to the current contract, what is the biggest Customer Service issue?	General Agency Response: In the past there has been some difficulties with receiving a list of updated contacts and with the contacts not being able to respond to the Commonwealth's request. A contact list that includes technical support would be beneficial. PLCB's Response: Transactions timing out causing what appears to be duplicate processing to the customer's account via electronic banking until cleared by our background process. PennDot's Response: To minimize downtime.
75	26-27	IV-2 & IV-3, Appendix B	Do agencies take checks online via gateway?	Checks are not accepted online at this time, however the Commonwealth may accept e-checks in the future.
76	35	IV-3, Section H, #4	Are any of your Merchant ID's currently facilitating any recurring billing	We are not aware of any agency using recurring billing.
77	iii	Calendar of Events	Any chance the due date will be extended?	No.
78	43	IV-3, Section P.	From your Q&A, Question # 22. Please clarify 22 A & B. No convenience fee programs yet. The response to question # 22, letters C & D leaves door open for convenience fee programs. Therefore, should response include a convenience fee model?	Yes.
79	5, 7, 9	Appendix E	What is the POS application for: a. PA Dept of Banking b. Dept of General Services c. Dept of State – Corporation Bureau and PA Open for Business Online UCC Filings?	Point of Sale is not be used at any of these locations.
80	7-8	Appendix E	Can you clarify Department of Health's processing environment? Is Hypercom just the method of accepting swiped credit card data to First Data Global Gateway?	Hypercom is the method of accepting swiped credit cards data.
81	11	Appendix E	Is PA Fish and Boat Commission using First Data Global Gateway? If not, please describe.	Please refer to question # 53.
82	13	Appendix E	Is PA Public Utility Commission using First Data Global Gateway? If not, please describe.	The PUC is using the First Data Global Gateway.
83			Would you consider moving away from First Data Global Gateway to a more progressive solution?	The RFP does not dictate which processor is to be used.
84			Can you tell us how many Merchant ID's are currently being used?	627 MID's are currently being used for PLCB and 38 MID's for the other Commonwealth Agencies.
85	13	II-2	SAS 70 is a highly confidential document. Are you looking for this document to be included or just a summary of the Vendor's Data?	Please refer to Question # 70.
86	36	IV-3, Section J.	How many pin pads do you require in inventory?	40
87	36	IV-3, Section J.	Pin Pads will need to be re-encrypted. How many pin pads (accepting PIN DEBIT) do you have across all agencies?	1,400
88		Appendix H	There are over 500 different interchange levels. Are you asking for card present and card not present rates?	A rate for card present and card not present is requested for the Bundled rate which includes pass-through fees.
89		Appendix H	Will the state accept Interchange billing by transaction (i.e. Reward cards, etc.)?	Yes, for the unbundled rate for which the interchange fees are passed through to the Commonwealth. The bundled rates should be inclusive of any interchange fees and a bundled rate should be provided for card present and card not present for both credit and debit cards in accordance with Appendix H, section B.
90		Appendix H	Recognizing that some agencies are using dial, SSL, FR Communication methods is the state looking to have these fees wrapped up in your per transaction fee or itemized?	Rates in the cost submittal shall include all services described in Part IV. If a different rate applies for dialup lines vs. lease lines a separate cost schedule should be proposed for each type of line per Appendix H, paragraph A-3.
91	10	Appendix E	Does PennDOT connect to your current processor via frame relay connection or via SSL or VPN?	PennDOT connects to their current processor via SSL.
92		Appendix E	How many frame relay circuits (an ISD switch) does PA require? If SSL, frame relay circuits are not required.	PLCB POS PCI Network Path has been added as M to this RFP.
93	30	IV-3, Section E, #6	Are you looking for re-authorization support for optimal interchange clearing? Please Clarify.	No.
94	34	IV-3, Section G, #6	The state has required we keep data for up to 7 years. Will you be able to archive data provided in reports?	No.
95	35, 40	IV-3, Section H & M.	Will the state accept a wire fee for deposits instead of ACH?	No.
96	40-41	IV-3, Section M.	How many Demand Deposit Account (DDA) receive funding for transactions?	PLCB: 5 Other Commonwealth Agencies: 24

QUESTIONS / ANSWERS
Electronic Payment Processing
6100014332

Question #	RFP Page #	RFP Section Reference	Question	Answer
(If Known)	(If Known)	(If Known)	(Required)	(Required)
97		Appendix H	Can the state provide detailed interchange category breakdown? We would like to offer interchange management strategies and this would be required. To further clarify - Can you provide a list of what level transactions are qualifying at ie retail, corporate, etc?	Yes. Interchanged Clearing Levels has been added as Appendix L to this RFP.
98	4-5	Appendix E	PLCB has a high debit volume, could you provide us with a list of transactions by network vs dollar volume?	Yes. PLCB Debit Transaction Dec 2009 has been added as Appendix K to this RFP.
99	2-5	Appendix E	Are PLCB license renewal transactions flowing through the StorePay Switch?	No.
100	10	Appendix E	Does PennDOT have some face to face transactions?	Yes, at our Sales Store.
101		Appendix E	Can you provide a terminal account for all terminals supported (not attached to First Data Global Gateway)? To further clarify - Do you have any stand alone terminals not directly connected to ePay or First Data?	No. All terminals should be connected to a processor.
102	20, 28	II-10 & IV-3, Letter B, #4	Is IC Verify processing level III data?	No.
103		Appendix H	Please clarify transaction volumes listed for 2011 – 2015. What is causing transaction volumes to grow?	Response for all agencies: Due to past experience a growth of 3% was assumed. However, PennDOT's eGov transactions are growing at an annual rate of approximately 7%.
104		Appendix H	Clarify your bundled and unbundled billing request.	Bundled rate - Rate consisting of all service fees including pass through fees. Unbundled rate - Rate consisting of all service fees with the exception of pass through fees.
105			Can you please provide one month of statements that PNC provides to the state for accounting? In the original contract with PNC, there are only the rates and number of transactions. We would like more specific information on transaction fees, batch fees, and other charges that are necessary to move money	Yes. PNCMS Mar 2010 Invoice Final has been added as Appendix J to this RFP.
106			Is the Commonwealth interested in making changes to any existing hardware or software?	The Commonwealth is not looking to make changes to our current equipment in this contract, unless an agency is already in the process of upgrading to new equipment. However, we are open to suggestions that would benefit the Commonwealth.

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES

March - 2010		RFP 610001433 PNCMS Detail Invoice				
MERCHANT NAME	OUTLET #	INTERCHANGE & DUES AND ASSESSMENT	TRANSACTION PROCESSING FEES	ANCILLARY FEES FOR SERVICES	CONFIRMATION FILE	TOTAL
DCNR State Parks	178022194991	\$18,848.05	\$500.79	\$16.14	\$0.00	\$19,364.98
DCNR Bureau of Topo-Geo E-pay	178206252995	0.00	0.00	0.00	0.00	0.00
DCNR Bureau of Topo-Geo Internet	178206167995	0.00	0.12	0.00	0.00	0.12
DCNR Bureau of Topography	178022185999	0.00	0.00	0.00	0.00	0.00
DCNR Penn Nursery	178022184992	0.00	0.00	0.00	0.00	0.00
DCNR Snow/ATV Regist	178022903995	451.28	41.48	0.00	0.00	492.76
DCNR Snowmbl/ATV Reg	178022902997	57.03	4.65	0.00	0.00	61.68
DCNR Wild Resource Conserv Prgm	178022191997	0.00	0.00	0.00	0.00	0.00
Game Commission	178202402990	1,067.71	76.92	0.00	0.00	1,144.63
DEP Construction Contracts	178023307998	20.43	1.96	0.00	0.00	22.39
DEP Waste Transportation Safety	178023309994	2,954.31	27.57	0.00	0.00	2,981.88
DEP Mine Subsidence	178165394994	995.17	43.75	1.68	0.00	1,040.60
Fish & Boat Commission Internet	178162886992	83.18	10.46	0.00	0.00	93.64
Fish & Boat Commission	178022195998	303.23	19.19	0.00	0.00	322.42
Fish & Boat Commission Outdoor	178162888998	0.00	0.00	0.00	0.00	0.00
H&M Conrad Weiser Homestead	178162168995	0.00	0.00	0.00	0.00	0.00
H&M Cornwall Iron Furnace	178162164994	12.71	0.72	0.00	0.00	13.43
H&M Daniel Boone Homestead	178162165991	7.39	0.91	0.00	0.00	8.30
H&M Ephrata Cloister	178162163996	25.33	4.01	0.08	0.00	29.42
H&M Erie Maritime Museum	178170841997	15.53	1.66	0.00	0.00	17.19
H&M Landis Valley Museum	178162161990	17.75	1.40	0.64	0.00	19.79
H&M PA State Bookstore	178162166999	64.71	2.21	0.00	0.00	66.92
H&M Pennsbury Manor	178162160992	4.83	0.79	0.00	0.00	5.62
H&M Railroad Museum of PA	178162162998	227.87	24.01	1.20	0.00	253.08
H&M State Museum of PA	178170840999	122.78	10.87	0.08	0.00	133.73
H&M Washington Crossing Hist Park	178170842995	0.00	0.00	0.00	0.00	0.00
PennDOT Sales Store	178023300993	150.41	4.01	0.00	0.00	154.42
PennDOT Driver/Vehicle Service	178023308996	227,088.86	16,447.26	85.06	0.00	243,621.18
PennDOT Comptroller	178023306990	4,572.20	9.36	20.43	0.00	4,601.99
Dept of Health	178022186997	41.10	1.18	0.00	0.00	42.28
Dept of Health Licensing	178022196996	568.15	6.10	0.00	0.00	574.25
Dept of Health	178022187995	395.20	9.31	0.00	0.00	404.51
Dept of Health Div of Vital Records	178022189991	0.00	0.00	0.00	0.00	0.00
Dept of Health Hearing Aid	178022190999	168.95	5.70	0.00	0.00	174.65
Dept of State BPOA	178162169993	20,737.58	1,329.26	2.56	0.00	22,069.40
Dept of State Corps Bureau	178162167997	4,086.84	247.27	34.18	0.00	4,368.29
Dept of State UCC	178165390992	996.72	15.15	0.00	0.00	1,011.87
Dept of State BCEL Lobbyist Disc	178165392998	32.36	1.51	0.00	0.00	33.87
Dept of State BCEL Voter Regist	178165391990	0.00	0.00	0.00	0.00	0.00
PLCB	177011000995	692,885.15	481,344.36	0.00	350.00	1,174,579.51
PLCB Licensing	177208340998	6,658.59	36.07	0.00	0.00	6,694.66
State Police	178206873998	8,008.10	435.12	30.00	0.00	8,473.22
Correctional Industries	178022192995	0.00	0.00	0.00	0.00	0.00
Gaming Control Board	178022193993	0.00	0.00	0.00	0.00	0.00
Dept of Banking	178162889996	1,878.31	16.13	0.00	0.00	1,894.44
Dept of Military & Veterans Affairs	178170843993	0.00	0.00	0.00	0.00	0.00
Dept of General Services BSSO	178170844991	321.27	7.07	0.00	0.00	328.34
Public Utility Commission	178165393996	(13.37)	0.21	0.00	0.00	(13.16)
Dept of Ag Farm Show Complex	178170845998	24.33	0.09	0.00	0.00	24.42
TOTAL INVOICE		\$993,880.04	\$500,688.62	\$192.05	\$350.00	\$1,495,110.71

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DCNR STATE PARKS (various)							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME	AMOUNT	
	MASTERCARD			0.095%	\$291,138.67	\$276.58	
	VISA			0.0925%	\$651,377.27	\$602.52	
	MASTERCARD NABU FEE			0.0185	2,474	\$45.77	
	VISA APF FEE			0.0195	5,631	\$109.80	
	TOTAL DUES AND ASSESSMENTS					\$1,034.67	
	INTERCHANGE					\$17,813.38	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$18,848.05
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS	AMOUNT	
	MASTERCARD SALES			0.0425	2,338	\$99.37	
	MASTERCARD CREDITS			0.0425	136	\$5.78	
	VISA SALES			0.0425	5,530	\$235.03	
	VISA CREDITS			0.0425	312	\$13.26	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$353.43	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	759	\$91.08	
	DISCOVER CREDITS			0.12	40	\$4.80	
	AMERICAN EXPRESS SALES			0.12	400	\$48.00	
	AMERICAN EXPRESS CREDITS			0.12	29	\$3.48	
	TOTAL ADDITIONAL PAYMENT TYPES				1,228	\$147.36	
DEBIT CARD TRANSACTION PROCESSING FEE							AMOUNT
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES	0.0450			0	\$0.00	
	DEBIT CARD CREDITS	0.0450			0	\$0.00	
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$500.79
III. ANCILLARY FEES FOR SERVICES							\$16.14
							\$16.14
							\$19,364.98

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DCNR TOPO GEO 178206167995							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$0.00		\$0.00
	VISA		0.0925%		\$0.00		\$0.00
	MASTERCARD NABU FEE		0.0185		0		\$0.00
	VISA APF FEE		0.0195		0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		0		\$0.00
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		0		\$0.00
	VISA CREDITS		0.0425		0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		0.12		0		\$0.00
	DISCOVER CREDITS		0.12		0		\$0.00
	AMERICAN EXPRESS SALES		0.12		1		\$0.12
	AMERICAN EXPRESS CREDITS		0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES						\$0.12
DEBIT CARD TRANSACTION PROCESSING FEE							
			RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME
	DEBIT CARD SALES		0.0450			0	\$0.00
	DEBIT CARD CREDITS		0.0450			0	\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$0.12
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.12

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DCNR - PENN NURSERY/FORESTRY 178022184992							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$0.00		\$0.00
	VISA		0.0925%		\$0.00		\$0.00
	MASTERCARD NABU FEE		0.0185		0		\$0.00
	VISA APF FEE		0.0195		0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		0		\$0.00
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		0		\$0.00
	VISA CREDITS		0.0425		0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		0.12		0		\$0.00
	DISCOVER CREDITS		0.12		0		\$0.00
	AMERICAN EXPRESS SALES		0.12		0		\$0.00
	AMERICAN EXPRESS CREDITS		0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				0		\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
			RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME
	DEBIT CARD SALES		0.0450			0	\$0.00
	DEBIT CARD CREDITS		0.0450			0	\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$0.00
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DCNR SNOW/ATV REGIST 178022903995							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME	AMOUNT	
	MASTERCARD		0.095%		\$5,530.00	\$5.25	
	VISA		0.0925%		\$14,650.00	\$13.55	
	MASTERCARD NABU FEE		0.0185		266	\$4.92	
	VISA APF FEE		0.0195		717	\$13.98	
	TOTAL DUES AND ASSESSMENTS					\$37.70	
	INTERCHANGE					\$413.58	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$451.28
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS	AMOUNT	
	MASTERCARD SALES		0.0425		265	\$11.26	
	MASTERCARD CREDITS		0.0425		1	\$0.04	
	VISA SALES		0.0425		708	\$30.09	
	VISA CREDITS		0.0425		2	\$0.09	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$41.48	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	AMOUNT	
	DISCOVER SALES		0.12		0	\$0.00	
	DISCOVER CREDITS		0.12		0	\$0.00	
	AMERICAN EXPRESS SALES		0.12		0	\$0.00	
	AMERICAN EXPRESS CREDITS		0.12		0	\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES				0	\$0.00	
DEBIT CARD TRANSACTION PROCESSING FEE							AMOUNT
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$41.48
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$492.76

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DCNR SNOWBL/ATV REG 178022902997							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$568.00		\$0.54
	VISA			0.0925%	\$2,035.44		\$1.88
	MASTERCARD NABU FEE			0.0185	21		\$0.39
	VISA ACCESS FEE			0.0195	107		\$2.09
	TOTAL DUES AND ASSESSMENTS						\$4.90
	INTERCHANGE						\$52.13
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$57.03
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	21		\$0.89
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	63		\$2.68
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$3.57
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	5		\$0.60
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	4		\$0.48
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES						\$1.08
DEBIT CARD TRANSACTION PROCESSING FEE							
				RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS
	DEBIT CARD SALES			0.0450			0
	DEBIT CARD CREDITS			0.0450			0
	NETWORK FEES			\$0.120	\$0.0065	\$0.0425	0
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$4.65
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$61.68

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

WILDLIFE RESOURCE CONSERVATION PROGRAM 178022191997							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$0.00		\$0.00
	VISA			0.0925%	\$0.00		\$0.00
	MASTERCARD NABU FEE			0.0185	0		\$0.00
	VISA ACCESS FEE			0.0195	0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	0		\$0.00
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	0		\$0.00
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	0		\$0.00
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	0		\$0.00
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				0		\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES		RATE PER ITEM	BPS	MANAGEMENT FEE		
	DEBIT CARD CREDITS		0.0450			0	\$0.00
	NETWORK FEES		0.0450			0	\$0.00
			\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$0.00
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

GAME COMMISSION (various)							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$12,313.04		\$11.70
	VISA			0.0925%	\$41,424.90		\$38.32
	MASTERCARD NABU FEE			0.0185	340		\$6.29
	VISA ACCESS FEE			0.0195	1,044		\$20.36
	TOTAL DUES AND ASSESSMENTS						\$76.67
	INTERCHANGE						\$991.04
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$1,067.71
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	338		\$14.37
	MASTERCARD CREDITS			0.0425	2		\$0.09
	VISA SALES			0.0425	1,035		\$43.99
	VISA CREDITS			0.0425	1		\$0.04
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$58.48
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	100		\$12.00
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	44		\$5.28
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				144		\$17.28
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES	RATE PER ITEM	BPS	MANAGEMENT FEE	3		\$0.14
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	3	\$132.80	\$1.02
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$1.16
	II. TOTAL TRANSACTION PROCESSING FEES						\$76.92
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$1,144.63

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DEP CONSTRUCTION CONTRACTS 178023307998							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$150.00		\$0.14
	VISA			0.0925%	\$530.00		\$0.49
	MASTERCARD NABU FEE			0.0185	11		\$0.20
	VISA ACCESS FEE			0.0195	31		\$0.60
	TOTAL DUES AND ASSESSMENTS						\$1.43
	INTERCHANGE						\$19.00
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$20.43
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	11		\$0.47
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	35		\$1.49
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$1.96
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	0		\$0.00
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	0		\$0.00
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES						\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		AMOUNT
		RATE PER ITEM	BPS	MANAGEMENT FEE		NET VOLUME	
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$1.96
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$22.39

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DEP WTSP 178023309994							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
					GROSS		
			RATE		SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$37,750.00		\$35.86
	VISA		0.0925%		\$101,050.00		\$93.47
	MASTERCARD NABU FEE		0.0185		114		\$2.11
	VISA ACCESS FEE		0.0195		290		\$5.66
	TOTAL DUES AND ASSESSMENTS						\$137.10
	INTERCHANGE						\$2,817.21
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$2,954.31
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF		AMOUNT
					TRANSACTIONS		
	MASTERCARD SALES		0.0425		114		\$4.85
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		289		\$12.28
	VISA CREDITS		0.0425		0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$17.13
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF		
					TRANSACTIONS		
	DISCOVER SALES		0.12		20		\$2.40
	DISCOVER CREDITS		0.12		0		\$0.00
	AMERICAN EXPRESS SALES		0.12		67		\$8.04
	AMERICAN EXPRESS CREDITS		0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				87		\$10.44
DEBIT CARD TRANSACTION PROCESSING FEE							
				MANAGEMENT			AMOUNT
		RATE PER ITEM	BPS	FEE	NUMBER OF	NET VOLUME	
					TRANSACTIONS		
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$27.57
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$2,981.88

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DEP MINE SUBSIDENCE 178165394994							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME	AMOUNT	
	MASTERCARD			0.095%	\$21,733.20	\$20.65	
	VISA			0.0925%	\$44,981.79	\$41.61	
	MASTERCARD NABU FEE			0.0185	178	\$3.29	
	VISA ACCESS FEE			0.0195	404	\$7.88	
	TOTAL DUES AND ASSESSMENTS					\$73.43	
	INTERCHANGE					\$921.74	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$995.17
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS	AMOUNT	
	MASTERCARD SALES			0.0425	178	\$7.57	
	MASTERCARD CREDITS			0.0425	0	\$0.00	
	VISA SALES			0.0425	410	\$17.43	
	VISA CREDITS			0.0425	1	\$0.04	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$25.03	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	91	\$10.92	
	DISCOVER CREDITS			0.12	0	\$0.00	
	AMERICAN EXPRESS SALES			0.12	65	\$7.80	
	AMERICAN EXPRESS CREDITS			0.12	0	\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES				156	\$18.72	
DEBIT CARD TRANSACTION PROCESSING FEE							
				MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES		RATE PER ITEM	BPS			
			0.0450		0	\$0.00	
	DEBIT CARD CREDITS		0.0450		0	\$0.00	
	NETWORK FEES		\$0.120	\$0.0065	0	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$43.75
III. ANCILLARY FEES FOR SERVICES							\$1.68
							\$1.68
							\$1,040.60

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

FISH & BOAT COMMISSION INTERNET 178162886992							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$889.64		\$0.85
	VISA		0.0925%		\$3,422.23		\$3.17
	MASTERCARD NABU FEE		0.0185		38		\$0.70
	VISA ACCESS FEE		0.0195		144		\$2.81
	TOTAL DUES AND ASSESSMENTS						\$7.53
	INTERCHANGE						\$75.65
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$83.18
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		38		\$1.62
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		145		\$6.16
	VISA CREDITS		0.0425		1		\$0.04
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$7.82
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		0.12		14		\$1.68
	DISCOVER CREDITS		0.12		0		\$0.00
	AMERICAN EXPRESS SALES		0.12		8		\$0.96
	AMERICAN EXPRESS CREDITS		0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				22		\$2.64
DEBIT CARD TRANSACTION PROCESSING FEE							
			RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME
	DEBIT CARD SALES		0.0450			0	\$0.00
	DEBIT CARD CREDITS		0.0450			0	\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$10.46
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$93.64

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

FISH & BOAT COMMISSION 178022195998							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
MASTERCARD			0.095%		\$3,355.56		\$3.19
VISA			0.0925%		\$10,732.46		\$9.93
MASTERCARD NABU FEE			0.0185		89		\$1.65
VISA ACCESS FEE			0.0195		285		\$5.56
TOTAL DUES AND ASSESSMENTS							\$20.33
INTERCHANGE							\$282.90
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$303.23
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
MASTERCARD SALES			0.0425		88		\$3.74
MASTERCARD CREDITS			0.0425		1		\$0.04
VISA SALES			0.0425		270		\$11.48
VISA CREDITS			0.0425		5		\$0.21
TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING							\$15.47
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
DISCOVER SALES			0.12		17		\$2.04
DISCOVER CREDITS			0.12		0		\$0.00
AMERICAN EXPRESS SALES			0.12		14		\$1.68
AMERICAN EXPRESS CREDITS			0.12		0		\$0.00
TOTAL ADDITIONAL PAYMENT TYPES					31		\$3.72
DEBIT CARD TRANSACTION PROCESSING FEE							
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
DEBIT CARD SALES		0.0450			0		\$0.00
DEBIT CARD CREDITS		0.0450			0		\$0.00
NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
TOTAL DEBIT CARD TRANSACTION PROCESSING FEE							\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$19.19
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$322.42

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

FISH & BOAT COMMISSION OUTDOOR SHOW 178162888998							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$0.00		\$0.00
	VISA			0.0925%	\$0.00		\$0.00
	MASTERCARD NABU FEE			0.0185	0		\$0.00
	VISA ACCESS FEE			0.0195	0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	0		\$0.00
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	0		\$0.00
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	0		\$0.00
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	0		\$0.00
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES						\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
		RATE PER ITEM	BPS	MANAGEMENT FEE			
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$0.00
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

CONRAD WEISER HOMESTEAD 178162168995							Mar - 2010	
SERVICE COSTS								
DUES AND ASSESSMENTS								
				RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%		\$0.00		\$0.00
	VISA			0.0925%		\$0.00		\$0.00
	MASTERCARD NABU FEE			0.0185		0		\$0.00
	VISA ACCESS FEE			0.0195		0		\$0.00
	TOTAL DUES AND ASSESSMENTS							\$0.00
	INTERCHANGE							\$0.00
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS								\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING								
				RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425		0		\$0.00
	MASTERCARD CREDITS			0.0425		0		\$0.00
	VISA SALES			0.0425		0		\$0.00
	VISA CREDITS			0.0425		0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING							\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE								
						NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12		0		\$0.00
	DISCOVER CREDITS			0.12		0		\$0.00
	AMERICAN EXPRESS SALES			0.12		0		\$0.00
	AMERICAN EXPRESS CREDITS			0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES							\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE								
					MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES		RATE PER ITEM	BPS		0		\$0.00
	DEBIT CARD CREDITS		0.0450			0		\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE							\$0.00
II. TOTAL TRANSACTION PROCESSING FEES								\$0.00
III. ANCILLARY FEES FOR SERVICES								
								\$0.00
								\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

DANIEL BOONE HOMESTEAD 178162165991							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$37.06		\$0.04
	VISA			0.0925%	\$338.66		\$0.31
	MASTERCARD NABU FEE			0.0185	3		\$0.06
	VISA ACCESS FEE			0.0195	10		\$0.20
	TOTAL DUES AND ASSESSMENTS						\$0.61
	INTERCHANGE						\$6.78
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$7.39
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	3		\$0.13
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	10		\$0.43
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.55
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	1		\$0.12
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	2		\$0.24
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES						\$0.36
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
		RATE PER ITEM	BPS	MANAGEMENT FEE			
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$0.91
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$8.30

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

EPHRATA CLOISTER 178162163996							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$261.00		\$0.25
	VISA			0.0925%	\$884.00		\$0.82
	MASTERCARD NABU FEE			0.0185	14		\$0.26
	VISA ACCESS FEE			0.0195	44		\$0.86
	TOTAL DUES AND ASSESSMENTS						\$2.19
	INTERCHANGE						\$23.14
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$25.33
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	14		\$0.60
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	38		\$1.62
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$2.21
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	10		\$1.20
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	5		\$0.60
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES						\$1.80
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		AMOUNT
		RATE PER ITEM	BPS	MANAGEMENT FEE		NET VOLUME	
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$4.01
	III. ANCILLARY FEES FOR SERVICES						\$0.08
							\$0.08
							\$29.42

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

ERIE MARITIME MUSEUM 178170841997							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME	AMOUNT	
MASTERCARD			0.095%		\$196.00	\$0.19	
VISA			0.0925%		\$515.00	\$0.48	
MASTERCARD NABU FEE			0.0185		12	\$0.22	
VISA ACCESS FEE			0.0195		27	\$0.53	
TOTAL DUES AND ASSESSMENTS						\$1.42	
INTERCHANGE						\$14.11	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$15.53	
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS	AMOUNT	
MASTERCARD SALES			0.0425		12	\$0.51	
MASTERCARD CREDITS			0.0425		0	\$0.00	
VISA SALES			0.0425		27	\$1.15	
VISA CREDITS			0.0425		0	\$0.00	
TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$1.66	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
DISCOVER SALES			0.12		0	\$0.00	
DISCOVER CREDITS			0.12		0	\$0.00	
AMERICAN EXPRESS SALES			0.12		0	\$0.00	
AMERICAN EXPRESS CREDITS			0.12		0	\$0.00	
TOTAL ADDITIONAL PAYMENT TYPES						\$0.00	
DEBIT CARD TRANSACTION PROCESSING FEE							
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
DEBIT CARD SALES		0.0450			0		\$0.00
DEBIT CARD CREDITS		0.0450			0		\$0.00
NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES						\$1.66	
III. ANCILLARY FEES FOR SERVICES							
						\$0.00	
						\$17.19	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

LANDIS VALLEY MUSEUM 178162161990								Mar - 2010
SERVICE COSTS								
DUES AND ASSESSMENTS								
				RATE	GROSS SALES VOLUME		AMOUNT	
	MASTERCARD			0.095%	\$282.00		\$0.27	
	VISA			0.0925%	\$594.00		\$0.55	
	MASTERCARD NABU FEE			0.0185	8		\$0.15	
	VISA ACCESS FEE			0.0195	21		\$0.41	
	TOTAL DUES AND ASSESSMENTS						\$1.38	
	INTERCHANGE						\$16.37	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS								\$17.75
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING								
				RATE	NUMBER OF TRANSACTIONS		AMOUNT	
	MASTERCARD SALES			0.0425	8		\$0.34	
	MASTERCARD CREDITS			0.0425	0		\$0.00	
	VISA SALES			0.0425	22		\$0.94	
	VISA CREDITS			0.0425	0		\$0.00	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$1.28	
DISCOVER/AMEX TRANSACTION PROCESSING FEE								
					NUMBER OF TRANSACTIONS			
	DISCOVER SALES			0.12	0		\$0.00	
	DISCOVER CREDITS			0.12	0		\$0.00	
	AMERICAN EXPRESS SALES			0.12	1		\$0.12	
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES				1		\$0.12	
DEBIT CARD TRANSACTION PROCESSING FEE								
					NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT	
		RATE PER ITEM	BPS	MANAGEMENT FEE				
	DEBIT CARD SALES	0.0450			0		\$0.00	
	DEBIT CARD CREDITS	0.0450			0		\$0.00	
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES								\$1.40
III. ANCILLARY FEES FOR SERVICES								\$0.64
								\$0.64
								\$19.79

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

PA STATE BOOKSTORE 178162166999							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$1,184.88		\$1.13
	VISA		0.0925%		\$1,748.63		\$1.62
	MASTERCARD NABU FEE		0.0185		16		\$0.30
	VISA ACCESS FEE		0.0195		34		\$0.66
	TOTAL DUES AND ASSESSMENTS						\$3.71
	INTERCHANGE						\$61.00
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$64.71
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		15		\$0.64
	MASTERCARD CREDITS		0.0425		1		\$0.04
	VISA SALES		0.0425		36		\$1.53
	VISA CREDITS		0.0425		0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$2.21
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		0.12		0		\$0.00
	DISCOVER CREDITS		0.12		0		\$0.00
	AMERICAN EXPRESS SALES		0.12		0		\$0.00
	AMERICAN EXPRESS CREDITS		0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				0		\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
			RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME
	DEBIT CARD SALES		0.0450			0	\$0.00
	DEBIT CARD CREDITS		0.0450			0	\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$2.21
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$66.92

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

PENNSBURY MANOR 178162160992							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$24.00		\$0.02
	VISA			0.0925%	\$156.00		\$0.14
	MASTERCARD NABU FEE			0.0185	2		\$0.04
	VISA ACCESS FEE			0.0195	12		\$0.23
	TOTAL DUES AND ASSESSMENTS						\$0.43
	INTERCHANGE						\$4.40
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$4.83
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	2		\$0.09
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	11		\$0.47
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.55
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			0.12	1		\$0.12
	DISCOVER CREDITS			0.12	0		\$0.00
	AMERICAN EXPRESS SALES			0.12	1		\$0.12
	AMERICAN EXPRESS CREDITS			0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				2		\$0.24
DEBIT CARD TRANSACTION PROCESSING FEE							
				RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS
							NET VOLUME
	DEBIT CARD SALES			0.0450			0
	DEBIT CARD CREDITS			0.0450			0
	NETWORK FEES			\$0.120	\$0.0065	\$0.0425	0
							\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$0.79
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$5.62

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

RAILROAD MUSEUM 178162162998							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
					GROSS		
			RATE		SALES VOLUME	AMOUNT	
	MASTERCARD		0.095%		\$3,676.00	\$3.49	
	VISA		0.0925%		\$7,938.00	\$7.34	
	MASTERCARD NABU FEE		0.0185	115		\$2.13	
	VISA ACCESS FEE		0.0195	307		\$5.99	
	TOTAL DUES AND ASSESSMENTS					\$18.95	
	INTERCHANGE					\$208.92	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$227.87
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF	AMOUNT	
				TRANSACTIONS			
	MASTERCARD SALES		0.0425	114		\$4.85	
	MASTERCARD CREDITS		0.0425	1		\$0.04	
	VISA SALES		0.0425	299		\$12.71	
	VISA CREDITS		0.0425	7		\$0.30	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$17.89	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
				NUMBER OF			
				TRANSACTIONS			
	DISCOVER SALES		0.12	22		\$2.64	
	DISCOVER CREDITS		0.12	1		\$0.12	
	AMERICAN EXPRESS SALES		0.12	28		\$3.36	
	AMERICAN EXPRESS CREDITS		0.12	0		\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES			51		\$6.12	
DEBIT CARD TRANSACTION PROCESSING FEE							
				MANAGEMENT	NUMBER OF	AMOUNT	
		RATE PER ITEM	BPS	FEE	TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES	0.0450			0	\$0.00	
	DEBIT CARD CREDITS	0.0450			0	\$0.00	
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$24.01
III. ANCILLARY FEES FOR SERVICES							\$1.20
							\$1.20
							\$253.08

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

STATE MUSEUM 178170840999							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME	AMOUNT	
	MASTERCARD			0.095%	\$857.20	\$0.81	
	VISA			0.0925%	\$4,217.23	\$3.90	
	MASTERCARD NABU FEE			0.0185	47	\$0.87	
	VISA ACCESS FEE			0.0195	235	\$4.58	
	TOTAL DUES AND ASSESSMENTS					\$10.16	
	INTERCHANGE					\$112.62	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$122.78
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS	AMOUNT	
	MASTERCARD SALES			0.0425	46	\$1.96	
	MASTERCARD CREDITS			0.0425	1	\$0.04	
	VISA SALES			0.0425	206	\$8.76	
	VISA CREDITS			0.0425	0	\$0.00	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$10.75	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			\$0.12	1	\$0.12	
	DISCOVER CREDITS			\$0.12	0	\$0.00	
	AMERICAN EXPRESS SALES			\$0.12	0	\$0.00	
	AMERICAN EXPRESS CREDITS			\$0.12	0	\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES				1	\$0.12	
DEBIT CARD TRANSACTION PROCESSING FEE							
				RATE PER ITEM	BPS	MANAGEMENT FEE	
	DEBIT CARD SALES			0.0450			
	DEBIT CARD CREDITS			0.0450			
	NETWORK FEES			\$0.120	\$0.0065	\$0.0425	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$10.87
III. ANCILLARY FEES FOR SERVICES							\$0.08
							\$0.08
							\$133.73

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

WASHINGTON CROSSING 178170842995							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
						GROSS	
			RATE			SALES VOLUME	AMOUNT
	MASTERCARD		0.095%			\$0.00	\$0.00
	VISA		0.0925%			\$0.00	\$0.00
	MASTERCARD NABU FEE		0.0185			0	\$0.00
	VISA ACCESS FEE		0.0195			0	\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
						NUMBER OF	
			RATE			TRANSACTIONS	AMOUNT
	MASTERCARD SALES		0.0425			0	\$0.00
	MASTERCARD CREDITS		0.0425			0	\$0.00
	VISA SALES		0.0425			0	\$0.00
	VISA CREDITS		0.0425			0	\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
						NUMBER OF	
						TRANSACTIONS	
	DISCOVER SALES		\$0.12			0	\$0.00
	DISCOVER CREDITS		\$0.12			0	\$0.00
	AMERICAN EXPRESS SALES		\$0.12			0	\$0.00
	AMERICAN EXPRESS CREDITS		\$0.12			0	\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES					0	\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
							AMOUNT
			RATE PER ITEM	BPS	MANAGEMENT	NUMBER OF	
					FEE	TRANSACTIONS	NET VOLUME
	DEBIT CARD SALES		0.0450			0	\$0.00
	DEBIT CARD CREDITS		0.0450			0	\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$0.00
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.00
							\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

PENNDOT SALES STORE 178023300993							Mar - 2010	
SERVICE COSTS								
DUES AND ASSESSMENTS								
			RATE		GROSS SALES VOLUME		AMOUNT	
	MASTERCARD		0.095%		\$1,758.41		\$1.67	
	VISA		0.0925%		\$4,847.51		\$4.48	
	MASTERCARD NABU FEE		0.0185		20		\$0.37	
	VISA ACCESS FEE		0.0195		41		\$0.80	
	TOTAL DUES AND ASSESSMENTS							\$7.32
	INTERCHANGE						\$143.09	
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$150.41
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING								
			RATE		NUMBER OF TRANSACTIONS		AMOUNT	
	MASTERCARD SALES		0.0425		20		\$0.85	
	MASTERCARD CREDITS		0.0425		0		\$0.00	
	VISA SALES		0.0425		46		\$1.96	
	VISA CREDITS		0.0425		3		\$0.13	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING							\$2.93
DISCOVER/AMEX TRANSACTION PROCESSING FEE								
					NUMBER OF TRANSACTIONS			
	DISCOVER SALES		\$0.12		3		\$0.36	
	DISCOVER CREDITS		\$0.12		0		\$0.00	
	AMERICAN EXPRESS SALES		\$0.12		6		\$0.72	
	AMERICAN EXPRESS CREDITS		\$0.12		0		\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES							\$1.08
DEBIT CARD TRANSACTION PROCESSING FEE								
			RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES		0.0450			0	\$0.00	
	DEBIT CARD CREDITS		0.0450			0	\$0.00	
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE							\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES							\$4.01
III. ANCILLARY FEES FOR SERVICES								
								\$0.00
								\$154.42

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

PENNDOT DRIVER/VEHICLE SERVICE 178023308996							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
					GROSS		
			RATE		SALES VOLUME	AMOUNT	
	MASTERCARD		0.095%		\$3,270,734.25	\$3,107.20	
	VISA		0.0925%		\$9,804,541.25	\$9,069.20	
	MASTERCARD NABU FEE		0.0185		70,630	\$1,306.66	
	VISA ACCESS FEE		0.0195		224,709	\$4,381.83	
	TOTAL DUES AND ASSESSMENTS					\$17,864.89	
	INTERCHANGE					\$209,223.97	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$227,088.86
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF	AMOUNT	
					TRANSACTIONS		
	MASTERCARD SALES		0.0425		70,580	\$2,999.65	
	MASTERCARD CREDITS		0.0425		50	\$2.13	
	VISA SALES		0.0425		217,942	\$9,262.54	
	VISA CREDITS		0.0425		172	\$7.31	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$12,271.62	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF		
					TRANSACTIONS		
	DISCOVER SALES		\$0.12		16,301	\$1,956.12	
	DISCOVER CREDITS		\$0.12		12	\$1.44	
	AMERICAN EXPRESS SALES		\$0.12		18,461	\$2,215.32	
	AMERICAN EXPRESS CREDITS		\$0.12		23	\$2.76	
	TOTAL ADDITIONAL PAYMENT TYPES				34,797	\$4,175.64	
DEBIT CARD TRANSACTION PROCESSING FEE							
				MANAGEMENT	NUMBER OF	AMOUNT	
		RATE PER ITEM	BPS	FEE	TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES	0.0450			0	\$0.00	
	DEBIT CARD CREDITS	0.0450			0	\$0.00	
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$16,447.26
III. ANCILLARY FEES FOR SERVICES							\$75.00
						\$10.06	
						\$85.06	
						\$243,621.18	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

HEALTH 178022186997							Mar - 2010	
SERVICE COSTS								
DUES AND ASSESSMENTS								
			RATE		GROSS SALES VOLUME	AMOUNT		
	MASTERCARD		0.095%		\$420.00	\$0.40		
	VISA		0.0925%		\$1,180.00	\$1.09		
	MASTERCARD NABU FEE		0.0185		9	\$0.17		
	VISA ACCESS FEE		0.0195		12	\$0.23		
	TOTAL DUES AND ASSESSMENTS					\$1.89		
	INTERCHANGE					\$39.21		
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$41.10	
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING								
			RATE		NUMBER OF TRANSACTIONS	AMOUNT		
	MASTERCARD SALES		0.0425		9	\$0.38		
	MASTERCARD CREDITS		0.0425		0	\$0.00		
	VISA SALES		0.0425		16	\$0.68		
	VISA CREDITS		0.0425		0	\$0.00		
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$1.06		
DISCOVER/AMEX TRANSACTION PROCESSING FEE								
					NUMBER OF TRANSACTIONS			
	DISCOVER SALES		\$0.12		1	\$0.12		
	DISCOVER CREDITS		\$0.12		0	\$0.00		
	AMERICAN EXPRESS SALES		\$0.12		0	\$0.00		
	AMERICAN EXPRESS CREDITS		\$0.12		0	\$0.00		
	TOTAL ADDITIONAL PAYMENT TYPES					\$0.12		
DEBIT CARD TRANSACTION PROCESSING FEE								
			RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES		0.0450			0		\$0.00
	DEBIT CARD CREDITS		0.0450			0		\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE							\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$1.18	
III. ANCILLARY FEES FOR SERVICES								
							\$0.00	
							\$42.28	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

HEALTH 178022187995							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME	AMOUNT	
	MASTERCARD			0.095%	\$3,935.00	\$3.74	
	VISA			0.0925%	\$12,072.00	\$11.17	
	MASTERCARD NABU FEE			0.0185	30	\$0.56	
	VISA ACCESS FEE			0.0195	78	\$1.52	
	TOTAL DUES AND ASSESSMENTS					\$16.99	
	INTERCHANGE					\$378.21	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$395.20
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS	AMOUNT	
	MASTERCARD SALES			0.0425	30	\$1.28	
	MASTERCARD CREDITS			0.0425	0	\$0.00	
	VISA SALES			0.0425	78	\$3.32	
	VISA CREDITS			0.0425	1	\$0.04	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$4.63	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			\$0.12	3	\$0.36	
	DISCOVER CREDITS			\$0.12	0	\$0.00	
	AMERICAN EXPRESS SALES			\$0.12	35	\$4.20	
	AMERICAN EXPRESS CREDITS			\$0.12	1	\$0.12	
	TOTAL ADDITIONAL PAYMENT TYPES					\$4.68	
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	AMOUNT	
		RATE PER ITEM	BPS	MANAGEMENT FEE	NET VOLUME		
	DEBIT CARD SALES	0.0450			0	\$0.00	
	DEBIT CARD CREDITS	0.0450			0	\$0.00	
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$9.31
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$404.51

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

HEALTH HEARING 178022190999							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$2,020.00		\$1.92
	VISA			0.0925%	\$5,740.00		\$5.31
	MASTERCARD NABU FEE			0.0185	19		\$0.35
	VISA ACCESS FEE			0.0195	52		\$1.01
	TOTAL DUES AND ASSESSMENTS						\$8.59
	INTERCHANGE						\$160.36
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$168.95
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	19		\$0.81
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	53		\$2.25
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$3.06
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			\$0.12	6		\$0.72
	DISCOVER CREDITS			\$0.12	0		\$0.00
	AMERICAN EXPRESS SALES			\$0.12	16		\$1.92
	AMERICAN EXPRESS CREDITS			\$0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				22		\$2.64
DEBIT CARD TRANSACTION PROCESSING FEE							
				RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS
	DEBIT CARD SALES			0.0450			0
	DEBIT CARD CREDITS			0.0450			0
	NETWORK FEES			\$0.120	\$0.0065	\$0.0425	0
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$5.70
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$174.65

