

Contract No.:
Contractor:
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PROFESSIONAL SERVICES CONTRACT
Professional Lockbox Banking Services

The Alabama Department of Insurance, of 201 Monroe Street, Suite 502, Montgomery, Alabama 36104, hereinafter referred to as “Department,” is empowered by Section 41-14-4, Code of Alabama 1975, to pay any state depositary for the transfer or removal of funds to or from the state depositary, item handling charges, or for other services performed by the state depositary.

_____ of
_____,
hereinafter referred to as “Contractor,” is a state depositary according to the laws of this state.

The Department and the Contractor have entered into this contract for the provision of professional lockbox banking services. The Contractor has been selected by a request for proposals process and has the necessary expertise to perform the services under this contract.

In consideration of the services to be performed and payments to be made, together with the mutual covenants and conditions hereinafter set forth, the parties agree as follows:

1. SCOPE OF CONTRACT

A. The services provided in the Request for Proposals (RFP) which relate to the lockbox processing operations only are incorporated herein as a part of this contract as Attachment I.

B. The Proposal to provide lockbox banking services submitted by Contractor is incorporated herein as a part of this contract as Attachment II.

2. TERM OF CONTRACT

The term of this contract shall begin when it has received all the requisite state government approvals, estimated to be on or about July 1, 2012. At that time, the Contractor will commence performance of the contract and shall complete performance on or before June 30, 2014.

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3. TERMINATION OF CONTRACT

A. The contract may be terminated at any earlier date upon mutual agreement of the parties, or upon one hundred eighty days written notice by one of the contracting parties to the other contracting party.

1. In the event of termination, all work products developed during the course of the contract by, for, and on behalf of the Department will be returned to Department within fifteen days of a written request.

2. If the Department elects to terminate this contract, the Contractor will cease performance of any work at the instant of receipt of the notification of cancellation of the contract. All costs incurred prior to the issuance and receipt of that notification of cancellation shall be paid by the Department.

B. It is expressly understood and agreed by the parties hereto that the Department shall, in all events, anything herein to the contrary notwithstanding, have the option to terminate this contract at the end of any fiscal year of the State of Alabama so as not to be obligated under the terms herein for the following fiscal year.

4. FINANCIAL ARRANGEMENTS

A. The parties hereto agree this contract is a Fee for Services Contract and the sum total of the professional services to be provided during the operation of this contract shall not exceed \$_____ annually based on processing fees as set forth in the Pricing Forms in Attachment II.

B. The Contractor shall submit itemized written invoices for services provided during the course of the contract on a monthly basis.

5. MERIT SYSTEM BENEFITS EXCLUDED

It is understood the Contractor is an independent contractor and, as such, is not entitled to the benefits of the State Merit System Act for any work it does for the Department under any terms of this Agreement.

6. FINDINGS CONFIDENTIAL

All reports, information, data, etc., given to or prepared or