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

STATE BUR PROF & OCC 178162169993							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME	AMOUNT	
	MASTERCARD			0.095%	\$341,456.00	\$324.38	
	VISA			0.0925%	\$841,935.00	\$778.79	
	MASTERCARD NABU FEE			0.0185	6,045	\$111.83	
	VISA ACCESS FEE			0.0195	15,479	\$301.84	
	TOTAL DUES AND ASSESSMENTS					\$1,516.84	
	INTERCHANGE					\$19,220.74	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$20,737.58	
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS	AMOUNT	
	MASTERCARD SALES			0.0425	6,045	\$256.91	
	MASTERCARD CREDITS			0.0425	0	\$0.00	
	VISA SALES			0.0425	15,289	\$649.78	
	VISA CREDITS			0.0425	1	\$0.04	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$906.74	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			\$0.12	1,668	\$200.16	
	DISCOVER CREDITS			\$0.12	0	\$0.00	
	AMERICAN EXPRESS SALES			\$0.12	1,853	\$222.36	
	AMERICAN EXPRESS CREDITS			\$0.12	0	\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES					\$422.52	
DEBIT CARD TRANSACTION PROCESSING FEE							
				MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES		RATE PER ITEM	BPS			
			0.0450		0	\$0.00	
	DEBIT CARD CREDITS		0.0450		0	\$0.00	
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0 \$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES						\$1,329.26	
III. ANCILLARY FEES FOR SERVICES						\$2.56	
						\$2.56	
						\$22,069.40	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

STATE CORPS BUR 178162167997							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
					GROSS		
			RATE		SALES VOLUME	AMOUNT	
	MASTERCARD		0.095%		\$63,935.00	\$60.74	
	VISA		0.0925%		\$128,486.75	\$118.85	
	MASTERCARD NABU FEE		0.0185		1,088	\$20.13	
	VISA ACCESS FEE		0.0195		2,205	\$43.00	
	TOTAL DUES AND ASSESSMENTS					\$242.72	
	INTERCHANGE					\$3,844.12	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$4,086.84
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF	AMOUNT	
					TRANSACTIONS		
	MASTERCARD SALES		0.0425		1,086	\$46.16	
	MASTERCARD CREDITS		0.0425		2	\$0.09	
	VISA SALES		0.0425		2,234	\$94.95	
	VISA CREDITS		0.0425		17	\$0.72	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$141.91	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF		
					TRANSACTIONS		
	DISCOVER SALES		\$0.12		53	\$6.36	
	DISCOVER CREDITS		\$0.12		0	\$0.00	
	AMERICAN EXPRESS SALES		\$0.12		823	\$98.76	
	AMERICAN EXPRESS CREDITS		\$0.12		2	\$0.24	
	TOTAL ADDITIONAL PAYMENT TYPES				878	\$105.36	
DEBIT CARD TRANSACTION PROCESSING FEE							
				MANAGEMENT	NUMBER OF	AMOUNT	
		RATE PER ITEM	BPS	FEE	TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES	0.0450			0	\$0.00	
	DEBIT CARD CREDITS	0.0450			0	\$0.00	
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$247.27
III. ANCILLARY FEES FOR SERVICES							\$30.00
						\$4.18	
						\$34.18	
						\$4,368.29	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

STATE UCC 178165390992							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME	AMOUNT	
	MASTERCARD		0.095%		\$6,888.00	\$6.54	
	VISA		0.0925%		\$31,332.00	\$28.98	
	MASTERCARD NABU FEE		0.0185		61	\$1.13	
	VISA ACCESS FEE		0.0195		202	\$3.94	
	TOTAL DUES AND ASSESSMENTS					\$40.59	
	INTERCHANGE					\$956.13	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$996.72	
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS	AMOUNT	
	MASTERCARD SALES		0.0425		61	\$2.59	
	MASTERCARD CREDITS		0.0425		0	\$0.00	
	VISA SALES		0.0425		208	\$8.84	
	VISA CREDITS		0.0425		0	\$0.00	
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$11.43	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		\$0.12		0	\$0.00	
	DISCOVER CREDITS		\$0.12		0	\$0.00	
	AMERICAN EXPRESS SALES		\$0.12		31	\$3.72	
	AMERICAN EXPRESS CREDITS		\$0.12		0	\$0.00	
	TOTAL ADDITIONAL PAYMENT TYPES					\$3.72	
DEBIT CARD TRANSACTION PROCESSING FEE							
				MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	
	DEBIT CARD SALES		0.0450		0	\$0.00	
	DEBIT CARD CREDITS		0.0450		0	\$0.00	
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0 \$0.00	
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE					\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES						\$15.15	
III. ANCILLARY FEES FOR SERVICES							
						\$0.00	
						\$1,011.87	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

STATE VOTER REGISTRATION 178165391990							Mar - 2010	
SERVICE COSTS								
DUES AND ASSESSMENTS								
				RATE	GROSS SALES VOLUME	AMOUNT		
	MASTERCARD			0.095%	\$0.00	\$0.00		
	VISA			0.0925%	\$0.00	\$0.00		
	MASTERCARD NABU FEE			0.0185	0	\$0.00		
	VISA ACCESS FEE			0.0195	0	\$0.00		
	TOTAL DUES AND ASSESSMENTS					\$0.00		
	INTERCHANGE					\$0.00		
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$0.00	
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING								
				RATE	NUMBER OF TRANSACTIONS	AMOUNT		
	MASTERCARD SALES			0.0425	0	\$0.00		
	MASTERCARD CREDITS			0.0425	0	\$0.00		
	VISA SALES			0.0425	0	\$0.00		
	VISA CREDITS			0.0425	0	\$0.00		
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING					\$0.00		
DISCOVER/AMEX TRANSACTION PROCESSING FEE								
					NUMBER OF TRANSACTIONS			
	DISCOVER SALES			\$0.12	0	\$0.00		
	DISCOVER CREDITS			\$0.12	0	\$0.00		
	AMERICAN EXPRESS SALES			\$0.12	0	\$0.00		
	AMERICAN EXPRESS CREDITS			\$0.12	0	\$0.00		
	TOTAL ADDITIONAL PAYMENT TYPES				0	\$0.00		
DEBIT CARD TRANSACTION PROCESSING FEE								
				RATE PER ITEM	BPS	MANAGEMENT FEE		
						NUMBER OF TRANSACTIONS		
						NET VOLUME		
	DEBIT CARD SALES			0.0450		0	\$0.00	
	DEBIT CARD CREDITS			0.0450		0	\$0.00	
	NETWORK FEES			\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES							\$0.00	
III. ANCILLARY FEES FOR SERVICES								
							\$0.00	
							\$0.00	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

PLCB LICENSING 177208340998							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME	AMOUNT	
MASTERCARD			0.095%		\$86,600.00	\$82.27	
VISA			0.0925%		\$213,100.00	\$197.12	
MASTERCARD NABU FEE			0.0185		123	\$2.28	
VISA ACCESS FEE			0.0195		303	\$5.91	
TOTAL DUES AND ASSESSMENTS						\$287.58	
INTERCHANGE						\$6,371.01	
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$6,658.59	
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS	AMOUNT	
MASTERCARD SALES			0.0425		123	\$5.23	
MASTERCARD CREDITS			0.0425		0	\$0.00	
VISA SALES			0.0425		304	\$12.92	
VISA CREDITS			0.0425		1	\$0.04	
TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$18.19	
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	AMOUNT	
DISCOVER SALES			\$0.12		42	\$5.04	
DISCOVER CREDITS			\$0.12		0	\$0.00	
AMERICAN EXPRESS SALES			\$0.12		107	\$12.84	
AMERICAN EXPRESS CREDITS			\$0.12		0	\$0.00	
TOTAL ADDITIONAL PAYMENT TYPES						\$17.88	
DEBIT CARD TRANSACTION PROCESSING FEE							
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
DEBIT CARD SALES		0.0450			0		\$0.00
DEBIT CARD CREDITS		0.0450			0		\$0.00
NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00	
II. TOTAL TRANSACTION PROCESSING FEES						\$36.07	
III. ANCILLARY FEES FOR SERVICES							
						\$0.00	
						\$6,694.66	

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

CORRECTIONAL INDUSTRIES 178022192995							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$0.00		\$0.00
	VISA			0.0925%	\$0.00		\$0.00
	MASTERCARD NABU FEE			0.0185	0		\$0.00
	VISA ACCESS FEE			0.0195	0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	0		\$0.00
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	0		\$0.00
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			\$0.12	0		\$0.00
	DISCOVER CREDITS			\$0.12	0		\$0.00
	AMERICAN EXPRESS SALES			\$0.12	0		\$0.00
	AMERICAN EXPRESS CREDITS			\$0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES						\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
		RATE PER ITEM	BPS	MANAGEMENT FEE			
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$0.00
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

GAMING CONTROL BOARD 178022193993							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
				RATE	GROSS SALES VOLUME		AMOUNT
	MASTERCARD			0.095%	\$0.00		\$0.00
	VISA			0.0925%	\$0.00		\$0.00
	MASTERCARD NABU FEE			0.0185	0		\$0.00
	VISA ACCESS FEE			0.0195	0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
	I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS						\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
				RATE	NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES			0.0425	0		\$0.00
	MASTERCARD CREDITS			0.0425	0		\$0.00
	VISA SALES			0.0425	0		\$0.00
	VISA CREDITS			0.0425	0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES			\$0.12	0		\$0.00
	DISCOVER CREDITS			\$0.12	0		\$0.00
	AMERICAN EXPRESS SALES			\$0.12	0		\$0.00
	AMERICAN EXPRESS CREDITS			\$0.12	0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				0		\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
				RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS
							NET VOLUME
	DEBIT CARD SALES			0.0450			0
	DEBIT CARD CREDITS			0.0450			0
	NETWORK FEES			\$0.120	\$0.0065	\$0.0425	0
							\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
	II. TOTAL TRANSACTION PROCESSING FEES						\$0.00
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

BANKING 178162889996							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
						GROSS	
			RATE			SALES VOLUME	AMOUNT
	MASTERCARD		0.095%			\$40,350.00	\$38.33
	VISA		0.0925%			\$47,650.00	\$44.08
	MASTERCARD NABU FEE		0.0185			46	\$0.85
	VISA ACCESS FEE		0.0195			119	\$2.32
	TOTAL DUES AND ASSESSMENTS						\$85.58
	INTERCHANGE						\$1,792.73
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$1,878.31
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE			NUMBER OF TRANSACTIONS	AMOUNT
	MASTERCARD SALES		0.0425			46	\$1.96
	MASTERCARD CREDITS		0.0425			0	\$0.00
	VISA SALES		0.0425			116	\$4.93
	VISA CREDITS		0.0425			0	\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$6.89
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
						NUMBER OF TRANSACTIONS	
	DISCOVER SALES		\$0.12			19	\$2.28
	DISCOVER CREDITS		\$0.12			0	\$0.00
	AMERICAN EXPRESS SALES		\$0.12			58	\$6.96
	AMERICAN EXPRESS CREDITS		\$0.12			0	\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES					77	\$9.24
DEBIT CARD TRANSACTION PROCESSING FEE							
			RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME
	DEBIT CARD SALES		0.0450			0	\$0.00
	DEBIT CARD CREDITS		0.0450			0	\$0.00
	NETWORK FEES		\$0.120	\$0.0065	\$0.0425	0	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$16.13
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$1,894.44

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

MILITARY & VETERANS AFFAIRS 178170843993							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$0.00		\$0.00
	VISA		0.0925%		\$0.00		\$0.00
	MASTERCARD NABU FEE		0.0185		0		\$0.00
	VISA ACCESS FEE		0.0195		0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$0.00
	INTERCHANGE						\$0.00
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$0.00
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		0		\$0.00
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		0		\$0.00
	VISA CREDITS		0.0425		0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.00
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		\$0.12		0		\$0.00
	DISCOVER CREDITS		\$0.12		0		\$0.00
	AMERICAN EXPRESS SALES		\$0.12		0		\$0.00
	AMERICAN EXPRESS CREDITS		\$0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				0		\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$0.00
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$0.00

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

GENERAL SERVICES BSSO 178170844991							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$7,853.65		\$7.46
	VISA		0.0925%		\$7,576.42		\$7.01
	MASTERCARD NABU FEE		0.0185		46		\$0.85
	VISA ACCESS FEE		0.0195		0		\$0.00
	TOTAL DUES AND ASSESSMENTS						\$15.32
	INTERCHANGE						\$305.95
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$321.27
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		46		\$1.96
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		93		\$3.95
	VISA CREDITS		0.0425		2		\$0.09
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$5.99
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		AMOUNT
	DISCOVER SALES		\$0.12		5		\$0.60
	DISCOVER CREDITS		\$0.12		0		\$0.00
	AMERICAN EXPRESS SALES		\$0.12		4		\$0.48
	AMERICAN EXPRESS CREDITS		\$0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				9		\$1.08
DEBIT CARD TRANSACTION PROCESSING FEE							
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$7.07
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$328.34

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

PUBLIC UTILITY COMMISSION 178165393996							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$0.00		\$0.00
	VISA		0.0925%		\$375.00		\$0.35
	MASTERCARD NABU FEE		0.0185		0		\$0.00
	VISA ACCESS FEE		0.0195		2		\$0.04
	TOTAL DUES AND ASSESSMENTS						\$0.39
	INTERCHANGE						(\$13.76)
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							(\$13.37)
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		0		\$0.00
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		2		\$0.09
	VISA CREDITS		0.0425		3		\$0.13
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.21
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		\$0.12		0		\$0.00
	DISCOVER CREDITS		\$0.12		0		\$0.00
	AMERICAN EXPRESS SALES		\$0.12		0		\$0.00
	AMERICAN EXPRESS CREDITS		\$0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				0		\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$0.21
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							(\$13.16)

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

AGRICULTURE FARM SHOW COMPLEX 178170845998							Mar - 2010
SERVICE COSTS							
DUES AND ASSESSMENTS							
			RATE		GROSS SALES VOLUME		AMOUNT
	MASTERCARD		0.095%		\$560.00		\$0.53
	VISA		0.0925%		\$383.00		\$0.35
	MASTERCARD NABU FEE		0.0185		1		\$0.02
	VISA ACCESS FEE		0.0195		1		\$0.02
	TOTAL DUES AND ASSESSMENTS						\$0.92
	INTERCHANGE						\$23.41
I. TOTAL INTERCHANGE AND DUES AND ASSESSMENTS							\$24.33
MASTERCARD AND VISA CREDIT CARD TRANSACTION PROCESSING							
			RATE		NUMBER OF TRANSACTIONS		AMOUNT
	MASTERCARD SALES		0.0425		1		\$0.04
	MASTERCARD CREDITS		0.0425		0		\$0.00
	VISA SALES		0.0425		1		\$0.04
	VISA CREDITS		0.0425		0		\$0.00
	TOTAL MASTERCARD AND VISA TRANSACTION PROCESSING						\$0.09
DISCOVER/AMEX TRANSACTION PROCESSING FEE							
					NUMBER OF TRANSACTIONS		
	DISCOVER SALES		\$0.12		0		\$0.00
	DISCOVER CREDITS		\$0.12		0		\$0.00
	AMERICAN EXPRESS SALES		\$0.12		0		\$0.00
	AMERICAN EXPRESS CREDITS		\$0.12		0		\$0.00
	TOTAL ADDITIONAL PAYMENT TYPES				0		\$0.00
DEBIT CARD TRANSACTION PROCESSING FEE							
		RATE PER ITEM	BPS	MANAGEMENT FEE	NUMBER OF TRANSACTIONS	NET VOLUME	AMOUNT
	DEBIT CARD SALES	0.0450			0		\$0.00
	DEBIT CARD CREDITS	0.0450			0		\$0.00
	NETWORK FEES	\$0.120	\$0.0065	\$0.0425	0	\$0.00	\$0.00
	TOTAL DEBIT CARD TRANSACTION PROCESSING FEE						\$0.00
II. TOTAL TRANSACTION PROCESSING FEES							\$0.09
III. ANCILLARY FEES FOR SERVICES							
							\$0.00
							\$24.42

APPENDIX J
PNCMS MARCH 2010 INVOICE FINAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP 6100014332

Performance Measures	DCNR	GAME	DEP	Fish&Boat	H&M	PENNDOT	HEALTH	STATE	PLCB	STATE POLICE	CORRECTIONS	GAMING	BANKING	DMVA	DGS	PUC	AGRICULTURE	Total	Total Non-PLCB
Total MC Sales	\$297,236.67	\$12,313.04	\$59,633.20	\$4,245.20	\$6,943.50	\$3,342,827.90	\$15,937.00	\$412,879.00	\$11,043,620.73	\$103,580.00	\$0.00	\$0.00	\$40,350.00	\$0.00	\$7,853.65	\$0.00	\$560.00	\$15,347,979.89	\$4,304,359.16
Total Visa Sales	668,062.71	41,424.90	146,561.79	14,154.69	16,577.85	9,952,552.14	34,092.00	1,002,453.75	23,443,757.29	237,190.00	0.00	0.00	47,650.00	0.00	7,576.42	375.00	383.00	35,612,811.54	12,169,054.25
Total Debit Sales	0.00	132.80	0.00	0.00	0.00	0.00	0.00	0.00	27,581,386.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	27,581,518.98	132.80
Total Sales Dollars	\$965,299.38	\$53,870.74	\$206,194.99	\$18,399.89	\$23,521.35	\$13,295,380.04	\$50,029.00	\$1,415,332.75	\$62,068,764.20	\$340,770.00	\$0.00	\$0.00	\$88,000.00	\$0.00	\$15,430.07	\$375.00	\$943.00	\$79,542,310.41	\$16,473,546.21
Total MC Sales Transactions	2,624	338	303	126	219	70,636	82	7,198	227,576	6,282	0	0	46	0	46	0	1	315,477	87,901
Total MC Credit Transactions	137	2	0	1	3	50	0	2	443	1	0	0	0	0	0	0	0	639	196
Total MC Transactions	2,761	340	303	127	222	70,686	82	7,200	228,019	6,283	0	0	46	0	46	0	1	316,116	88,097
Total Visa Sales Transactions	6,301	1,035	734	415	661	218,078	196	17,738	554,131	17,819	0	0	116	0	93	2	1	817,320	263,189
Total Visa Credit Transactions	314	1	1	8	7	176	1	18	959	3	0	0	0	0	2	3	0	1,491	532
Total Visa Transactions	6,615	1,036	735	421	668	218,254	197	17,756	555,090	17,822	0	0	116	0	95	5	1	818,811	263,721
Total Discover Sales Transactions	764	100	111	31	35	16,305	11	1,721	61,154	946	0	0	19	0	5	0	0	81,202	20,048
Total Discover Credit Transactions	40	0	0	0	1	12	0	0	117	0	0	0	0	0	0	0	0	170	53
Total Discover Transactions	804	100	111	31	36	16,317	11	1,721	61,271	946	0	0	19	0	5	0	0	81,372	20,101
Total Amex Sales Transactions	405	44	132	22	37	18,499	75	2,715	94,461	2,680	0	0	58	0	4	0	0	119,132	24,671
Total Amex Credit Transactions	29	0	0	0	0	23	1	2	228	0	0	0	0	0	0	0	0	283	55
Total Amex Transactions	434	44	132	22	37	18,522	76	2,717	94,689	2,680	0	0	58	0	4	0	0	119,415	24,726
Total Debit Sales Transactions	0	3	0	0	0	0	0	0	971,724	0	0	0	0	0	0	0	0	971,727	3
Total Debit Credit Transactions	0	0	0	0	0	0	0	0	833	0	0	0	0	0	0	0	0	833	0
Total Debit Transactions	0	3	0	0	0	0	0	0	972,357	0	0	0	0	0	0	0	0	972,360	3
TOTAL TRANSACTIONS	10,614	1,523	1,281	601	963	323,779	366	29,394	1,911,426	27,731	0	0	239	0	150	5	2	2,308,074	396,648

APPENDIX K
 INTERCHANGE CLEARING LEVELS
 COMMONWEALTH OF PENNSYLVANIA
 DEPARTMENT OF GENERAL SERVICES

DEBIT TRANSACTIONS				
DECEMBER, 2009				
PLAN DESCRIPTION	SALES VOLUME	SALES TRAN	RETURNS	RETURN TRANS
INTERLINK	\$15,068,565.43	419,223	\$12,876.87	384
MAESTRO	\$2,050,473.39	71,650	\$1,347.41	55
NYCE	\$5,973,803.55	172,090	\$4,087.72	151
PULSE	\$2,598,230.63	76,378	\$6,896.78	202
STAR NE	\$19,362,741.13	548,599	\$0.00	0
STAR SE	\$859,699.51	24,884	\$12,452.48	415
STAR WEST	\$122,260.92	3,529	\$27.70	3
DEBIT CARD TRANSACTIONS	\$46,035,774.56	1,316,353	\$37,688.96	1,210

APPENDIX L
INTERCHANGE CLEARING LEVELS
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332

PLCB

MC-DOMESTIC STANDARD (006301003)

MC-FOREIGN ELECTRONIC PLUS (006301005)
MC-FOREIGN STANDARD PLUS (006301006)
MC-DOMESTIC MERIT III (006301009)
MC-DOMESTIC MERIT I (006301011)
MC-KEY ENTERED (006301081)
MC-MERIT 1 ELECTRONIC COMMERCE
(006301089)
MC-FOREIGN ELECTRONIC PLUS (U.S.) - DINERS
(006301092)
MC-WORLD MC STANDARD (006301094)
MC-WORLD MC MERIT 1 (006301095)
MC-WORLD MC KEY-ENTERED (006301096)
MC-WORLD MC MERIT III (006301097)

MC-CONSUMER CREDIT REFUND 4 (006301101)
MC-CORPORATE STANDARD (US)-BUSINESS
(006301103)

MC-CORPORATE CREDIT REFUND 3 (006301106)
MC-COMMERCIAL STANDARD (US) CORP
(006301108)
MC-CORPORATE STANDARD (US)-PURCHASE
(006301117)
MC-CORP FACE TO FACE (US) PURCHASE
(006301120)
MC-CORP DATA RATE I (US) PURCHASE
(006301121)
MC-CORP DATA RATE II (US) PURCHASE
(006301122)
MC-BUSINESS ENHANCED VALUE DATA RATE I
(006301124)
MC-CORP FACE TO FACE (US) BUSINESS
(006301140)

COMMERCIAL DATA RATE I BUS (006301141)

COMMERCIAL DATA RATE II BUS (006301142)
MC-CORP DATA RATE II (INTL) PURCHASE
(006301152)
MC-CORP PURCHASING (INTL) PURCHASE
(006301156)
MC-COMMERCIAL FACE TO FACE (US) CORP
(006301157)
MC-COMMERCIAL DATA RATE I (US) CORP
(006301158)
MC-COMMERCIAL DATA RATE II (US) CORP
(006301159)
MC-BUSINESS ENHANCED VALUE FACE-TO-FACE
(006301161)
MC-CORP (INTL) BUSINESS (006301176)
MC-COMMERCIAL FACE TO FACE (US) FLEET AT
NF (006301194)
MC-COMMERCIAL DATA RATE II (US) FLEET AT
NF (006301195)

Other Commonwealth Agencies

MC-DOMESTIC STANDARD (006301003)

MC-FOREIGN ELECTRONIC PLUS (006301005)
MC-FOREIGN STANDARD PLUS (006301006)
MC-DOMESTIC MERIT III (006301009)
MC-DOMESTIC MERIT I (006301011)
MC-DOMESTIC MERIT I (MOTO) (006301019)

MC-PUBLIC SECTOR (006301020)

MC-UTILITY CREDIT (006301048)
MC-WORLD UTILITY (006301049)
MC-WORLD ELITE UTILITIES (006301064)
MC-WORLD MC PUBLIC SECTOR (006301077)
MC-KEY ENTERED (006301081)

MC-CONSUMER CREDIT REFUND 2 (006301084)
MC-MERIT 1 ELECTRONIC COMMERCE (006301089)

MC-FOREIGN STANDARD PLUS (U.S.) - DINERS (006301093)
MC-WORLD MC STANDARD (006301094)
MC-WORLD MC MERIT 1 (006301095)
MC-WORLD MC KEY-ENTERED (006301096)
MC-WORLD MC MERIT III (006301097)

MC-CONSUMER CREDIT REFUND 3 (006301100)
MC-CONSUMER CREDIT REFUND 4 (006301101)
MC-CORPORATE STANDARD (US)-BUSINESS (006301103)

MC-CORPORATE CREDIT REFUND 1 (006301104)
MC-CORPORATE CREDIT REFUND 3 (006301106)
MC-COMMERCIAL STANDARD (US) CORP (006301108)
MC-CORPORATE STANDARD (US)-PURCHASE (006301117)
MC-CORP FACE TO FACE (US) PURCHASE (006301120)
MC-CORP DATA RATE I (US) PURCHASE (006301121)
MC-CORP DATA RATE II (US) PURCHASE (006301122)
MC-BUSINESS ENHANCED VALUE DATA RATE I
(006301124)
MC-CORP FACE TO FACE (US) BUSINESS (006301140)

COMMERCIAL DATA RATE I BUS (006301141)
COMMERCIAL DATA RATE II BUS (006301142)

**APPENDIX L
INTERCHANGE CLEARING LEVELS
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332**

PLCB	Other Commonwealth Agencies
MC-WORLD ELITE STANDARD (006301200) MC-WORLD ELITE MERIT 1 (006301201)	MC-CORP DATA RATE II (INTL) PURCHASE (006301152) BUS UTILITY (006301153)
MC-WORLD ELITE KEY ENTERED (006301202)	MC-COMMERCIAL FACE TO FACE (US) CORP (006301157)
MC-WORLD ELITE MERIT III (006301203) MC-WORLD COMM'L FACE TO FACE BUSINESS (006301226) MC-WORLD COMM'L DATA RATE II BUSINESS (006301230) MC-WORLD COMM'L DATA RATE I BUSINESS (006301231)	MC-COMMERCIAL DATA RATE I (US) CORP (006301158) MC-COMMERCIAL DATA RATE II (US) CORP (006301159) MC-CORP (INTL) BUSINESS (006301176) MC-COMMERCIAL FACE TO FACE (US) FLEET AT NF (006301194) MC-COMMERCIAL DATA RATE II (US) FLEET AT NF (006301195) MC-WORLD ELITE STANDARD (006301200) MC-WORLD ELITE MERIT 1 (006301201)
MC-ENHANCED STANDARD (006301303) MC-ENHANCED MERIT III BASE (006301309) MC-ENHANCED MERIT I (006301311)	MC-WORLD ELITE KEY ENTERED (006301202)
MC-PREM CON ELEC ACQUISSSLAC (006301316)	MC-WORLD ELITE MERIT III (006301203)
MC-PREM CON ELEC ACQUSSAP (006301326)	MC-WORLD ELITE PUBLIC SECTOR (006301215) MC-WORLD COMM'L FACE TO FACE BUSINESS (006301226)
MC-PREM CON ELEC ACQUISSEU (006301336)	MC-WORLD COMM'L STANDARD BUSINESS (006301228)
MC-ENHANCED KEY ENTERED (006301381) MC-PREM CON ELEC ACQUSSSAM (006301408)	MC-WORLD COMM'L DATA RATE II BUSINESS (006301230)
HIGH VALUE MERIT I (006301577)	MC-WORLD COMM'L DATA RATE I BUSINESS (006301231) W BUSUTIL (006301286)
HIGH VALUE KEY-ENTERED (006301578) HIGH VALUE MERIT III BASE 1 (006301579)	MC-ENHANCED STANDARD (006301303)
MC-DOMESTIC STANDARD (DEBIT) (006301603)	MC-ENHANCED MERIT III BASE (006301309)
MC-DOMESTIC MERIT III (DEBIT) (006301609)	MC-ENHANCED MERIT I (006301311) MC-PREM CON STD ACQUSSSLAC (006301314)
MC-DOMESTIC MERIT I (DEBIT) (006301611) MC-KEY ENTERED (DEBIT) (006301681) MC-MERIT 1 ELECTRONIC COMMERCE (DEBIT) (006301689)	MC-ENHANCED PUBLIC SECTOR (006301320)
MC-CONSUMER DEBIT REFUND 3 (006301738) VI-INTERNATIONAL INFINITE (006302008) VI-FOREIGN STANDARD (006302010) VI-INTERNATIONAL COMMERCIAL STANDARD (006302011) VI-DOMESTIC STANDARD ALL OTHER (006302017)	MC-PREM CON STD ACQUSSSEU (006301334) MC-PREM CON ELEC ACQUSSSEU (006301336) MC-ENHANCED KEY ENTERED (006301381) MC-ENHANCED UTILITIES (006301385)
VI-CPS RETAIL ALL OTHER (006302023)	MC-BILL PAYMENTS (MERIT I) INSURANCE (006301391) MC-WORLD BILL PAYMENTS (MERIT 1) INSURANCE (006301392) MC-WORLD ELITE BILL PAYMENTS (MERIT 1) INSURANCE (006301393)
VI-CPS/CARD NOT PRESENT (006302034)	MC-ENHANCED BILL PAYMENTS (MERIT I) INSURANCE (006301394)
VI-CPS/RETAIL KEY ENTERED (006302037) VI-CPS/REWARDS 1 (006302050) VI-CPS/REWARDS 2 (006302051)	MC-PREM CON STD ACQUSSSAM (006301406) HIGH VALUE MERIT I - INSURANCE (006301575)

APPENDIX L
INTERCHANGE CLEARING LEVELS
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332

PLCB

VI-INTL BUS/CORP/PURCH (006302055)
VI-INTL INFINITE/SIGNATURE (006302058)
VI-INTL ELECTRONIC (006302063)
VI-INTL ISSUER CHIP (006302065)
VI-INTL STANDARD (006302069)
VI-EIRF NON CPS ALL OTHER (006302080)

VI-MOTO-ECOMMERCE CREDIT (006302090)
VI-CONSUMER CARD NON-PASSENGER
TRANSPORT CREDIT (006302092)
VI-COMMECIAL CARD NON (006302093)

VI-COMMERCIAL CARD STANDARD (006302109)
VI-CORPORATE CARD LEVEL 2 (006302171)

VI-COMMERCIAL CARD LEVEL 2 (006302172)
VI-BUSINESS CARD-CARD NOT PRESENT
(006302231)

VI-BUSINESS CARD-RETAIL (006302232)
VI-CORPORATE CARD-CARD NOT PRESENT
(006302234)
VI-CORPORATE CARD-RETAIL (006302235)
VI-PURCHASING CARD-CARD NOT PRESENT
(006302237)
VI-PURCHASING CARD-RETAIL (006302238)
VI-CPS BUSINESS CARD ELECT NON T&E
(006302242)
VI-CPS PURCHASING CARD ELECT NON T&E
(006302245)
VI-SIGNATURE PREFERRED - CARD NOT PRESENT
(006302247)
VI-SIGNATURE PREFERRED - RETAIL
(006302248)
VI-SIGNATURE PREFERRED - STANDARD
(006302250)
VI-INT CHIP ISSUER (006302375)
VI-DOMESTIC STANDARD - ALL OTHER DEBIT
(006302617)

VI-CPS/CARD NOT PRESENT DEBIT (006302634)

VI-CPS/RETAIL KEY ENTERED DEBIT (006302637)
VI-EIRF NON-CPS - ALL OTHER DEBIT
(006302680)
VI-MOTO/ECOMMERCE RETURN DEBIT
(006302690)
VI-CONSUMER CARD NON-PASSENGER
TRANSPORT RETURN DEBIT (006302692)

VI-CPS/RETAIL ALL OTHER - DEBIT (006302817)
NYCE (006318001)

AFFN (006318016)
AFFN DIRECT (006318017)
STAR SE (006318033)

Other Commonwealth Agencies

HIGH VALUE STANDARD (006301576)
HIGH VALUE MERIT I (006301577)
HIGH VALUE KEY-ENTERED (006301578)
HIGH VALUE MERIT III BASE 1 (006301579)
MC-HIGH VALUE PUBLIC SECTOR (006301591)
MC-HIGH VALUE UTILITIES (006301597)

MC-DOMESTIC STANDARD (DEBIT) (006301603)
MC-DOMESTIC MERIT III (DEBIT) (006301609)
MC-DOMESTIC MERIT I (DEBIT) (006301611)

MC-DOMESTIC MERIT I (MOTO) (DEBIT) (006301619)
MC-UTILITY DEBIT (006301648)

MC-EMERGING MARKETS DEBIT (006301665)
MC-KEY ENTERED (DEBIT) (006301681)
MC-MERIT 1 ELECTRONIC COMMERCE (DEBIT)
(006301689)

MC-CONSUMER DEBIT REFUND 1 (006301736)
MC-CONSUMER DEBIT REFUND 3 (006301738)

VI-FOREIGN STANDARD (006302010)
VI-DOMESTIC STANDARD ALL OTHER (006302017)

VI-CPS RETAIL ALL OTHER (006302023)

VI-CPS/CARD NOT PRESENT (006302034)
VI-CPS/RETAIL KEY ENTERED (006302037)
VI-CPS RETAIL 2 (EMERGING MARKETS) (006302038)

VI-CPS/REWARDS 1 (006302050)
VI-CPS/REWARDS 2 (006302051)

VI-INTL BUS/CORP/PURCH (006302055)

VI-INTL INFINITE/SIGNATURE (006302058)

VI-INTL ELECTRONIC (006302063)
VI-INTL ISSUER CHIP (006302065)
VI-INTL STANDARD (006302069)
VI-CPS/ELECTRONIC COMMERCE-BASIC (006302077)

VI-EIRF NON CPS ALL OTHER (006302080)
VI-MOTO-ECOMMERCE CREDIT (006302090)
VI-CONSUMER CARD NON-PASSENGER TRANSPORT CREDIT
(006302092)
VI-COMMECIAL CARD NON (006302093)
VI-COMMERCIAL CARD STANDARD (006302109)

APPENDIX L
INTERCHANGE CLEARING LEVELS
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332

PLCB

Other Commonwealth Agencies

PULSE (006318035)
STAR WEST (006318069)
INTERLINK (006318071)

VI-CORPORATE CARD NON T&E ELECTRONIC (006302113)
VI-CORPORATE CARD LEVEL 2 (006302171)
VI-COMMERCIAL CARD LEVEL 2 (006302172)

STAR NE (006318074)
MAESTRO (006318075)
SHAZAM (006318613)

VI-BUSINESS CARD-BUSINESS TO BUSINESS (006302230)
VI-BUSINESS CARD-CARD NOT PRESENT (006302231)
VI-BUSINESS CARD-RETAIL (006302232)
VI-CORPORATE CARD- BUSINESS TO BUSINESS
(006302233)

CU24-DIRECT (006318631)

ALASKA OPTION (006318742)

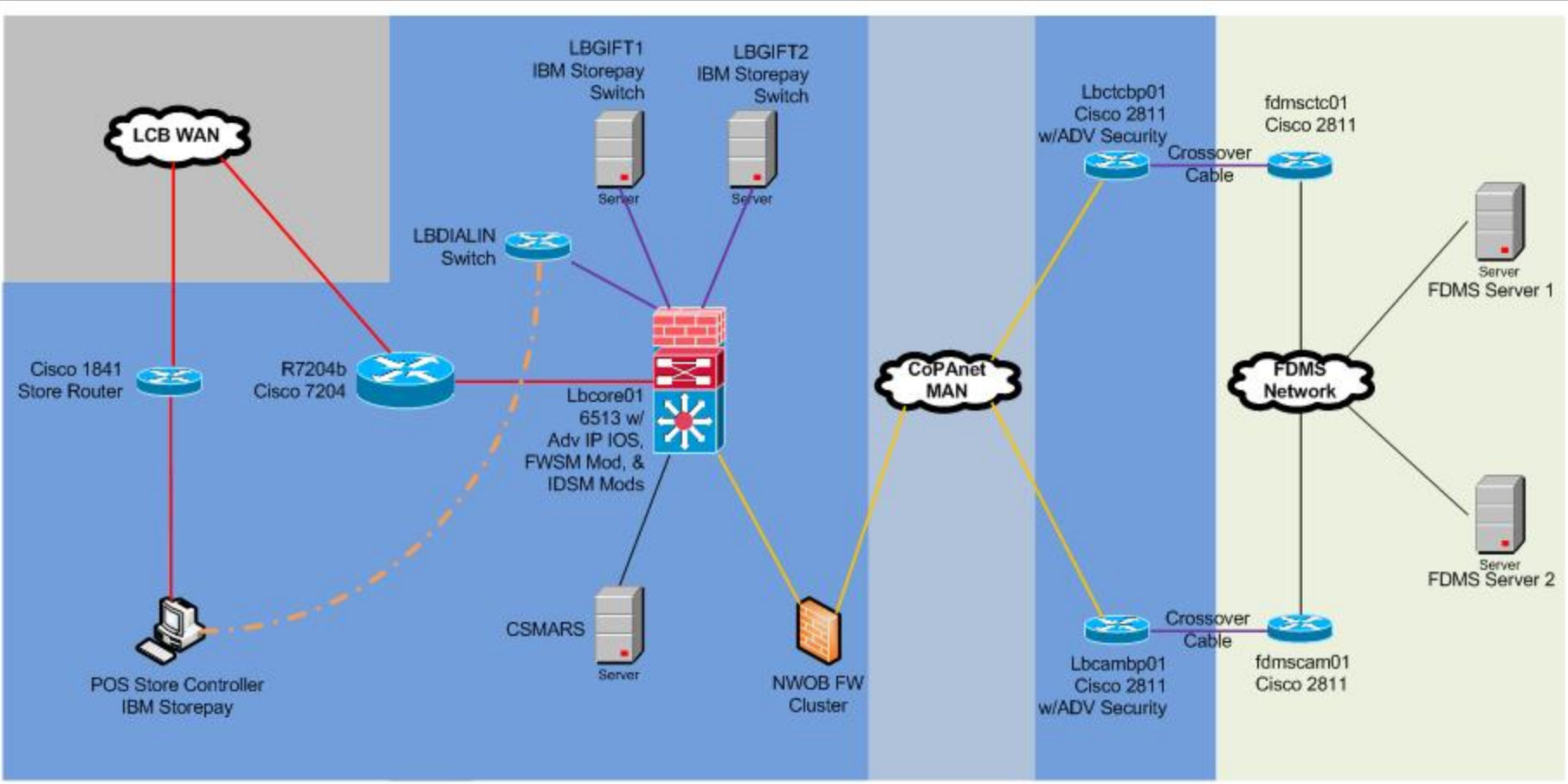
VI-CORPORATE CARD-CARD NOT PRESENT (006302234)
VI-CORPORATE CARD-RETAIL (006302235)

VI-PURCHASING CARD-CARD NOT PRESENT (006302237)
VI-PURCHASING CARD-RETAIL (006302238)
VI-CPS BUSINESS CARD ELECT NON T&E (006302242)

VI-CPS PURCHASING CARD ELECT NON T&E (006302245)
VI-SIGNATURE PREFERRED CARD-BUSINESS-TO-BUSINESS
(006302246)
VI-SIGNATURE PREFERRED - CARD NOT PRESENT
(006302247)
VI-SIGNATURE PREFERRED - RETAIL (006302248)
VI-SIGNATURE PREFERRED - STANDARD (006302250)
VI-INT CHIP ISSUER (006302375)

VI-DOMESTIC STANDARD - ALL OTHER DEBIT (006302617)
VI-CPS/CARD NOT PRESENT DEBIT (006302634)
VI-CPS/RETAIL KEY ENTERED DEBIT (006302637)
VI-CPS - RETAIL 2 (EMERGING MARKETS) DEBIT
(006302638)
VI-CPS/ELECTRONIC COMMERCE - BASIC DEBIT
(006302677)
VI-EIRF NON-CPS - ALL OTHER DEBIT (006302680)
VI-MOTO/ECOMMERCE RETURN DEBIT (006302690)
VI-CONSUMER CARD NON-PASSENGER TRANSPORT
RETURN DEBIT (006302692)
VI-CPS/RETAIL ALL OTHER - DEBIT (006302817)
DISCOVER PASS-THRU (006303001)
AMEX PASS-THRU (006306001)
NYCE (006318001)
AFFN (006318016)
STAR SE (006318033)
PULSE (006318035)
STAR WEST (006318069)
INTERLINK (006318071)
STAR NE (006318074)
CU24-DIRECT (006318631)

POS PCI Network Path



PLCB
Level 3
OA & Level 3
FDMS

— (Red)	Data Encryption 3DES-168
— (Yellow)	VPN Encryption AES-256
— (Purple)	No Encryption
- - - (Dashed Orange)	Dial-Up Connection



Electronic Payment Processing

RFP 6100014332

Issuing Officer: Jennifer Habowski

Preproposal Conference

04/21/2010



- Introductions & Housekeeping – Jen Habowski
- BMWBO – Gayle Nuppnau
- Supplier Development – Jen Habowski
- RFP Requirements & Points of Interest – Jen Habowski
- RFP Overview – Andy Cameron
- Critical Points of the RFP - Andy Cameron
- Question and Answers – Jen Habowski



Bureau of Minority & Women Business Opportunities

- Participation is encouraged
- Disadvantage Business Submittal
- Enterprise Zone Small Business



Supplier Development and Support

Bureau of Procurement

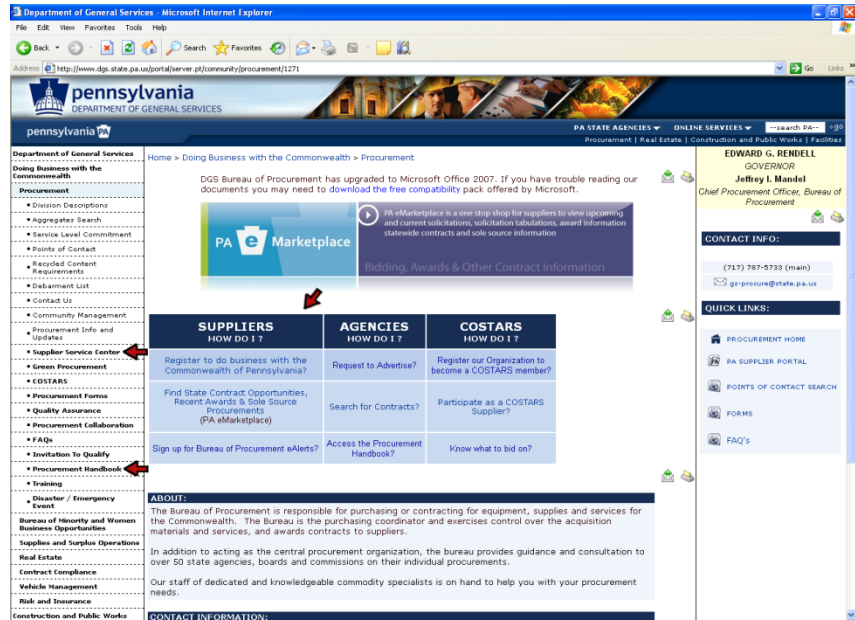


www.dgs.state.pa.us/procurement

Your Gateway to All Procurement Information

Links to:

- Supplier Service Center
- PA e-Marketplace
- PA Supplier Portal
- Procurement Handbook





www.eMarketplace.state.pa.us

Your Gateway to Contract Information

Solicitations
Tabulations
Awards
Contracts
Sole Source
COSTARS

Links:

Supplier Service Center
Treasury Contracts

The screenshot shows the website interface for the Pennsylvania Department of General Services. The main content area includes a table with three columns: SUPPLIERS HOW DO IT?, AGENCIES HOW DO IT?, and COSTARS HOW DO IT?. Red arrows point from the text on the left to the 'Supplier Service Center' and 'Invitation to Qualify' links in the table.

SUPPLIERS HOW DO IT?	AGENCIES HOW DO IT?	COSTARS HOW DO IT?
Register to do business with the Commonwealth of Pennsylvania?	Request to Advertise?	Register our Organization to become a COSTARS member?
Find State Contract Opportunities, Recent Awards & Sole Source Procurements (PA eMarketplace)	Search for Contracts?	Participate as a COSTARS Supplier?
Sign up for Bureau of Procurement eAlerts?	Access the Procurement Handbook?	Know what to bid on?

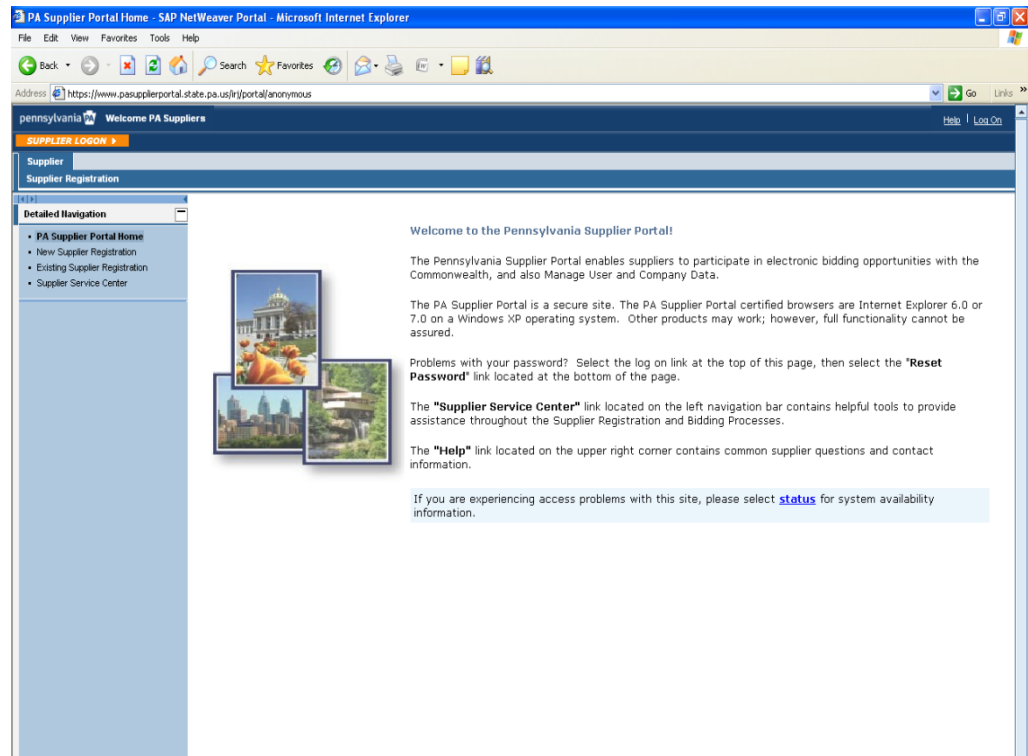
www.pasupplierportal.state.pa.us

Your Gateway to Procurement

Registration

Manage company data

Link: Customer Service Center

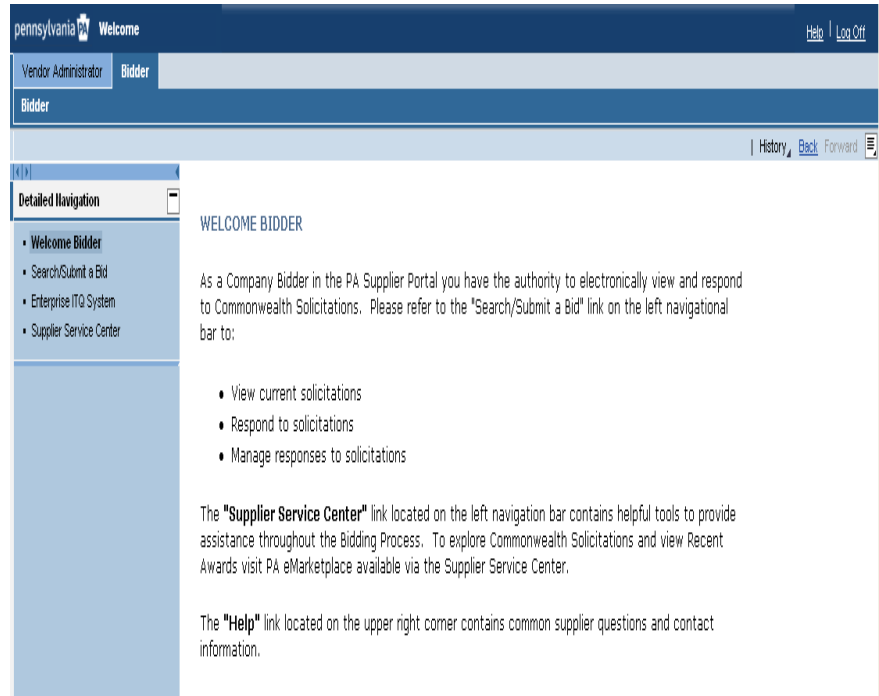


www.pasupplierportal.state.pa.us

Welcome Bidder
View solicitations

Manage your
responses

Link:
Customer Service
Center



The screenshot shows the 'Welcome Bidder' page in the Pennsylvania Supplier Portal. The page has a dark blue header with the 'pennsylvania' logo and 'Welcome' text. Below the header, there are navigation tabs for 'Vendor Administrator' and 'Bidder', with 'Bidder' being the active tab. A 'Bidder' sub-tab is also visible. The main content area is titled 'WELCOME BIDDER' and contains the following text:

As a Company Bidder in the PA Supplier Portal you have the authority to electronically view and respond to Commonwealth Solicitations. Please refer to the "Search/Submit a Bid" link on the left navigational bar to:

- View current solicitations
- Respond to solicitations
- Manage responses to solicitations

The "Supplier Service Center" link located on the left navigation bar contains helpful tools to provide assistance throughout the Bidding Process. To explore Commonwealth Solicitations and view Recent Awards visit PA eMarketplace available via the Supplier Service Center.

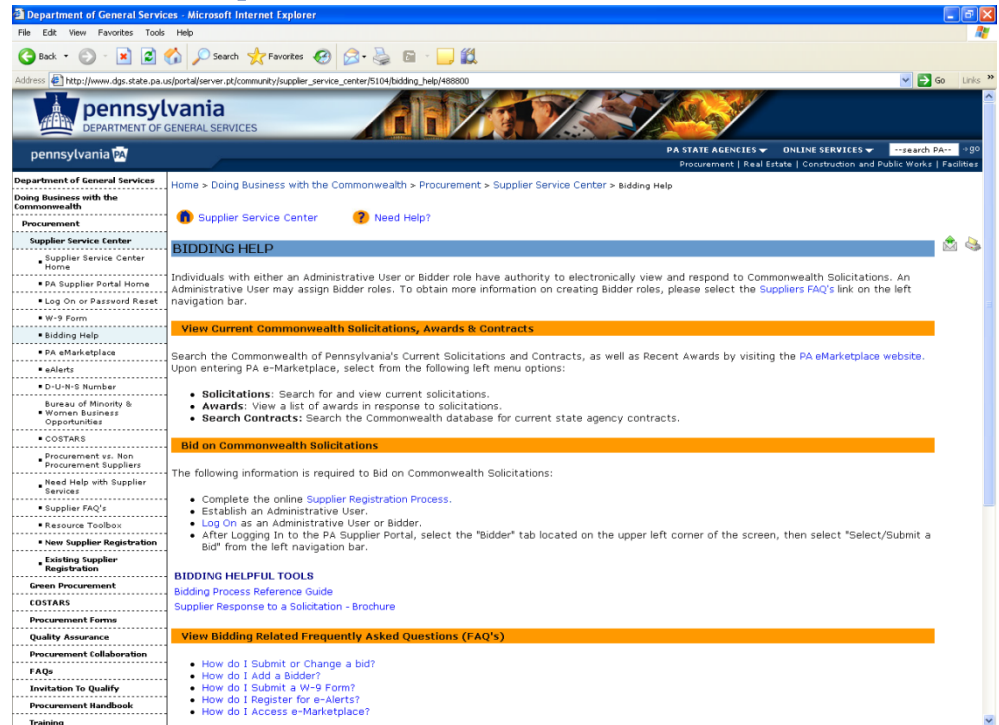
The "Help" link located on the upper right corner contains common supplier questions and contact information.

Supplier Services Center

Your Gateway to Supplier Help

How to:
register
add users

Resource toolbox:
bidding guide



The screenshot shows the Pennsylvania Supplier Services Center website. The browser window title is "Department of General Services - Microsoft Internet Explorer". The address bar shows the URL: http://www.dps.state.pa.us/portal/server.pt/community/supplier_service_center/5104/bidding_help/48800. The website header includes the Pennsylvania Department of General Services logo and navigation links for "PA STATE AGENCIES" and "ONLINE SERVICES". The main content area is titled "BIDDING HELP" and contains the following information:

Supplier Service Center
 • Home
 • PA Supplier Portal Home
 • Log On or Password Reset
 • W-9 Form
 • Bidding Help
 • PA eMarketplace
 • Alerts
 • OIG's Number
 • Bureau of Minority & Women Business Opportunities
 • COSTARS
 • Procurement vs. Non-Procurement Suppliers
 • Need Help with Supplier Services
 • Supplier FAQ's
 • Resource Toolbox
 • New Supplier Registration
 • Existing Supplier Registration

BIDDING HELP
 Individuals with either an Administrative User or Bidder role have authority to electronically view and respond to Commonwealth Solicitations. An Administrative User may assign Bidder roles. To obtain more information on creating Bidder roles, please select the [Suppliers FAQ's](#) link on the left navigation bar.

View Current Commonwealth Solicitations, Awards & Contracts
 Search the Commonwealth of Pennsylvania's Current Solicitations and Contracts, as well as Recent Awards by visiting the [PA eMarketplace website](#). Upon entering PA eMarketplace, select from the following left menu options:

- **Solicitations:** Search for and view current solicitations.
- **Awards:** View a list of awards in response to solicitations.
- **Search Contracts:** Search the Commonwealth database for current state agency contracts.

Bid on Commonwealth Solicitations
 The following information is required to Bid on Commonwealth Solicitations:

- Complete the online [Supplier Registration Process](#).
- Establish an Administrative User.
- [Log On](#) as an Administrative User or Bidder.
- After Logging In to the PA Supplier Portal, select the "Bidder" tab located on the upper left corner of the screen, then select "Select/Submit a Bid" from the left navigation bar.

BIDDING HELPFUL TOOLS
[Bidding Process Reference Guide](#)
[Supplier Response to a Solicitation - Brochure](#)

View Bidding Related Frequently Asked Questions (FAQ's)

- [How do I Submit or Change a bid?](#)
- [How do I Add a Bidder?](#)
- [How do I Submit a W-9 Form?](#)
- [How do I Register for e-Alerts?](#)
- [How do I Access e-Marketplace?](#)



Supplier Services Center

NEED HELP WITH SUPPLIER SERVICES?

REGISTRATION	BIDDING
<p>HOW DO I...</p> <ul style="list-style-type: none"> • Register as a New Supplier? • Register as an Existing Supplier? • Determine if I am a New or Existing Supplier? • Determine if I am a Procurement or Non-Procurement Supplier? • Obtain my Vendor Number? • Reset my Password? • Minority & Women Business Certification? <p>ADDITIONAL INFO:</p> <p>FAQ's</p> <p>Contact Us: 717-346-2676 (local) 877-435-7363 <i>Select 1 from prompt menu</i> e-mail: RA-PSC_Supplier_Requests@state.pa.us</p>	<p>HOW DO I...</p> <ul style="list-style-type: none"> • Find a Solicitation? • Submit or Change a Bid? • Add a Bidder? • Submit a W-9 Form? • Register for eAlerts? • Access PA eMarketplace? • Become a COSTARS Supplier? <p>ADDITIONAL INFO:</p> <p>FAQ's</p> <p>Contact Us: 717-346-2676 (local) 877-435-7363 <i>Select 2 from prompt menu</i> e-mail: srmhelp@state.pa.us</p>
UPDATE COMPANY DATA	MISCELLANEOUS
<p>HOW DO I...</p> <ul style="list-style-type: none"> • Create a Company Account? • Manage/Update my Account Data? • Manage/Update Administrative User Data? • Update my ACH Banking Information? • Create Additional Users? • Add a Bidder? <p>ADDITIONAL INFO:</p> <p>FAQ's</p> <p>Contact Us: 717-346-2676 (local) 877-435-7363 <i>Select 1 from prompt menu</i> e-mail: RA-PSC_Supplier_Requests@state.pa.us</p>	<p>HOW DO I...</p> <ul style="list-style-type: none"> • Submit a W-9 Form? • Learn more about D-U-N-S? • Learn more about Minority & Women Business Opportunities? • Learn more about COSTARS? • Check on status of an Invoice? <p>ADDITIONAL INFO:</p> <p>FAQ's</p>

FAQ's

Registration

Bidding

Account Information



Supplier Support

Customer Services Call Center

717-346-2676

1-877-435-7363

Option 1

Registration

Company Data Updates

ACH Banking Changes

Invoice Payment Status

1099 Questions



Supplier Support

Customer Services Call Center

717-346-2676

1-877-435-7363

Option 2

Searching for Solicitations

Bidding Process

e-Alerts



Proposal Package Notes

ADDRESS PROPERLY

**Include
RFP Number
Number Multiple Package
(i.e. 1 of 3, 2 of 3, etc.)
Must be Sealed**

**Proposals Arriving AFTER Opening Time
Will Be REJECTED**



Supplier Support

Brochures

Procurement Guide

Doing Business with the Commonwealth

Registration Guide

Registering as a Supplier

Supplier Guide

Locating and Responding to a Solicitation



RFP Requirements

- Three separately sealed submittals
 - Technical
 - Cost
 - Disadvantage Business
- Received on time – **Due 05/13/2010 by 3:00 EDT**
- Signed by an official authorized to bind the company
- No cost in the technical submittal



RFP Points of Interest

- Appendix B is a Mandatory Requirement and must be filled out, signed and returned with the proposal or the proposal will be rejected.
- If you specify that the proposal is not firm for the time period specified in Section I-12 of the RFP, your proposal may be rejected.
- If there are any assumptions included in the cost proposal, your proposal may be rejected.
- If you state that the proposal is contingent on negotiation of offeror terms and conditions, your proposal may be rejected.
- Responses to any questions are not official until confirmed in writing and posted as an Addendum to the RFP.



Electronic Payment Processing Overview

- Overview RFP and Appendix E
- Critical Points of Interest



Question & Answers

- Review Questions and Answers received by April 12, 2010.
- Additional Question and Answer Session
 - All questions must be in writing.
 - A respond will be provided, if possible, at this time.
 - Responses to questions are “unofficial” until “officially” answered in writing.
 - All Q&A’s will be posted to the DGS website by April 29, 2010.



Lisa M. Lane
Assistant Vice President
National Merchant Sales

Tel. 773-342-9440
Fax 773-342-9445
lisa.lane@53.com
www.53.com

1731 N. Winchester Ave.
Chicago, IL 60622

ADEPT

Adept Consulting Services, Inc.

423 Walnut Street | Suite 305
Harrisburg, PA 17105-2677 | USA
Phone | 717-991-1135

E-mail | mkirsch@AdeptUSA.com
Website | <http://www.AdeptUSA.com>

Mark Kirsch
Vice President



First Data

firstdata.com

Margie B. Anthony

Director of Sales
Government and Higher Education
4019 River Park Drive
Suffolk, VA 23435

O (757) 483-7718
F (402) 916-8673
M (757) 537-6706
margie.anthony@firstdata.com



**OFFICIAL
PAYMENTS**

Donna Martin
REGIONAL ACCOUNT MANAGER

10780 Parkridge Blvd, Suite 400
Reston, VA 20191
[p] 866-580-0980 ext. 7770
[f] 925-854-1068
[e] dmartin@officialpayments.com
www.officialpayments.com



Susan Graham Consulting, LLC

Tom Holloway

Director of
Technology Deployment Services

111 Cocoa Avenue
Hershey, Pennsylvania 17033
Home Office (717) 514-5069
SGC Office (717) 533-4470
Tholloway@susangconsulting.com
www.susangconsulting.com

Commonwealth of PA Women's Business Enterprise

Pramod Srivastava
President



iBusiness Solution LLC

5000 Lenker Street
Mechanicsburg, PA 17050
Ph: 717-540-1209, Fax: 717-737-0962
E-mail: pk@businesssolution.com
Visit us at: www.ibusinesssolution.com



Ruthann Black
President

5275 East Tindle Road
Mechanicsburg, PA 17050
blackcsi.com

Phone: 717.620.3042
Fax: 717.591.1572
rbblack@blackcsi.com



Joylyn Conklin
Vice President

5275 East Tindle Road
Mechanicsburg, PA 17050
blackcsi.com

Phone: 717.620.3042
Fax: 717.591.1572
jconklin@blackcsi.com



Richard T. Drury
Vice President, Strategic Account Executive

Tel: 412.429.8186 • Fax: 617.310.2560
richardt.drury@bankofamerica.com

Bank of America Merchant Services, LLC.
123 Foxcroft Road, Pittsburgh, PA 15220-1708



William C. Garver, CCM
Treasury Mgmt Sales Consultant

**Treasury Management
Government & Institutional**
MAC Y1466-016
2240 Butler Pike
Plymouth Meeting, PA 19462
610 397-2628 / 610 397-2627 Fax
william.garver@wachovia.com

Wells Fargo Bank, N.A.

**WELLS
FARGO**

Kevin Riley
Vice President
Wholesale Merchant Solutions Officer

Wells Fargo Treasury Management
MAC Y1375-052
1 South Broad Street 5th Floor
Philadelphia, PA 19107
267 321-7594 / 877 302-7510 Fax
267 421-6972 Cell
kevin.e.riley@wellsfargo.com

Bank of America
Merrill Lynch
GLOBAL COMMERCIAL BANKING

William A. Weir
Senior Vice President
Product Delivery Senior Officer / Northeast Government Banking

Tel: 646.855.2380 • Fax: 646.855.1942
william.a.weir@banam.com
Bank of America, N.A., NY1-100-32-01
One Bryant Park, New York, NY 10036



Rick Klinger
Relationship Manager
T 301-766-5673 F 301-766-5424
richard.klinger@fnstdata.com

Member of The PNC Financial Services Group
One Western Maryland Parkway
Hagerstown Maryland 21740

Maryann George
SVP - Senior Client Manager
Bank of America, N.A.
Bank of America Securities LLC

Bank of America
Merrill Lynch

Tel: 287.675.0347 • Fax: 212.909.8543
maryann.george@bankofamerica.com
Bank of America, N.A., PA7-188-11-01
1600 J F Kennedy Blvd, 11th FL 4 Penn Center, Philadelphia, PA 19103



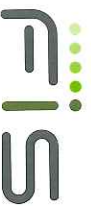
Patricia McQuade
Chief Operating Officer Vice President
T 412-762-4104 F 412-762-8593
mary.mcquade@pnc.com

Member of The PNC Financial Services Group
Two PNC Plaza 620 Liberty Avenue
Pittsburgh Pennsylvania 15222



Amber Wood
Executive Assistant

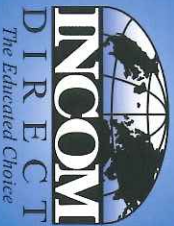
★ 321 North Front Street
Harrisburg, PA 17101
(o) 717-230-8861
(h) 717-230-8870
amberwood@clarkresources.com
www.clarkresources.com
Washington, D.C. office:
1775 Pennsylvania Avenue, NW
10th Floor
Washington, DC 20006
Philadelphia office:
200 South Broad St., The Bellevue
Suite 430
Philadelphia, PA 19102



David Stephenson
Vice President of Channel Sales
Government, Education
& Healthcare Solution

One Burton Hills Boulevard
Suite 300
Nashville, TN

T: 615.665.6757
C: 615.310.0336
F: 615.665.8335
David.Stephenson@fiscglobal.com
www.fiscglobal.com



Office: (610) 543-4310
Fax: (610) 543-4317
Cell: (610) 662-4736

E-mail: cevitellajr@incom-direct.com

Carlo Civirella
Senior Consultant

Corporate Office:
2460 W. 26th Ave. Ste. 260C
Denver, CO 80211
(877) 810-8635
www.incom-direct.com

Philadelphia Office
388 Reed Road Bldg #L, 1st Floor
Broomall, PA 19008
Independently Owned and Operated



Commonwealth of Pennsylvania

Date: **05/03/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **7**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

To further clarify Addendum #4, PHMC is currently using the Hypercom T7P and Omni 3200 and will also be using them in the future, along with the new POS system. The credit card processing software for the new POS is Galaxy POS version 4.7x.

The following information is being added to Appendix E, pg. 7-8, Pennsylvania Department of Health.

Hearing Aid Program within the Division of Home Health/Drug, Device, and Cosmetic program is responsible for Hearing Aid Sales Registration Law and regulations. This responsibility includes the registration of Pennsylvania's professional hearing aid fitters, apprentices, temporary apprentices and hearing aid dealers as well as administration of a biannual written examination. Fees are collected for registration of 1,400 registered fitters, apprentices, temporary apprentices, and dealers and fees are collected from approximately 60 applicants annually for the hearing aid fitters examination.

Health's Hearing Aid Program - Credit Card Volume Calendar Year 2009:

Card Type	Number of Transactions	Total Amount	Average per Transaction
VISA/MasterCard	448	\$29,040	\$64.83
Discover	20	\$1,730	\$86.50
American Express	45	\$4,570	\$101.56
Totals	513	\$35,340	\$68.89

Hardware/Software/Equipment: Hypercom Model T7P

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.



Commonwealth of Pennsylvania

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **05/11/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **8**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

In accordance with Appendix D, Proposal Cover Sheet and Part I-12, Proposals, Part II-10, Cost Submittal is revised to state the following: *The Cost Submittal (Appendix H) shall be submitted electronically via the PA Supplier Portal at www.pasupplierportal.state.pa.us.*

Please do not submit a paper copy of the cost.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **05/13/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 14, 2010 @ 3:00p.m. EDT**
Addendum Number: **9**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

The bid opening date and time has been extended to May 14, 2010, at 3:00p.m. EDT.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us

**EXHIBIT B - NEGOTIATED COST SUBMITTAL
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
Contract # 4400007778**

Note: The rates in the cost submittal shall include all services as described in Part IV – Work Statement (i.e. authorizing, reporting, marketing, chargebacks, customer service, training, etc.) and cannot be changed during the five-year term of the Contract. The term “transaction” shall represent both sales and credit transactions.

A-1. Unbundled Rate.

Proposed Tiers

Visa/MC/Off Debit Transaction Volume	Pass Thru+Dial	Pass Thru+Lease
0-5,000,000	\$ 0.0400	\$ 0.0330
5,000,001-10,000,000	\$ 0.0360	\$ 0.0300
10,000,001-12,000,000	\$ 0.0360	\$ 0.0300
12,000,001-12,500,000	\$ 0.0360	\$ 0.0275
12,500,001-13,000,000	\$ 0.0335	\$ 0.0275
13,000,001-13,500,000	\$ 0.0335	\$ 0.0275
13,500,001-14,000,000	\$ 0.0335	\$ 0.0250
14,000,001-14,500,000	\$ 0.0335	\$ 0.0250
14,500,001-15,000,000	\$ 0.0335	\$ 0.0250
15,000,001-15,500,000	\$ 0.0335	\$ 0.0250
15,500,001-16,000,000	\$ 0.0335	\$ 0.0225
16,000,001-16,500,000	\$ 0.0310	\$ 0.0225
16,500,001-17,000,000	\$ 0.0310	\$ 0.0225
17,000,001-17,500,000	\$ 0.0310	\$ 0.0200
17,500,001-18,000,000	\$ 0.0310	\$ 0.0200
18,000,001-18,500,000	\$ 0.0310	\$ 0.0200
18,500,001-19,000,000	\$ 0.0310	\$ 0.0200
19,000,001-19,500,000	\$ 0.0310	\$ 0.0200
19,500,001-20,000,000	\$ 0.0285	\$ 0.0185
20,000,001-20,500,000	\$ 0.0285	\$ 0.0185
20,500,001-21,000,000	\$ 0.0285	\$ 0.0185
21,000,001-21,500,000	\$ 0.0285	\$ 0.0185
21,500,001-22,000,000	\$ 0.0285	\$ 0.0170
22,000,001-22,500,000	\$ 0.0285	\$ 0.0170
22,500,001-23,000,000	\$ 0.0285	\$ 0.0170
23,000,001-23,500,000	\$ 0.0285	\$ 0.0170
23,500,001-24,000,000	\$ 0.0270	\$ 0.0160
24,000,001-24,500,000	\$ 0.0270	\$ 0.0160
24,500,001-25,000,000	\$ 0.0270	\$ 0.0160
25,000,001-25,500,000	\$ 0.0270	\$ 0.0160
25,500,001-26,000,000	\$ 0.0270	\$ 0.0160
26,000,001-26,500,000	\$ 0.0270	\$ 0.0150
26,500,001 and above	\$ 0.0270	\$ 0.0150

A-2. Online Debit Card.

Proposed Tiers

Debit Transaction Volume	Pass Thru+Dial	Pass Thru+Lease
0-5,000,000	\$ 0.0450	\$ 0.0355
5,000,001-10,000,000	\$ 0.0405	\$ 0.0305
10,000,001-10,500,000	\$ 0.0355	\$ 0.0255
10,500,001-11,000,000	\$ 0.0330	\$ 0.0230
11,000,001-11,500,000	\$ 0.0330	\$ 0.0225
11,500,001-12,000,000	\$ 0.0305	\$ 0.0200
12,000,001-12,500,000	\$ 0.0305	\$ 0.0200
12,500,001-13,000,000	\$ 0.0305	\$ 0.0200
13,000,001-13,500,000	\$ 0.0290	\$ 0.0190
13,500,001-14,000,000	\$ 0.0290	\$ 0.0190
14,000,001-14,500,000	\$ 0.0290	\$ 0.0190
14,500,001-15,000,000	\$ 0.0290	\$ 0.0190
15,000,001-15,500,000	\$ 0.0280	\$ 0.0180
15,500,001-16,000,000	\$ 0.0280	\$ 0.0180
16,000,001-16,500,000	\$ 0.0265	\$ 0.0165
16,500,001-17,000,000	\$ 0.0265	\$ 0.0165
17,000,001-17,500,000	\$ 0.0265	\$ 0.0165
17,500,001-18,000,000	\$ 0.0255	\$ 0.0155
18,000,001-18,500,000	\$ 0.0255	\$ 0.0155
18,500,001-19,000,000	\$ 0.0240	\$ 0.0150
19,000,001-19,500,000	\$ 0.0240	\$ 0.0150
19,500,001-20,000,000	\$ 0.0230	\$ 0.0150
20,000,001 and above	\$ 0.0230	\$ 0.0150

Note: The fee to be charged for the first quarter of the Contract period will be based on the activity during the first four of the immediately preceding five quarters. For instance, for the quarter beginning on October 1, 2010, the fee will be based on the activity for the four quarters ending June 30, 2010, and for the quarter beginning January 1, 2011, the fee will be based on the activity for the four quarters ending September 30, 2010. If the transactions fall above or below the current tier, the transaction fee will be adjusted accordingly the first month of the next quarter.

Place a check mark in the box below and enter the Company Name if the Offeror agrees to the following statement.

The Offeror, **PNC Merchant Services**, agrees to charge the Commonwealth the actual, published Visa, MasterCard and Debit Card Networks industry rates. These industry rates include interchange fees, assessment fees, network fees for debit cards, and fees for offline debit cards.

B. Bundled Rate. A bundled rate includes all service fees, including pass-through fees. Indicate the bundled rate for both “card present” and “card not present” transactions. Separate fees must be presented for (1) Visa, MasterCard and offline Debit Cards; and (2) online Debit Cards, as follows:

B-1: Bundled Rate Year 1.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	1.00%	\$.035
Card Not Present:	N/A	N/A

B-2: Bundled Rate Year 2.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	1.00%	\$.035
Card Not Present:	N/A	N/A

B-3: Bundled Rate Year 3.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	0.85%	\$.035
Card Not Present:	N/A	N/A

B-4: Bundled Rate Year 4.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	0.85%	\$.035
Card Not Present:	N/A	N/A

B-5: Bundled Rate Year 5.	% of net \$ amount of transaction	\$ per transaction
Transaction fee for each Visa/MasterCard and offline debit card transaction*		
Card Present:	1.9000%	SEE TIER
Card Not Present:	2.3000%	SEE TIER
Transaction Fee for online Debit Cards		
Card Present:	0.85%	\$.035
Card Not Present:	N/A	N/A

* Agencies must have the option to switch between unbundled rates or bundled rates upon 30 days advance written notice from the agency to the Contractor.

C. Non-Bank Card Costs. Indicate the transaction fee for Discover and American Express (state as a dollar amount per transaction). Note: The Commonwealth contracts directly with American Express and Discover for card acceptance. The Commonwealth will pay American Express and Discover directly, except in those instances when a service fee is charged to the customer.

T&E Transaction Volume	Dial	Lease
0-500,000	\$ 0.090	\$ 0.055
500,001-1,000,000	\$ 0.080	\$ 0.050
1,000,001-1,500,000	\$ 0.080	\$ 0.050
1,500,001-2,000,000	\$ 0.080	\$ 0.050
2,000,001-2,500,000	\$ 0.080	\$ 0.050
2,500,001-3,000,000	\$ 0.070	\$ 0.045
3,000,001-3,500,000	\$ 0.070	\$ 0.040
3,500,001-4,000,000	\$ 0.050	\$ 0.035
4,000,001-4,500,000	\$ 0.040	\$ 0.025
4,500,001-5,000,000	\$ 0.040	\$ 0.025
5,000,001-5,500,000	\$ 0.030	\$ 0.015
5,500,001-6,000,000	\$ 0.020	\$ 0.015
6,000,001-6,500,000	\$ 0.020	\$ 0.010
6,500,001-7,000,000	\$ 0.020	\$ 0.010
7,000,001 and above	\$ 0.020	\$ 0.010

*Based on total Commonwealth Volume for bundled and unbundled rates

D. Service Fee Charged to Commonwealth Customers. For those agencies required to pass a service fee to their customers to pay for the cost of credit card acceptance, indicate the service fee that will be charged to the customer. This fee shall include all service costs for Visa, MasterCard, American Express, and Discover. If agencies choose to use this service fee structure, the specific service fee to be charged to the payee will be negotiated with the Contractor for each application at time of program implementation.

Visa/MC/Off Debit Bundled Discount Rate		
Transaction fee for each Visa/Master Card and offline debit card transaction		
	% of net dollar	Cents per trans
Card Present:	1.9000%	see tier
Card Not Present	2.3000%	see tier

*No agencies are currently charging a service fee for credit card transactions, but may in the future.

EQUIPMENT COSTS

E. Equipment Costs. Indicate the following equipment costs.

Type of Equipment (Include name of proposed equipment)	Purchase Cost	Lease Cost	Lease w/option to purchase cost	Monthly Maintenance Fee
Printers	220.00	8.00	*	N/A
Pin Pads	352.00	13.50	*	N/A
Commonwealth Owned Pin Pads*				N/A
Terminals	450.00	17.25	*	N/A
Manual Imprinter	20.00	N/A	N/A	N/A
Portable Imprinter	20.00	N/A	N/A	N/A
IC Verify for Windows Version 2.6				
- single user	315.00	N/A	N/A	
- additional user	75.00	N/A	N/A	
- multi user	435.00	N/A	N/A	
Other**	660.00	17.25	*	N/A

* The Commonwealth currently owns approximately 1,400 pin pads.

** Other equipment to be used for transaction processing.

F. Discounts. Indicate any additional discounts for equipment costs based on quantity or other factors. Be sure to list any additional services/costs that are incorporated into the Contractor's equipment costs.

Please note, the version of IC Verify we are currently supporting is Version 4.0.4

*** Indicates option to purchase when 48 month lease term expires**

****Wireless Terminal FD 400**

Gateway Fees

Not applicable. PNC MS is not charging additional fees for transactions processed through the First Data Global Gateway.

May 11, 2010

Jennifer Habowski
PA Department of General Services
555 Walnut Street, Forum Place 6th Floor
Harrisburg, Pennsylvania 17101

Ms. Habowski,

PNC Merchant Services Company values the long-standing relationship we have had with The Commonwealth of Pennsylvania and we are very pleased with this opportunity to present our proposal to expand and strengthen our relationship.

Our proposal reinforces how PNC Merchant Services' solutions will meet The Commonwealth of Pennsylvania's goals for its statewide credit card processing:

- ◆ To provide the highest quality of services at the lowest possible cost to the general public and to do so without interruption to the current systems.
- ◆ To choose a partner/vendor who has the capability and flexibility to accommodate existing and proposed Commonwealth computer operations.
- ◆ To work with a partner/vendor with the willingness to cooperate with other card processors and subcontractors.

Our proposal includes the following key benefits:

- ◆ We have worked with The Commonwealth for over twenty (20) years and have an ongoing commitment to understanding your needs and being responsive in order to deliver the results that you expect.
- ◆ Our proposal provides the opportunity to reduce costs to your processing platform, based on the successful integration of credit and debit cards, as alternative payment options.

We look forward to providing the Commonwealth of Pennsylvania with the finest credit and debit card processing systems in order to meet your short-term and long-term objectives. We value our current relationship with The Commonwealth and look forward to expanding the benefits of our merchant services program with you.

Sincerely,



Patricia McQuade
Chief Operating Officer
PNC Merchant Services

PNC Merchant Services' Proposal for Commonwealth of Pennsylvania
May 11, 2010

- II. Proposal Requirements
 - 1. Statement of Problem
 - 2. Management Summary
 - 3. Work Plan
 - 4. Prior Experience
 - 5. Personnel
 - 6. Training
 - 7. Financial Capability
 - 8. Objections and Additions to Standard Contract Terms and Conditions

- IV. Work Statement

- VI. Appendix
 - B. Mandatory Technical Requirements
 - Addendum 3
 - C. Domestic Workforce Utilization Certification
 - D. Proposal Cover Sheet
 - F. Funds Availability
 - G. Transaction Report Detail and Medium Available

- VII. PNC Merchant Services Appendix
 - 1. FDMS 2009 SAS 70 Report
 - 2. Certified Gateway List
 - 3. Certified Vendor List
 - 4. PNC Merchant Services Operating Procedures
 - 5. PCI Compliance Letter

- VIII. Addendum 6100014332
 - Addendum 1
 - Addendum 2
 - Addendum 4
 - Addendum 5
 - Addendum 6

II. PROPOSAL REQUIREMENTS

II-1. Statement of the Problem. State in succinct terms your understanding of the problem presented or the service required by this RFP.

PNC Merchant Services is pleased to present this proposal to the Commonwealth of Pennsylvania. As your current processor, PNC Merchant Services understands the dynamics of the Commonwealth of Pennsylvania's agencies and the unique processing needs. PNC Merchant Services is eager to continue our partnership with the Commonwealth of Pennsylvania to successfully meet and enhance your current and future processing needs.

PNC Merchant Services understands the challenges outlined in the Commonwealth of Pennsylvania's Request for Proposal and is confident that we have solutions to meet or exceed your requirements. The following illustrates PNC Merchant Services' understanding of the Commonwealth of Pennsylvania's challenges and briefly describes our means to satisfy the requested requirements:

- PNC Merchant Services is committed to the latest payment processing technology, including authorization, capture, settlement and funding for Visa and MasterCard transactions. For American Express and Discover transactions, PNC Merchant Services performs authorization and capture, however, funding is performed by the card entitlement company.
- We support card acceptance in the following processing environments, retail (point of sale or kiosk), card not present (phone, mail, fax), E-Commerce (internet). PNC Merchant Services also supports Gift Cards, Smart Cards and check acceptance, which will meet the Commonwealth of Pennsylvania's current and anticipated processing requirements in order to provide optimal payment convenience for Pennsylvania residents and customers.
- PNC Merchant Services fully supports both Online (retail/kiosk POS) and Offline Debit cards in all processing environments.
- Our knowledge and understanding of the current Commonwealth Merchant Bankcard program, legal and regulatory requirements allows us to provide top service and support any implementation process.
- PNC Merchant Services provides cost-effective, innovative solutions, and are willing to support and leverage the Commonwealth of Pennsylvania's existing systems to meet any new processing requirements when possible.
- As we do today, we have several superior reporting options, including existing reports customized specifically for the Commonwealth of Pennsylvania. Furthermore, we can provide data in many formats from online to raw data files.
- PNC Merchant Services, as a subsidiary of PNC Bank, is able to effectively integrate our services with PNC Bank's Treasury Management to ensure that the Commonwealth of Pennsylvania receives streamline banking services.
- PNC Merchant Services offers next business day funding without additional fees when the Commonwealth of Pennsylvania utilizes a PNC Bank account for deposits.
- Our sophisticated platforms realize an overall system availability of 99.99% which is the best in the industry.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided. Include a copy of the Offeror's most recent Report on Service Organization's Controls (SAS70, as amended).

PNC Merchant Services proposes to fulfill the tasks and services as described in the Commonwealth of Pennsylvania's Request for Proposal.

As your current provider, PNC Merchant Service is committed to the Commonwealth of Pennsylvania's existing merchant processing programs. We have assembled a team that will continue to support the Commonwealth of Pennsylvania's programs. This team includes but is not limited to, a dedicated Relationship Manager, Rick Klinger, for all agencies with designated Relationship Managers who will provide coverage for Commonwealth agencies in the event Rick is not available. Chief Operating Officer, Patty McQuade, will continue to provide consultation and oversight for the Pennsylvania Liquor Control Board.

Our PNC MS Finance team will continue to prepare and deliver on a monthly basis a merchant processing payment invoice to the Commonwealth's Office of the Budget.

We also have five (5) Product Management Specialists to oversee any project implementations. Our Relationship Managers and our Product Management Specialists meet regularly to discuss any new processing requirements as well as to consult on new products and services, which may be advantageous to the agencies operations. PNC Merchant Services currently continues to support the following software/hardware:

- IC Verify for Windows, single user, multi user and additional users
- Hypercom Model T1E and T7P terminals
- Hypercom S8 pin pads
- VeriFone MX 830
- VeriFone Printer 250 and 900
- VeriFone 1000 SE pin pads
- Manual and portable imprinters
- IBM 4694 model 245 and IBM 784 registers
- First Data Global Gateway
- ePay.net
- Gateway Point of Sale
- POS Kiosks

Upon acceptance of this proposal, PNC Merchant Services will work with each agency, to establish any new or additional processing solutions and/or upgrading to new software or hardware as needed. This process will include establishing projects to determine the necessary resources and timeframes for testing and implementation.

See Appendix 1 for SAS 70 Report.

II-3. Work Plan. Describe in narrative form your technical plan for accomplishing the work. Use the Description of Services in **Part IV** of this RFP as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique (PERT) or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach.

PNC Merchant Services understands the objectives as set forth by the Commonwealth. As we do today, PNC Merchant Services will continue to support the various existing processing environments for the Agencies. Therefore, there is no need for a conversion or changes to processing, allowing current processing to be uninterrupted. We will continue to work with the Commonwealth to identify/implement any requested changes to improve the Commonwealth's payment processing technology including, but not limited to, expanding payment method choices, such as:

- Gift Cards
- Smart/Chip Cards
- Loyalty Cards
- EBT

- Check Services

Additionally, when using a PNC Bank checking account, the Commonwealth realizes next day funding as well as integrated reporting.

Our dedicated Relationship Managers and Product Managers will continue to support the Commonwealth's processing, identifying and sharing new technologies as they are available, as well as identifying cost savings when possible. Providing excellent support and service for all agencies is our priority at PNC Merchant Services.

As previously agreed upon, we will continue to provide customized reporting and billing as required by the Commonwealth.

PNC Merchant Services provides industry and regulatory changes as these notifications are available. We will assist the Commonwealth in investigating any fees that the Commonwealth feels necessary to pass to its customers to insure the fees are within industry regulations.

As detailed in Section IV of this Request for Proposal, PNC Merchant Services strives to provide efficient and cost-effective processing for the Commonwealth of Pennsylvania.

II-4. Prior Experience. Include experience in the processing of electronic payments, including those of any proposed subcontractors. The description should address experience with other governmental agencies and engagements similar to the size and scope of the work requested in this RFP. Provide detailed project descriptions, including contract duration, Offeror role and accomplishments. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to must be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

PNC Merchant Services has a very long tenured relationship with the Commonwealth of Pennsylvania dating back to the early 1990's. During this time, we have implemented numerous projects that have assisted in the successful growth of credit card acceptance across many Commonwealth agencies.

In 1996, PNC Bank, one of the country's foremost financial service companies, and First Data Corporation, one of the world's largest providers of payment processing services, formed an alliance, PNC Merchant Services.

The alliance was formed to deliver non-cash, payment processing products and services to customers in PNC Bank's business banking region, as well as across the United States. Prior to this alliance, PNC Bank had more than twenty years of previous experience in the merchant services industry. Since its inception, First Data Merchant Services, the processing arm of the PNC Merchant Services alliance, has processed non-cash transactions for 30 years.

PNC Merchant Services is comprised of competencies from both PNC Bank and First Data Merchant Services. PNC Bank provides sales, marketing, risk and financial analysis, extensive cash management services, and product management. First Data provides the technology for card processing services, including core merchant accounting, front-end authorization services, and various reporting functions.

PNC Merchant Services' corporate headquarters are located in Pittsburgh, Pennsylvania. However, we also have administrative functions that are handled in Melville, New York.

PNC Bank

PNC Bank is a highly diversified financial services company, which provides a wide range of solutions from community banking to wealth and asset management; from mutual fund processing to corporate banking and from markets as widespread as Philadelphia, Los Angeles, Louisville, Maryland, Virginia and Greater Washington Area. Anchored by its roots in banking which date back to the 1800s, The PNC Financial Services Group has evolved into one of the leading financial services organizations in the United States. Headquartered in Pittsburgh, Pennsylvania, PNC Bank has customers and employees throughout the

U.S. PNC continues to expand the depth and breadth of its financial service offerings to serve customers, shareholders and the communities in which it conducts business.

First Data

As one of the nation's leading processor of financial transactions, First Data Corporation, headquartered in Denver, Colorado, and its subsidiaries, First Data Merchant Services (FDMS), First Data Resources (FDR), and TeleCheck, are uniquely positioned to offer a complete menu of services unable to be duplicated by any other processor. While these subsidiaries generally stand apart from each other at a processing level, they are easily leveraged to offer fully-integrated services.

In 2008, PNC Merchant Services was ranked by Nilson Report as the 16th largest U.S. Merchant Acquirer and in 2009, the successful acquisition of National City resulted in PNC becoming the 5th largest financial institution in the country.

The 2009 total processing volume for the PNC Merchant Services portfolio was \$22.5 Billion with over 51,000 merchant relationships representing 78, 000 merchant outlets.

Our portfolio is well diversified over many industry verticles, including government (state and local), retail, restaurant, business to business, e-commerce and card not present.

II-5. Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the Project. The Offeror should describe the proposed organization structure, functional and contractual reporting responsibilities. For key personnel defined as the project manager and account manager, include the employee's name and, through a resume or similar document, the Project personnel's education and experience in implementing and managing the processing of electronic payments. Indicate the responsibilities each individual will have in this Project and how long each has been with your company. Identify by name any subcontractors you intend to use and the services they will perform.

The Commonwealth currently processes with PNC Merchant Services, the following is a list of our dedicated management staff:

PNC Merchant Services' Team Members Pittsburgh, PA

Melissa Borst, Vice President, General Manager

(p) 412-762-1234 (e) melissa.borst@pnc.com

Ms. Borst joined PNC Merchant Services in 2005 as the Chief Financial Officer. Prior to joining the team, Ms. Borst was the Senior Corporate Risk Project Manager for PNC Bank. Under Melissa's leadership, PNC Merchant Services is focused on profitable growth through the delivery of industry leading bank card processing and payments solutions to small business and corporate customers.

Patty McQuade, Vice President, Chief Operations Officer

(p) 412-762-4101 (e) marv.mcquade@pnc.com

Ms. McQuade joined PNCMS in 1993 and is currently responsible for managing our team of Relationship Managers, who manage our top one thousand (1000) account relationships. Patty Has over twenty (20) years of credit and debit card industry experience, having previously work in PNC Bank's credit card issuing and ATM deployment areas. Patty oversees a staff of twelve (12) RM's with a reach to 250 employees and support staff dedicated everyday to meet and exceed our client's needs.

Heather Murray, Vice President, Chief Financial Officer

(p) 412-762-3138 (e) heather.murray@pnc.com

Ms. Murray joined PNC Merchant Services in 2007 as the Controller and was named the CFO in 2008. Prior to joining the team, Heather was the Controller for PNC Capital Markets. Heather is a CPA with over fifteen (15) years of finance and accounting experience with both financial and non-financial institutions.

Frank Burlett, Vice President, Credit Risk Manager

(p) 412-762-5391 (e) frank.burlett@pnc.com

Mr. Burlett joined PNC Merchant Services in 1990 and is currently responsible for credit policy management, contract review, compliance and quality control. Prior to joining PNCMS, he worked in the retail-banking environment, where he was responsible for lending analysis and sales.

Rick Klinger, National – Mid Market Relationship Manager

(p) 301- 766-5673 (e) Richard.klinger@firstdata.com

Mr. Klinger joined PNC Merchant Services in 1998 and has been in his current position for 4 years. The portfolio of account relationships managed range from \$1million up to \$225 million in annual Visa/MasterCard sales. Rick works closely with our Certification and Conversion Teams to assist his portfolio with connectivity processing enhancements. Rick has been in the card processing industry for 15 years.

Denise M. Garrity, Community Banking Officer, PNCMS Relationship Manager

(p): 412-762-9333 (f): 412-762-8593 (e): Denise.Garrity@pncbank.com

Ms. Garrity joined PNC Merchant Services in 1994, and is currently dedicated to the relationship management of a portfolio of PNCMS' top corporate accounts. During her time with PNC Merchant Services, Denise also held responsibilities in Quality Control and Risk Management. Prior to joining the team, Denise worked in PNC Bank's Consumer Lending area.

II-6. Training. If appropriate, indicate recommended training of agency personnel. Include the agency personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

All agencies are currently processing with PNC Merchant Services, so the need to train agency personnel is not necessary. For any new or additional agency locations that require training will be addressed and coordinated by the Commonwealth's dedicated Relationship Managers. The agency will be trained on the operation of equipment or software provided by PNC Merchant Services at a time that is convenient to the agency's schedule.

PNC Merchant Services is always available to offer refresher training to any Commonwealth agency. This ultimately helps the overall efficiency of credit card processing in each agency.

II-7. Financial Capability. Describe your company's financial stability and economic capability to perform the contract requirements. Financial documents such as audited financial statements will be acceptable to the Commonwealth. Please provide a link to your company's financial statements or include a paper copy with your proposal.

Please refer to the below listed URL's to obtain PNC's and First Data's Annual Financial Report information.

PNC:

[REDACTED]

First Data:

[REDACTED]

II-8. Objections and Additions to Standard Contract Terms and Conditions. The Offeror will identify which, if any, of the terms and conditions (contained in **Part V** of this RFP) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the standard contract terms and conditions. The Offeror's failure to make a submission under this paragraph will result in its waiving its right to do so later. The Offeror shall not request changes to the other provisions of the RFP, nor shall the Offeror request to completely substitute its own terms and conditions for **Part V** of this RFP. All terms and conditions must appear in one integrated contract. The Issuing Office will not accept references to the Offeror's, or any other, online guides or online terms and conditions contained in any proposal.

Negotiation of any Objections or Additions to the Contract Terms and Conditions will be handled in accordance with the procedures specified in Section I-20. Best and Final Offers of this Contract.

Regardless of any objections set out in its proposal, the Offeror must submit its proposal, including the cost proposal, on the basis of the terms and conditions set out in **Part V** of this RFP. The Issuing Office will reject any proposal that is conditioned on the negotiation of the terms and conditions set out in **Part V of this RFP or to other provisions of the RFP as specifically identified above.**

In Lieu of the Standard Agreement included with the Commonwealth of Pennsylvania Request for Proposal, (Attachment A) PNC Merchant Services proposes to defer to the terms and conditions of the current processing agreement, by and between, the Commonwealth of Pennsylvania and PNC Merchant Services. PNC Merchant Services welcomes the opportunity to enter into conversations related to the re-negotiation of this agreement.

PART IV - WORK STATEMENT

This RFP has been issued by the Department of General Services to obtain proposals from qualified Contractors for the acceptance, processing and support services of electronic payments for the Commonwealth of Pennsylvania. The use of the term “Commonwealth” or agency throughout this work statement shall constitute any agency, department, commission, board, etc. accepting electronic payments. Electronic payments include, but are not limited to:

Electronic payments currently in use:

- Bank and non-bank Credit Cards (Visa, MasterCard, Amex, Discover) by Point of Sale (POS), Phone, Mail, Fax, Internet, POS Kiosks and Interactive Voice Response (IVR)
- On-line and Off-line Debit Cards, combination debit/credit cards by POS and POS Kiosks

Electronic payments that may be used in the future:

- Gift Cards
- Smart Cards
- E-Check by Internet, Check Scanners

The Commonwealth reserves the right to process non-bank cards directly to credit card companies.

The Commonwealth is dependent upon the successful collection of revenue to maintain its operations. The Commonwealth operates within unique fiscal, legal and operating requirements that are not present in normal commercial, business, corporate, and private business environments. The following are examples of the Commonwealth’s unique requirements:

- The existence of legal statutes and accounting regulations that currently require the Commonwealth to collect gross, not net, revenues.
- The setting of Commonwealth fees by legislative statute or regulation, with no allowance for adjusting fees to cover processing costs.
- The nonprofit nature of governmental entities, which precludes the option of paying processing fees from profits.
- The non-discretionary nature of many government fees, i.e. taxes, that citizens are required to pay resulting in the need to keep these fees as low as possible.
- The extremely low risk of fraud, chargeback’s, reversals, etc. due to the nature of government payments (e.g. taxes, registrations, licenses, etc.).

The Commonwealth seeks a creative working partnership that will enhance the Commonwealth’s ability not only to collect revenues, but also to create an environment that encourages the increased use of electronic payments by Commonwealth citizens and customers. The ease of use and cost effectiveness of electronic payment options by both Commonwealth customers and agencies is of the highest priority.

The Commonwealth wishes to acquire the most cost-effective and reliable services without interruption to the current systems. The Contractor should propose the most cost effective way of providing functionality that operates with our current and future systems, which may include enhancements that benefit the current systems. It is the

intent that the Contractor will provide the highest level of service to all agencies while maintaining a great deal of flexibility and autonomy for each Commonwealth agency.

IV-1. Objectives.

The objectives of the Commonwealth are:

- A. To provide the taxpayers and customers of government an expanded choice of payment methods.
- B. To enhance customer service and convenience.
- C. To achieve operational efficiencies in its depository functions through the application of a variety of electronic payment technologies.
- D. To expedite availability and access to funds in order to more efficiently manage the day-to-day cash operations of the Commonwealth.
- E. To reduce bank processing charges and to reduce the costs associated with the return and collection of bad checks.
- F. To contract with a Contractor that will provide for electronic payment acceptance, processing and development as technology evolves. To deliver technical support for agency application development using new technology.
- G. To provide for marketing, training, and problem resolution through the contract.
- H. To provide specialized reporting, specialized information requirements, and accounting assistance as provided under the contract.
- I. To deliver to individual Commonwealth agencies specialized technology and customized information reporting functions.
- J. To adhere to agency-specific statutory requirements relating to the acceptance of electronic transfer of funds and credit cards.

IV-2. Statement of Needs. The Commonwealth of Pennsylvania, through its agencies, boards, commissions, departments, etc., accepts payments for admissions, fees, filings, licenses, permits, taxes, merchandise, and other services. The proposed system must provide common interfaces with existing and proposed Commonwealth computer applications described in **Appendix E**. This includes providing services through card present situations such as terminals, cash registers or POS Kiosks as well as card not present situations such as telephone, mail, fax, and Internet. Additionally, the Contractor must be capable of processing Visa, MasterCard, Discover, American Express, on-line and off-line debit cards, gift cards, smart cards, e-checks, and dual purpose credit/debit cards, which allow the cardholder, at the point of sale, to determine to which account the transaction will be applied. The Contractor must be capable of providing Address Verification Service (AVS) for card not present transactions.

It is the intent of the Commonwealth that the Contractor will provide the highest level of service to all agencies while maintaining a great deal of flexibility and autonomy for each Commonwealth agency.

In general, Commonwealth policy is not to allow service fees to be charged to the customer. However, there may be some instances where the agency may be required to pass a service fee on to the customer, particularly in cases involving the collection of taxes. The Contractor must have the ability to pass fees on to the customer and to collect this fee from the customer as payment for processing services. This fee shall include all service costs for VISA, MasterCard, American Express, and Discover.

In order to assist Contractors in formulating their proposals, the existing applications and historical volume of transactions is presented in **Appendix E** of this RFP. This information is provided for a Contractor's use in development of its cost proposal and should NOT be considered a guarantee of transactions or dollar amounts.

Furthermore, the inclusion or omission of a state agency in this list is not necessarily indicative of that agency's participation in the debit/credit card program. It is imperative that the successful Contractor be flexible to meet the changing needs of the Commonwealth.

IV-3. Description of Service. This section outlines the major tasks required under this RFP. Responses to the RFP must describe in detail how the Contractor will deliver the identified services. The list is not all-inclusive and may require additional information during the implementation as determined by either the Commonwealth or the Contractor. The Contractor is encouraged to supplement this listing in its proposal with additional tasks or ideas that may enhance the processing of Commonwealth credit/debit cards and other electronic payments.

For some services, the Commonwealth may not be aware of the latest technology or management systems that will deliver the services at the most efficient and cost-effective levels. Therefore, it is every Contractor's responsibility to continue to support existing and future applications and to identify and propose the latest technological methods for new applications or applications choosing to convert.

A. Types of Electronic Payment Processing Services Requested. The proposed system must provide for the electronic authorization, data capture and processing of Visa, MasterCard, Discover, American Express (bank and non-bank credit cards), combination debit/credit card, online and offline debit card transactions (sales and returns) and E-checks or its equivalent.

PNC Merchant Services provides customers with the ability to increase sales and lower costs by accepting non-cash methods of payment such as credit and debit cards, check authorization and guarantee services, and more. We offer processing for the following payment types:

Credit Cards: Visa, MasterCard, Discover, American Express, Carte Blanche, Diner Club, JCB, and Private Label cards

Debit Cards: Most national and regional networks including: STAR NE, STAR SE, STAR WEST, NYCE, MAESTRO, INTERLINK, PULSE, SHAZAM and ALASKA OPTION

Other Payment Options: Gift Cards, Purchase Cards, Smart/Chip Cards, Loyalty Cards, EBT and Check Services

PNC Merchant Services remains committed to payment processing, particularly in recent years when many banks have sold their merchant portfolios. Our commitment to electronic banking has grown even stronger over the years as the fundamental nature of banking services has changed from a branch office distribution system to one where consumers and businesses alike demand continual access to data management through electronic mechanisms.

B. Data Collection Methods. The proposed system must be able to accommodate the following data collection methods:

PNC Merchant Services has experience supporting all of the solutions presented by the Commonwealth of Pennsylvania. One of the tremendous benefits of the PNC Bank & First Data Merchant Services Alliance structure is the availability of thousands of hardware and software combinations available to PNC Merchant Services for processing electronic transactions at the point of sale. PNC Merchant Services has the ability to offer solutions for a restaurant with one location, or a retail business with hundreds of locations. A description of the many data collection methods available will demonstrate the superior processing capabilities of PNC Merchant Services.

1) Point-of-Sale (swipe) terminals, registers and POS Kiosks, including VeriFone MX830 pin pads.

PNC Merchant Services offers a wide range of Point-of-Sale swipe terminals. Examples include VeriFone, Hypercom or First Data terminals and associated pin pads, including the VeriFone MX 830. We currently support the IBM registers and POS Kiosks used by the PLCB.

2) Portable Units (including those equipped with PIN pads for debit card processing).

All terminals would be considered portable, with the understanding that a phone line or IP connection and electricity are required. Most POS terminals have the ability to have an external pin pad connected while others have pin pads built into the unit. Examples of integrated pin pads are: First Data 400, VeriFone VX570 and the Hypercom T4210 and T4220

3) Internet/Web applications.

PNC Merchant Services supports hundreds of processing gateway and internet applications. Please refer to Appendix 2 for complete listing. As your current processing provider, we support the E-Pay application with our First Data Global Gateway.

4) PC-based applications, including IC Verify and Non-swipe terminals used for mail and telephone orders (non IVR).

ICVerify is owned and supported by First Data Merchant Services. As such, PNC Merchant Services can take full responsibility for this software. Other processing software companies have certified to FDMS's systems and can be utilized for payment acceptance. See Appendix 3 for complete listing.

5) Interactive Voice Response (IVR).

Not applicable. Per Addendum 5 dated April 23, 2010, IVR requirements have been deleted from the RFP.

6) Mainframe processing (batch and real time).

The process of implementing a mainframe solution (batch or real-time) begins with our PNC Merchant Services consultative approach and account data gathering. PNC Merchant Services and the Commonwealth of Pennsylvania would work together to determine if a mainframe based solution is the correct solution to satisfy the Commonwealth's card processing requirements. Once this determination has been made, PNC Merchant Services will create a project which includes providing the appropriate card processing specifications, testing and implementation phases.. The Commonwealth of Pennsylvania would create the coding or utilize previously certified software. PNC Merchant Services will create a merchant account with specific agency information,,if needed. PNC Merchant Services supplies the agency with specific account information required to finalize the installation, configuration and testing. The merchant identification number, terminal identification number, etc. becomes part of the coding for the Commonwealth of Pennsylvania. Upon completion of the coding, the Commonwealth or agency will submit test transactions into our test environment. After reviewing the test file, PNC Merchant Services reviews the file layout to determine compliance and upon successful testing, PNC Merchant Services releases the Commonwealth from testing and moves the process/account into production.

7) Wireless devices.

PNC Merchant Services currently fully supports the following wireless devices: First Data 400 GPRS and CDMA and the VeriFone Nurit 8000 GPRS.

C. Data Transmission and Retention. The content of transactions will vary based on agency application. The Contractor must be able to accommodate various agency applications.

1) The proposed system must be able to transmit data to the Commonwealth either via the Internet or over a private network utilizing TCPIP/FTP protocol.

PNC Merchant Services supports SFTP, FTPS or HTTPS protocols. In addition we can also use Connect Direct IP. FTP is no longer considered compliant with PCI standards.

2) The proposed system must be able to import/export EDI ANSI X.12, XML and various other open systems data transfers.

PNC Merchant Services does support the ability to import/export EDI ANSIX.12, XML and other data transfer methods.

3) The proposed system must be able to import/export/transmit data on-line and in batch mode.

Yes, we support the ability to import/export/transmit data on-line and/or in batch mode.

4) The Contractor must provide formats of table structures that are made available for interfaces with agency applications.

PNC Merchant Services will provide formats of table structures, specifications or API's

5) The proposed system must retain credit card data in an encrypted format, and this data must only be accessible to authorized Commonwealth personnel.

All data retained by PNC Merchant Services/First Data Merchant Services is stored in encrypted format and is only accessible by PNC MS/FDMS employees or authorized Commonwealth personnel

6) The Contractor must be capable of providing timely data processing support in terms of program changes and transmission modifications as may be required and requested by the Commonwealth during the term of this contract.

In the event of programming changes or transmission modifications, PNC Merchant Services provides timely data processing support, including access to our test environment.

7) The Contractor, at minimum, must retain the data elements required to meet electronic payment operating regulations, federal and state laws. This can be up to a maximum of seven years, based on agency application requirements.

PNC Merchant Services meets all of the Association Operating Guidelines as it relates to record retention, and will make our best effort to assist The Commonwealth of Pennsylvania to meet specific retention requirements. For agencies processing under the e-Pay allocation, PNC Merchant Services will have the ability to recreate reports throughout the term of the processing agreement. Please see Appendix 4 for PNC Merchant Services Operating Guidelines.

8) The Contractor must demonstrate compliance with PCI Data Security Standards (PCI DSS) by, at minimum, providing the using agency with documentation of Contractor's annual PCI DSS audit and certification report.

First Data Merchant Services is compliant with PCI DSS. The most recent letter of certification is included in Appendix 5 and also links to websites indicating FDMS' compliance with these requirements.

<http://usa.visa.com/download/merchants/cisp-list-of-pcidss-compliant-service-providers.pdf>

<http://www.mastercard.com/us/sdp/assets/pdf/Compliant%20Service%20Providers%20-%20April%2015%202010.pdf>

D. Custom Data Files. The Contractor must be able to provide custom data files. Custom data files are currently being used by the PLCB and may be used in the future by other agencies. After a batch is closed, the processor must transmit an electronic file of the processed credit/debit card detail transactions by merchant ID to each agency on the following business day. The Contractor must be able to provide data transmissions in the file format specified for PLCB in Appendix I.

As the current processor for the PLCB, we support creating and transmitting of the existing custom data file and would be able to provide for other agencies if necessary.

E. General Processing Requirements. This section describes the processing methodology of the electronic authorization and data capture system as well as the communication network. It includes how individual transaction procedures are accomplished on the part of the Commonwealth personnel using the proposed system.

1) The proposed system must perform an exact validation on the credit card number and the credit card expiration date.

As your existing merchant services provider, our system does meet this requirement.

2) The proposed system must support timeout reversal requests.

PNC Merchant Services does support timeout reversal requests on the Cardnet processing platform as well as terminal solutions processing on Cardnet and Nashville platforms.

3) The proposed system must ensure that the quality control system uses sufficient information provided by the Commonwealth to recognize each tender as unique.

As your existing merchant services provider, our system does meet this requirement.

4) The proposed system must provide the ability to track an individual order by the Commonwealth's unique transaction number from authorization through adjustment, settlement, funding, and reconciliation reporting.

PNC Merchant Services confirms our ability to track the Commonwealth's unique transaction number.

5) **Authorization/Capture.**

a. The proposed system must return authorized/declined data upon receipt of payment authorization.

During an authorization request, our system in response to an authorization request will either provide an approval number or reason response code indicating why the transaction was not accepted, as applicable.

b. The proposed system must perform an automatic reversal if the transaction times out.

PNC Merchant Services supports timeout reversal requests on the Cardnet processing platform as well as terminal solutions processing on Cardnet and Nashville platforms.

c. The proposed system must be able to accept, store, and return the Commonwealth's unique transaction identifier.

As we do today, our system supports accepting, storing and returning the transaction identifier.

d. The proposed system must support the use of Address Verification Service, 3 digit card validation code (CID), Visa CVV2 data and MasterCard CVC2 data in authorization requests for card not present transactions i.e. Internet and mail order.

Our systems support Address Verification Service, 3 digit card validation code (CID), Visa CVV2 and MasterCard CVC2, which we strongly recommend for all card not present transactions.

6) **Fulfillment.** The proposed system must be capable of automatic fulfillment when the transaction is authorized. The proposed system must also allow for partial shipping and order fulfillment for those transactions that are not automatically fulfilled.

PNC Merchant Services/First Data's systems are capable of host auto settlement as well as partial shipping and order fulfillment.

7) **Adjustment/Voids.** The proposed system must provide the Commonwealth the ability to make adjustments to a transaction before submitting for settlement, including adjustment and cancellation.

As we do today, our systems will continue to support adjustment and cancellations prior to settlement.

8) **Settlement.** (Please refer to **Appendix F** of this RFP)

a. The proposed system must be able to automatically close the batch at a designated time or allow the batch to be manually settled. This time may vary by Commonwealth application.

PNC Merchant Services confirms our ability to automatically close a batch at a designated time or allow the batch to be manually settled.

b. The proposed system must cutoff exactly at settlement. Example: If auto-settlement is set for 7:00pm daily, a transaction processed at 7:01pm should be in the next day's batch.

As an example to our ability to meet this requirement, PennDOT closes their batch each day at 7:00 p.m., at 7:01 p.m. a new batch is created.

c. The proposed system must generate a unique batch reference number, approval notification, confirmation of settlement/nonsettlement and a transaction and authorization report upon settlement.

PNC Merchant Services confirms a unique batch reference number, approval notification; settlement confirmation is created at time of settlement.

d. The proposed system must provide the ability to reconcile funding to the settled batch(es) by agency application and/or location and to the individual transaction within the settled batch(es). The Contractor must provide a detail batch report and transaction totals by issuer report upon settlement. Each settlement batch report must contain, at a minimum, the merchant location/id, unique batch number for that merchant, processing date, type of transaction (sale, refund, and void), type of card used, card number, expiration date, amount, transaction date and time, the Commonwealth's unique transaction number, address verification if the Commonwealth requests it, approval number, a summary showing total transactions for the day, month, and year, and the approval code for that batch. The proposed system must also report any unprocessed transactions.

Using MyClientline.net reporting, a number of reports exist that will assist with all requirements listed above. Additionally, PNC Merchant Services will continue to provide a customized Confirmation file to the PLCB daily. If required other reporting options are also available.

e. The Contractor must be able to provide the Commonwealth before 11:00 a.m. E.S.T. each day, with an amount for the total credit/debit card sales by agency, by card type for the preceding business day. For the PLCB, this information must be reported for each store location. The Contractor must propose a method for documenting this amount on a daily basis.

PNC Merchant Services will continue to provide the PLCB with our Daily Confirmation report. All other agencies will have free access to our online reporting tool, MyClientLine.Net.

f. The Contractor must have written procedures for the proper handling of suspended (failed) batches. The Contractor must be able to advise the Commonwealth in the event the settlement did not process or was not received by the host. This notification should be by fax, phone or email within 8 hours. If possible, the Contractor should identify the cause of the failed batch in order to prevent future occurrences.

PNC Merchant Services has specific procedures in place for our First Data Global Gateway and the PLCB process in place today. In the event of suspended or failed batch transmission, PNC MS will either email or call the agency that has been affected. Following notification, root cause is investigated, addressed and provided to the agencies.

g. The proposed system must settle transactions in first-in-first-out order. Example: If transactions #1 to 1000 were settled resulting in two 500-transaction batches, transactions # 1 to 500 should be in Batch #1 and transactions # 501 to 1000 should be in Batch #2.

PNC Merchant Service's confirms our ability to settle transaction in a first-in-first out order or method.

9) *Credits and Refunds.*

a. The proposed system must allow the Commonwealth to issue credits in the case of an error in payment amount, card number, return, etc. The system must be able to process and obtain authorization of credit/debit card returns for partial or full credit. In cases where the customer changes credit cards or the credit card's expiration date on the Contractor's system is expired, the system must be able to issue credits for credit cards not previously authorized.

All processing solutions supported by PNC Merchant Services have the ability to issue partial or full credits or refunds.

b. The Contractor must be able to provide separate reports at multiple levels, so that refunds may be mapped back to a specific agency location or entity, with summaries and totals being possible at the agency level.

MyClientLine.net has multiple reports, for different levels of account hierarchy, displaying credit card detail and summary information allowing the Commonwealth to track credits or refunds back to a specific agency.

10) *Retrievals /Chargeback's.* Retrieval is defined as a request for sales draft to support a transaction. A chargeback is defined as a transaction in which a cardholder questions and eventually disputes the validity of the transaction posted to his/her statement through his/her issuing bank.

a. The Contractor must be able to provide notification by fax or e-mail when a chargeback has been initiated by a cardholder's bank. At a minimum, the following information related to the chargeback must be provided: original transaction date, location, Commonwealth transaction identifier, dollar amount, cardholder's account number, reason for the chargeback, and any letters or affidavits from the cardholder. For the PLCB, the store number must also be provided.

All chargeback and retrieval requests are mailed from our chargeback department. However, a PNC Merchant Services Chargeback Specialist does fax pre-notification chargeback advises to the PLCB, this includes PLCB store numbers. Reversal acceptances or rejections are mailed to the agencies.

b. The Commonwealth has the right to provide to the Contractor any information/documentation to dispute the claim and accept or deny the chargeback. The Contractor must be capable of

receiving information via fax, e-mail or online. The Contractor must confirm via fax or e-mail that the information has been received.

PNC Merchant Services has the ability to receive either fax, mail or online responses to chargeback or retrieval documentation. The Electronic Integrated Dispute SystemSM (eIDS) service is a highly secure web enabled front-end interface to help clients effectively manage sales disputes (chargeback's and retrievals) with greater efficiency in a real time environment. FDMS created this web-based tool to help merchants simplify back office processes and expedite response time on retrieval requests. The eIDSSM service can also provide data and information to merchants to help them gain control of their sales dispute expense management.

c. The Contractor must be able to notify the Commonwealth of the outcome of the chargeback request. If the Commonwealth incurs a chargeback, the Contractor must have the ability to debit a bank account designated by the Commonwealth. The Contractor must be able to provide notification prior to debiting this account. The Commonwealth may cancel any products or services if a chargeback occurs.

PNC Merchant Services confirms our ability to set up a specific bank account designated by the Commonwealth of Pennsylvania for all chargeback's. The PLCB has this process in place today. Notification prior to debiting the account is handled via the pre-notification chargeback process.

d. For Internet transactions, the proposed system must have the ability to report on any previous transaction in its entirety for the purpose of dispute reporting. The proposed system must have the ability to respond to retrieval requests online.

MyClientLine.net will provide transaction history on the transaction that has resulted in either a chargeback or retrieval request. See answer to 10.b for our ability to respond to either online.

11) **Processing Time/Requirements.** Contractors must submit authorized transactions for draft capture within the time frame(s) required by the applicable Card Association(s) that incur the lowest transaction processing rates.

PNC Merchant Services transmits our files to the Card Association(s) daily between 6 and 9 AM ET.

F. **ePay.NET Requirements.** The Commonwealth has developed ePay.NET Version 1.0 (as referenced in **Appendix E** of this RFP) as its standard web service for online credit cards payments. The Offeror must support ePay.NET, which is a **Mandatory Requirement** for submission of a proposal as stated in **Appendix B** of this RFP.

For the user, the ePay.NET Version 1.0 web service provides a seamless transition from the government application to the electronic payment solution provider. The Commonwealth has mandated that all new Internet applications connect to ePay.NET. Reference ITB (Information Technology Bulletin) SEC-0017, Date Issued: September 7, 2006, Date Revised: October 20, 2006. The Information Technology Bulletin can be located at <http://www.portal.state.pa.us/portal/server.pt?open=514&objID=210791&mode=2>.

The Electronic Payment (ePay.NET) Developers Integration Guide (DIG) is available upon request.

Mandatory Contractor deliverables:

- 1) Must be able to support XML-based transactions.
- 2) Must provide an Application Program Interface (API) Guide.
- 3) Must provide detailed transaction error messages for failure in connecting to the payment gateway for troubleshooting purposes.
- 4) Must provide payment gateway availability status upon request.
- 5) Must provide a single point of contact for all payment gateway service technical support issues and maintenance schedules.
- 6) Must provide agency with access to transaction reports for reconciliations, voiding of transactions, and financial report to management for all transactions processed via e-Pay.NET and the vendor payment gateway.

PNC Merchant Services will continue to support all requirements for the ePay.NET application, via the First Data Global Gateway.

G. Reporting. The Commonwealth requires sufficient reports to manage the overall processing of credit/debit cards and to evaluate the Commonwealth's progress toward program goals. Agencies will have varying requirements both in the amount of detail reported and in the mechanism for, and frequency of, reports. The Contractor will be responsible for providing reports to each agency and for ensuring that each agency is only provided the information to which it is entitled and in the format and time frames required. An agency may request that reports be sent to more than one agency location. **Please refer to and complete Appendix G - Transaction Report Detail and Medium Available.**

1) **Medium (electronic, e-mail, paper, interface).** All reports, regardless of frequency, must be available electronically. This format requirement must include database search (live query vs. a flat report) based on search criteria. Agencies should be able to download these reports as tab delimited text file format or other file format that may be easily imported into Microsoft Excel 2000 and 2007 and produce hard copies and manipulate the downloaded data with minimum formatting.

PNC Merchant Services has a number of reconciliation reports available to fulfill the needs of the Commonwealth of Pennsylvania. We provide paper statements (with a recap summary, as well as detailed information for each agency), reports via online access (MyClientLine.net) and other reports via daily transmission (Cash Management, Alerts, FARS and Edited Raw Data). Currently PNC Merchant Services is providing the Pennsylvania Liquor Control Board with a daily Confirmation Data File feed. We also have the ability to provide ad hoc reports for a nominal fee.

The daily transmission reports can be accessed daily via a number of methods and can be integrated with your general ledger system or Microsoft Excel 2000 or 2007.

For Internet access, PNC Merchant Services uses 128 bit encryption with secure socket layer (SSL) technology. PNC Merchant Services delivers these reports to a specific mailbox known only to a particular customer. These mailbox destinations are typically password protected and sit behind multiple firewalls to prevent unauthorized access.

2) **Frequency of Reports.** The Contract Administrator, or designee, should have access to all agency reports. In addition, Contractors must be able to provide the Contract Administrator with a consolidated monthly summary roll-up report by the 10th calendar day of each month which includes all prior month transactions or the Contract Administrator must have the ability to extract this information electronically.

PNC Merchant Services' monthly statements are mailed within the first 3-5 days of the following month, and are also available via online access. Daily transmission reports are generally ready for review at approximately 11 a.m. EST.

MyClientline.net can be accessed by anyone designated to work with these reports, however the level of information accessed can be pre-determined by sign-on assignment to protect proprietary information. Information can be downloaded and manipulated into spreadsheets.

PNC Merchant Services is able to meet the time period listed above for delivery of a monthly summary roll-up report. Any request for roll-up reports for shorter time periods would require further discussions between the Commonwealth of Pennsylvania and PNC Merchant Services. However, MyClientLine allows a merchant to query data by various parameters. For example, you are able to review ad hoc data from the 15th of one month to the 15th of the next month, or weekly, or by 3-month increments. Also, information can be viewed at various outlet levels or chain levels.

3) **Report Availability.** Reports must be available for next day online query/reporting capabilities, including daily and monthly reports for posting settled funds to the appropriate account(s) and to reconcile available deposits.

Daily transmission reports are generally ready for review at approximately 11 a.m. EST., and contain settled transaction data from the previous business day. Past reports are readily available. Detailed transaction data is available via MyClientLine.net reporting for 6 months, with summary data available for 18 months.

4) **Level of Report Detail.** Contractors must provide reporting at both a summary and detail level. This detail is required for assurance, reconciliations and audit purposes. It also provides the required documentation to support all fees charged.

PNC Merchant Services has reporting on both a summary level and transaction level detail. These reports can be scheduled for delivery via our online reporting tool, MyClientLine.net or advance reporting such as the Confirmation Data File that we are sending to the PLCB today. This file can be created and delivered to any agency of the Commonwealth of Pennsylvania.

5) **Formatting.** The proposed reporting system should provide flexibility and be user friendly. It should have the ability to provide pre-programmed detail and summary reports for the current/unsettled batch and for settled batches by agency application or location. It should also provide for user-initiated ad-hoc queries into both current/unsettled batch and settled batches, including declined transactions, with various record selection criteria, including transaction date, Commonwealth unique transaction number and ranges, transaction status, credit card type and cardholder name. This information should be available to download as tab delimited text file format or other file format that may be easily imported into Microsoft Excel 2000 and 2007 and should also be easily available to produce hard copy reports. The PLCB requires the database inquiry format to be in a format that includes store totals, store by card type and transaction by store. Search capabilities must include querying by amount, merchant location, and card number.

PNC Merchant Services recommends the Commonwealth of Pennsylvania utilize our internet based reporting tool, MyClientLine.Net.

For The Commonwealth of Pennsylvania's agencies participating in the e-pay solution, report can be accessed online and downloaded to tab delimited test file format or other formats that may be easily imported into Microsoft Excel 2000 or 2007 and produce hard copies as needed.

6) **Reporting Records Retention.** The Commonwealth requires that the Contractor maintain records and other data as specified in the contract and in such detail as shall properly substantiate claims for payment under a contract and meet electronic payment operating regulations, federal and state laws. This can be up to a maximum of seven years, based on agency application requirements.

PNC Merchant Services has record retention for the following media/reports:

- Chargeback Data – Documentation available up to seven (7) years
- Authorization Data - Documentation available up to seven (7) years
- Settlement Data – Documentation available up to seven (7) years
- Monthly Statements – Up to twelve (12) months data can be pulled on-line
- Historical Merchant Statements – Available up to three (3) years

In addition, PNC Merchant Services is able to recreate E-Pay reporting to accommodate those agencies that have retention requirements of seven (7) years.

PNC Merchant Services meets all of the Association Operating Guidelines (please see Appendix 4 for a copy of the Operating Guidelines) as it relates to record retention, and will make our best effort to assist The Commonwealth to meet your specific retention requirements.

7) **Online Reporting.** The Commonwealth requires the Contractor to provide a secure online reporting tool for report generation, inquiry and transaction maintenance (voids and credits).

Our on-line reporting tool MyClientLine.Net offers the following features:

- Reporting:
 - Detailed transaction information for credit, debit/EBT, Chargebacks and Adjustments
 - Customize report based on information needed
 - Report Scheduler, delivers reports directly to your email box or fax machine in various file formats (PDF, Doc, XLS and CSV)
 - Summary level information available up to 13 months, most recent 6 months provides detailed information
- Research
 - Investigate customer inquiries with a card search function
 - Query Builder allows you to customize transaction reporting
- Reconcile and Balance
 - Drill down into specific funding events or deposits for transaction level detail
- Rate Analysis
 - Offers detailed reports that identify locations with higher processing costs enabling the Commonwealth to effectively manage expenses

H. Invoicing.

1) **Gross, not Netted Revenues.** Currently the Commonwealth is legally required to collect gross, not netted revenues. If a Contractor assists an agency in the collection of revenue, the total of all revenues collected must first be accounted for in the state accounting system prior to payment being made to the Contractor (i.e. no “netting” of revenues and fees). There will be no automatic debiting of Commonwealth accounts for contract-related fees.

PNC Merchant Services confirms compliance with the Commonwealth of Pennsylvania’s requirement to collect gross, not netted revenues. PNC Merchant Services will deposit the total of all revenues collected and there will be no netting of fees and no debiting of Commonwealth accounts for processing fees.

2) **Monthly Statement of Services Provided.** For agencies that are required to pass the processing or convenience fee to the customer, an itemized listing shall be provided to indicate the fees charged to the customer, including the payment amount, processing or convenience fee, and total amount charged.

PNC Merchant Services confirms our ability to meet this requirement for the Commonwealth of Pennsylvania, to the extent permitted by the Associations relative to the acceptance of convenience fees.

For all other agencies, the Contractor must prepare and submit to each serviced agency a monthly statement of the services provided and costs charged under this contract. This statement must delineate volumes, rates and charges at both the agency and location within agency (Merchant ID).

Please describe rounding for invoice transaction fees.

As we currently do today, PNC Merchant Services will prepare and submit a monthly statement of the services and costs provided under this contract. PNC Merchant Services uses three decimal places for rounding when calculating fees.

3) **User-Friendly Invoices.** Invoices must be written in user-friendly language. All terminology should be explained. All charges should reference and be in compliance with the agreed upon fee schedule(s). The Commonwealth agency should be able to easily match the fees listed on the invoice with the fee

schedule(s). No lump sum categories such as “additional fees” or “miscellaneous fees” should appear on the invoice.

As your current service provider, PNC Merchant Services complies with the above mentioned requirements. No lump sum categories, additional fee or miscellaneous fee will appear on our invoice.

4) **Invoice Format.** Contractors should prepare one invoice for the Commonwealth for all services and equipment costs. This invoice must be delineated by agency and must detail all costs applicable to each agency. This invoice must be delineated by agency, program (application), and location (merchant ID), and must provide support for all fees charged.

PNC Merchant Services currently supplies the Commonwealth of Pennsylvania with a monthly invoice that meets all requirements listed above. We will continue this process under the new contract.

5) **Monthly Invoicing.** Invoices should be based upon the previous calendar month’s activity.

Our current billing or invoicing is based on previous calendar month’s credit card activity and will continue in this manner.

6) **Electronic Invoicing.** The Contractor must electronically send invoices to the Bureau of Financial Management in a file format agreed to by the Commonwealth. In addition to the monthly invoice, the Contractor must prepare and submit to each serviced agency a monthly statement of the services provided under this contract. The specific form, content and recipient addresses of the statement of services provided and the invoice will be mutually determined by the Contractor and Contract Administrator. Both of these documents shall be of sufficient detail to delineate the specific goods and services provided and the related costs.

PNC Merchant Services confirms our ability to submit the monthly invoice electronically as stated above. In addition, each agency can either retrieve their monthly statement via our on-line tool or receive a hard copy. Today, we currently mail a hardcopy to each agency.

7) **Payments.** The Commonwealth will approve all invoices for payment and will process a check or ACH payment through the Commonwealth of Pennsylvania’s Treasury Department.

PNC Merchant Services will continue to support the payment methods described above.

8) **Payments Made in Arrears.** All fees will be paid monthly in arrears.

As we do today, PNC Merchant Services will continue to accept the payment of fees one month in arrears.

I. Hardware and Software Requirements. The Contractor must be able to support the hardware and software described in **Appendix E** of this RFP. Any costs associated with fulfilling this requirement must be absorbed by the Contractor.

For agencies with new or existing applications, the Contractor must be able to provide various types of software and equipment for both card present and card not present transactions.

For Internet transactions, the Contractor must be able to provide a payment gateway. If a processing or service fee is **not** passed to the customer, the agency web site would interface with this gateway, directly or through e-Pay.NET (Reference **Appendix E** of this RFP), rather than redirect the customer. The Contractor must be able to provide the IP Address, URL and port number where the transaction is to be sent. For those agencies required to pass a processing or service fee to the customer, the customer may be redirected to a website to enter payment information.

In the event that the Commonwealth leases equipment, the Commonwealth shall be relieved from all risks of loss or damage to vendor’s equipment during the entire period the equipment is in possession of the Commonwealth, except when such loss or damage is due to the direct fault or negligence of the Commonwealth.

As the current processor for The Commonwealth of Pennsylvania, PNC Merchant Services confirms we currently support all hardware and software requirements as stated in Appendix E. If an agency is interested in changing their point of sale processing solution, the new POS must be certified with FDMS for PNC Merchant Services to support. Please see Appendix 2 and 3 for complete listing.

PNC Merchant Services suggests the Commonwealth of Pennsylvania agencies continue to use the various POS solutions in place today. If or when card volumes increase or any other requirements arise, PNC Merchant Services will consult with the agency to determine additional needs that could result in POS system upgrades.

J. Terminal and Related Equipment Maintenance. The PLCB requires a maintenance agreement for the VeriFone MX830 pin pads. Under this agreement, when a pin pad becomes inoperable, PLCB Help Desk personnel will attempt to isolate and resolve the problem through diagnostic testing. If the problem cannot be resolved, new equipment will be shipped by the PLCB to the store via overnight delivery. The Contractor must keep PLCB Central Office personnel supplied with PLCB specific Key Injection and Application Loaded VeriFone MX830 pin pads. Inoperable pin pads will be returned to the depot maintenance area designated by Contractor. This maintenance agreement must cover all costs of the equipment and processing including postage and handling.

The Contractor must provide other agencies maintenance agreements for all equipment leased and purchased from the Contractor to cover all costs of the equipment and processing, including postage and handling. Under this agreement, inoperable equipment will be returned to the depot maintenance area designated by the Contractor. If the problem cannot be resolved, the Contractor will ship new equipment via overnight delivery.

PNC Merchant Services will continue to provide the PLCB with support and maintenance related to the VeriFone MX 830 pin pad units, which includes providing the PLCB with onsite pin pad inventory and covering any costs associated with the replacement of inoperable units.

Your assigned Relationship Manager for all agencies will direct service needs. This individual will be available to assist you with routine servicing/support of terminal and software related maintenance. This individual will also act as your liaison with various contacts within PNC Merchant Services, and escalate any issues to the appropriate areas on your behalf. In addition, a Client Services Technical Help Desk is always open and readily available to assist with issues relating to point-of-sale operation, supplies, adjustments, statement questions, and general information.

K. System Assurance.

1) **Test Environment.** The proposed system must provide a test environment that is a mirror of the production environment. The test environment must be available from at least 7:30 a.m. to 6:00 p.m. Monday through Friday, and periodically beyond these hours as required by the Commonwealth.

Any changes to the test environment must be submitted to the Commonwealth for review prior to implementation. Any changes deemed to have a negative impact on the processing of Commonwealth test or production transactions may be rejected. The Contractor must provide necessary systems and data accesses to Commonwealth representatives performing independent verification and validation testing of the system's readiness (including but not limited to applications testing, stress testing, vulnerability testing, security testing, and user ability testing). A certification analyst must be assigned to the Commonwealth's representative within five (5) business days of the Commonwealth's Request.

The test environments across FDMS are mirrors of the FDMS production environments. Our tests environments are normally available Monday through Friday between the hours of 8:30 a.m. to 5:30 p.m. Should the Commonwealth of Pennsylvania have a need to extend upon these times, PNC Merchant Services will make arrangements to meet the needs of the Commonwealth agency. PNC Merchant Services will make best efforts to notify The Commonwealth of any changes to the test environments, however, in some instances, notification may not be possible due to the critical or urgent timing issues some changes may require.

2) **Acceptance Testing.** Acceptance testing will be performed for the following devices and applications, and other devices that may be added to the contract upon mutual written consent of the Commonwealth and the Contractor. All devices must be certified to the Contractor's system. These include, but are not limited to:

- POS Terminals
- POS Kiosks
- Registers
- Equipment provided by either the agency or Contractor
- Internet applications
- PC Applications (whether or not the software is provided to the agency by the Contractor)
- Interactive Voice Response Systems
- Mainframe processing systems
- Other (specify)

PNC Merchant Services agrees with the requirements for Accepted Testing as outlined above.

3) **Sufficient Processing Capacity.** Sufficient processing capacity is required to meet the Commonwealth's potential volume.

As the current merchant provider for the Commonwealth of Pennsylvania, PNC Merchant Services verifies we have the capacity to process current and potential credit cards volumes submitted for processing.

4) **Change Control Process.** The Contractor must have in place a Change Control Process for program changes and/or transmission modifications that includes a Commonwealth sign-off. If the Contractor plans to make changes to its operating platform, the Commonwealth and each using agency must be notified in writing 60 days in advance and provide at least 120 days to test the platform and modify its own systems prior to implementation of the platform changes.

PNC Merchant Services currently has in place a Change Control Process that allows for notification to our clients, any changes as they relate to the bi-yearly Association Compliance changes. PNC Merchant Services agrees to the Change Control Procedures as outlined in the current processing agreement with the Commonwealth of Pennsylvania.

Please be aware that in some instances, notification may not be possible due to the critical or urgent timing issues that some changes may require.

5) **Security and Confidentiality.** All materials and information provided to the Contractor by the Commonwealth or acquired by the Contractor on behalf of the Commonwealth shall be regarded as confidential information in accordance with federal and state laws and ethical standards.

The Contractor must provide an electronic system between the Contractor and Commonwealth agencies to ensure the security and confidentiality of information passed. The proposed system must have in place a system of controls and procedures to accurately account for all transactions and occurrences. The Contractor must incorporate system security measures to prevent disclosure of information, except as authorized by the Commonwealth in any personally identifiable system user records.

The Contractor must comply with the Office of Administration, Office of Information Technology's Electronic Commerce/EDI security requirements ITB-SEC020 Encryption Standards for Data at Rest, Issued: 8/17/07, Revised: 3/19/08; and ITB-SEC031 Encryption Standards for Data in Transit, Issued: 8/17/07, Revised: 11/6/07 located at <http://www.portal.state.pa.us/portal/server.pt?open=514&objID=210791&mode=2>

PNC Merchant Services confirms that all information related to our relationship with the Commonwealth of Pennsylvania (as well as our relationship with all of our clients) is confidential and PNC Merchant

Services, as well as all of our subcontractors, will take all necessary steps to safeguard the confidentiality of all materials and information in accordance with the following privacy policies.

Please see the PNC Bank privacy policy found at:

<https://www.pnc.com/webapp/unsec/Solutions.do?siteArea=/pnccorp/PNC/Privacy+Policy>

Please see the FDMS privacy policy found at:

<http://www.fdms.com/privacy.asp?m=12&s=58>

6) **Data Mining.** The Contractor must not sell, use, or provide lists of cardholder/customer information except to the extent authorized in writing by the Issuing Officer.

PNC Merchant Services does not (and will never) sell, use or provide lists of cardholder or customer information to other firms or companies.

7) **Service Continuity.** The Contractor shall maintain seamless, redundant back-up systems, including fail over facilities, in order to facilitate uninterrupted services, exclusive of planned maintenance downtime. Service availability is required 24 hours a day, 365 days a year. The Contractor must schedule planned maintenance at non-peak business hours, giving at least 24 hours notice for scheduled downtime.

A monthly downtime/failure report must be provided to the Contract Administrator which includes the date of the report, period covered, issue number, description of the issue, the time frame of the issue, corrective action, status, contact person, and impact analysis. If the Commonwealth experiences service interruptions, face-to-face credit card transactions under \$200 can be processed without obtaining an authorization for the transaction. All other credit card procedures will be followed. The Commonwealth will not be liable for chargeback's for disputed transactions that occur during this time frame.

FDMS maintains an extensive back-up network to insure business continuity, in the event of a disaster. In fact, their planning is so complete and thorough; they are able to maintain 99.99% up time during normal circumstances. This 99.9% measure has been achieved, by FDMS in total, over the last three years. In the event that FDMS is required to implement their business continuity plan (or if PNC Bank is required to implement their business continuity plan), one of our Relationship Managers will immediately notify the Commonwealth of Pennsylvania via phone, fax or email.

PNC Merchant Service can not allow the Commonwealth of Pennsylvania to be in violation of any Association rules or regulations. MasterCard and Visa mandate that all transactions must be authorized. PNC Merchant Services can not knowingly allow the Commonwealth of Pennsylvania to violate the Association rules and regulations.

Maintenance on FDMS systems usually occur once a month, on Sundays between the hours of 1:00 AM to 6:00 AM ET.

8) **Back Up Plan.** The Contractor must provide incident reports of any network outages, work stoppages, or other payment processing problems. This includes, but is not limited to, systemic problems related to authorizing credit on-line and human errors that result in duplicate payments or nonpayments. The Contractor shall inform the Contract Administrator of all incidents within 24 hours of occurrence or awareness, and shall provide an incident report within 5 business days. Incident reports shall include a description of the incident, the cause, number of customers impacted, duration of the incident, and actions taken to remedy the incident.

As we do today, PNC Merchant Services agrees to the requirements associated with the back-up plan.

9) **Disaster Recovery Plan.** A Disaster Recovery Plan must be in place at contract inception and tested annually to assure that all operations continue during a man-made or natural disaster situation with minimal disruption. Maximum projected service gaps shall be defined. The plan shall include, but not limited to, a full description of: steps to be taken to provide services from an alternate site if necessary; data protection

actions; equipment recovery; resumption of services; restoration services to the original site; and a projected timeline to accomplish these actions in a hypothetical state of emergency. The plan shall also describe preventative steps put in place to reduce service disruption.

PNC Merchant Services has backup facilities in four locations: Nebraska, Colorado, New York, and Maryland. We also have a disaster recovery plan in place, with hot-site back-up. In a frame environment, the frame relay access devices utilized by PNC Merchant Services are capable of detecting connection failure, whether due to circuit failure or system failure. In the case of system failure, the equipment will reroute the traffic across the designated secondary data center. The client application must detect the "system failure", which will then enable the router to re-establish connectivity with an alert to the Network Control Center. We recognize that it is imperative that processing be available 24 hours a day, 7 days a week.

In the event of a system outage, our backbone network capabilities enable authorization traffic to be re-routed to an alternate site while recovery is completed on the failing system. The distributed processing architecture is designed to insure there are no service interruptions. As a result, we have not experienced the requirement to move to a backup system. The data centers are interconnected by numerous and diverse Wide Area Network (WAN) carriers to insure that a system failure, data center site failure, or WAN failure will not result in an interruption. The Dialup carriers used provide diverse connectivity with alternate routing capabilities between their sites and the data centers insuring a dial terminal or other type of file communication will always reach us.

PNC Merchant Services utilizes FDMS 6000 for our front-end processing platforms. FDMS 6000 was selected due to its superior uptime rate of 99.99%, which is the best platform availability in the processing industry, today. Professional operations specialists at PNC Merchant Services' Operations Control Center provide 24/7 multi-tiered, proactive monitoring and support of the switches using PNC Merchant Services developed authorization switch management tools. This provides real-time and historical transaction statistical data, predefined threshold alerts, and connectivity status on a merchant-by-merchant basis. These tools are used to monitor response codes, decline and approval percentages, and link failure. As PNC Merchant Services-defined thresholds are reached, or hardware or software failures are detected, audible and visual alerts are generated in the Operations Control Center. Voice authorization is available on an as needed basis.

L. Customer Support.

1) **Hours of Availability/Response Time.** Contractors must provide help desk, technical support, maintenance support and any other customer related services to the Commonwealth consistent with the operating hours of the various Commonwealth agencies. **For Internet applications support is required to be available 24 hours a day, 365 days per year.** The Contractor must provide a toll free help desk number. The help desk must be available 24 hours a day, 365 days a year. The Contractor should provide a weekly report to include the number of calls received, average response time, and number of calls resolved.

The Commonwealth's dedicated Relationship Manager, Rick Klinger, will service the agencies' accounts. Rick will respond to routine inquires made by the Commonwealth of Pennsylvania's agencies within 24 hours. For issues that impede the business continuity of an agency, we will make our best efforts to respond back to the agency within 2 hours. In the event that issues occurred outside of normal (EST) business hours, our 24/7/365 customer support areas, available through a toll free number, which includes Client Services, Supplies, Technical Help Desk, and a Chargeback unit, would be available to address your questions.

2) **Problem Resolution.** The Contractor must have a plan for resolution of Commonwealth issues including points of contact and escalation procedures. The escalation procedures must indicate at what points in time unresolved problems are escalated through the Contractor's chain of command. The escalation procedures must indicate the time frames in terms of hours following placement of a call, and include the level of

support and management notified at each step. The list for points of contacts shall be updated quarterly and provided to the Contract Administrator via e-mail.

The Contractor must be included in any communication between agencies and subcontractors – agencies do not independently contact subcontractors. The Contractor must contact the subcontractor the same day the agency's inquiry occurs. The agency should receive a response within 24 hours.

Because of the huge customer impact with the PennDOT and other agency web applications, upon identifying an outage, the Contractor must notify all affected agencies within 30 minutes. The notification should include estimated downtime.

The first point of contact for the resolution of problem queries would be the Commonwealth of Pennsylvania's designated Relationship Manager. If this individual is not available or has not responded to a routine, non-business impeded inquiry within a four-hour timeframe during normal business hours, the designated back up Relationship Manager should be contacted. If no response has been received by the end of the same business day, a call should be directed to the Chief Operating Officer. These individuals are listed below in order of contact.

Designated Relationship Manager:

Rick Klinger
Phone 301-766-5673
Fax 301-766-5424
E-mail Richard.klinger@firstdata.com
Pager 1-888-481-5811

Designated Backup for PLCB:

Denise Garrity
Phone: 412-762-9333
Fax: 412-762-8593
E-mail Denise.garrity@pnc.com

Designated Backup for All Other Agencies:

Debbie Ankerbrand
Phone: 301-766-5919
Fax 301-766-5424
E-mail debbie.ankerbrand@firstdata.com

Chief Operating Officer:

Patty McQuade
Phone: 412-762-4101
Fax: 412-762-8593
E-mail: mary.mcquade@pnc.com

3) **Responsibility / Accountability.** As our credit card processor, the Contractor must play a major role in the resolution of any payment processing errors, especially when it directly affects the Commonwealth's customers. This includes, but is not limited to, correspondence with affected customers.

In the event PNC Merchant Services was the root cause of any payment processing errors, we agree to notify effected customers, provided the Commonwealth of Pennsylvania provides the customer contact information.

4) **Training.** Training is to be provided at both a user and technical support level for Commonwealth staff and shall include both existing as well as new software and equipment. The Contractor must provide a user manual for the reporting tool, including reconciliation, reporting, ad-hoc querying, funding, etc. Please **do not** provide copies of training materials with the proposal. Training materials will be requested at a later time.

If applicable, PNC Merchant Services will provide training associated with equipment and software provided by PNC Merchant Services through our activation or training group at a time that is convenient to the agency's schedule. All training should be coordinated through your Relationship Manager, Rick Klinger.

PNC Merchant Service is also committed to offering Annual Credit Card Clinics for the Commonwealth of Pennsylvania agencies participating in merchant processing. PNC Merchant Services will customize the content of these clinics to accommodate the Commonwealth of Pennsylvania's methods of processing. Some suggested topics that would be included in these clinics are: Interchange Compliance; Best Practices; Account Reconciliation; Controlling Chargeback's and Association Compliance. Of course, PNC Merchant Services welcomes the opportunity to offer these clinics on a more frequent basis if requested by the Commonwealth of Pennsylvania.

All new or existing agency locations will be provided with manuals specific to the equipment type being used by mail. This information will include all pertinent information with regards to processing procedures, identification numbers, client service and help desk phone numbers in an easy to read format.

Training for products derived from a subcontractor provided by PNC Merchant Services or from The Commonwealth of Pennsylvania will originate from that subcontractor. The subcontractor at the request of The Commonwealth of Pennsylvania should provide manuals for those products. Signage and general processing instructions will be provided by PNC Merchant Services.

5) **Marketing.** The Contractor must provide marketing material that supports public awareness of Commonwealth e-commerce applications and electronic payments. The Contractor must work with the Commonwealth agencies to develop a collaborative marketing plan that supports public awareness of Commonwealth electronic payments. The marketing plan will include specific marketing activities to be performed by both the Contractor and the Commonwealth. Marketing programs designed to increase both awareness and usage will be put in place before critical payment periods.

PNC Merchant Services welcomes the opportunity to assist The Commonwealth of Pennsylvania to increase the awareness about acceptance of credit and debit cards. From the display of fees, Visa and MasterCard decals and window signs, to a consumer awareness plan, we can assist with marketing programs for card acceptance. Additionally, Visa and MasterCard are often willing, on a case-by-case basis, to partially fund merchant marketing initiatives. A major factor in the Card Association's decision to supplement marketing funds lies in the willingness of the merchant to promote one card brand to its customers. Often times, the bank card issuers are encouraged to participate in these consumer marketing plans, in order to encourage their cardholder usage through billing statement inserts or similar promotional methods. Your Relationship Manager can assist the agencies in ordering Visa and MasterCard signage, while our Marketing department would be happy to further discuss potential joint marketing strategies.

M. Cash Management.

1) The merchant bank responsible for the electronic payment processing contract must have a Fitch International Individual Bank Rating of "B" or higher **or** a Fitch International Long-Term Credit Rating of "BBB" or higher.

Please see Appendix B, Fitch Bank Rating: A+ and LT Credit Rating is currently AA-

2) The Contractor must credit the Commonwealth account(s) with funds equal to each agency's end-of-day settlement for all bankcard and debit card transactions (i.e. Visa, MasterCard and debit card funding) on the next business day from the settlement date. Please refer to **Appendix F** of this RFP. All agencies' end-of-day settlement is defined as a calendar day ending no later than 11:00 p.m. EST. If next business day funding is not available, the Contractor must pay interest on for the one day that cash is not available. Interest shall be paid on a monthly basis, no later than 10 calendar days after the end of the calendar month. The Contractor must pay this interest by either a check made payable to the Commonwealth of

Pennsylvania” or by an ACH into an account designated by the Commonwealth’s Treasury Department. The Contractor cannot apply the interest payment against any Commonwealth billings. A monthly report detailing how the interest was calculated and applied to each agency application must be sent to the Commonwealth to support the interest payment. The interest paid will be calculated by using Prime as stated in the Wall Street Journal at <http://www.wsjprimerate.us/>.

For example:

Next Day Funding - An agency’s Thursday sales are credited to the Commonwealth account(s) on Friday. An agency’s Friday, Saturday and Sunday sales are credited to the Commonwealth account on Monday.

Two-Day Funding – An agency’s Thursday sales are credited to the Commonwealth account(s) on Monday. Interest is payable for one day. An agency’s Friday, Saturday and Sunday sales are credited to the Commonwealth account on Tuesday. Interest is payable for one day.

Note: The Commonwealth contracts directly with American Express and Discover; therefore funding for American Express and Discover are covered under those contracts.

The Contractor must initiate the deposit of the funds as described above through an ACH payment to the Commonwealth’s designated depository bank accounts that have been established for electronic payment deposits.

The Contractor must be able to debit multiple bank accounts as designated by the Commonwealth. For example, the PLCB has its credit/debit card accounts structured with four accounts: two (2) affiliate sub-accounts, a chargeback account and a control account. Each store’s bankcard credit/debit sales are posted as one amount to one affiliate account for each of the PLCB’s approximately 725 stores. Chargeback’s and other funding adjustments are posted to the chargeback account, upon written notification by the PLCB. Agencies will provide the Contractor with this depository bank account information, following approval by the State Treasurer.

PNC Merchant Services offers a variety of funding options; however, we recommend that the Commonwealth of Pennsylvania maintains their current PNC Bank demand deposit accounts (DDA) for the most timely availability of funds, as is the case today. With direct depositing into a PNC DDA, MasterCard and Visa payments are typically available for withdrawal within 24 hours from the time the agency settles their point-of-sale batch. These funds can be swept daily into a number of cash management products and investment vehicles

PNC Merchant Services will continue to support the unique set up for the Commonwealth of Pennsylvania/ PLCB funding, chargeback’s and monthly billing.

N. Implementation.

1) **Contractor Implementation Process – New and Transitioning Users.** The selected Contractor will be expected to collaborate with designated Commonwealth personnel to develop a comprehensive plan for this effort and then make every effort in support of this plan to ensure that any turnover is successful and smooth. The Contractor must be capable of making an orderly transition of services without any interruption of services to Commonwealth customers.

The Contractor must provide a detailed implementation plan for accomplishing all of the work proposed in this RFP. If a “phased-in” conversion is proposed, the start of the phase-in must be coordinated with the Commonwealth. This should include the Contractor’s approach to testing, meeting the required timelines for implementation, transitioning issues, and solutions for transitioning from the current Contractor and for transition to future phased-in applications. (See **Appendix E** of this RFP for current Contractor, service providers and future applications).

The Pa Liquor Control Board anticipates beginning their transition into a new POS system in the fall of 2010 with pilot stores. The transition will be a phased-in approach with full rollout to remaining stores

anticipated to begin January 2011. The Contractor must be able to assist the PLCB with this orderly transition and provide uninterrupted service through both POS systems until the transition is complete.

As the current merchant provider for the Commonwealth of Pennsylvania, implementation would not be required. For any conversion to a new processing application, PNC Merchant Services would continue to provide processing support to the existing application until such time as a conversion is completed.

Implementation cannot take place between April and September for DCNR and between October and January for PLCB. These are high volumes periods for the two agencies and preclude transitioning during those times.

2) **Agency Participation Procedures.** Agencies using the electronic payment processing contract for new programs will contact the Contract Administrator, who will provide them with an enrollment package. This package will contain all information agencies need to have prior to participating in the contract. If an agency contacts a Contractor directly, the Contractor should direct the agency to the Contract Administrator. Contractors are not authorized to conduct business with any Commonwealth agency without following these procedures.

After an agency receives the enrollment package, the Contractor and agency will meet to discuss agency needs and determine services the Contractor will offer the agency. The Contract Administrator should be notified by the Contractor of every meeting held between the Contractor and any agency. The Contract Administrator may attend any of these meetings.

PNC Merchant Services confirms that we will adhere to the above stated policy/procedure for the implementation of an agency to the program.

3) **Weekly Development Status Reports.** The Contractor must provide weekly status reports. Status reports are due by the close of business each Monday for the preceding week through the implementation date of the program.

The report shall cover the overall progress of the program's development and will be used throughout the initial development phase of the project and any subsequent expansion of the program. Reports shall be provided to the Contract Administrator. The report shall contain the following information:

- Date of report.
- Project manager name.
- Project manager telephone number, fax number, e-mail address.
- Brief description of the work accomplished, emphasizing progress made since last reporting period.
- Description of any unresolved and/or anticipated problems, if any, name of individual assigned to them, anticipated resolution date with recommendation for resolution, and if the issue(s) will impact the implementation schedule.
- Estimate of the percent of work accomplished to date.
- Statement on the status of the program as it relates to the work breakdown schedule, either confirming that the task is on schedule or explaining the nature and extent of the pending delay.

A weekly teleconference shall be held between the Contractor, Contract Administrator and agency to discuss the weekly reports.

PNC Merchant Services is committed to continuing to provide the Commonwealth of Pennsylvania with Weekly Development Status Reports related to any implementation project. The information requested by the Commonwealth will be documented in the status reporting.

O. Cut-Over/Conversion Plan. The Contractor must be able to make an orderly transition to a new Contractor upon termination of the contract. Any data files inherent to the continuation of services must be returned to the Commonwealth or new Contractor in their entirety upon completion of the contract. Data files include, but are not limited to the data files used for gift cards.

As the current merchant provider for the Commonwealth of Pennsylvania, implementation would not be required. For any conversion to a new processing application, PNC Merchant Services would continue to provide processing support to the existing application until such time as a conversion is completed.

P. Requirements for Passing a Service Fee to the Customer. In general, Commonwealth policy is not to allow service fees to be charged to the customer.

However in some instances the agency may be required to pass a service fee on to the customer. The Contractor must have the ability to pass service fees on to the customer and to collect this fee from the customer as payment for processing services. This fee shall include all service costs for VISA, MasterCard, American Express, and Discover.

- 1) The proposed system must notify customers of the dollar amounts of all fees to be charged to their credit card and obtain customers' acknowledgements of charges prior to initiating credit authorizations.
- 2) The proposed system must be able to provide a merchant descriptor on the customer's credit card statement indicating the service fee amount as a unique line item.
- 3) The Contractor must provide customers with confirmation of payment transactions electronically (i.e. confirmation number) through the payment means (Internet) used to complete the payment.
- 4) The Contractor must accept the service fee as full payment of all credit card processing fees.
- 5) The proposed system must provide distinct WEB identification for the selection of the State Credit Card Payment application. The WEB application access to Credit Card Payments may be no more than 2 mouse clicks; the third screen appearing must be for data entry.

PNC Merchant Services confirms our willingness to pass a service fee to the cardholder, when permitted by the Associations. Currently, the Associations do permit a service fee to be passed to the cardholder in some cases. The customer, when applicable, will be redirected to a service fee web page. The customer will be required to acknowledge they are paying a service fee and what that service fee is for. PNC Merchant Services will provide the Commonwealth of Pennsylvania with a detailed report outlining the service fees collected.

Q. Miscellaneous.

- 1) The Contractor will provide any federal or credit/debit card company rules and regulations, bylaws, or any other related materials that will affect the Commonwealth during the term of this contract, including any changes, which may be made to said material prior to the effective date of said change. The Contractor must continue to provide this information to the Issuing Officer and may be required to provide this information to each Commonwealth merchant.

PNC Merchant Services will communicate to The Commonwealth of Pennsylvania's Issuing Officer and each agency, any federal or Association rules and regulation changes, which would either affect either, your processing procedures or your cost structure. You will receive this documentation from us in writing, within 30 days of the effective date of the change. Your dedicated Relationship Manager will be available to discuss the specifics of any rule or rate change.

- 2) The Contractor must provide 30 days advance notice of policy changes to the Issuing Officer.

The Commonwealth will receive documentation from us in writing, within 30 days of the effective date of the change. Your dedicated Relationship Manager will be available to discuss the specifics of any rule or rate change.

3) The Contractor must provide a merchant descriptor on the customer's credit card statement indicating what the payment amount is for as specified by each agency.

PNC Merchant Services provides specific merchant descriptor information to appear on a customer's credit card statement.

R. Future Technologies. Contractors should stay abreast of Industry Trends and Developments. Contractors should advise the Commonwealth of new technologies that could benefit the commonwealth.

PNC Merchant Services stays current and competitive through a continued focus on service, a strong investment in technology and partnering with vendors offering innovative product solutions. Our parent companies, PNC Financial Services Group, Inc. and First Data Corporation, invest millions of dollars each year in the development of new programming and reporting tools which PNC Merchant Services is able to offer to our clients. In addition, we have partnered with a number of outside organizations who develop enhanced wireless handheld devices, electronic check acceptance via Telecheck, and a variety of e-Commerce opportunities.

Our partner, First Data Corporation, recently announced a new product, TransArmor. Developed in partnership with RSA, the Security Division of EMC and a global leader in information security, the First Data® TransArmor solution integrates data encryption and tokenization technology to remove card numbers from merchant systems. This unique "one-two punch" helps reduce your risk, as well as the scope and cost of PCI compliance. It protects card data at every transaction stage: in transit, in use and at rest.

IV-4. Contract Requirements—Disadvantaged Business Participation and Enterprise Zone Small Business Participation.

All contracts containing Disadvantaged Business participation and/or Enterprise Zone Small Business participation must also include a provision requiring the selected Contractor to meet and maintain those commitments made to Disadvantaged Businesses and/or Enterprise Zone Small Businesses at the time of proposal submittal or contract negotiation, unless a change in the commitment is approved by the BMWBO. All contracts containing Disadvantaged Business participation and/or Enterprise Zone Small Business participation must include a provision requiring Small Disadvantaged Business subcontractors, Enterprise Zone Small Business subcontractors and Small Disadvantaged Businesses or Enterprise Zone Small Businesses in a joint venture to perform at least **50%** of the subcontract or Small Disadvantaged Business/Enterprise Zone Small Business participation portion of the joint venture.

The selected Contractor's commitments to Disadvantaged Businesses and/or Enterprise Zone Small Businesses made at the time of proposal submittal or contract negotiation shall be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to BMWBO, which will make a recommendation to the Contracting Officer regarding a course of action.

If a contract is assigned to another Contractor, the new Contractor must maintain the Disadvantaged Business participation and/or Enterprise Zone Small Business participation of the original contract.

The selected Contractor shall complete the Prime Contractor's Quarterly Utilization Report (or similar type document containing the same information) and submit it to the contracting officer of the Issuing Office and BMWBO within **10** workdays at the end of each quarter the contract is in force. This information will be used to determine the actual dollar amount paid to Small Disadvantaged Business and/or Enterprise Zone Small Business subcontractors and suppliers, and Small Disadvantaged Business and/or Enterprise Zone Small Business participants involved in joint ventures. Also, this information will serve as a record of fulfillment of the commitment the selected Contractor made and for which it received Disadvantaged Business and Enterprise Zone Small Business points. If there was no activity during the quarter then the form must be completed by stating "No activity in this quarter."

NOTE: EQUAL EMPLOYMENT OPPORTUNITY AND CONTRACT COMPLIANCE STATEMENTS
REFERRING TO COMPANY EQUAL EMPLOYMENT OPPORTUNITY POLICIES OR PAST CONTRACT
COMPLIANCE PRACTICES DO NOT CONSTITUTE PROOF OF DISADVANTAGED BUSINESSES STATUS
OR ENTITLE AN OFFEROR TO RECEIVE CREDIT FOR DISADVANTAGED BUSINESSES UTILIZATION

APPENDIX B

Mandatory Technical Requirements – Continued

Data Security		YES	NO
4. The Offeror must comply with the current PCI Data Security Standards.			
a)	Can the Offeror demonstrate compliance with the PCI Data Security Standards by providing their audit and certification report annually?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b)	Provide a copy of the Offeror's most recent PCI Data Security Standards (PCI DSS) report as Attachment 1 to the Technical Questionnaire. PCI DSS Report included as Attachment 1 to Appendix B.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Can the Offeror adhere to all of the following requirements of the Commonwealth Electronic Payment System (ePay.NET)?			
a)	Must be able to support XML-based transactions.	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
b)	Must provide an Application Program Interface (API) Guide. Please provide a web address to the Offeror's API Guide: http://www.firstdata.com/downloads/marketing-merchant/fdgg-web-service-api-v1.7.2.pdf OR If a link cannot be provided, please attach a copy of the Offeror's API Guide as Attachment 2 to Appendix B.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c)	Must provide detailed transaction error messages for failure in connecting to the payment gateway for troubleshooting purposes.	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
d)	Must provide payment gateway availability status upon request.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e)	Must provide a single point of contact for all payment gateway service technical support issues and maintenance schedules.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f)	Must provide agency with access to transaction reports for reconciliations, voiding of transactions, and financial report to management for all transactions processed via ePay.NET and the vendor payment gateway.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

I certify **PNC Merchant Services** is eligible for selection by responding "Yes" to all the Mandatory Technical Requirements listed above.

Signature

Signature of an official
authorized to bind the
Offeror to the provisions
contained in the Offeror's
proposal:



Printed Name

Patricia McQuade

Title

Chief Operating Officer

**FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE
OFFEROR'S PROPOSAL WILL RESULT IN THE REJECTION OF THE OFFEROR'S
PROPOSAL.**



Commonwealth of Pennsylvania

Date: **04/23/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **5**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Appendix B, Types of Electronic Payment Processing Services, question # 2 has been changed to read as follows: Can the offeror currently provide or provide by contract award date the electronic authorization, data capture and processing of **all** of the following:

- a) VISA
- b) MasterCard
- c) Discover
- d) American Express
- e) Combination debit/credit cards
- f) Online and Offline debit card transactions (sales and returns)
- g) E-checks or its equivalent

Appendix B, Data Collection Methods, question # 3.

Letter e. Interactive Voice Response (IVR) has been deleted.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us

APPENDIX C

APPENDIX C
DOMESTIC WORKFORCE UTILIZATION CERTIFICATION

To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use the domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. In order to be eligible for any consideration for this criterion, offerors must complete and sign the following certification. This certification will be included as a contractual obligation when the contract is executed. Failure to complete and sign this certification will result in no consideration being given to the offeror for this criterion.

I, Patricia McQuade, Chief Operating Officer of PNC Merchant Services, a Delaware corporation, ("Contractor") located at 249 Fifth Avenue, Pittsburgh, PA 15222, having a Social Security or Federal Identification Number of 25-1786760, do hereby certify and represent to the Commonwealth of Pennsylvania ("Commonwealth") (Check **one** of the boxes below):

All of the direct labor performed within the scope of services under the contract will be performed exclusively within the geographical boundaries of the United States or one of the following countries that is a party to the World Trade Organization Government Procurement Agreement: Aruba, Austria, Belgium, Bulgaria, Canada, Chinese Taipei, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom

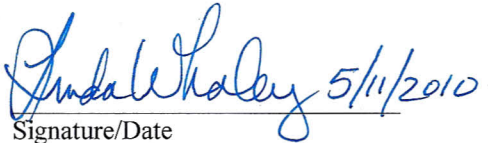
OR

_____ percent (____%) [Contractor must specify the percentage] of the direct labor performed within the scope of services under the contract will be performed within the geographical boundaries of the United States or within the geographical boundaries of one of the countries listed above that is a party to the World Trade Organization Government Procurement Agreement. Please identify the direct labor performed under the contract that will be performed outside the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement and identify the country where the direct labor will be performed:

[Use additional sheets if necessary]

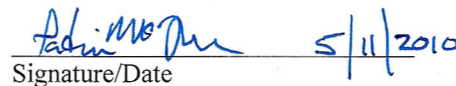
The Department of General Services [or other purchasing agency] shall treat any misstatement as fraudulent concealment of the true facts punishable under Section 4904 of the *Pennsylvania Crimes Code*, Title 18, of Pa. Consolidated Statutes.

Attest or Witness:


Signature/Date

Linda Whaley/Vice President
Printed Name/Title

PNC Merchant Services, LLC
Corporate or Legal Entity's Name


Signature/Date

Patricia McQuade/Chief Operating Officer
Printed Name/Title


APPENDIX D

**APPENDIX D - PROPOSAL COVER SHEET
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332**

Enclosed in three separately sealed submittals is the proposal of the Offeror identified below for the above-referenced RFP:

Offeror Information:	
Offeror Name	PNC Financial Services Group
Offeror Mailing Address	249 Fifth Avenue Pittsburgh, PA 15222
Offeror Website	https://www.pnc.com/webapp/unsec/ProductsAndService.do?siteArea=/pnccorp/pnc/home/small+business/merchant+services/merchant+services
Offeror Contact Person	Richard Klinger
Contact Person's Phone Number	301-766-5673
Contact Person's Facsimile Number	301-766-5424
Contact Person's E-Mail Address	Richard.klinger@firstdata.com
Offeror Federal ID Number	251786760

Submittals Enclosed and Separately Sealed:	
X	Technical Submittal (<i>11 paper copies</i>)
X	Disadvantaged Business Submittal (<i>2 paper copies</i>)
X	Cost Submittal (<i>1 electronic copy submitted via the PA Supplier Portal</i>)
X	Complete and Searchable Electronic Proposal (CD-ROM or Flash Drive) (<i>2 copies</i>)

Signature	
Signature of an official authorized to bind the Offeror to the provisions contained in the Offeror's proposal:	
Printed Name:	Patricia McQuade
Title:	Chief Operating Officer

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE OFFEROR'S PROPOSAL MAY RESULT IN THE REJECTION OF THE OFFEROR'S PROPOSAL.

**APPENDIX F
FUNDS AVAILABILITY
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332**

(As referenced in Part IV-3 Description of Services,
section E. General Processing Requirements)

MASTERCARD, VISA AND DEBIT CARD TRANSACTIONS

Directions: Bidders should complete the tables below for domestic MasterCard, VISA, On-line and Off-line Debit Card transactions. Bidders should enter the cut-off time for transactions to be settled by Agencies (column a), the associated day of the week on which the transactions will be processed if they are received before the cut-off time (column b), and the time and day by which funds will be deposited using an ACH transaction (column c).

Note: The vendor must credit the Commonwealth account(s) with funds equal to each agency's end-of-day settlement for all bankcard and debit card transactions (i.e. Visa, MasterCard and debit card funding) on the next business day from the settlement date.

Funds Availability		Visa/MasterCard/ On-line and Off-line Debit Cards	
(a)		(b)	
Transactions settled before		Will be processed on:	
12 AM (EST) on:		Funds will be deposited via ACH no later than	
12 AM (EST) on:		2 PM (EST) on:	
1	Monday	Tuesday	Tuesday
2	Tuesday	Wednesday	Wednesday
3	Wednesday	Thursday	Thursday
4	Thursday	Friday	Friday
5	Friday	Saturday	Monday
6	Saturday	Sunday	Monday
7	Sunday	Monday	Monday

APPENDIX G
TRANSACTION REPORT DETAIL AND MEDIUM AVAILABLE
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
RFP# 6100014332

(As referenced in Part IV-3 Description of Services,
section G Reporting)

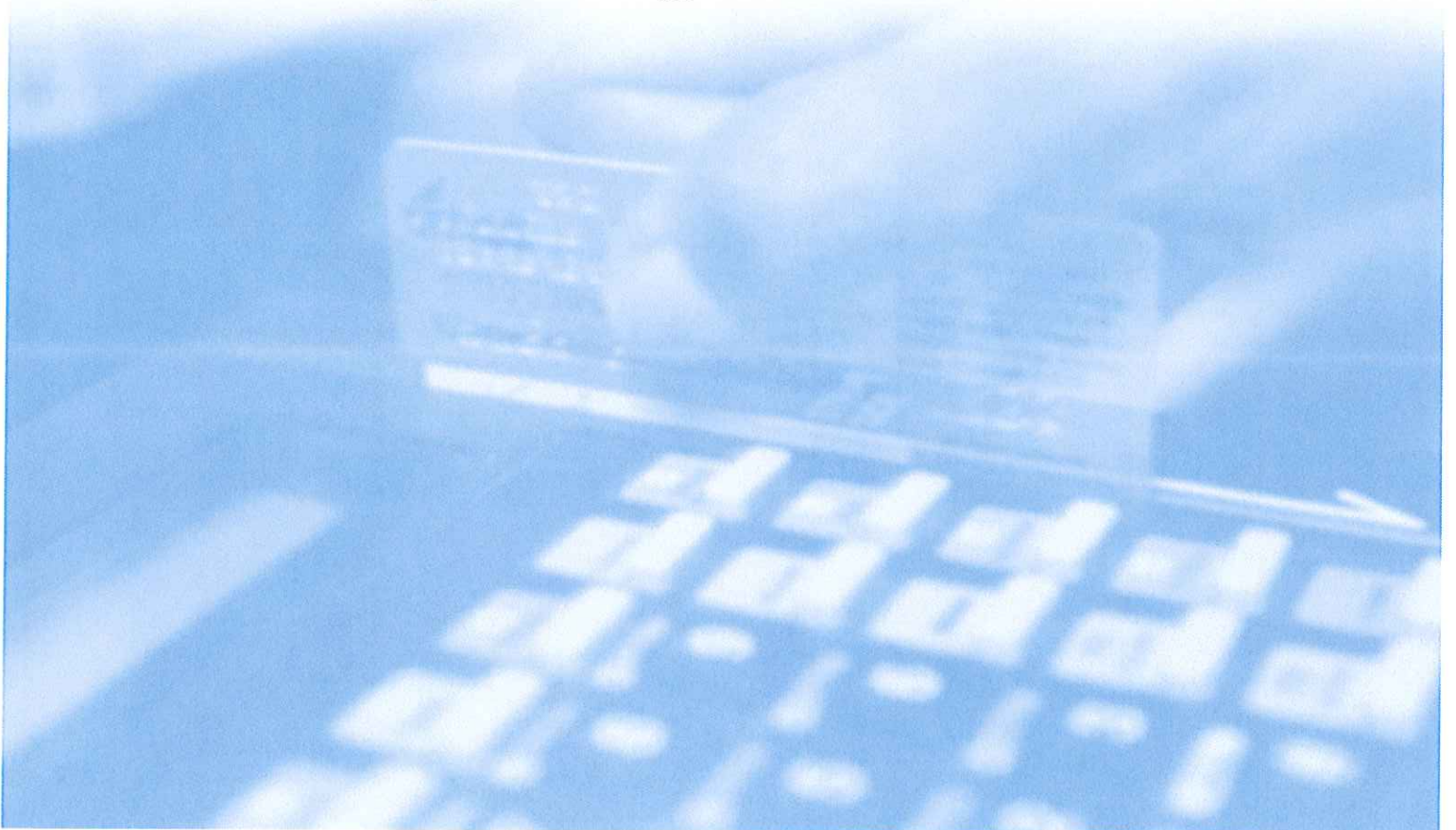
Directions: Contractors should complete the following table that asks for a listing of reporting elements contained in daily and monthly required reports. The reports must be available electronically. An optional comments section is provided at the end of this document for contractors to use if they wish to provide any additional explanatory information.

Description of Required Report Detail	Daily (Required)	Monthly (Required)
Date of Report	Y	Y
Period Covered by Report	Y	Y
Agency Name	Y	Y
Agency's Merchant Numbers	Y	Y
Agency Site/Location	Y	Y
Batch Number	Y	Y
Card Brand	Y	Y
Cardholder Number	Y	Y
Cardholder Name	Y	Y
Card Expiration Date	Y	Y
Date of Transaction	Y	Y
Time of Transaction Initiation	Y	Y
Commonwealth Unique Transaction Number	Y	Y
Transaction Dollar Amount	Y	Y
Transaction Description	Y	Y
Transaction Reference Number	Y	Y
Authorization Approval Code	Y	Y
Deletion or Cancel Code	Y	Y
Date/time of Authorization	Y	Y
Date/time of Capture	Y	Y
Settlement Date	Y	Y
Dept. User ID Number (if applicable)	Y	Y
Total Number of Transactions	Y	Y
Total Transactions/Card Type	Y	Y
Total Transactions/Collection Method	Y	Y
Gross \$ Amount of Transaction	Y	Y
Gross \$ Amount of Transaction/Card Type	Y	Y
Gross \$ Amount of Transaction/Collection Method	Y	Y
\$ Fees Applied to Gross Sales/# Transactions	Y	Y
\$ Fees Applied per Individual Transaction	Y	Y
Description of Fees	Y	Y
Total Fees	Y	Y

Net \$ Amount of Transactions	Y	Y
Description of Report Detail	Daily (Required)	Monthly (Required)
Net \$ Amount of Transactions /Card Type	Y	Y
Net \$ Amount of Transactions /Collection Method	Y	Y
Net Number of Transactions	Y	Y
Net # Transactions/Card Type	Y	Y
Net # Transactions/Collection Method	Y	Y
Average Gross Sales Amount	Y	Y
Average Net Sales Amount	Y	Y
Average Gross # of Transactions	Y	Y
Average Net # of Transactions	Y	Y
Number of Agency Reversals	Y	Y
Dollar Amount of Agency Reversals	Y	Y
Individual Reversal Detail Information	Y	Y
Number of Chargebacks	Y	Y
Dollar Amount of Chargebacks	Y	Y
Individual Chargeback Detail Information	Y	Y
Month-to-Date Information/Item	Y	Y
Year-to-Date Information/Item	Y	Y
Processing & Convenience Fee (if applicable)	Y	Y
Other (please describe)		

Comments:

Operating Procedures



Operating Procedures

Table of Contents

Operating Procedures	
1. MasterCard, Visa and Discover Acceptance	3
1.1. Card Descriptions	3
1.2. Effective/Expiration Dates	3
1.3. Valid Signature	3
1.4. Users Other Than Cardholders	4
1.5. Special Terms	4
1.6. Delayed Delivery or Deposit Balance	4
1.7. Recurring Transaction and Preauthorized Order Regulations	4
1.8. Honoring Cards	4
1.9. Card Acceptance	5
1.10. Deposits of Principals	5
1.11. Merchants in the Lodging Industry	5
1.12. Customer Activated Terminals and Self-Service Terminals	5
1.13. Displays and Advertising	5
1.14. Cash Payments by and Cash Disbursements to Cardholders	5
1.15. Discover Cash Over Transactions	5
1.16. Telecommunication Transactions	6
2. Suspect Transactions	6
3. Completion of Sales and Credit Drafts	6
3.1. Information Required	6
3.2. Mail/Telephone/Internet (Ecommerce) and Other Card Not Present Sales	7
3.3. Customer Service Telephone Numbers for Cards Other Than MasterCard, Visa and Discover	7
4. Data Security	7
5. Authorizations	8
5.1. Card Not Present Transactions	9
5.2. Authorization via Telephone (Other Than Terminal/Electronic Device Users)	9
5.3. Authorization via Electronic Devices	9
5.4. Third Party Authorization System	9
5.5. Automated Dispensing Machines	9
5.6. Pre-Authorization for T&E (Travel & Entertainment) and Restaurant Merchants	9
5.7. Discover Procedure for Request for Cancellation of Authorization	10
6. Submission/Deposit of Sales and Credit Drafts	10
6.1. Submission of Sales for Merchants Other Than Your Business	10
6.2. Timeliness	10
6.3. Mail/Branch Deposit Procedures	10
6.4. Electronic Merchants: Daily Batching Requirements & Media Submission	10
7. Settlement	11
8. Refunds/Exchanges (Credits)	11
8.1. Refunds	11
8.2. Exchanges	11
9. Retention of Records for Retrievals and Chargebacks	11
9.1. Retain Legible Copies	11
9.2. Provide Sales and Credit Drafts	11
9.3. Ensure Proper Retrieval Fulfillment	11
10. Chargebacks and Other Debits	11
10.1. Chargebacks	11
10.2. Other Debits	14
10.3. Summary (Deposit) Adjustments/Electronic Rejects	14
10.4. Disputing Other Debits and Summary Adjustments	14
11. Account Maintenance	15
11.1. Change of Settlement Account Number	15
11.2. Change in Legal Name or Structure	15
11.3. Change Company DBA Name, Address or Telephone/Facsimile Number	15
11.4. Other Changes in Merchant Profile	15
12. Association Compliance	15
13. Supplies	15
14. Glossary	16

OPERATING PROCEDURES

These Operating Procedures describe the procedures and methods for submitting Credit Card transactions for payment, obtaining authorizations, responding to Chargebacks and Media Retrieval requests, and other aspects of the operations of our services. You are required to comply with these Operating Procedures as part of your Merchant Processing Agreement.

Processor is a full-service financial transaction processor dedicated, among other processing services, to facilitating the passage of your Sales Drafts back to the thousands of institutions who issue the MasterCard®, Visa®, and Discover® Cards carried by your customers, as well as to the independent Card Issuers of American Express®, Optima® and JCB®. The Operating Procedures contained in this part focus primarily on the MasterCard, Visa, and Discover Associations' operating rules and regulations, and seek to provide you with the principles for a sound Card program. They are designed to help you decrease your Chargeback liability and train your employees. (In the event we provide authorization, processing or settlement of transactions involving Cards other than MasterCard, Visa and Discover, you should also consult those independent Card Issuers' proprietary rules and regulations.)

The requirements set forth in these Operating Procedures will apply unless prohibited by law. You are responsible for following any additional or conflicting requirements imposed by your state or local jurisdiction.

I. MASTERCARD, VISA AND DISCOVER ACCEPTANCE

I.1. Card Descriptions. At the point of sale, the Card must be carefully examined to determine whether it is a legitimate and valid Card. The name of the Card (e.g., Visa, MasterCard or Discover) should appear in bold letters on the Card. For all MasterCard and Visa Cards and for some Discover Cards, the Card Issuer (e.g., XYZ Bank, etc.) should also appear in bold letters on the Card. The following is a description of the authorized Visa, MasterCard and Discover Card designs:

Visa: Visa Cards have the Visa symbol on the right-hand side of the Card. Above the Visa symbol is the 3-dimensional hologram of the Visa Dove design. The expiration date must be followed by one space and the symbol "V." Visa Cards contain a 16-digit account number embossed across the middle of the Cards and the first digit is always a four (4). In addition, the Classic and Preferred Cards have the first four digits of the account number printed directly below the embossed number. You must always check these numbers carefully to ensure that they are the same. Beginning January 2006, Visa has a new Card design which differs significantly from the previous description. You are required to familiarize yourself with the new design by consulting the document entitled "Rules for Visa Merchants – Card Acceptance and Chargeback Management Guidelines" (VRM 09.04.05). You may download the document free of charge from Visa's website at <http://www.visa.com/merchant> or order a hardcopy to be mailed to you for a nominal charge by telephoning Visa Fulfillment at 800-VISA-311. Both the old and new Visa Card designs will be circulating concurrently in the marketplace through the year 2010. Only Visa Cards fitting the old or new descriptions may be accepted.

MasterCard: MasterCard Cards are issued under the following names: MasterCard, EuroCard, Access, Union, Million and Diamond. The MasterCard symbol appears on the front or back of the Card. MasterCard and the Globe designs appear in a 3-dimensional hologram above the symbol. In addition, the words Classic, Preferred, Gold or Business may appear. MasterCard account numbers are sixteen (16) digits, and the first digit is always a five (5). The first four digits of the account must be printed directly below the embossed number. Only MasterCard Cards fitting this description may be accepted. Pursuant to an alliance with MasterCard, Diners Club Cards issued in the United States and Canada are being re-issued with a sixteen (16) digit account number the first two digits of which are now fifty-five (55) and with the MasterCard mark and hologram on the front of the Diners Club Card. These Diners Club Cards shall be accepted and processed in the same manner as MasterCard transactions. Diners Club International Cards that are issued outside the U.S. and Canada may be re-issued with the MasterCard mark on the back of the Card. These Diners Club Cards will have account numbers that are fourteen (14) digits, the first two digits or which are thirty-six (36). When these Diners Club Cards are used within the United States, Canada and other designated areas, they will be processed as MasterCard transactions. Beginning January

2006, MasterCard has a new Card design significantly different from the previous description. You are required to familiarize yourself with the new design by consulting a document "MasterCard Card Identification Features." You may download the document free of charge from MasterCard's website at <http://www.mastercardmerchant.com>. Both the old and new MasterCard Card designs will be circulating concurrently in the marketplace through the year 2010. Only MasterCard Cards fitting the old or new descriptions may be accepted.

Discover: Most standard, rectangular Discover Cards display the Discover Network Acceptance mark in the lower right corner on both sides of the Card or, through October 2008, the Discover/Novus Acceptance mark only on the back of the Card. After October 2008, however, Discover Cards will only display the Discover Network Acceptance Mark on both sides of the Card. Either the words "DISCOVER" or "DISCOVER NETWORK" appear in ultraviolet ink on the front of the card which becomes visible when held under an ultraviolet light. Discover account numbers are sixteen (16) digits embossed in clear and uniform size and spacing, and where a hologram is present, the last four digits of the account number extend into the hologram. Cards issued before April 15, 2006 will display either a circular or rectangular three-dimensional hologram of a globe with an arrow through it. Newer Cards will have a holographic magnetic stripe, and the holographic globe art on the front of the Card will not be present. The embossed expiration date, if present, appears in a MM/YY format below the words "Valid Thru." An underprint of the word "VOID" becomes visible on the signature line of Discover Cards if erasure of the signature is attempted. Most standard, rectangular Discover Cards have the cardholder's name embossed on the front of the Card and a scripted "D" embossed beneath the account number on the front of the card on the same line as the embossed expiration date. Also, for most standard, rectangular Cards the account number or last four (4) digits of the account number appear in reverse indent printing on the signature panel and must match the last four (4) digits of the account number embossed on the front of the Card. Standard, rectangular plastic, stored value Cards are not required to bear the cardholder name, and for certain merchants, may not bear the globe pattern hologram or the Discover Network Acceptance Mark. Valid Cards will not always be rectangular in shape (e.g., Discover 2GO™ Cards). Discover may implement new Card designs and/or security features. You are required to remain familiar with Discover Card designs and may reference the document "Discover Network Security Features." You may download the document free of charge from Discover's website at <http://www.discovernetwork.com/merchant/home/data/index.html>.

I.2. Effective/Expiration Dates. At the point of sale, the Card should be carefully examined for the effective (valid from) (if present) and expiration (valid thru) dates which are located on the face of the Card. The sale date must fall on or between these dates. Do not accept a Card prior to the effective date or after the expiration date. Otherwise, you are subject to a Chargeback and could be debited for the transaction.

I.3. Valid Signature. Check the back of the Card. Make sure that the signature panel has not been disfigured or tampered with in any fashion (an altered signature panel may appear discolored, glued or painted, or show erasure marks on the surface). The signature on the back of the Card must compare favorably with the signature on the Sales Draft. The Sales Draft must be signed by the Card presenter in the presence of your authorized representative (unless a Card Not Present Sale) and in the same format as the signature panel on the Card; e.g., Harry E. Jones should not be signed H.E. Jones. The signature panels of Visa, MasterCard and Discover Cards now have a 3-digit number (CVV2/CVC2/CID) printed on the panel known as the Card Validation Code.

Visa: If the signature panel on the Card is blank, in addition to requesting an Authorization, you must do all the following:

- Review positive identification bearing the Cardholder's signature (such as a passport or driver's license that has not expired) to validate the Cardholder's identity.
- Indicate the positive identification, including any serial number and expiration date, on the transaction receipt.
- Require the Cardholder to sign the signature panel of the Card prior to completing the Transaction.

MasterCard: If the Card is not signed and the Cardholder refuses to sign the Card, do not accept it for a transaction. If the Cardholder is willing to sign the Card in your presence, request two pieces of valid and current identification (e.g., driver's license, another payment Card, etc.).

Discover: If the Card is not signed you must request two pieces of valid and current identification, one of which must be a government issued picture identification. After you confirm that the person presenting the Card is the Cardholder, require the Cardholder to sign the back of the Card.

1.4. Users Other Than Cardholders. A Cardholder may not authorize another individual to use his/her Card for purchases. Be sure the signature on the Card matches with the one on the Sales Draft. Furthermore, any Card having two signatures on the back panel is invalid and any sale made with this Card can result in a Chargeback. For Cards bearing a photograph of the Cardholder, ensure that the Cardholder appears to be the person depicted in the picture which appears on the Card. If you have any questions, call the Voice Authorization Center and request to speak to a Code 10 operator.

1.5. Special Terms. If you limit refund/exchange terms or impose other specific conditions for Card sales, the words "No Exchange, No Refund," etc. must be clearly printed (in 1/4" letters) on the Sales Draft near or above the Cardholder's signature. The Cardholder's copy, as well as your copy, must clearly show this information.

During a liquidation and/or closure of any of your outlets, locations and/or businesses, you must post signs clearly visible to customers stating that "All Sales Are Final," and stamp the Sales Draft with a notice that "All Sales Are Final."

Never give cash, check or in-store Credit refunds for Card sales.
NOTE: A disclosure does not eliminate your liability for a Chargeback. Consumer protection laws and Association Rules frequently allow the Cardholder to dispute these items notwithstanding such disclosures.

1.6. Delayed Delivery or Deposit Balance. In a delayed delivery transaction where a Cardholder makes a deposit toward the full amount of the sale, you should execute two separate Sales Drafts (each completed fully as described in Section 3.1), the first for a deposit and the second for payment of the balance upon delivery of the merchandise or the performance of the services.

Visa: For Visa transactions, you must obtain separate authorizations for each of the two Sales Drafts. You must assign the separate authorization numbers to each Sales Draft, respectively. You must note on such Sales Drafts the words "delayed delivery," "deposit" or "balance," as appropriate, and the authorization dates and approval codes.

MasterCard: For MasterCard transactions, you must obtain one authorization. You must note on both Sales Drafts the words "delayed delivery," "deposit" or "balance," as appropriate, and the authorization date and approval code.

Discover: For Discover transactions, you must label one Sales Draft "deposit" and the other "balance," as appropriate. You must obtain the "deposit" authorization before submitting the sales data for the "deposit" or the "balance" to us. If delivery of the merchandise or service purchased will occur more than ninety (90) calendar days after the "deposit" authorization, you must obtain a subsequent authorization for the "balance." In addition, you must complete Address Verification at the time of the "balance" authorization, and you must obtain proof of delivery upon delivery of the services/merchandise purchased. You may not submit sales data relating to the "balance" to us for processing until the merchandise/service purchased has been completely delivered.

NOTE: For MasterCard and Visa transactions, if delivery is more than twenty-five (25) days after the original transaction date (and the initial authorization request (as opposed to the ninety (90) days in Discover transactions), you should reauthorize the unprocessed portion of the transaction prior to delivery. If the transaction is declined, contact the Cardholder and request another form of payment. For example: On January 1, a Cardholder orders \$2,200 worth of furniture and you receive an authorization for the full amount; however, only a \$200 deposit is processed. The above procedures are followed, with a \$2,000 balance remaining on the furniture; the \$2,000 transaction balance should be reauthorized.

1.7. Recurring Transaction and Preauthorized Order Regulations.

If you process recurring transactions and charge a Cardholder's account periodically for recurring goods or services (e.g., monthly insurance premiums, yearly subscriptions, annual membership fees, etc.), the Cardholder shall complete and deliver to you a Cardholder approval for such goods or services to be charged to his account. The approval must at least specify the Cardholder's name, address, account number and expiration date, the transaction amounts, the timing or frequency of recurring charges and the duration of time for which the Cardholder's permission is granted. For Discover transactions, the approval must also include the total amount of recurring charges to be billed to the Cardholder's account, including taxes and tips and your Merchant Number.

If the recurring transaction is renewed, the Cardholder must complete and deliver to you a subsequent written request for the continuation of such goods or services to be charged to the Cardholder's account. You may not complete a recurring transaction after receiving a cancellation notice from the Cardholder or Issuer or after a request for authorization has been denied.

If we or you have terminated your Merchant Agreement, you may not submit authorization requests or sales data for recurring transactions that are due after the termination date of your Merchant Agreement.

You must obtain an authorization for each transaction and write "Recurring Transaction" (or "P.O." for MasterCard transactions) on the Sales Draft in lieu of the Cardholder's signature. A positive authorization response for one recurring transaction Card Sale is not a guarantee that any future recurring transaction authorization request will be approved or paid.

For all recurring transactions, you should submit the 3-digit Card Validation Code number with the first authorization request, but not subsequent authorization requests. Discover Association Rules specifically require that you follow this Card Validation Code procedure for Discover recurring transactions.

Also, for Discover recurring transactions, the Sales Draft must include a general description of the transaction, your merchant name and a toll-free customer service number that the Cardholder may call to obtain customer assistance from you or to cancel the written approval for the recurring transaction.

All Recurring Transactions or Preauthorized Orders may not include partial payments for goods or services purchased in a single transaction.

You may not impose a finance charge in connection with a Recurring Transaction or Preauthorized Order.

If you process recurring payment transactions, the Recurring Payment Indicator must be included in each authorization request. Penalties can be assessed by the Associations for failure to use the Recurring Payment Indicator.

1.8. Honoring Cards. The following rules are requirements strictly enforced by Visa, MasterCard and Discover:

- You cannot establish minimum or maximum amounts as a condition for accepting a Card, except that for Discover transactions, you may limit the maximum amount a Discover Cardholder may spend if, and only if, you have not received a positive authorization response from the Card Issuer.
- You cannot impose a surcharge or fee for accepting a Card.
- You cannot establish any special conditions for accepting a Card.
- You cannot establish procedures that discourage, favor or discriminate against the use of any particular Card. However, you may choose not to accept either U.S. issued Debit Cards or U.S. issued Credit Cards under the terms described in Section 1.9.
- You cannot require the Cardholder to supply any personal information (e.g., home or business phone number; home or business address; or driver's license number) unless instructed by the Authorization Center. The exception to this is for a mail/telephone/Internet order or delivery-required transaction, and zip code for a card-present key-entered transaction in order to obtain an Address Verification ("AVS"). Any information that is supplied by the Cardholder must be in plain view when mailed.
- Any tax required to be collected must be included in the total transaction amount and not collected in cash.

- You cannot submit any transaction representing the refinance or transfer of an existing Cardholder obligation deemed uncollectible.
- You cannot submit a transaction or sale that has been previously charged back.
- You must create a Sales or Credit Draft for each Card transaction and deliver at least one copy of the Sales or Credit Draft to the Cardholder.
- You cannot submit a transaction or sale to cover a dishonored check.
- If you accept Card checks, your Card check acceptance policy must treat the acceptance of checks from all payment card brands that you accept equally. (e.g., if you accept MasterCard, Visa and Discover, your check acceptance policy must treat checks for all three payment card brands equally). You should handle these Card checks like any other personal check drawn upon a bank in the United States.
- Failure to comply with any of the Association Rules may result in fines or penalties.

1.9. Card Acceptance. If you have indicated either in the Application or by registering with us at least thirty (30) days in advance that, as between Non-PIN Debit Card transactions and Credit Card transactions, you will limit your acceptance to either (i) only accept Non-PIN Debit transactions; or (ii) only accept Credit Card transactions, then the following terms in this Section 1.9 will apply:

1.9.1. You will be authorized to refuse to accept for payment either Non-PIN Debit Cards or Credit Cards that are issued within the United States. You will, however, continue to be obligated to accept all foreign issued Credit or Debit Cards issued by MasterCard, Visa or Discover so long as you accept any type of MasterCard Visa or Discover branded Card.

1.9.2. While many Debit Cards include markings indicating debit (such as "Visa Checkcard, Visa Buxx, Gift Card, DEBIT, or Mastermoney"), many Debit Cards do not include any such markings and will not have such markings until January 2007. It will be your responsibility to determine at the point of sale whether a Card is of a type that you have indicated that you will accept. You agree to institute appropriate systems and controls to limit your acceptance to the Card types indicated. You may purchase a table of ranges of numbers currently associated with Debit Card transactions upon execution of confidentiality/non-disclosure agreements required by the Associations. You will be responsible for updating your systems to utilize such tables and to obtain updated tables.

1.9.3. To the extent that you inadvertently or intentionally accept a transaction other than the type anticipated for your account, such transaction will downgrade to a higher cost interchange and you will be billed the difference in interchange (a Non-Qualified Interchange Fee), plus a Non-Qualified Surcharge (see your Agreement and the Glossary).

1.9.4. Based upon your choice to accept only the Card types indicated in the application, you must remove from your premises any existing signage indicating that you accept all Visa MasterCard or Discover Cards and use approved specific signage reflecting your policy of accepting only Non-PIN Debit or Credit Cards.

1.9.5. Even if you elect not to accept Non-PIN Debit Card transactions as provided above, you may still accept PIN Debit Card transactions if you have signed up for PIN Debit Card Services.

1.10. Deposits of Principals. Owners, partners, officers and employees of your business establishment, and the guarantors who signed the Application, are prohibited from submitting Sales Drafts or Credit Drafts transacted on their own personal Cards, other than transactions arising from bona fide purchases of goods or services in the ordinary course of your business. Such use in violation of this Section 1.10 is deemed a cash advance, and cash advances are prohibited.

1.11. Merchants in the Lodging Industry.

1.11.1. Generally. There are additional rules and requirements that apply to merchants in the lodging industry for practices including, but not limited to, Guaranteed Reservations and charges for no shows, advance deposits, overbookings, and priority checkout. If you are a merchant in the lodging industry, you must contact us for these additional rules and requirements. Failure to do so could result in additional charges or termination of your Merchant Agreement.

1.11.2. Lodging Service Programs. In the event you are a lodging merchant and wish to participate in Visa's and/or MasterCard's lodging

services programs, please contact your sales representative or relationship manager for details and the appropriate MasterCard and Visa requirements.

1.12. Customer Activated Terminals and Self-Service Terminals. Prior to conducting Customer Activated Terminal ("CAT") transactions or Self-Service Terminal transactions you must contact us for approval and further instructions, rules and requirements that apply to CAT and Self-Service Terminal transactions. Failure to do so could result in additional charges or termination of your Merchant Agreement.

1.13. Displays and Advertising. You must prominently display appropriate Visa, MasterCard, Discover and, if applicable, other Association decals and program marks at each of your locations, in catalogs, on websites and on other promotional materials as required by Association Rules. You may not indicate that Visa, MasterCard, Discover or any other Association endorses your goods or services.

Your right to use the program marks of either MasterCard, Visa or Discover terminates upon the earlier of (i) if and when your right to accept the Cards of the respective Association terminates (e.g., if your right to accept Discover Cards terminates, you are no longer permitted to use Discover program marks), (ii) delivery of notice by us or the respective Association to you of the termination of the right to use the program mark(s) for that Association, or (iii) termination of the license to use the program marks by the respective Association to us.

1.13.1. Discover Sublicense to Use Discover Program Marks. You are prohibited from using the Discover Program Marks, as defined below, other than as expressly authorized in writing by us. "Discover Program Marks" means the brands, emblems, trademarks and/or logos that identify Discover Cards. Additionally, you shall not use the Discover Program Marks other than as a part of the display of decals, signage, advertising and other forms depicting the Discover Program Marks that are provided to you by us or otherwise approved in advance in writing by us.

You may use the Discover Program Marks only to promote the services covered by the Discover Program Marks by using them on decals, indoor and outdoor signs, advertising materials and marketing materials; provided that all such uses by you must be approved in advance by us in writing.

You shall not use the Discover Program Marks in such a way that customers could believe that the products or services offered by you are sponsored or guaranteed by the owners of the Discover Program Marks. You recognize that you have no ownership rights in the Discover Program Marks. You shall not assign to any third party any of the rights to use the Program Marks.

1.14. Cash Payments by and Cash Disbursements to Cardholders. You must not accept any direct payments from Cardholders for charges of merchandise or services which have been included on a Sales Draft; it is the right of the Card Issuer to receive such payments. You may not make any cash disbursements or cash advances to a Cardholder as part of a Card transaction unless you are a financial institution with express authorization in writing in advance from Servicers.

1.15. Discover Cash Over Transactions. Cash Over transactions are not available for MasterCard or Visa transactions. You may issue Cash Over in connection with a Discover Card sale, provided that you comply with the provisions of these Operating Procedures including the following requirements:

- You must deliver to us a single authorization request for the aggregate total of the goods/services purchase amount and the Cash Over amount of the Card sale. You may not submit separate authorization requests for the purchase amount and the Cash Over amount.
- The Sales Draft must include both the purchase amount and the Cash Over amount, and you may not use separate Sales Drafts for the purchase amount and Cash Over amount.
- No minimum purchase is required for you to offer Cash Over to a Discover Cardholder, provided that some portion of the total Card sale must be attributable to the purchase of goods or services.
- The maximum amount of cash that you may issue as Cash Over is \$100.00.

(Cash Over may not be available in certain markets. Contact us for further information).

1.16. Telecommunication Transactions. Telecommunication Card Sales occur when a telephone service provider is paid directly using a Card for individual local or long-distance telephone calls. (**NOTE:** pre-paid telephone service cards are not and do not give rise to Telecommunication Card Sales). **Prior to conducting Telecommunication transactions you must contact us for approval and further instructions, rules and requirements. Failure to do so could result in additional charges or termination of your Merchant Agreement.**

2. SUSPECT TRANSACTIONS

If the appearance of the Card being presented or the behavior of the person presenting the Card is suspicious in nature, you must immediately call the Voice Authorization Center and ask to speak to a Code 10 operator. Answer all their questions and follow their instructions. While not proof that a transaction is fraudulent, the following are some suggestions to assist you in preventing fraudulent transactions that could result in a Chargeback:

Ask yourself, does the Customer:

- appear nervous/agitated/hurried?
- appear to be making indiscriminate purchases (e.g., does not care how much an item costs, the size, etc.)?
- make purchases substantially greater than your usual customer (e.g., your average transaction is \$60, but this transaction is for \$360)?
- insist on taking the merchandise immediately (e.g., no matter how difficult it is to handle, is not interested in free delivery, alterations, etc.)?
- appear to be purchasing an unusual amount of expensive items?
- take an unusual amount of time to sign the Sales Draft, or look at the back of the Card as he signs?
- talk fast or carry on a conversation to distract you from checking the signature?
- take the Card from a pocket instead of a wallet?
- repeatedly come back, in a short amount of time, to make additional purchases?
- cause an unusual, sudden increase in the number and average sales transactions over a one- to three-day period?
- tell you he has been having some problems with his Card Issuer and request that you call a number (that he provides) for a "special" handling or authorization?

Does the Card:

- have embossed characters the same size, height, style and all within alignment?
- appear to be re-embossed (the original numbers or letters may be detected on the back of the Card)?
- have a damaged hologram?
- have a Magnetic Stripe on the back on the Card?
- have an altered signature panel (e.g., appear discolored, glued or painted, or show erasure marks on the surface)?
- have "valid from" (effective) and "valid thru" (expiration) dates consistent with the sale date?

If you use an electronic terminal and swipe the Card, make sure the account number displayed on the terminal and/or the Sales Draft matches the embossed number on the Card. If you cannot or do not verify the account number and accept the sale, you are subject to a Chargeback and could be debited for the amount of the transaction. **IF THE NUMBERS DO NOT MATCH, DO NOT ACCEPT THE CARD AS A FORM OF PAYMENT, EVEN THOUGH AN AUTHORIZATION CODE FOR THE MAGNETICALLY SWIPED CARD NUMBER MAY BE RECEIVED.**

Fraud-Prone Merchandise Tips:

- Jewelry, video, stereo, computer and camera equipment, shoes and men's clothing are typically fraud-prone because they can easily be resold.
- Be suspicious of high dollar amounts and transactions with more than one fraud-prone item, e.g., two VCRs, three gold chains, etc.

If you suspect fraud:

- Call the Voice Authorization Center and ask to speak to a Code 10 operator.
- If the terminal does not display the Card number, call the POS Help Desk for terminal assistance.

Remember: An authorization code only indicates the availability of a Cardholder's credit at the time of the transaction. It does not warrant that the person presenting the Card is the rightful Cardholder. If proper procedures are not followed at the time of the transaction, you are subject to a Chargeback and your account may be debited for the amount of the transaction.

3. COMPLETION OF SALES AND CREDIT DRAFTS

You must prepare a Sales Draft or Credit Draft, as applicable, for each Card transaction and provide a transaction receipt or copy of the Draft to the Cardholder at the time the Card transaction is completed.

3.1. Information Required. All of the following information must be contained on a single page document constituting a Sales Draft:

- Cardholder's account number. The complete account number must appear on the merchant copy of a Sales or Credit Draft. On the Cardholder's copy of the Sales or Credit Draft, the Cardholder's account number **MUST** be masked so that only the last four digits appear, known as "PAN Truncation." You are responsible to determine if PAN Truncation is required in your jurisdiction. (Contact your state legislature to find out if truncation laws apply to your state.)
- Expiration date;
- Clear imprint of the Card. Whenever the term "imprint" is used it refers to the process of using a manual imprinting machine to make an impression of the Card on a Sales Draft; it does not include the printout from a printer attached to an electronic device. If you use an electronic device (e.g., authorization/draft capture terminal, cash register, POS Device, etc.) and swipe the Card to read and capture the Card information via the Magnetic Stripe, you do not have to imprint the Card. **HOWEVER, IF THE TERMINAL FAILS TO READ THE MAGNETIC STRIPE OR IF YOU ARE REQUIRED TO OBTAIN A VOICE AUTHORIZATION, THEN YOU MUST IMPRINT THE CARD. IN ADDITION, THE SALES DRAFT MUST HAVE THE CARDHOLDER'S SIGNATURE. FAILURE TO FOLLOW THESE PROCEDURES WILL PREVENT YOU FROM DEFENDING A TRANSACTION IN THE EVENT THAT IT IS CHARGED BACK UNDER A CLAIM THAT THE RIGHTFUL CARDHOLDER DID NOT AUTHORIZE THE PURCHASE. ENTERING INFORMATION INTO A TERMINAL MANUALLY WILL NOT PREVENT THIS TYPE OF CHARGEBACK. FOR MAIL, TELEPHONE, INTERNET AND OTHER CARD NOT PRESENT ORDERS SEE SECTION 3.2;**
- Cardholder's signature. However, eligible merchants participating in MasterCard's Quick Payment Service Program, Visa's Small Ticket, MasterCard's Small Ticket, and/or certain Discover transactions (see note below) are not required to obtain the Cardholder's signature under certain conditions set forth by each program;
- Date of the transaction;
- Amount of the transaction (including the approved currency of the sale);
- Description of the goods and/or services involved in the transaction (if there are too many items, combine them into one description; e.g., "clothing" instead of "one pair of pants, one shirt"). Do not carry information onto a second Sales Draft;
- A valid authorization code; and
- Merchant's Doing Business As ("D/B/A") name and location (city and state required) and Merchant Account Number.

When imprinting Sales Drafts, do not alter the Cardholder account number, circle or underline any information on the Sales Draft or alter a Sales Draft in any way after the transaction has been completed and signed. Stray marks and other alterations on a Sales Draft may render it electronically unscannable, unreadable or illegible. This may result in a Chargeback or Summary Adjustment to your account.

For Discover sales using a paper Sales Draft (as opposed to Electronic Draft Capture), the paper sales draft must also contain the initials of your representative or employee that conducted the transaction. For Discover Credits, the Credit Draft must contain the signature of your authorized representative or employee that conducted the transaction.

Eligible merchants participating in Quick Payment Service and/or Small Ticket are only required to provide the Cardholder with the completed Sales Draft when requested by the Cardholder.

NOTE: For Discover transactions, if you are a merchant operating under certain merchant category codes approved by Discover, you are not required to obtain the Cardholder's signature so long as the full track data is transmitted in the authorization request and the sale amount is \$25.00 or less.

3.2. Mail/Telephone/Internet (Ecommerce) Orders and Other Card Not Present Sales. You may only engage in mail/telephone/Internet orders provided they do not exceed the percentage of your total payment Card volume reflected on your application. Failure to adhere to this requirement may result in cancellation of your Agreement. Merchants conducting Internet transactions using MasterCard or Visa Cards must have special codes (an "Electronic Commerce Indicator") added to their authorization and settlement records. Discover does not use an Electronic Commerce Indicator. Failure to register as a merchant conducting Internet transactions can result in fines imposed by the Associations.

Mail, Telephone, Internet and other Card Not Present transactions have a substantially higher risk of Chargeback. Since you will not have an imprinted or magnetically swiped transaction and you will not have the Cardholder's signature on the Sales Draft as you would in a face-to-face transaction, you will assume all risk associated with accepting a mail/telephone/Internet or other Card Not Present transaction. The following procedures, while they will not eliminate Chargebacks, are useful in reducing them and should be followed by you:

- Obtain the expiration date of Card.
- On the Sales Draft, clearly print the Cardholder's account number; effective and expiration dates; date of transaction; description of the goods and services; amount of the transaction (including shipping, handling, insurance, etc.); Cardholder's name, billing address and shipping address; authorization code; and merchant's name and address (city and state required).
- For mail orders, write "MO"; for telephone orders, write "TO" on the Cardholder's signature line.
- If feasible, obtain and keep a copy of the Cardholder's signature on file on a form authorizing you to submit telephone and mail order transactions.
- You should utilize the Address Verification Service for all Card Not Present Transactions (see note below). Address Verification is specifically required for all Discover Card Not Present Transactions, and **if you do not receive a positive match through AVS, you may not process the Discover Card Not Present Transaction. If you do not have AVS, contact us immediately.**
- You should obtain the 3-digit Card Validation Code number and include it with each authorization request. Discover Association Rules specifically require that you submit the Card Validation Code with the authorization request for all Discover Card Not Present Transactions.
- For telephone orders, it is recommended that written verification of the sale be requested from the Cardholder (sent by mail or fax).
- You may not submit a transaction for processing until after the merchandise has been shipped or the service has been provided to the customer. (Visa will permit the immediate billing of merchandise manufactured to the customer's specifications [i.e., special/custom orders] provided the Cardholder has been advised of the billing details.)
- You should provide a copy of the Sales Draft to the Cardholder at the time of delivery. You must also obtain proof of delivery of the goods or services to the address designated by the Cardholder (i.e., by getting a signature of the Cardholder or person designated by the Cardholder through the delivery carrier). If the Cardholder visits one of your locations to receive the goods or services purchased, obtain an imprint of the card and the Cardholder's signature.
- Notify the Cardholder of delivery time frames, and special handling and/or cancellation policies. Merchandise shipping dates must be within seven (7) days of the date authorization was obtained. If, after the order has been taken, additional delays will be incurred (e.g., out of stock), notify the Cardholder and reauthorize the transaction.
- You may not require a Cardholder to complete a postcard or other document that displays the Cardholder's account number in clear view when mailed.

- If you accept orders via the Internet, your web site must include the following information in a prominent manner:
 - Complete description of the goods or services offered;
 - Merchandise return and refund policy;
 - Customer service contact, including email address and/or telephone number;
 - Transaction currency (U.S. dollars, unless permission is otherwise received from Servicers);
 - Any applicable export or legal restrictions;
 - Delivery policy;
 - Consumer data privacy policy;
 - A description of the transaction security used on your website; and
 - The sale or disclosure of databases containing Cardholder account numbers, personal information, or other Card transaction information to third parties is prohibited.
- You may not accept Card Account Numbers through Electronic Mail over the Internet.

NOTE: Address Verification Service ("AVS") does not guarantee against Chargebacks, but used properly, it assists you in reducing the risk of fraud by confirming whether certain elements of the billing address provided by your customer match the billing address maintained by the Issuer. AVS also may help you avoid incurring additional interchange expenses. AVS is a separate process from obtaining an authorization and will provide a separate response. A transaction may not match addresses when submitted for AVS and still receive an authorization. It is your responsibility to monitor the AVS responses and use the information provided to avoid high-risk transactions.

3.2.1. Discover Protocol for Internet Transactions. Each Internet Discover Card transaction accepted by you and submitted to us shall comply with Discover standards, including, without limitation, Discover standards governing the formatting, transmission and encryption of data, referred to as the "designated protocol." You shall accept only those Internet Discover Card transactions that are encrypted in accordance with the designated protocol. As of the date of these Operating Procedures, the designated protocol for the encryption of data is Secure Socket Layer (SSL). We may, at our discretion, withhold Settlement until security standards can be verified. However, the designated protocol, including any specifications with respect to data encryption, may change at any time upon thirty (30) days advance written notice. You shall not accept any Internet Discover Card transaction unless the transaction is sent by means of a browser which supports the designated protocol.

3.3. Customer Service Telephone Numbers for Card types which are funded by individual non-bank Associations include:

American Express/Optima	1-800-528-5200
JCB, International	1-800-366-4522
TeleCheck	1-800-366-1054
Voyager	1-800-987-6591

4. DATA SECURITY

THE FOLLOWING IS IMPORTANT INFORMATION REGARDING THE PROTECTION OF CARDHOLDER DATA. PLEASE REVIEW CAREFULLY AS FAILURE TO COMPLY CAN RESULT IN SUBSTANTIAL FINES AND LIABILITIES FOR UNAUTHORIZED DISCLOSURE AND TERMINATION OF THIS AGREEMENT.

4.1. Payment Card Industry (PCI) Data Security. Visa, MasterCard, American Express, Discover and JCB aligned data security requirements to create a global standard for the protection of Cardholder data. The resulting PCI Data Security Standard defines the requirements with which all entities that store, process, or transmit payment card data must comply. PCI is the name used to identify those common data security requirements. The Cardholder Information Security Program (CISP) is Visa USA's data security program, the Site Data Protection (SDP) program is MasterCard's data security program and Discover Information Security and Compliance (DISC) is Discover's data security program, each based on the PCI Data Security Standard and industry aligned validation requirements. PCI enables Acquirers, Issuers and

merchants to implement a single security program, based on common security requirements, validation requirements, and tools, to ensure the protection of Cardholder data. PCI compliance validation is focused on any system(s) or system component(s) where Cardholder data is retained, stored, or transmitted, including:

- All external connections into your network (i.e., employee remote access, third party access for processing, and maintenance);
- All connections to and from the authorization and settlement environment (i.e., connections for employee access or for devices such as firewalls, and routers); and
- Any data repository outside of the authorization and settlement environment.

The Associations or we may impose fines or penalties, or restrict you from accepting Cards if it is determined that you are not compliant with the applicable data security requirements. We may in our sole discretion, suspend or terminate Card processing services under your Merchant Agreement for any actual or suspected data security compromise.

The PCI Data Security Standard and detailed information including the PCI Self-Assessment Questionnaire which you should complete, can be found at the PCI Data Security Counsel's website:
www.pcisecuritystandards.org

Detailed information about Visa's CISP program can be found at Visa's CISP website:
www.visa.com/cisp

Detailed information about MasterCard's SDP program can be found at the MasterCard SDP website:
<https://sdp.mastercardintl.com>

The PCI Data Security Standard and information about DISC can be found at Discover's DISC website:
http://www.discovernetwork.com/resources/data/data_security_overview.html

4.2. You must comply with the data security requirements shown below:

- You must install and maintain a secure network firewall to protect data across public networks.
- You must encrypt stored data and data sent across networks.
- You must use and regularly update anti-virus software and keep security patches up-to-date.
- You must restrict access to data by business "need to know," assign a unique ID to each person with computer access to data and track access to data by unique ID.
- Don't use vendor-supplied defaults for system passwords and other security parameters.
- You must regularly test security systems and processes.
- You must maintain a policy that addresses information security for employees and contractors.
- You must restrict physical access to Cardholder information.
- You may not transmit Cardholder account numbers to Cardholders for Internet transactions.
- You cannot store or retain Card Validation Codes (three-digit values printed in the signature panel of most Cards, and a four-digit code printed on the front of an American Express Card).
- You cannot store or retain Magnetic Stripe data, PIN data or AVS data. Only Cardholder account number, Cardholder Name and Cardholder expiration date can be retained subsequent to transaction authorization.
- You must destroy or purge all Media containing obsolete transaction data with Cardholder information.
- You must keep all systems and Media containing Card account, Cardholder, or transaction information (whether physical or electronic) in a secure manner so as to prevent access by, or disclosure to any unauthorized party.
- For Internet transactions, copies of the transaction records may be delivered to Cardholders in either electronic or paper format.

- 4.3. You may be subject to and we retain the right to conduct an audit performed by us or a third party designated by us to verify your compliance with security procedures and these Operating Procedures.
- 4.4. In the event that transaction data is accessed or retrieved by any unauthorized person or entity, contact us immediately and in no event more than 24 hours after becoming aware of (i) any suspected or actual data security breach and (ii) any noncompliance by you with the security requirements.
- 4.5. You must, at your own expense (i) perform or cause to be performed an independent investigation (including a forensics analysis) of any data security breach of Card or transaction data, (ii) perform or cause to be performed any remedial actions recommended by any such investigation, and (iii) cooperate with us in the investigation and resolution of any security breach.
- 4.6. **Required Information for Discover Security Breaches.** For security breaches involving Discover transactions and/or data, you must provide us and/or Discover with the following information: (i) the date of breach; (ii) details concerning the data compromised (e.g., account numbers and expiration dates, Cardholder names and addresses, etc.); (iii) the method of such breach; (iv) your security personnel contacts; (v) the name of any person (including law enforcement) assisting you with your investigation of such breach; and (vi) any other information which we reasonably request from you concerning such breach, including forensics reports. You shall provide such information as soon as practicable, and the items listed in (i)-(v) shall be provided to us in any event within 48 hours of your initial notification to us of the breach.
- 4.7. **Third Parties.** The data security standards set forth above also apply to any agent or third party provider that you may use to store, process or transmit Cardholder data. In addition, such agents or third party providers must be registered with the applicable Association. Therefore, you must:

- Notify us in writing of any agent or third party processor that engages in, or proposes to engage in, the storing, processing or transmitting of Cardholder data on your behalf, regardless of the manner or duration of such activities.
- Ensure that all such agents or third party processors are (i) registered with the applicable payment card brands; and (ii) comply with all applicable data security standards, including, without limitation, the PCI Data Security Standard.

You are solely responsible for the compliance of any and all third parties that are given access by you, to Cardholder data, and for any third party software that you may use.

5. AUTHORIZATIONS

Each authorization request you submit to us must fully comply with the applicable provisions of this Agreement. Submission of an authorization request that does not fully comply may result in assessment of additional fees to you, a declined authorization response or a Chargeback to you.

You must obtain an Authorization Approval Code from us (or as provided in Section 5.4) for all transactions. A positive authorization response for MasterCard and Visa transactions remains valid for thirty (30) days. A positive authorization response for Discover transactions remains valid for ninety (90) days.

Failure to obtain an Authorization Approval Code for a sales transaction may result in a Chargeback and/or the termination of your Agreement. Authorization Approval Codes can be obtained through your POS Terminal or a Voice Response Unit ("VRU"). Any fees related to authorizations will be charged for a request for an Authorization Approval Code, whether or not the transaction is approved.

Do not attempt to obtain an Authorization Approval Code provided by someone other than us except as described in Section 5.4. If a Cardholder or another service provider provides you with either an authorization number or with a telephone number for obtaining authorizations, the Authorization Approval Code you receive may not be valid. Even if the transaction is initially processed and funded, it may be charged back at a later date. Also, if you receive a purported Authorization Approval Code from someone other than us, we will not have the supporting records and will be unable to verify that you received the authorization if that is later questioned in a Chargeback.

An Authorization Approval Code only indicates the availability of credit on an account at the time the authorization is requested. It does not warrant that the person presenting the Card is the rightful Cardholder, nor is it a promise or guarantee that you will not be subject to a Chargeback.

If you obtain Address Verification, you must review the AVS response separately from the authorization response and make your own decision about whether to accept the transaction. A transaction can receive an Authorization Approval Code from the Card Issuer even if AVS is unavailable or reflects that the address provided to you does not match the billing address on file at the Issuer. If the authorized Cardholder disputes such a transaction, you will be responsible for the resulting Chargeback.

If you receive a Referral response to an attempted authorization, you may not submit the transaction without calling for and receiving a voice authorization. After receiving a Referral response you may not attempt another authorization on the same Card through your POS Terminal.

If you fail to obtain an Authorization Approval Code or if you submit a Card transaction after receiving a decline (even if a subsequent authorization attempt results in an Authorization Approval Code), your transaction may be assessed fines or fees by the Associations for which you will be responsible. These currently range from \$25 to \$150 per transaction. To avoid these costs, always obtain an Authorization Approval Code directly from your terminal before submitting a transaction for settlement.

For Cards other than MasterCard, Visa and Discover (e.g., American Express, JCB, etc.) or for check acceptance, you must follow the procedures for authorization and acceptance for each.

You may not attempt to obtain multiple authorizations for a single transaction. If a sale is declined, do not take alternative measures with the same Card to obtain an approval of the sale from other authorization sources. Instead, request another form of payment. If you accept and process a transaction that was declined, or attempt multi-transactions and/or multi-authorizations, you are subject to a Chargeback, Association fines and/or cancellation of your Agreement.

5.1. Card Not Present Transactions. You must obtain the 3-digit Card Validation Code (CVV2, CVC2, CID) and submit this Code with all authorization requests with respect to transactions where the Card is not present (e.g., telephone, mail or internet sales). However, for recurring transaction authorizations you should submit the Card Validation Code with the first authorization request only, and not with subsequent recurring transaction authorization requests. (See Section 1.7.) **NOTE: For each Card Not Present Discover transaction, you must also verify the name and billing address of the Discover Cardholder using the Address Verification System (AVS), and if you do not receive a positive match, do not process the Discover Card Not Present transaction.**

5.2. Authorization via Telephone (Other Than Terminal/Electronic Device Users).

- Call your designated voice authorization toll free number and enter the authorization information into the VRU using a touch tone phone or hold for an authorization representative.
- If advised to pick up a Card, use reasonable and peaceful means to do so, and do not take any action that will alarm or embarrass the Card presenter. You will bear all responsibility for claims, liabilities, costs and expenses as a result of any action by you, your employees, vendors or agents, that attempt to retain a Card without the Issuer's direct request or failure to use reasonable, lawful means in retaining or attempting to retain the Card. Forward the Card to: Attn: Rewards Department, P.O. Box 5019, Hagerstown, MD 21740. You may be paid a reward for the return of the Card.
- On occasion, the Authorization Center will ask you to obtain identification from the Cardholder before issuing an approval code. If you are instructed to do so, clearly write the appropriate identification source and numbers in the space provided on the Sales Draft unless otherwise prohibited by law.
- If the sale is declined, please remember that our operators are only relaying a message from the Card Issuer. The fact that a sale has been declined should not be interpreted as a reflection of the Cardholder's creditworthiness. The Cardholder should be instructed to call the Card Issuer.

5.3. Authorization via Electronic Devices.

- If you use an electronic terminal to obtain an Authorization Approval Code, all sales should be authorized through this equipment. Authorizations through other methods will result in additional charges to you.

- If your terminal malfunctions, refer to your Quick Reference Guide, if necessary, or call the POS Help Desk. The problem will either be corrected promptly or may require terminal programming or replacement. During the period in which your terminal is not functioning, remember to check it periodically since most terminal problems are temporary in nature and are quickly corrected.
- If a terminal is moved or if wires are disconnected, causing malfunction, call the POS Help Desk immediately and follow their instructions. You may be responsible for any service charges incurred for reactivation of the terminal.
- Until the terminal becomes operable, you must call your designated voice authorization toll free number and enter authorization information into the VRU using a touchtone phone. During this time, each transaction must be imprinted using a manual Imprinter machine. Failure to obtain an Authorization Approval Code and to imprint these transactions could result in a Chargeback to your account.

5.4. Third Party Authorization System. If you have contracted with another authorization network to obtain Credit Card authorization, i.e., your terminal can Split Dial, liability resulting from discrepancies with that network must be resolved between you and that network. We will not research Chargebacks resulting from Authorization Approval Codes obtained from another authorization service organization. Such Chargebacks will be passed through to you for resolution. If an authorization provided by a third party authorization system is challenged in a Chargeback, you must obtain proof (e.g., third party authorization logs) from the authorization source and submit it to us within the time frame specified on the Chargeback documentation.

IF YOU CONTRACTED TO USE ONE OF OUR AUTHORIZATION SERVICES, DO NOT USE ANOTHER THIRD PARTY SYSTEM WITHOUT NOTIFYING CUSTOMER SERVICE. OTHERWISE, WE WILL BE UNABLE TO SUCCESSFULLY RESEARCH AND DEFEND ANY AUTHORIZATION RELATED CHARGEBACKS ON YOUR BEHALF. THIS DELAY WILL SIGNIFICANTLY DECREASE YOUR TIME TO RESEARCH AND PROVIDE PROOF OF AUTHORIZATION, THUS REDUCING YOUR OPPORTUNITY TO REVERSE A CHARGEBACK.

If you utilize another authorization network, you will be responsible for the downgrade of any transactions to a higher cost interchange that result from a mismatch of information to our systems and those of third party authorization networks (see your Agreement).

If you use a third party authorization network, you must also comply with Section 4.7.

Call the following for other Card types:

American Express/Optima	1-800-528-2121
JCB, International	1-800-522-8788
TeleCheck	1-800-366-5010
Voyager	1-800-987-6589
PNC POS Help Desk	1-800-501-8748

Available 24 hours/day; 7 days/week.

All approved sales authorized in this manner must be entered manually as "post authorization" transactions into the terminal, once the terminal becomes operational. All Credit transactions must be entered into the terminal for data capture. You may be subject to a Chargeback if you receive a Referral and subsequently receive an approval. To reduce the risk of such a Chargeback, the Card should be imprinted using a manual Imprinter machine. (For specific procedures on Electronic Data Capture, refer to the Terminal Operating Instructions/Users Guide.) If the terminal malfunctions for more than twenty-four (24) hours, contact Customer Service for further instructions on processing your transactions.

5.5. Automated Dispensing Machines. Records must be produced for all transactions whose origin and data capture use automated dispensing machines or limited amount terminals. Records should include the Cardholder account number, merchant's name, terminal location, transaction date and amount.

5.6. Pre-Authorization for T&E (Travel & Entertainment) and Restaurant Merchants. If you are a business engaged in providing travel and/or entertainment services (e.g., car rentals, hotels, motels, etc.) or a restaurant business, and engage in the practice of "pre-authorization" you must comply with the following general procedures:

- A hotel, motel, or car rental merchant may obtain an estimated Visa, MasterCard or Discover authorization at the time of check-in. A restaurant may obtain a pre-authorization for an amount which would include anticipated gratuities.
- You must notify the Cardholder of the dollar amount you intend to "Pre-Authorize."
- If the customer decides to use another form of payment (e.g., cash, check, etc.) you must promptly call the Voice Authorization Response Unit to delete the authorization hold. Provide the Cardholder's account number, original dollar amount and date of the transaction, and the authorization code. If a new transaction takes place, a new imprinted and signed Sales Draft for the exact amount and a new authorization code for that amount must be obtained.
- **VEHICLE RENTAL PROVIDERS MAY NOT INCLUDE POTENTIAL VEHICLE DAMAGE OR INSURANCE DEDUCTIBLES IN ANY PREAUTHORIZATIONS.**

For MasterCard and Visa:

- If you receive a decline on a transaction, you must wait twenty-four (24) hours before attempting to reauthorize. If you reauthorize prior to this time frame and receive an approval, you may be subject to a Chargeback and a fine imposed by the Associations.
- If the final amount charged to the Cardholder exceeds the original estimate by more than 15% above the preauthorization, you must authorize any additional amounts, and all incremental authorization codes must be written in the authorization area along with the date of authorization and the amount authorized.
- Restaurants are allowed up to a 20% (instead of 15%) variance above the amount authorized. If the final amount exceeds the amount "pre-authorized" by more than 20%, you must authorize the additional amount.

For Discover:

- You should obtain an authorization for the initial estimated charges and then monitor the charges to ensure that the actual charges made do not exceed the estimated charges. If the actual charges exceed the amount of the initial estimated authorization (and any subsequent estimated authorizations), then you must secure a positive authorization for the additional amount. **NOTE:** subsequent authorizations should only be for the additional amount of total charges and not include amounts already authorized.
- The estimated amount of any pre-authorization for lodging accommodations must be based on (i) the intended length of stay; (ii) the room rate; (iii) applicable taxes and service charges; and (iv) other miscellaneous charges as dictated by experience.
- If an authorization request is declined, no charges occurring after that date will be accepted for that Cardholder.
- You do not need to obtain a final authorization if the total sum of charges (the final amount) does not exceed 120% of the previously authorized charges. You must record the dates, authorized amounts, and their respective Authorization Approval Codes on the Sales Draft(s).

- 5.7. Discover Procedure for Request for Cancellation of Authorization.** If a Discover Card sale is cancelled or the amount of the transaction changes following your receipt of authorization for the sale, you must call your authorization center directly and request a cancellation of the authorization. An authorization may be cancelled at any time within eight (8) days of your receipt of the authorization, but must be cancelled before the sales data relating to the transaction is submitted to us, after which the authorization cannot be changed. For an authorization cancellation, you must provide us with the following information, in this order:
- The Discover Merchant Number used in the authorization;
 - The Card number;
 - The original amount of the authorization being cancelled;
 - The new amount of the total transaction (if any);
 - The original authorization code for the authorization being cancelled;
 - The expiration date of the Card; and
 - A brief reason for the authorization cancellation.

6. SUBMISSION/DEPOSIT OF SALES AND CREDIT DRAFTS

- 6.1. Submission of Sales for Merchants Other Than Your Business.** You may present for payment only valid charges that arise from a transaction between a bona fide Cardholder and your establishment. If you deposit or attempt to deposit transactions that arise from sales between Cardholders and a different business than the one approved by us in our Agreement with you, then the transaction may be charged back, we may suspend or debit funds associated with all such transactions, and we may immediately terminate your account and the Agreement.
- 6.1.1. Factoring.** For Discover transactions, Factoring is considered merchant fraud and strictly prohibited, unless you are registered with us. Factoring is the submission of authorization requests and/or Sales Drafts by a merchant for Card transactions transacted by another business. If you submit Sales Drafts on behalf of another Person, you will suffer any losses associated with the disputes of the Discover Card Sales. Also if any fraud is involved, you could face criminal prosecution.
- 6.2. Timeliness.** In order to qualify for the lowest interchange Discount Rate, all Sales and Credit Drafts must be properly completed and submitted daily. If you have not received payment for submitted Sales Drafts after one (1) week from your normal payment date, contact Customer Service. **Late Submission of Sales or Credit Drafts may result in increased interchange rates or fees or in a Chargeback to you.**
- 6.3. Mail/Branch Deposit Procedures.** Complete the appropriate summary form designated for your use. Imprint the completed summary with your Merchant Identification Card, if applicable, and sign it. Please do not staple or clip Sales Drafts together or to summary forms. This will distort the Cardholder's account number and may result in a summary adjustment or Chargeback to you. Mail your deposits daily to us, or, if your Agreement allows deposit at a local bank branch, you must make daily deposits.
- Do not send us the merchant copies (which are for your records); submit only the Bank hard copies of the transactions. If merchant copies are submitted, they will be returned to you unprocessed.
- 6.4. Electronic Merchants: Daily Batching Requirements & Media Submission.** Batches must be transmitted to us by the time indicated on the Additional Important Information page in the Agreement in order to be processed on the date of transmission. Additionally, if you deposit via magnetic tape, electronic transmissions, or Electronic Data Capture terminal, and have contracted to send the actual Sales and Credit Drafts to us for microfilming and retrieval, the Sales and Credit Drafts (Media) must be batched daily by register/terminal following the procedures below. Failure to do so may result in a processing fee and/or a Chargeback due to our inability to retrieve the Media as requested by the Card Issuer.
- A register/terminal Batch header form must be filled out for each Batch of Media.
 - The Batch header must be imprinted with your Merchant Identification Card, and all areas completed properly (i.e., Batch number, date, amount, number of items, etc.).
 - The Batch/deposit total must match to the settled/reconciled amount displayed on the terminal upon closing the Batch.
 - Any discrepancies between the actual Media and electronic display must be reconciled and corrected before storing the Media (for merchants who contract to hold their Media) or before sending us the copies of the deposit. Otherwise, transactions may appear to be a new Submission and may be manually keyed (causing duplicate billing to Cardholders and resulting in Chargebacks) or we may not be able to retrieve an item when requested by the Card Issuer.
 - It is your responsibility to ensure that the actual Media is batched correctly and, depending on the terms of your Agreement, either stored at your location or sent to Processor. (In some cases, the actual Media is sent daily to your head office, and forwarded to Processor for microfilming.)
 - **You must confirm that your equipment has transmitted its Batches to us at least once daily.** Even if your equipment is designed or programmed to close and submit Batches without your intervention, it is ultimately your responsibility to confirm that the Batches have been transmitted to us for processing.

7. SETTLEMENT

Your funds for MasterCard/Visa/Discover transactions will be processed and transferred to your financial institution within two (2) business days from the time a batch is received by Processor if your financial institution is the Bank. If your financial institution is not the Bank, your MasterCard/Visa/Discover transactions will be processed via the Federal Reserve or ACH within two (2) business days from the time a batch is received by Processor. The Federal Reserve will transfer such amounts to your financial institution.

8. REFUNDS/EXCHANGES (CREDITS)

8.1. Refunds.

- You must promptly complete and submit a Credit Draft for the total amount of the refund, which must include the following information:
 - The account number and expiration date;
 - The Cardholder's name;
 - Your name, city, state and Merchant Account Number;
 - A description of the goods or services;
 - The transaction date of the Credit;
 - The total amount of the Credit; and
 - For Discover transactions, the approved currency used and the signature of your authorized representative or employee.
- Full refunds must be for the exact dollar amount of the original transaction including tax, handling charges, etc. (You must identify the shipping and handling charges incurred.) The refund amount may not be for more than the original Credit Card sale amount.
- All dollar amounts and other handwritten information must be clearly written. (Stray marks on the Credit Draft will render it unscannable/illegible.)
- Do not circle or underline any information on the Credit Draft.
- Imprint the draft with the same Card used by the Cardholder to make the original purchase. You should not credit an account that differs from the account used for the original transaction.
- Never give cash, check or in-store Credit refunds for Credit Card sales.
- Have the Cardholder sign the Credit Draft, give the Cardholder the appropriate copy, and deposit the Credit Draft immediately. Failure to process a Credit within five (5) calendar days may result in a Chargeback.
- Authorization is not required for refunds.
- You cannot intentionally submit a sale and an offsetting Credit at a later date solely for the purpose of debiting and crediting your own or a customer's account.
- You are responsible for paying all refunds submitted to us on your merchant account. We assume no responsibility for verifying any Credits or refunds.
- **YOU ARE RESPONSIBLE TO SECURE YOUR TERMINALS AND TO INSTITUTE APPROPRIATE CONTROLS TO PREVENT EMPLOYEES OR OTHERS FROM SUBMITTING REFUNDS THAT DO NOT REFLECT BONA FIDE RETURNS OR REIMBURSEMENTS OF PRIOR TRANSACTIONS.**

8.2. Exchanges.

- No additional paperwork is necessary for an even exchange. Just follow your standard company policy.
- For an uneven exchange, complete a Credit Draft (follow the procedures outlined in Section 8.1) for the total amount of only the merchandise returned. The Cardholder's account will be credited for that amount. Then, complete a new Sales Draft for the total amount of any new merchandise purchased.

9. RETENTION OF RECORDS FOR RETRIEVALS AND CHARGEBACKS

9.1. Retain Legible Copies.

For MasterCard and Visa: You must retain legible copies of all Sales and Credit Drafts or any other transaction records for a period of eighteen (18) months from the date of each transaction.

For Discover: You must retain legible copies of all Sales and Credit Drafts or any other transaction records for the longer of (i) 365 days or (ii) the resolution of any pending or threatened disputes, claims, disagreements or litigation involving the Card transaction. You must also keep microfilm or other copies of Sales Drafts for no less than three (3) years from the date of the Discover transaction.

9.2. Provide Sales and Credit Drafts. You must provide all Sales and Credit Drafts or other transaction records requested by us within the shortest time limits established by Association Rules. You are responsible for any deficiencies in Card transaction data transmitted or otherwise delivered to us.

9.3. Ensure Proper Retrieval Fulfillment. To ensure proper Retrieval fulfillments and/or Chargeback processing, Sales and Credit Drafts must contain the full sixteen (16) digit account number and expiration date. Failure to retain this information could result in a future Chargeback to your account.

10. CHARGEBACKS AND OTHER DEBITS

10.1. Chargebacks.

10.1.1. Generally. Both the Cardholder and the Card Issuer have the right to question or dispute a transaction. If such questions or disputes are not resolved, a Chargeback may occur. A Chargeback is a Card transaction that is returned to us by the Card Issuer. As a result, we will debit your Settlement Account or settlement funds for the amount of the Chargeback. It is strongly recommended that, whenever possible, you contact the Cardholder directly to resolve a disputed transaction or Chargeback, **unless** the dispute involves a Discover Cardholder, in which case Discover rules and regulations expressly prohibit you from contacting the Discover Cardholder regarding the dispute. You are responsible for all Chargebacks and related costs arising from your transactions.

10.1.2. Transaction Documentation Requests. In some cases, before a Chargeback is initiated, the Card Issuer will request a copy of the Sales Draft, via a request for transaction documentation. We will forward the request to you. **You must respond to the request within the time frame and manner set forth in the request. We will then forward your response to the Card Issuer. If you fail to timely respond, we will so notify the Card Issuer and a Chargeback may result.** Upon receipt of a transaction documentation request, immediately retrieve the requested Sales Draft(s) using the following guidelines:

- Make a legible copy, centered on 8.5 x 11-inch paper (only one (1) Sales Draft per page).
- Write the 'case number' from the request for transaction documentation on each copy/page.
- If applicable, make copies of a hotel folio, car rental agreement, mail/phone/internet order form, or other form of receipt.
- If a Credit transaction has been processed, a copy of the Credit Draft is also required.
- Letters are not acceptable substitutes for Sales Drafts.
- Fax or mail legible copies of the Sales Draft(s) to the fax number or mail address provided on the request form.
- If you fax your response, please set your fax machine to print your fax number and name on the documents that you send. We can use this information to help know immediately where the documentation received originated from and to know whom to contact in the event the transmission is not clear or complete.
- Additionally, please set the scan resolution on your fax machine to the highest setting. The higher resolution setting improves the clarity of characters and graphics on the Sales Drafts transmitted and helps reduce the number of illegible fulfillments and/or Chargebacks.

If we do not receive a clear, legible and complete copy of the Sales Draft within the timeframe specified on the request, you may be subject to a Chargeback.

A handling fee may be charged by the Issuer and will be debited from your Settlement Account or settlement funds if, a transaction documentation request results from a difference in the following information on the Sales Draft and the transmitted record: merchant name or an incorrect city, state, foreign country and/or transaction date.

You need to respond to all transaction documentation requests within the specified timeframe indicated on the request, or you may be without recourse for a Chargeback. You must respond to all requests related to fraud investigations. Subsequent Chargebacks for "non receipt of requested item relating to a transaction for fraud request" cannot be contested or represented.

10.1.3. Chargeback Process. Regardless of whether you respond to a transaction documentation request, a Chargeback may be debited to your Settlement Account for numerous reasons (see below). If the Card Issuer submits a Chargeback, we will send you a Chargeback notification, which may also include a request for transaction documentation. **Due to the short time requirements imposed by MasterCard, Visa and Discover, it is extremely important that you respond to a Chargeback notification and transaction documentation request within the time frame set forth in the notification.** Do not process a Credit transaction once a Chargeback is received; the Card Issuer will credit the Cardholder's account (unless the Chargeback is reversed).

If the information you provide is both timely and, in our sole discretion, sufficient to warrant a representation of the transaction and/or reversal of the Chargeback, we will do so on your behalf. However, representation and/or reversal is ultimately contingent upon the Card Issuer and/or Cardholder accepting the transaction under applicable Association guidelines. Representation or reversal is not a guarantee that the Chargeback has been resolved in your favor.

For Visa Chargebacks: If we reverse the Chargeback and represent the transaction to the Card Issuer, the Card Issuer, at its sole discretion, may elect to submit the matter for arbitration before Visa. Visa charges a \$150 filing fee and a \$250 review fee. If a decision is made in favor of the Cardholder and/or Card Issuer, and the Chargeback is upheld, you will be responsible for all such fees and any other applicable fees and penalties imposed by Visa; such fees and penalties will be debited from your Settlement Account or settlement funds, in addition to the Chargeback.

For MasterCard Chargebacks: If MasterCard refuses to accept our representation, it may resubmit the Chargeback. In such event, at the discretion of Processor, we will debit your Settlement Account or settlement funds for the Chargeback. However, if you feel strongly that it is an invalid Chargeback, we may, on your behalf and at your request, submit the matter for arbitration before MasterCard. MasterCard charges a \$150 filing fee and a \$250 review fee. If a decision is made in favor of the Cardholder and/or Card Issuer, and the Chargeback is upheld, you will be responsible for all such fees and any other penalties imposed by MasterCard; such fees and penalties will be debited from your Settlement Account or settlement funds, in addition to the Chargeback.

For Discover Chargebacks: If Discover rejects our representation request and you feel strongly that the Chargeback is invalid, we may, at the discretion of Processor and on your behalf and at your request, submit the matter for dispute arbitration before Discover. Discover charges fees for representation requests and an arbitration fee as published in their fee schedule.

If the Chargeback is not disputed within the applicable time limits set forth by MasterCard, Visa, and Discover Association Rules, reversal rights are lost. Our only alternative, on your behalf, is to attempt a "good faith collection" from the Card Issuer. This process can take from 30 to 100 days. Good faith collections must meet the Card Issuer's criteria (e.g., above a set dollar amount, usually \$100.00; within a specified time limit; etc.). Sometimes Card Issuers will only accept good faith collections after assessing collection fees. A good faith collection is not a guarantee that any funds will be collected on your behalf. If the good faith collection case is accepted by the Card Issuer, you will receive the amount that we are able to recover from the Card Issuer (which may be reduced by fees Card Issuers sometimes impose for accepting good faith collection claims).

MasterCard and Visa Association Rules require that a merchant make a good faith attempt and be willing and able to resolve any disputes directly with the Cardholder. Discover rules and regulations, however, prohibit you and/or us from contacting the Cardholder directly regarding dispute(s) or any other matter, except as required for acceptance of Discover transactions, and require you and/or us to submit any responses to dispute notices directly to Discover.

Due to Association Rules, you may not re-bill a Cardholder after a Chargeback is received for that transaction, even with Cardholder authorization.

We strongly recommend that you include a detailed rebuttal letter along with all pertinent documents when responding to a transaction request or a Chargeback notification (e.g., rental agreement, imprinted portion of the invoice or Sales Draft; the portion signed by the Cardholder; and the area where the authorization codes, with amounts and dates, are located).

Due to the short time frames and the supporting documentation necessary to successfully (and permanently) reverse a Chargeback in your favor, we strongly recommend the following:

- Avoid Chargebacks by adhering to the guidelines and procedures outlined in these Operating Procedures.
- If you do receive a Chargeback, investigate, and if you dispute the Chargeback, submit the appropriate documentation within the required time frame.
- Whenever possible, contact the Cardholder directly to resolve the dispute, unless the dispute relates to a Discover Cardholder, in which case direct contact with the Discover Cardholder regarding the dispute is prohibited by Discover Association Rules.
- If you have any questions, call Customer Service.

10.1.4. Chargeback Reasons. The following section outlines the most common types of Chargebacks. This list is not exhaustive. For ease of understanding, we have combined like Chargebacks into seven groupings. We have included recommendations on how to reduce the risk of Chargebacks within each group. These are recommendations only, and do not guarantee that you will be able to prevent Chargebacks.

1. Authorization Issues. The following scenarios could cause an Authorization related Chargeback to occur.

- No account number verification (for transactions below the floor limit).
- Negative account number verification.
- Full Authorization not obtained.
- Fraudulent transaction – no authorization.
- Fraudulent transaction prior to embossed valid date.
- Authorization request declined.
- Expired Card.
- Early Warning Bulletin.
- Non-matching account number.
- Mail order transaction on expired or never issued account number.

To reduce your risk of receiving an Authorization-related Chargeback:

- Authorize all transactions and use the proper method of authorization.
- A valid approval authorization response indicates the Card is valid and can be accepted for payment. An approval code is usually a 4-6 digit number, along with an authorization response of "approval."
- A decline authorization response indicates the Card should not be accepted for payment. Request a different form of payment from the Cardholder or do not release the merchandise.
- "Pick-up" authorization response from the Issuer indicates the Credit Card account number is lost or stolen. The Credit Card should not be accepted for payment. Additionally, you can choose to retain the Credit Card and return it to the Acquirer for a reward.
- Referral authorization response prompts you to call the Voice Authorization Center for further instructions.
- If you used a third party to authorize, you must contact them immediately for proof of authorization and submit such proof to us.

2. Cancellations and Returns. The following scenarios could cause a cancellation and return related Chargeback to occur:

- Credit transaction not processed.
- Cancelled recurring transaction.
- Cancelled guaranteed reservation.

- Advance deposit service.
- Cardholder not aware of your cancellation/return policies.

To reduce your risk of receiving a cancellation and return related Chargeback:

- For recurring transactions – ensure your customers are fully aware of the conditions of this type of transaction.
- Process Credits daily.
- All Credits must be applied to the account to which the debit originally posted.
- Pre-notify the Cardholder of billing within 10 days (domestic) and 15 days (international) prior to billing, allowing the Cardholder time to cancel the transaction.
- Do not continue to bill after proper cancellation or after receipt of Chargeback.
- Ensure proper disclosure of your refund policy is on the Sales Draft; if applicable, the words “NO EXCHANGE, NO REFUND,” etc. must be clearly printed (in 1/4" letters) on the Sales Draft (or electronic equivalent, i.e., the receipt printed when a Card is swiped through a terminal) near or above the Cardholder's signature.
- Do not issue Credit in the form of cash, a check or in-store/merchandise Credit.
- For travel and entertainment transactions, provide the cancellation policy at the time of reservation.
- For Internet transactions ensure that there is an area on the web page where the Cardholder must acknowledge an understanding of the cancellation policy prior to completing the transaction.

3. Fraud. The following scenarios could cause a fraud related Chargeback to occur:

- Unauthorized or fictitious account number.
- Unauthorized ATM transaction.
- Fraudulent processing of a transaction.
- Fraudulent mail/phone order transaction.
- Counterfeit transaction.
- Fraudulent transaction – no imprint obtained.
- Fraudulent transaction – no signature obtained.
- Risk Identification Service.
- Advance deposit service.

To reduce your risk of receiving a fraud-related Chargeback:

For Face to Face (Card Present) Transactions:

- If you are an electronic merchant, swipe the Card through the electronic authorization device to capture Cardholder information and ensure the displayed Card number matches the number on the Card.
- If you are unable to swipe a Card through an electronic authorization device to capture the Cardholder's information via the Magnetic Stripe, you must imprint the Card to prove the Cardholder was present at the time of transaction. Do not alter the imprint on the draft in any way. Manually entering the information into the terminal does not protect you from this type of Chargeback. All pertinent information relating to the transaction must be written on the manually imprinted ticket (date, dollar amount, authorization code, and merchandise description). This information ties the imprinted ticket to the transaction.
- Obtain the Cardholder's signature on the Draft.
- Carefully examine the front and back of the Card at the time of transaction, check the signature and compare it to the signature on the Draft.
- If you swipe the transaction and receive a Referral response and a subsequent voice Authorization, you must manually imprint the Cardholder's Credit Card to prove Card presence.
- Do not imprint the Cardholder's Credit Card on the back of the transaction receipt or a separate document unless all transaction elements are present.

For Mail/Telephone/Internet (Card Not Present) Orders:

- Follow recommended procedures – use Verified by Visa (VBV) for Internet transactions, obtain the 3-digit Card Validation Code (CVV2/CVC2/CID), and/or AVS. While transactions utilizing the AVS may still be disputed, the service may alert you to certain fraudulent transactions.
- Obtain a signed proof of delivery for shipped merchandise.
- Obtain the Cardholder's account number, name and address with city and state. At the time of the transaction advise the Cardholder of any extra cost that they are responsible for (shipping, handling, insurance etc.).
- CONFIRM THE ACCOUNT NUMBER PROVIDED BY THE CUSTOMER BY REPEATING THE NUMBER BACK TO THE CUSTOMER.
- Obtain the required Data Elements on the folio/registration documentation for a GNS (Guaranteed No Show) Transaction.

4. Non-Receipt of Goods and Services. The following scenarios could cause a Non Receipt of Goods and Services related Chargeback to occur:

- Services not rendered.
- Services not rendered at ATM.
- Non receipt of merchandise.
- Advance deposit service.

To reduce your risk of receiving a Non Receipt of Goods and Services related Chargeback:

- Do not process a transaction until the merchandise is shipped.
- Do not process any Credit Card transaction where the Cardholder has already paid for the goods or services using another method of payment.
- Inform the Cardholder of any specific cancellation policies or advance deposits.
- Obtain a signed proof of delivery.

5. Processing Errors. The following scenarios could cause a processing error related Chargeback to occur:

- Late presentment of Sales Draft.
- Services or merchandise paid by other means.
- Addition or transposition error.
- Altered amount.
- Incorrect account number, code or amount.
- Duplicate processing.
- Transaction exceeds limited amount.
- Services not rendered.
- Unauthorized ATM transaction.
- Credit posted as Debit.
- Incorrect transaction amount.
- Transaction amount changed.
- Merchandise paid by other means.

To reduce your risk of receiving a processing error related Chargeback:

- Settle and reconcile your Batches on your terminal/register daily. Ensure that the total amount settled and submitted (displayed on terminal) balances with, and matches to, the Credit Card receipts of the transactions.
- Obtain a Card imprint (or swipe the Card through an electronic authorization device to capture Cardholder information) and Cardholder signature.
- If you are a paper merchant or the Card cannot be magnetically stripe read, please clearly imprint the Card using the Imprinter machine and do not alter in any way.
- If you are an electronic merchant, swipe the Card through the electronic authorization device and ensure the displayed Card number matches the number on the Card. The Card must be

imprinted if the Magnetic Stripe cannot be read or the electronic equipment is inoperable.

- Carefully examine the front and back of the Card at the time of transaction.
- Compare the signature on the back of the Credit Card with the signature on the Sales Draft.
- Telephone orders – confirm the account number provided by the customer by repeating the number back to the customer.
- Properly authorize all transactions.
- If you used a third party to authorize, you must contact them immediately for proof of Authorization and submit to us.
- If the terminal does not display the Card number, call the POS Help Desk for a terminal upgrade.

6. Quality of Goods and Services. The following scenarios could cause a Quality of Goods and Services related Chargeback to occur:

- Defective merchandise.
- Not as described.

To reduce your risk of receiving a Quality of Goods and Services related Chargeback:

- Ensure all merchandise is shipped properly.
- Ensure all return policies are properly disclosed to the Cardholder at the time of sale.

7. Non Receipt of Information. The following scenarios could cause a Non Receipt of Information related Chargeback to occur:

- Transaction receipt not received.
- Copy illegible.
- Cardholder does not recognize the transaction.
- T&E document not fulfilled.

To reduce your risk of receiving a Non Receipt of Information related Chargeback:

- Prepare clean, legible Sales Drafts at the point of sale and send in your Media daily and/or respond to Media Retrieval requests within the required time frame (failure to properly respond to a fraud related Media Retrieval request eliminates any opportunity for a Chargeback reversal).
- Retain copies of transaction documents for MasterCard and Visa transactions for a minimum of eighteen (18) months from the original sales/post date, and for Discover transactions, the longer of (i) 365 days from the original sales/post date or (ii) the resolution of any pending or threatened disputes, claims, disagreements or litigation involving the Card transaction.
- Ensure that the most recognizable merchant name, location, and/or customer service phone number is provided on all transaction documentation.
- Timely respond to all notifications and requests.

10.2. Other Debits. We may also debit your Settlement Account or your settlement funds in the event we are required to pay Association fees, charges, fines, penalties or other assessments as a consequence of your sales activities. Such debits shall not be subject to any limitations of time specified elsewhere in the Agreement. The following is a list of reasons for other debits. We may add to or delete from this list as changes occur in the Association Rules or our operational requirements:

- Association fees, charges, fines, penalties, registration fees, or other assessments including any fees levied against us or any amount for which you are obligated to indemnify us.
- Currency conversion was incorrectly calculated. **NOTE: For Discover transactions, you are not permitted to convert from your local Discover Network approved currency into another currency, nor may you quote the price of a transaction in U.S. Dollars if completed in another approved currency.**
- Discount not previously charged.

- Reversal of deposit posted to your account in error.
- Debit for Summary Adjustment not previously posted.
- Reversal of Credit for deposit previously posted.
- Debit for Chargeback never posted to your account.
- Debit for EDC Batch error fee.
- Association Merchant Chargeback/Fraud Monitoring Fee – Excessive Chargeback Handling Fee.
- Failure of transaction to meet Member Controller Authorization Service (“MCAS”) – Cardholder account number on exception file.
- Original transaction currency (foreign) not provided.
- Travel Voucher exceeds maximum value.
- Debit and/or fee for investigation and/or Chargeback costs related to our termination of the Agreement for cause, or for costs related to our collection activities.
- Costs arising from replacement or damage to equipment rented.
- Payment of current or past due amounts for any equipment purchase, rental or lease.
- Incorrect merchant descriptor (name and/or city, state) submitted.
- Incorrect transaction date submitted.
- Shipping and handling interchange fees.
- Costs or expenses associated with responding to any subpoena, garnishment, levy or other legal process associated with your account.

10.3. Summary (Deposit) Adjustments/Electronic Rejects. Occasionally, it is necessary to adjust the dollar amount of your summaries/Submissions (deposits) and credit or debit your Settlement Account or settlement funds accordingly. The following is a list of the most frequent reasons for Summary (Deposit) Adjustments/Electronic Rejects:

- Your summary reflected an arithmetic error.
- Submitted sales not included in your Agreement (e.g., American Express, JCB).
- The dollar amount is unreadable/illegible.
- The Cardholder's account number is unreadable/illegible.
- Duplicate Sales Draft submitted.
- Credit Card number is incorrect/incomplete.
- Summary indicated credits, but no credits were submitted.

10.4. Disputing Other Debits and Summary Adjustments. In order to quickly resolve disputed debits and Summary Adjustments, it is extremely important that the items listed in this section be faxed or sent to the address listed on the notification.

If the Summary Adjustment is for an unreadable or incorrect Cardholder number, resubmit the corrected Sales Draft with your next deposit. Also, if the transaction is over thirty (30) calendar days old, you must reauthorize and obtain a valid Authorization Approval Code.

A clear and legible copy of the Sales Draft containing the following should be obtained from your files:

- Date of sale/Credit;
- Cardholder's account number, name and signature;
- Total amount of the sale and description of goods and services; and
- Date and Authorization Approval Code.

Include a dated cover letter detailing the reasons for requesting a review of the debit or Summary Adjustment and documentation to support your dispute. (You should retain a copy of the correspondence and all documentation for your files.) If the inquiry is related to prior correspondence, be sure to include the control number we previously used.

Immediately fax or mail the Sales or Credit Drafts to the fax number or address provided on your notification letter.

If you have any questions, please call Customer Service, using the number provided in your Agreement. If a Customer Service Representative informs you that additional documentation is required in order to fully review the item, please immediately submit your rebuttal and transaction documentation to the fax number or address listed on the debit notification.

11. ACCOUNT MAINTENANCE

- 11.1. Change of Settlement Number.** If you change the Settlement Account in which you receive the proceeds of your transactions, you must call Customer Service or your Relationship Manager immediately. If you accept payment types other than Visa MasterCard and Discover (such as the American Express Card, JCB and TeleCheck Services), you are also responsible for contacting the Associations or companies governing those Cards to notify them of this change.
- 11.2. Change in Your Legal Name or Structure.** You must call Customer Service or your Relationship Manager and request a new Agreement.
- 11.3. Change in Company DBA Name, Address or Telephone / Facsimile Number.** To change your company DBA name, address or telephone/facsimile number, you must send the request in writing to the address on your statement.
- 11.4. Other Change(s) in Merchant Profile.** You must immediately notify us of any change to the information on file with us in your merchant profile, including: (i) any new lines or types of business; (ii) change in ownership; (iii) closing or liquidation of business or any location; (iv) change in Card processing method (i.e., paper Sales Drafts to POS Device); (v) voluntary or involuntary party to a bankruptcy case; (vi) entry into a loan or other agreement with a third party that seeks to affect this Merchant Agreement; and/or (vii) change from a business that exclusively conducts card-present retail sales to one that accepts Card sales by mail, telephone or Internet transactions. We retain the right to terminate this Agreement if you fail to notify us of any change to the information in your merchant profile.

12. ASSOCIATION COMPLIANCE

MasterCard, Visa and Discover have established guidelines, merchant monitoring programs and reports to track merchant activity such as, but not limited to excessive Credits and Chargebacks, and increased deposit activity. In the event you exceed the guidelines or submit suspicious transactions as identified by an Association or any related program or reports, you may be subject to: (i) operating procedure requirement modifications; (ii) incremental Chargebacks and/or fees; (iii) settlement delay or withholding; (iv) termination of your Agreement; or (v) audit and imposition of fines.

13. SUPPLIES

Placing Orders

- To order additional supplies, call Customer Service when you have two months' inventory left. We will ship you an adequate amount of supplies. The amount of supplies (based on usage) on hand should not exceed a three- to six-month supply.
- In an EMERGENCY, please contact Customer Service using the number provided in your Agreement. If supplies are sent via an express delivery service, the delivery charges will be debited to your account.
- You are responsible for unauthorized use of sales/Credit and summary Media. We recommend that you store all supplies in a safe location.
- You may be charged for supplies and applicable shipping and handling charges.

- As used in these Operating Procedures and your Agreement, the following terms mean as follows:
- Acquirer:** Banks in the case of MasterCard and Visa transactions or network acquirers in the case of Discover transactions that acquire Card sale transactions from merchants such as yourself.
- Address Verification:** A service provided through which the merchant verifies the Cardholder's address, in whole or in part. Primarily used by Mail/ Telephone/ Internet order merchants. Address verification is intended to deter fraudulent transactions. However, it is not a guarantee that a transaction is valid.
- Agreement:** The agreements among Client, Processor and Bank contained in the Application, the Operating Guide and the Schedules thereto and documents incorporated therein, each as amended from time to time, which collectively constitute the Agreement among the parties.
- Application:** See Merchant Processing Application.
- Association:** Any entity formed to administer and promote Cards, including without limitation MasterCard International, Incorporated ("MasterCard"), Visa U.S.A., Inc. and Visa International ("Visa"), Discover Financial Services LLC ("Discover") and any applicable debit networks.
- Association Rules:** The rules, regulations, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by any Association.
- Authorization:** Approval by, or on behalf of, the Card Issuer to validate a transaction for a merchant or another affiliate bank. An Authorization indicates only the availability of the Cardholder's credit limit at the time the Authorization is requested.
- Authorization Approval Code:** A number issued to a participating merchant by the Authorization Center which confirms the Authorization for a sale or service.
- Authorization Center:** A department that electronically communicates a merchant's request for Authorization on Credit Card transactions to the Cardholder's bank and transmits such Authorization to the merchant via electronic equipment or by voice Authorization.
- Bank:** The bank identified on the application signed by you.
- Bankruptcy Code:** Title 11 of the United States Code, as amended from time to time.
- Batch:** A single Submission to us of a group of transactions (sales and Credits) for settlement. A Batch usually represents a day's worth of transactions.
- Business Day:** A day (other than Saturday or Sunday) on which Bank is open for business.
- Card:** See either Credit Card or Debit Card.
- Cardholder:** Means the individual whose name is embossed on a Card (or Debit Card, as applicable) and any authorized user of such Card.
- Card Issuer:** The bank or Association that issues a Card to an individual.
- Card Not Present Sale/Transaction:** A transaction that occurs when the Card is not present at the point-of-sale, including Internet, mail-order and telephone-order Card sales.
- Card Validation Codes:** A three-digit value printed in the signature panel of most Cards and a four-digit value printed on the front of an American Express Card. Visa's Card Validation Code is known as CVV2; MasterCard's Card Validation Code is known as CVC2; Discover's Card Validation Code is known as a CID. Card Validation Codes are used to deter fraudulent use of an account number in a non-face-to-face environment, e.g. mail orders, telephone orders and Internet orders).
- Cash Benefits:** An EBT account maintained by an Issuer that represents pre-funded or day-of-draw benefits, or both, administered by one or more Government entities, and for which the Issuer has agreed to provide access under the EBT program. Multiple benefits may be combined in a single cash benefit account.
- Cash Over Transaction:** Dispensing of cash by a merchant in connection with a Card sale, other than a PIN Debit Card transaction, for the purchase of goods or services.
- Chargeback:** The procedure by which a Sales Draft or other indicia of a Card transaction (or disputed portion) is returned to Bank, the Acquirer or the Issuer. Client is responsible for reimbursing us for all Chargebacks.
- Check Verification:** A service provided in which a merchant accesses a national negative file database through its terminal/register to verify or authorize that a person has no outstanding bad check complaints at any of the member merchants. This is not a guarantee of payment to the merchant.
- Check Warranty:** A service provided through a merchant's POS equipment which guarantees payment up to a defined limit, provided the merchant follows proper steps in accepting the check.
- Client:** The party identified as "Client" on the Application. The words "you" and "your" refer to Client.
- Credit:** A refund or price adjustment given for a previous purchase transaction.
- Credit Card:** A valid Card bearing the service mark of Visa or, MasterCard or Discover and, to the extent the Schedules so provide, a valid Card issued by any other Association specified on such Schedules.
- Credit Draft:** A document evidencing the return of merchandise by a Cardholder to a Client, or other refund made by the Client to the Cardholder.
- Credit Limit:** The credit line set by the Card Issuer for the Cardholder's account.
- Customer Activated Terminal (CAT):** A magnetic stripe terminal or chip-reading device (such as an automatic dispensing machine, Limited Amount Terminal, or Self-Service Terminal) that is not an ATM.
- Debit Card:** See either PIN Debit Card or Non-PIN Debit Card.
- Dial-Up Terminal:** An Authorization device which, like a telephone, dials an Authorization Center for validation of transactions.
- Discount Rate:** An amount charged a merchant for processing its qualifying daily Credit Card transactions. Transactions that fail to meet applicable interchange requirements will be charged additional amounts as set forth in your Agreement.
- Electronic Benefit Transfer (EBT):** An electronic system that allows a government benefit recipient to authorize the transfer of their benefits from a Federal, State or local government account to a merchant account to pay for products and services received.
- Electronic Draft Capture (EDC):** A process which allows a merchant's Dial-Up Terminal to receive Authorization and capture transactions, and electronically transmit them to a Card processor. This eliminates the need to submit paper for processing.
- Factoring:** The submission of authorization requests and/or Sales Drafts by a merchant for Card sales or Cash Advances transacted by another business.
- Gross:** When referred to in connection with transaction amounts or fees, refers to the total amount of Card sales, without set-off for any refunds or Credits.
- Imprinter:** A manual or electric machine used to physically imprint the merchant's name and ID number as well as the Cardholder's name and Card number on Sales Drafts.
- Issuer:** The bank or Association which has issued a Card to an individual. MasterCard and Visa only issue Cards through banks ("Issuing Banks") while Discover may issue Cards directly or issue Cards through an Issuing Bank.
- Limited Amount Terminal:** A Customer Activated Terminal that has data capture only capability, and accepts payment for items such as parking garage fees, road tolls, motion picture theater entrance, or magnetic-stripe telephones.
- Magnetic Stripe:** A stripe of magnetic information affixed to the back of a plastic Credit or debit Card. The Magnetic Stripe contains essential Cardholder and account information.
- Media:** The documentation of monetary transactions (i.e., Sales Drafts, Credit Drafts, computer printouts, etc.)

- Merchant Identification Card:** A plastic embossed Card supplied to each merchant to be used for imprinting information to be submitted with each Batch of paper Sales Drafts. Embossed data includes Merchant Account Number, name and sometimes merchant ID code and terminal number.
- Merchant Account Number (Merchant Number):** A number that numerically identifies each merchant, outlet, or line of business to the Processor for accounting and billing purposes.
- Merchant Processing Application:** The application executed by Client, Processor and Bank, which is one of the documents comprising the Agreement.
- Non-PIN Debit Card:** A debit Card with either a Visa, MasterCard or Discover mark that is tied to a Cardholder's bank account or a prepaid account and which is processed without the use of a PIN.
- Non-Qualified Interchange Fee:** The difference between the interchange fee associated with the Anticipated Interchange Level and the interchange fee associated with the more costly interchange level at which the transaction actually processed.
- Non-Qualified Surcharge:** A surcharge applied to any transaction that fails to qualify for the Anticipated Interchange Level and is therefore downgraded to a more costly interchange level. The Non-Qualified Surcharge (the amount of which is set forth on the Service Fee Schedule) is in addition to the Non-Qualified Interchange Fee, which is also your responsibility (see above and your Agreement).
- Operating Procedures:** The then-current manual prepared by Processor, containing operational procedures, instructions and other directives relating to Card transactions.
- PAN Truncation:** A procedure by which a Cardholder's copy of a Sales or Credit Draft will only reflect the last four digits of the Card account number.
- PIN:** A Personal Identification Number entered by the Cardholder to submit a PIN Debit Card transaction.
- PIN Debit Card:** A debit Card used at a merchant location by means of a Cardholder-entered PIN in the merchant PIN Pad. PIN Debit Cards bear the marks of ATM networks (such as NYCE, Star).
- Point of Sale (POS) Terminal:** A device placed in a merchant location which is connected to the Processor's system via telephone lines and is designed to authorize, record and transmit settlement data by electronic means for all sales transactions with Processor.
- Processor:** The entity identified on this application (other than the Bank) which provides certain services under the Agreement.
- Recurring Payment Indicator:** A value used to identify transactions for which a consumer provides permission to a merchant to bill the consumer's Card account at either a predetermined interval or as agreed by the Cardholder for recurring goods or services.
- Referral:** This message received from an Issuer when an attempt for Authorization requires a call to the Voice Authorization Center or Voice Response Unit (VRU).
- Reserve Account:** A fund established and managed by us to protect against actual or contingent liability arising from Chargebacks, adjustments, fees and other charges due to or incurred by us.
- Resubmission:** A transaction that the merchant originally processed as a Store and Forward transaction but received a soft denial from the respective debit network or Association. The resubmission transaction allows the merchant to attempt to obtain an approval for the soft denial, in which case you assume the risk that the transaction fails.
- Retrieval Request/Transaction Documentation Request:** A request for documentation related to a Card transaction such as a copy of a Sales Draft or other transaction source documents.
- Sales Draft:** Evidence of a purchase of goods or services by a Cardholder from Client using a Card, regardless of whether the form of such evidence is in paper, or electronic form or otherwise, all of which must conform to Association Rules.
- Sales/Credit Summary:** The identifying form used by a paper Submission merchant to indicate a Batch of Sales Drafts and Credit Drafts (usually one day's work). Not a Batch header, which is used by electronic merchants.
- Schedules:** The attachments, addenda and other documents, including revisions thereto, which may be incorporated into and made part of the Agreement.
- Self-Service Terminal:** A Customer Activated Terminal that accepts payment of goods or services such as prepaid cards or video rental, has electronic capability, and does not accept PINs.
- Services:** The activities undertaken by Processor and Bank to authorize, process and settle all United States Dollar denominated Visa, MasterCard and Discover Card transactions undertaken by Cardholders at Client's location(s) in the United States, and all other activities necessary for Processor and Bank to perform the functions required by this Agreement for all other Cards covered by the Agreement.
- Servicers:** Bank and Processor collectively. The words "us" and "we" refer to Servicers.
- Settlement Account:** An account at a financial institution designated by Client as the account to be debited and credited by Processor or Bank for Card transactions, fees, Chargebacks and other amounts due under the Agreement or in connection with the Agreement.
- Split Dial:** A process which allows the Authorization terminal to dial directly to different Card processors (e.g., Amex) for Authorization. In this instance, the merchant cannot be both EDC and Split Dial. Split Dial is also utilized for Check Guarantee companies.
- Split Dial/Capture:** Process which allows the Authorization terminal to dial directly to different Card processors (e.g., Amex) for Authorization and Electronic Draft Capture.
- Store and Forward:** A transaction that has been authorized by a merchant when the merchant cannot obtain an Authorization while the customer is present, typically due to a communications failure. The merchant will store the transaction electronically in their host system and retransmit the transaction when communications have been restored.
- Submission:** The process of sending Batch deposits to Processor for processing. This may be done electronically or by mail.
- Summary Adjustment:** An adjustment to your Submission and/or Settlement Accounts in order to correct errors. (See Sections 10.3 and 10.4).
- Telecommunication Card Sale:** Individual local or long-distance telephone calls, for which the telephone service provider is paid directly by use of a Card. These do not include, however, calls paid for with pre-paid telephone service cards. Telecommunication Card Sales are considered Card Not Present sales.
- Transaction Fees:** Service costs charged to a merchant on a per transaction basis.
- Us, We:** See Servicers.
- You, Your:** See Client.

APPENDIX 5



70 West Madison Street, Suite 1050
Chicago, IL 60602
312-629-1111
312-443-8028 Fax

December 21, 2009

Susan Mauldin
SVP Enterprise Information Security, Risk & Compliance
First Data Merchant Services
5565 Glenridge Connector, NE
Atlanta, GA 30342
Phone: (404) 890-2459
susan.mauldin@firstdata.com
<http://www.firstdata.com>

First Data Merchant Services engaged Trustwave, operating under TrustWave Holdings, Inc. ("Trustwave") to conduct a third party security assessment and determine whether FDMS has satisfactorily met the Payment Card Industry Data Security Standard (PCI) and other major payment card association security requirements related to the protection of cardholder data. Specifically, the assessment covers the PCI requirements which are comprised of VISA's Cardholder Information Security Program (CISP) and MasterCard's Site Data Protection (SDP) program, as well as Discover's (DISC) and American Express's Data Security Operating Policies. Trustwave is an authorized third party assessor for all the major payment card associations.

The following business units and platforms were in scope for this assessment:

First Data Merchant Services

Based upon the information provided by FDMS regarding policies, procedures and technical systems that store, process or transmit cardholder data, an onsite assessment, and a vulnerability scan of these systems, Trustwave has determined that FDMS has satisfactorily met the security requirements as of December 21, 2009. Trustwave has recommended to the payment card associations that they recognize that FDMS is PCI compliant.

As of the date of this letter, FDMS remains enrolled in Trustwave's assessment program and will be scanned on a regular basis for the term of our agreement. One of the requirements to maintain compliance is to successfully pass periodic vulnerability scans of these systems. In addition, FDMS must also continually identify and provide to Trustwave information regarding any new system that stores, processes or transmits cardholder data, so that those systems can also be scanned.

If you have any questions concerning this matter, please do not hesitate to contact me at Compliance-QA@trustwave.com. Thank you.

Sincerely,

Christopher Gerg
Director of Quality Assurance

Christopher Gerg

Digitally signed by Christopher Gerg
DN: cn=Christopher Gerg, o=Trustwave,
ou=QA, email=cgerg@trustwave.com, c=US
Date: 2009.12.23 10:34:14 -06'00'



Commonwealth of Pennsylvania

Date: **03/31/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:30 pm EST**
Addendum Number: **1**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Bid Opening Time is 3:00 pm EST.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/12/10**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **2**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Appendix B, section 3, letter a. The VeriFone Pin Pad is a MX 830 and not an MX330 as listed.

Appendix E, page 10, Hardware/Software/Equipment section. Hypercom keypad listed as 57-CR is no longer used and has been deleted from the list of current equipment for PennDot.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to "My Notes", use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/14/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **3**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Part II-1. Cost Submittal should be Part II-10.

Part II-2. Domestic Workforce Utilization Certification should be Part II-11.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/16/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **4**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Add the following equipment to Appendix E, pg. 12 for Pennsylvania Historical and Museum Commission:

- VeriFone Omni 3200
- An internal POS system which is First Data Secure Transport through Gateway Point of Sale.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

For solicitations where a "hard copy" (vs. electronic) response is requested:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date to the following address:

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us



Commonwealth of Pennsylvania

Date: **04/23/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **5**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

Appendix B, Types of Electronic Payment Processing Services, question # 2 has been changed to read as follows: Can the offeror currently provide or provide by contract award date the electronic authorization, data capture and processing of **all** of the following:

- a) VISA
- b) MasterCard
- c) Discover
- d) American Express
- e) Combination debit/credit cards
- f) Online and Offline debit card transactions (sales and returns)
- g) E-checks or its equivalent

Appendix B, Data Collection Methods, question # 3.

Letter e. Interactive Voice Response (IVR) has been deleted.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us

Form Revised 02/26/08

Page 1 of 1



Commonwealth of Pennsylvania

Date: **04/29/2010**
Subject: **Electronic Payment Processing**
Solicitation Number: **6100014332**
Opening Date/Time: **May 13, 2010 at 3:00 pm EST**
Addendum Number: **6**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation "Addendum" as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

The Pre-Proposal Conference Sign-In Sheet and Questions and Answers for this procurement are attached to this Addendum #6 and are made part of the RFP.

The following appendices have been added to the RFP and are attached to this Addendum #6.

- Appendix J PNCMS March 2010 Invoice Final
- Appendix K PLCB Debit Transactions December 2009
- Appendix L Interchange Clearing Levels
- Appendix M PLCB POS PCI Network Path

The Pre-Proposal PowerPoint presentation, as well as the business cards of the attending suppliers have been provided for informational purposes and are attached to this Addendum #6.

For electronic solicitation responses via the SRM portal:

- Attach this Addendum to your solicitation response. Failure to do so may result in disqualification.
- To attach the Addendum, download the Addendum and save to your computer. Move to 'My Notes', use the "Browse" button to find the document you just saved and press "Add" to upload the document.
- Review the Attributes section of your solicitation response to ensure you have responded, as required, to any questions relevant to solicitation addenda issued subsequent to the initial advertisement of the solicitation opportunity.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Very truly yours,

Name: Jennifer Habowski
Title: Commodity Specialist
Phone: 717-703-6274
Email: jhabowski@state.pa.us

MERCHANT SERVICES BANKCARD AGREEMENT

This Merchant Services Bankcard Agreement ("Bankcard Agreement") is among the **Commonwealth of Pennsylvania ("COMMONWEALTH")**, **PNC BANK, NATIONAL ASSOCIATION, ("BANK")** and **PNC MERCHANT SERVICES COMPANY, ("PNC MERCHANT SERVICES")** (BANK and PNC MERCHANT SERVICES are collectively referred to as "CONTRACTOR").

BANK, as a member of Visa U.S.A., Inc. ("VISA"), Discover Card ("Discover"), Master Card International Incorporated ("MasterCard"), is responsible for its VISA, Discover and MasterCard bankcard programs and has authorized PNC MERCHANT SERVICES or its members pursuant to a separate agreement (the "Agency Agreement") to act as an agent of and in conjunction with BANK in performing authorization, processing and settlement services for merchants participating in BANK's Discover, MasterCard and VISA bankcard programs.

In consideration of the mutual covenants and agreements set forth herein, CONTRACTOR and COMMONWEALTH agree as follows:

1. **Definitions.** As used in this Bankcard Agreement, capitalized terms will have the meaning set forth in Annex 1.
2. **Services.**
 - 2.1 Deliberately omitted.
 - 2.2 Subject to Association Rules, Services may be performed by PNC MERCHANT SERVICES or BANK as they may determine. In addition to CONTRACTOR, one or more affiliates of CONTRACTOR may assist in providing terminals or other equipment and local support functions in connection with this Bankcard Agreement.
3. **Operating Guide; Association Rules**

COMMONWEALTH acknowledges receiving, reading and understanding the Operating Guide, the terms of which are incorporated into the Agreement. COMMONWEALTH agrees to follow the procedures in the Operating Guide in connection with each Card transaction and to comply with all applicable Association Rules. From time to time, CONTRACTOR may change the Operating Guide, by providing COMMONWEALTH with at least 30 days' prior written notice. However, for changes in the Association Rules or for security reasons, certain changes in Card procedures may become effective on shorter notice. If there is any conflict between the terms of this Agreement and the Operating Guide, the terms of the Agreement will govern, unless the conflict is directly related to a change in the Operating Guide which specifically addresses a procedure or requirement detailed in this Agreement. If COMMONWEALTH loses or otherwise misplaces the Operating Guide or notices of changes thereto, COMMONWEALTH shall be responsible for contacting CONTRACTOR to obtain replacement copies.
4. **Acceptance of Cards**
 - 4.1 **General.** COMMONWEALTH must check each Card accepted for validity in accordance with the terms of this Agreement, the Operating Guide and the applicable Association Rules. COMMONWEALTH must not submit any sale that was not created between the COMMONWEALTH and the Cardholder for settlement and under no circumstances may a COMMONWEALTH submit any sale that has been previously charged back by the Cardholder and returned to the COMMONWEALTH. **Authorization;** COMMONWEALTH must receive authorization in advance for each Card transaction. COMMONWEALTH acknowledges that the Authorization, (i) indicates only the availability of credit at the time of Authorization, (ii) does not warrant that the person presenting the Card is the rightful Cardholder, and (iii) is not an unconditional guarantee by CONTRACTOR that any Card transaction will not be subject to chargeback. **Multiple Sales Drafts and Partial Consideration;** COMMONWEALTH must list all items of goods and services purchased during each transaction with the total amount thereof on a single Sales Draft and shall not use more than one Sales Draft to represent a single Card transaction. COMMONWEALTH must comply with all special procedures and conditions applicable under the Operating Guide and the Association Rules with respect to any partial payment, installment payment, delayed delivery or advance deposit situation and any delayed or amended charges for travel and entertainment transactions.
 - 4.2 **Retail Transactions.** This Section 4.2 will apply if COMMONWEALTH uses data capture/point-of-sale terminals. If COMMONWEALTH completes any transactions when (i) the Cardholder is present but does not have his/her card, (ii) the Cardholder does not sign the Sales Draft, (iii) the signature on the Sales Draft is unauthorized as compared to the signature on the panel of the card, or (iv) the signature panel is blank, COMMONWEALTH shall be responsible for such Sale regardless of any authorization. **Refunds and Credits;** COMMONWEALTH must not return cash to the Cardholder for any price adjustments, returned goods or canceled services purchased with a card but will instead prepare a Credit Voucher and process each refund or adjustment back to the card used in the original sale, not exceeding the original transaction amount. COMMONWEALTH must not process a Credit Voucher without having completed a previous card transaction with the same Cardholder (or with a Cardholder who purchased a gift returned by the recipient) and must never accept money from a Cardholder for the purpose of preparing a Credit Voucher that will effect a deposit to the Cardholder's account.
 - 4.3 **Telephone and Mail Order Transactions.** This Section 4.3 will apply if COMMONWEALTH submits card transactions effected by a mail order, telephone order or similar device (e.g. internet order). COMMONWEALTH assumes all responsibility for identification of the Cardholder and the validity of the card used for the telephone or mail order. **Refunds and Credits;** COMMONWEALTH must not process a Credit Voucher without having completed a previous card transaction with the same Cardholder and must never accept money from a Cardholder for the purpose of preparing a Credit Voucher that will effect a deposit to the Cardholder's account.
 - 4.4 **Preauthorized Orders and Recurring Sales**

If COMMONWEALTH is authorized to accept preauthorized orders and recurring sales, COMMONWEALTH must comply with all procedures set forth relating to those sales in the Operating Guide.
5. **Presentment of Card Transactions**

COMMONWEALTH shall electronically or physically deliver to CONTRACTOR Sales Drafts for all Card transactions to be processed and settled hereunder. The submission deadlines are set forth in the Operating Guide.

6. Settlement of Card Transactions.

6.1 CONTRACTOR will be required to settle COMMONWEALTH's Card transactions for Cards, as specified in the Agreement (which for purpose of clarification includes all Schedules). Promptly after presentment of Sales Drafts pursuant to this Bankcard Agreement and the Operating Guide, above, as applicable, CONTRACTOR will initiate a transfer of the applicable settlement funds to COMMONWEALTH in one of the following ways:

- (i) Direct Settlement Account. If COMMONWEALTH maintains a Settlement Account at a financial institution with which CONTRACTOR have arrangements permitting direct payment of settlement funds, CONTRACTOR will initiate a transfer of such applicable settlement funds through a credit to the Settlement Account.
- (ii) Automated Clearing House Credit. If COMMONWEALTH receives payment of settlement funds through automated clearing house credit, CONTRACTOR will initiate a transfer of such applicable settlement funds through ACH to COMMONWEALTH's Settlement Account.

6.2 All settlements to COMMONWEALTH for VISA, Discover and MasterCard Card transactions will be net of credits/refunds, adjustments, and Chargebacks, except for adjustments and Chargebacks for transactions related to or arising from the Pennsylvania Liquor Control Board (PLCB) which shall be debited against a separate PLCB designated account; provided, however, that the Commonwealth maintains an imprest balance of \$1,000. in such PLCB designated account. Notwithstanding the foregoing, in the event that CONTRACTOR has provided a notice of default under Section VA.28 B(a)(ii) (irregular card sales, excessive charebacks etc.) with respect to the activities of the PLCB, Contractor may, from the date of such notice until the date of the cure, or in the event the default is not cured, until the termination of the Agreement, make settlements net of chargebacks and adjustments for all entities, including the PLCB. Contractor agrees that in the event the Commonwealth submits evidence of a cure of such default, Contractor shall respond with its approval or disapproval of such cure within 1 business day following receipt.

Fees payable to CONTRACTOR will be separately invoiced unless otherwise specifically permitted under the terms of the Contract. .

6.3 All credits to COMMONWEALTH's Settlement Account or other payments to COMMONWEALTH are provisional and are subject to, among other things, CONTRACTOR's final audit, Chargebacks (including CONTRACTOR's related losses), fees and fines imposed by the Associations. deficiencies, and overages, to the extent provided for under the Agreement.

6.4 CONTRACTOR will not be liable for any delays in receipt of funds or errors in debit or credit entries caused by third parties including but not limited to any Association, but excluding CONTRACTOR's affiliates and subcontractors.

7. Fees; Adjustments; Collection of Amounts Due.

7.1 CONTRACTOR shall charge COMMONWEALTH a fee for the Services, which shall be calculated and payable pursuant to the Exhibit B Negotiated Pricing Sheet Schedule of Costs COMMONWEALTH acknowledges that the fees stated herein are based upon the qualification of COMMONWEALTH's transactions for certain reduced interchange fees as set by the applicable Association. If COMMONWEALTH's Card transactions fail to qualify for the reduced interchange fees, CONTRACTOR shall process such Card transactions at the higher applicable interchange fees.

7.2 The fees for Services set forth in the Schedules, are based upon assumptions associated with the anticipated annual volume and average transaction size for all Services as set forth in the Schedules and COMMONWEALTH's method of doing business. If the actual volume or average transaction size are not as expected or if COMMONWEALTH significantly alters its method of doing business, CONTRACTOR may adjust COMMONWEALTH's discount fee and transaction fees with prior notice.

7.3 The fees for Services set forth in the Exhibit B Negotiated Pricing Sheet Schedule of Costs may be adjusted to reflect increases or decreases by Associations in interchange, assessment and other Association fees or to pass through increases charged by third parties for on-line communications and similar items. All such adjustments shall be COMMONWEALTH's responsibility to pay and shall become effective upon the date any such change is implemented by the applicable Association or other party provided CONTRACTOR gives written notice to the Commonwealth within at least thirty (30) days of receiving written notice from the applicable Association or other party. In the event that the CONTRACTOR provides written notice to COMMONWEALTH later than thirty (30) days after receiving notice from the applicable Association or third party, then such adjustments shall become effective thirty (30) days after CONTRACTOR provides notice to the COMMONWEALTH Such notice to the COMMONWEALTH shall include documents supporting the calculation of the adjustment. The COMMONWEALTH shall have twenty (20) business days to review and accept or reject the adjustment. The COMMONWEALTH's failure to notify CONTRACTOR, in writing, of its acceptance or rejection within the twenty (20) days period shall constitute COMMONWEALTH's acceptance. In the event that Commonwealth rejects the adjustment, either party shall have the option to terminate the Agreement upon sixty (60) days prior written notice, provided, however, that the adjustment shall be effective during such 60 day notice period to the extent provided for herein.

7.4 COMMONWEALTH agrees to pay CONTRACTOR any fines imposed on CONTRACTOR by any Association resulting from Chargebacks and any other fees or fines imposed by an Association with respect to acts or omissions of COMMONWEALTH. CONTRACTOR agrees to cooperate with COMMONWEALTH to help them resolve any fines and penalties.

7.5 Intentionally omitted.

7.6 If COMMONWEALTH believes any adjustments should be made with respect to COMMONWEALTH's Settlement Account, COMMONWEALTH shall notify CONTRACTOR in writing within 45 days after any debit or credit is or should have been affected. If COMMONWEALTH notifies CONTRACTOR after such time period, CONTRACTOR may, in their discretion, assist COMMONWEALTH, at COMMONWEALTH's expense, in investigating whether any adjustments are appropriate and whether any amounts are due to or from other parties, but CONTRACTOR shall not have any obligation to investigate or effect any such adjustments. Any voluntary efforts by CONTRACTOR to assist COMMONWEALTH in investigating such matters shall not create any obligation to continue such investigation or any future investigation.

7.7 If CONTRACTOR believes that any adjustments and/or corrections should be made with respect to any invoice previously submitted to the COMMONWEALTH, CONTRACTOR shall notify COMMONWEALTH in writing within 45 days after such invoice has been paid by the COMMONWEALTH, provided, however, that such 45-day period shall not apply to any corrections or adjustments caused by or based upon the action of any third party.

8. **Chargebacks.**

- 8.1 COMMONWEALTH shall be responsible for all Chargeback amounts relating to Card transactions where:
- (i) merchandise is returned and a proper credit for Cardholder is not received by CONTRACTOR for processing;
 - (ii) the Sales Draft is, or is alleged to have been, executed, accepted, endorsed, completed or assigned improperly without authority or not in accordance with the Authorization requirements or provisions of this Agreement;
 - (iii) regardless of any Authorization obtained (including without limitation, telephone and mail order transactions), COMMONWEALTH completed a transaction when the Cardholder did not sign the Sales Draft;
 - (iv) the signature on the draft was unauthorized as compared to the signature appearing on the Card, the signature panel on the Card was blank, or a limited purpose business purchasing card was accepted without appropriate authorization of the nature of the goods or services purchased (in addition to Authorization of the transaction amount);
 - (v) the Sales Draft is incorrectly completed, incomplete or illegible;
 - (vi) the Cardholder disputes the sale, quality or delivery (or availability for pre-arranged pick-up) of merchandise or the performance or quality of service covered by the Sales Draft or agreement accepted by such Cardholder;
 - (vii) the circumstances in which the Sales Draft was created or submitted by, or credit was received by, COMMONWEALTH constituted or otherwise involved a breach of any term, condition, representation, warranty or duty of COMMONWEALTH hereunder;
 - (viii) multiple Sales Drafts were executed to avoid authorization scrutiny;
 - (ix) the extension of credit for merchandise sold or rented or services performed was in violation of law or the rules or regulations of any governmental agency, whether federal, state, local or otherwise;
 - (x) a legible copy of the Sales Draft or Credit Voucher cannot be produced by COMMONWEALTH within ten days of CONTRACTOR's request;
 - (xi) the Cardholder asserts any claim or defense which the Cardholder has as a consumer of goods or services;
 - (xii) the Cardholder disputes the validity of a telephone or mail order Card transaction;
 - (xiii) the Card transaction is otherwise subject to Chargeback by the Card issuing bank or Cardholder in accordance with the Association Rules or applicable law; or
 - (xiv) the Card transaction is subject to Chargeback in accordance with the procedures set forth in the Operating Guide.
- 8.2 COMMONWEALTH shall reimburse CONTRACTOR for any Chargebacks, return items, or other losses resulting from COMMONWEALTH's failure to produce a Card transaction record requested by CONTRACTOR within the applicable time limits.

9. **Representations; Warranties; Limitations on Liability; Exclusion of Consequential Damages.**

- 9.1 Without limiting any other warranties hereunder, COMMONWEALTH represents and warrants as to each Card transaction submitted by COMMONWEALTH under this Agreement that:
- (i) the Card transaction represents a bona fide sale/rental of merchandise or services not previously submitted;
 - (ii) the Card transaction represents an obligation of the Cardholder for the amount of the Card transaction;
 - (iii) the amount charged for the Card transaction is not subject to any dispute, setoff, or counterclaim;
 - (iv) the Card transaction amount is only for the merchandise or services (including taxes, but without any surcharge) sold or rented and, except for any delayed delivery or advance deposit Card transactions expressly authorized by this Agreement, the merchandise or service was actually delivered to or performed for the person entering into the Card transaction simultaneously upon COMMONWEALTH's accepting and submitting the Card transaction for processing;
 - (v) the Card transaction does not represent the refinancing of an existing obligation of the Cardholder (including any obligation otherwise owed to COMMONWEALTH by a Cardholder or arising from the dishonor of a personal check);
 - (vi) COMMONWEALTH has no knowledge or notice of any fact, circumstances or defense which would indicate that the Card transaction was fraudulent or not authorized by the Cardholder or which would otherwise impair the validity or collectability of the Cardholder's obligation arising from such Card transaction or relieve the Cardholder from liability with respect thereto;
 - (vii) the Card transaction submitted to CONTRACTOR was entered into by COMMONWEALTH and the Cardholder; and
 - (viii) the Card transaction was made in accordance with the terms of this Agreement, Association Rules and the Operating Guide.
- 9.2 Without limiting any other warranties hereunder, CONTRACTOR represents and warrants to COMMONWEALTH that the CONTRACTOR shall provide all Services under this Bankcard Agreement in a good and workmanlike manner.
- 9.3 **THIS AGREEMENT IS A SERVICE AGREEMENT AND CONTRACTOR DISCLAIMS ALL OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, MADE TO COMMONWEALTH OR ANY OTHER PERSON, INCLUDING WITHOUT LIMITATION, ANY WARRANTIES REGARDING QUALITY, SUITABILITY, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE OF ANY SERVICES OR ANY GOODS PROVIDED INCIDENTAL TO THE SERVICES PROVIDED UNDER THIS AGREEMENT.**
- 9.4 **NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, IN NO EVENT SHALL CONTRACTOR, THEIR RESPECTIVE AFFILIATES OR ANY OF THEIR RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AGENTS OR SUBCONTRACTORS, BE LIABLE UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHER LEGAL THEORY FOR LOST PROFITS, LOST REVENUES, LOST BUSINESS OPPORTUNITIES, EXEMPLARY, PUNITIVE, SPECIAL, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES, EACH OF WHICH IS HEREBY EXCLUDED BY AGREEMENT OF THE PARTIES, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE OR WHETHER ANY PARTY OR ANY ENTITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**
- 9.5 [REDACTED]

10. **Retention of Records.**

- 10.1 COMMONWEALTH must retain legible copies of Sales Drafts and Credit Vouchers for a period of at least eighteen (18) months from the date of each such transaction. COMMONWEALTH must submit to CONTRACTOR a legible copy of a Sales Draft or Credit Voucher within 48 hours of a request by CONTRACTOR.

11. **Cash Payments by and Cash Disbursements to Cardholders.**

COMMONWEALTH must not accept any direct payments from Cardholders for charges of merchandise or services which have been included on a Sales Draft; it is the right of the Card issuing bank to receive such payments. Taxes on Card transactions must be included in the amount charged and may not be collected by COMMONWEALTH in cash. COMMONWEALTH must not make any cash disbursements to a Cardholder as part of a Card transaction except to the extent expressly authorized by one or more of the Schedules, the Operating Guide or the Association Rules.

12. Confidentiality.

12.1 Unless COMMONWEALTH obtains consents from each applicable Association, CONTRACTOR, Card issuing bank and Cardholder, COMMONWEALTH must not use, disclose, sell or disseminate any Cardholder information obtained in connection with a Card transaction (including the names, addresses and Card account numbers of Cardholders) except for purposes of authorizing, completing and settling Card transactions and resolving any chargebacks, retrieval requests or similar issues involving Card transactions, other than pursuant to a court or governmental agency request, subpoena or order. COMMONWEALTH shall use proper controls for and limit access to, and render unreadable prior to discarding, all records containing Cardholder account numbers and Card imprints. COMMONWEALTH must not retain or store magnetic stripe data after a transaction has been authorized. If COMMONWEALTH stores any electronically captured signature of a Cardholder, COMMONWEALTH may not reproduce such signature except upon specific request of CONTRACTOR.

12.2 COMMONWEALTH acknowledges that it obtains no ownership rights in any information relating to and derived from Card transactions. Cardholder account numbers, personal information and other Card transaction information, including any databases containing such information, may not be sold or disclosed to a third party as an asset upon a bankruptcy, insolvency or failure of COMMONWEALTH's business. Upon a bankruptcy, insolvency or failure of COMMONWEALTH's business all Card transactions information must be returned to CONTRACTOR or acceptable proof of the destruction of all Card transaction information must be provided to CONTRACTOR.

13. Supplies; Advertising.

At COMMONWEALTH's option and at charges specified from time to time by CONTRACTOR, CONTRACTOR may furnish COMMONWEALTH with operational supplies such as the forms of sales drafts, credit vouchers and Association decals (excluding any supplies for terminals or other equipment, which shall be COMMONWEALTH's responsibility). COMMONWEALTH shall display VISA, Discover, MasterCard and, if applicable, other Association decals and program marks on promotional materials furnished by CONTRACTOR, as required by Association Rules, but shall not indicate that VISA, Discover and MasterCard or any other Association endorses COMMONWEALTH's goods or services and will cease using such materials after termination of this Agreement.

14. Intentionally Omitted.

15. Term;

This Agreement shall terminate five (5) years from the Effective Date of this Agreement. The Effective Date shall be fixed by the Commonwealth after the Agreement has been fully executed by the CONTRACTOR and the COMMONWEALTH, and after all approvals required by the COMMONWEALTH's contracting procedures have been obtained. This Agreement shall not be a legally binding contract until after the Effective Date is affixed.

16. Reserve Account.

16.1 Upon notice of termination of the Agreement by either party, or upon expiration of the Agreement, COMMONWEALTH expressly authorizes CONTRACTOR to establish a Reserve Account pursuant to the terms and conditions set forth in this Section 16. The amount of such Reserve Account shall be an amount not to exceed the sum of six months of Chargebacks, two months of credits/adjustments, the value of any outstanding invoices at the time of expiration or notice of termination, plus the amount of any current or anticipated fees or fines. The calculation for the credits/adjustments and Chargeback portion of the Reserve Account will be based on the Commonwealth's processing history. Any amount held in a Reserve Account related to an outstanding invoice shall be released upon payment of such invoice.

16.2 The Reserve Account shall be fully funded upon expiration of the Agreement or upon notice of termination of the Agreement. Such Reserve Account may be funded by one or more deductions or off sets to any payments otherwise due to COMMONWEALTH unless Commonwealth elects to fund the Reserve Account by way of delivery to CONTRACTOR of a letter of credit or if CONTRACTOR so agree, COMMONWEALTH's pledge to CONTRACTOR of a freely transferable and negotiable certificate of deposit. Any such letter of credit or certificate of deposit shall be issued or established by a financial institution acceptable to CONTRACTOR and shall be in a form satisfactory to CONTRACTOR. Any Reserve Account will be held by CONTRACTOR no longer than ten months after termination of this Agreement. CONTRACTOR will review the Reserve Account every three months to consider a reduction or elimination of the Reserve Account. COMMONWEALTH's funds held in a Reserve Account may be held in a commingled Reserve Account for the reserve funds of BANK's customers, without involvement by an independent escrow agent.

16.3 If COMMONWEALTH's funds in the Reserve Account are not sufficient to cover the Chargebacks, adjustments, fees and other charges due from COMMONWEALTH, or if the funds in the Reserve Account have been released, COMMONWEALTH agrees to promptly pay CONTRACTOR such sums upon request.

17. Deliberately omitted

18. Deliberately omitted.

19. Deliberately omitted.

20. Data Security.

20.1 COMMONWEALTH is required to comply with the Payment Card Industry Data Security Requirements (PCI DSS) which is the global standard which defines the requirements for the storage, processing and transmission of card data. COMMONWEALTH is also required to strictly comply with each individual Association's data security rules implementing PCI DSS, as amended from time to time.

- Detailed information about PCI DSS can be found at the PCI DSS Council's website www.pcisecuritystandards.org
- Detailed information about Visa's CISP program can be found at Visa's CISP website: www.visa.com/cisp.
- Detailed information about MasterCard's SDP program can be found at the MasterCard SDP website: <https://sdp.mastercardintl.com>.
- Detailed information about DISC can be found at Discover Network's DISC website: http://www.discovernetwork.com/resources/data/data_securityoverview.html.

All of the above referenced standards, as they are amended from time to time, shall be collectively referred to as the "Data Security Standards".

- 20.2 COMMONWEALTH understands that failure to comply with the Data Security Standards shall give the CONTRACTOR and/or the Associations (in addition to any other rights they have under the Agreement or at law or at equity) the right to (i) impose fines or penalties, which COMMONWEALTH agrees to pay upon demand; (ii) require the Commonwealth to conduct forensic analysis and investigation as required by the Associations; (iii) pay the costs associated with credit monitoring for, and notice to, the impacted Cardholders; (iv) terminate this Agreement; and/or (v) restrict the COMMONWEALTH from accepting cards or participating in any of the services or programs provided by CONTRACTOR under this Agreement.
- 20.3 COMMONWEALTH may be subject to ongoing validation of its compliance with the Data Security Standards. Furthermore CONTRACTOR retains the right to conduct an audit at COMMONWEALTH's expense, to verify COMMONWEALTH's compliance, or that of COMMONWEALTH's agents or third party providers, with said Data Security Standards.
- 20.4 COMMONWEALTH agrees to notify CONTRACTOR immediately, and in no event more than 24 hours after discovery, of any suspected or actual data security breach or violation of the Data Security Standards. COMMONWEALTH shall, at its own expense (i) perform or cause to be performed an independent investigation (including a forensics analysis) of any actual or suspected data security breach of Card or transaction data, (ii) perform or cause to be performed any remedial actions recommended by any such investigation, and (iii) cooperate with CONTRACTOR and the Associations in the investigation and resolution of any actual or suspected security breach.

21 Additional Services

COMMONWEALTH may request CONTRACTOR to perform or provide any system enhancements, custom reports, or related service enhancements that are different from or in addition to the system, services and reports CONTRACTOR otherwise has agreed to provide to CUSTOMER (collectively, "System Enhancements"). Following receipt of any request for System Enhancements and prior to providing the requested System Enhancements, CONTRACTOR shall provide COMMONWEALTH with a description of the System Enhancements to be made, together with an estimate of CONTRACTOR's fee for providing such System Enhancements. If COMMONWEALTH thereafter instructs CONTRACTOR to make such System Enhancements, CONTRACTOR will use reasonable efforts to do so, and COMMONWEALTH shall pay the additional fees charged by COMMONWEALTH for such System Enhancements

22. Visa, Discover and MasterCard Disclosure

Member Bank Information: PNC Bank, National Association.

The Bank's mailing address is: PNC Bank, National Association
Two PNC Plaza
620 Liberty Avenue
Pittsburgh, PA 15222

and its phone number is: 1-877-287-2654

Important Member Bank Responsibilities

- (a) The Bank is the only entity approved to extend acceptance of Visa, Discover and MasterCard products directly to a Merchant
- (b) The Bank must be a principal (signer) to the Merchant Agreement.
- (c) The Bank is responsible for educating Merchants on pertinent Visa, Discover and MasterCard Rules with which Merchants must comply.
- (d) The Bank is responsible for and must provide settlement funds to the Merchant in accordance with the terms of the Agreement.
- (e) The Bank is responsible for all funds held in reserve that are derived from settlement.

Important Merchant Responsibilities

- (a) Ensure compliance with Cardholder data security and storage requirements.
- (b) Maintain fraud and chargebacks below Association thresholds.
- (c) Review and understand the terms of the Agreement.
- (d) Comply with Bankcard Association rules.

ANNEX 1

The following terms shall have the following meanings:

- 1.1 "Association" means any entity formed to administer and promote Cards, including VISA, Discover and MasterCard, and any other entity as specified on the Schedules to this Agreement.
- 1.2 "Association Rules" mean the rules, regulations, releases, interpretations and other requirements (whether contractual or otherwise) imposed or adopted by any Association.
- 1.3 "Authorization" means the process by which COMMONWEALTH electronically accesses CONTRACTOR's computerized system, unless such system is inoperable or otherwise not accessible to COMMONWEALTH, in which case COMMONWEALTH shall utilize the designated toll-free telephone number, to obtain credit approval from the Card issuing bank before completion of the Card transaction.
- 1.4 "Bankruptcy Code" means title 11 of the United States Code, as amended from time to time.
- 1.5 "Business Day" means a day (other than Saturday or Sunday) on which CONTRACTOR are generally open for business.
- 1.6 "Card" means a valid credit card or valid off-line debit card bearing the service mark of VISA, Discover or MasterCard and, to the extent the Schedules so provide, a valid card issued by any other Associations specified on such Schedules.
- 1.7 "Cardholder" means the individual whose name is embossed on the Card and any authorized user of such Card.
- 1.8 "Chargeback" means the procedure by which a Sales Draft or other indicia of a Card transaction (or disputed portion thereof) is returned to Bank or the Card issuing bank, for failing to comply with Association Rules, the liability of which is the COMMONWEALTH's responsibility.
- 1.9 "Credit Voucher" means the evidence of a refund or price adjustment by COMMONWEALTH to a Cardholder's account in connection with a prior purchase by such Cardholder using a Card, regardless of whether the form of such evidence is in paper, electronic or otherwise.
- 1.10 "COMMONWEALTH's Chargeback Percentage" means the actual monthly percentage calculated by dividing COMMONWEALTH's total monthly VISA, Discover and MasterCard Chargeback items in any line of business by the number of COMMONWEALTH's total monthly VISA, Discover and MasterCard transactions in such line of business.
- 1.11 "Effective Date" See Section 15. .
- 1.12 "Operating Guide" means the then-current manual prepared by CONTRACTOR, containing operational procedures, instructions and other directives relating to Card transactions.
- 1.13 "Preauthorized Order" means a Cardholder's written authorization to make one or more future charges to such Cardholder's MasterCard Card account.
- 1.14 "Recurring Sale" means a Cardholder's written authorization to make one or more future charges to such Cardholder's Visa, Discover or other non-MasterCard Card account.
- 1.15 "Reserve Account" means a fund established and managed by CONTRACTOR to protect against actual or contingent liability arising from Chargebacks, adjustments, fees and other charges due to or incurred by CONTRACTOR.
- 1.16 "Sales Draft" means evidence of a purchase of goods or services by a Cardholder from COMMONWEALTH using a Card, regardless of whether the form of such evidence is in paper, electronic or otherwise, all of which must conform to Association Rules.
- 1.17 "Schedules" means the attachments, addenda and other documents, including revisions thereto, which may be incorporated into and made part of this Agreement.
- 1.18 "Services" means the activities undertaken by CONTRACTOR to authorize, process and settle all United States Dollar denominated VISA, Discover and MasterCard Card transactions undertaken by Cardholders at COMMONWEALTH's location(s) in the United States, and all other activities necessary for CONTRACTOR to perform the functions specified on the Schedules for all other Cards covered by this Agreement.
- 1.19 "Settlement Account" means an account at a financial institution designated by COMMONWEALTH as the account to be debited and credited by CONTRACTOR for Card transactions, fees, Chargebacks and other amounts due hereunder or in connection herewith (i.e., fines, attorneys' fees, etc.).

e-Commerce Developer's Guide

Comptroller Operations
Bureau of Financial Management

Revised: May 20, 2010

e-Commerce Developer’s Guide

Table of Contents

Introduction.....2

Chronology.....3

Contacts.....5

Business Plan Outline.....6

Introduction

Management Directive 310.24 establishes policy and responsibilities for accepting debit/credit cards (cards) in payment of Commonwealth revenues in support of maximizing electronic commerce with the public. Some of the benefits of electronic commerce are:

- ◆ To provide the taxpayers and customers of government an expanded choice of payment methods and improved customer service.
- ◆ To achieve operational efficiencies in our depository functions through the application of a variety of electronic payment technologies.
- ◆ To expedite availability and access to funds in order to more efficiently manage the day-to-day cash operations of the Commonwealth.
- ◆ To reduce bank-processing charges and to reduce the costs associated with the return and collection of bad checks.

This document provides guidance to agencies in their implementation of debit/credit applications and was developed to supplement Management Directive 310.24. In order to accept debit/credit cards, agencies must prepare a business plan; undertake a number of activities; and coordinate with several entities. The chronology of these activities, contact information, and guidance on the business case content is presented in this document.

The Bureau of Financial Management's role is to provide guidance on business plans and the development and implementation of debit/credit card applications. The Bureau of Financial Management may also serve as a liaison between the agencies, Treasury, banks, merchant processes, AMEX and Discover. Contact Michele Rinaldi-Kepp at 717-425-6749 with any questions.

Chronology

Step	Activity	Contacts
Business Case Preparation and Approval		
Applicable to all agencies under the Governor's jurisdiction planning to accept debit/credit cards as payment of Commonwealth Revenues.		
1	<p>Agency prepares a business case for debit/credit cards (cards) and presents it to Comptroller Operations, Bureau of Commonwealth Accounting. If applicable, a transaction fee waiver is also prepared and submitted with the business case.</p> <p>Refer to Management Directive 310.24, <i>Accepting Debit/Credit Cards and Electronic Funds Transfers for Commonwealth Revenues</i></p> <p>Refer to OA/OIT Bulletin ITB-INBUS002, <i>Transactions Fee Policy</i></p> <p>Refer to OA/OIT Bulletin ITB-SEC017, <i>CoPA Policy for Credit Card Use for e-Government Applications</i></p>	<ul style="list-style-type: none"> ▪ Agency Policy/Program Office ▪ Agency Legal Department ▪ Comptroller Operations, Bureau of Commonwealth Accounting
2	Bureau of Commonwealth Accounting reviews the business case and upon approval forwards the Business Case to the Bureau of Financial Management (BFM) and Chief Accounting Officer.	<ul style="list-style-type: none"> ▪ Comptroller Operations, Bureau of Commonwealth Accounting ▪ Chief Accounting Officer
3	<ul style="list-style-type: none"> ▪ Agency prepares a (CA2) application. ▪ OA/OIT receives CA2 from Agency and submits it to Security Team for review. ▪ OA/OIT emails CA2 approval to designated Agency contact, BFM and Chief Accounting Officer. ▪ Refer to OA/OIT Bulletin ITB-SEC023 – <i>Security Assessment and Testing Policy</i> 	<ul style="list-style-type: none"> ▪ Agency Policy/Program Office ▪ Agency IT Office ▪ Dan Paese, OA/OIT Tel: (717) 772-8094 dpaese@state.pa.us
4	The Chief Accounting Officer reviews the business case and notifies BFM of approval/rejection. The business case will not be approved until the CA2 approval is received.	<ul style="list-style-type: none"> ▪ BFM ▪ Chief Accounting Officer

Step	Activity	Contacts
PNC Bank and Merchant Account Setup for debit/credit cards		
5	Upon approval of the business case, the Agency contacts PNC Bank to set up bank account.	<ul style="list-style-type: none"> ▪ Judy Gainer, PNC Bank Tel. (412) 768-1044 judith.gainer@pnc.com
6	Agency contacts PNC Merchant Services (PNCMS) to set up: <ul style="list-style-type: none"> ▪ YourPay account to accept credit cards over the internet (if applicable). ▪ Merchant Account for Visa and MasterCard acceptance. ▪ Point of Service (POS) terminal/software (if applicable). * Agency must also provide the American Express, Discover and bank account numbers.	<ul style="list-style-type: none"> ▪ Agency Program Office ▪ Rick Klinger, PNCMS Tel. (301) 766-5673 richard.klinger@firstdata.com ▪ Patty Mcquade, PNCMS Tel. (412) 762-4104 mary.mcquade@pnc.com
7	Agency contacts American Express to set up a Merchant Account.	<ul style="list-style-type: none"> ▪ American Express Nancy Polk Tel. (800) 694-9239 Nancy.Polk@aexp.com
8	Agency contacts Discover to set up a Merchant Account.	<ul style="list-style-type: none"> ▪ Discover June Sailas Tel. (800) 229-0058 ext. 428 junesailas@discover.com
Internet Application Testing Applicable to all agencies under the Governor's jurisdiction accepting credit cards via Internet		
9	PNC contacts First Data to set up an online account. First Data notifies Agency via email of account activation by providing ID and Password to access First Data Global Gateway Manager. A PNCMS ID and PEM File are required for both Production and Staging. See First Data at: http://www.firstdata.com	<ul style="list-style-type: none"> ▪ Rick Klinger, PNCMS Tel. (301) 766-5673 richard.klinger@firstdata.com
10	Agency contacts OA/OIT Services & Solutions via Remedy Ticket for a service account to be created for access to ePay.NET. Agency supplies OA/OIT Services & Solutions PNCMS ID and PEM File for both production and staging for setup within ePay.NET.	<ul style="list-style-type: none"> ▪ Mark Rogers, Tel. 717-214-6606, marogers@state.pa.us
11	Agency provides PNCMS ID to application developer for live integration via e-Pay. Agency tests ePay.NET (First Data Global Gateway interface).	<ul style="list-style-type: none"> ▪ Agency Program Office ▪ Agency IT Vendor

	Note: Application Developer follows ePay.NET Developer’s Integration Guide (DIG) when integrating their application with ePay.Net. The ePay.NET DIG is available upon request from the OA/OIT.	<ul style="list-style-type: none"> First Data Global Gateway Support Tel. 888-477-3611 <ul style="list-style-type: none"> Mark Rogers (OA/OIT) marogers@state.pa.us Tel. (717) 214-6606
Step	Activity	Contacts
Invoicing		
11	BFM receives and processes monthly invoices from PNCMS, American Express, and Discover centrally.	<ul style="list-style-type: none"> Michele Rinaldi-Kepp, BFM Tel. (717) 425-6749 mrinaldi@state.pa.us

Contacts

PNC Treasury Management:

Judy Gainer (412) 768-1044

- Set up Checking Account

PNC Merchant Services:

Rick Klinger (301) 766-5673

- Merchant Account Set up
- First Data Global Gateway Account Set up
- PNCMS related inquiries
- Terminal/software assistance

POS Help Desk (800) 507-8748

First Data Global Gateway

Technical Support 888-477-3611

Credit Card Companies:

Nancy Polk, American Express (800) 694-9239
 June Sailas, Discover (800) 229-0058 ext 428

Commonwealth Contacts:

Mark Rogers, OA/OIT (717) 214-6606

- ePay.NET

Dan Paese, OA/OIT (717) 772-8094

- Security Assessment

Michele Rinaldi-Kepp, OB/BFM (717) 425-6749

- Business Plan Assistance
- Liaison between Agency, Treasury, and PNC
- Payment and Cost Allocation of PNCMS, Discover, and American Express Invoices

Business Plan

Executive Summary

This section should include one to two paragraphs describing what the organization expects to accomplish by utilizing debit/credit cards, including:

- ◆ Purpose of the organization
- ◆ How the current process works
- ◆ Who the customers are
- ◆ How the new process will work
- ◆ What benefits will accrue to the agency and customer
- ◆ Where the operation will reside in the organization
- ◆ Preferred Implementation Date
- ◆ Why you want to accept debit/credit cards

Business Proposal

This section should define the benefits and costs of accepting debit/credit cards, which includes:

Objective(s) and Plan to accept debit/credit cards:

- ◆ Internal procedures: where in the organizational structure the operation of debit/credit cards will reside and the contact person
- ◆ Selection of Processor, i.e. Commonwealth statewide contract or a 3rd party processor
- ◆ Legal or regulatory statutes that impact the acceptance of credit cards

The Credit Card Process:

- ◆ How the agency will process the payment: Internet, phone, mail, and/or walk-ins, Type of system that will capture the data, etc.
- ◆ How the agency will track the Flow of Funds: include the Administrative and Financial reporting that will be done to track the transactions processed through the system
- ◆ Description of how credit card revenues and fees will be reconciled: what tools will be used, etc.
- ◆ Revenue Collection: method and frequency of the transfer of funds to the Treasury Concentration Account.

Cost/Benefit analysis - how accepting debit/credit cards will improve the current process:

- ◆ Benefits to organization and customers
- ◆ Estimation of how many people will utilize this service and the resulting volume of transactions.
- ◆ Efficiency and Effectiveness of the process: Interest Benefit and other cost reductions, Amount of Time Saved, etc.
- ◆ Financial analysis should include, but not be limited to the following:
 - Projected Cost to Process Credit Cards Annually:
 - Transaction Processing Fees
 - Bank Account Costs
 - Equipment Costs
 - Projected Savings:
 - Projected Cost to Process Checks
 - Interest Benefit
 - Net Cost
 - Projected Percentage of Cost (Projected Revenue divided by Net Cost)
 - Nominal Fee (net cost divided by the number of credit card transactions)

Jacquelyn McNulty
Senior Counsel
PNC Bank, N.A.
1600 Market Street
Philadelphia, PA 19103
Tel: 215-5856232 Fax: 215-585-8138



July 22, 2011

Joshua Soreth Harman, Esquire
Commonwealth of Pennsylvania
Office of Chief Counsel
Department of General Services
400 North Street
Harrisburg, PA 17120

**Re: Merchant Services Agreement Between PNC Merchant Service Company
and The Commonwealth of Pennsylvania**

Dear Josh:

Please redact the following information from any distribution or disclosure of the above referenced agreement.

- Exhibit A Negotiated SLA Agreement
- Exhibit B Negotiated Cost Submittal
- Exhibit C BOFO Disadvantaged Business Proposal
- The dollar amount of the liability caps in Section VA-11, VA-36 and VA-50 of the Negotiated Terms and Conditions (Exhibit A-1)
- The dollar amount of the liability cap in Section 9.5 of the Contractor's Merchant Services Bankcard Agreement (Exhibit E)

PNCMS considers these items to be exempt from disclosure under the Trade Secret and Confidential Proprietary Information exemption of the Right to Know Law (65 PS §67.708 (b)(11)).

Please contact me if you have any questions about this request.

Very truly yours,

A handwritten signature in cursive script that reads 'Jacquelyn McNulty'.

Jacquelyn McNulty
Senior Counsel

JM/alm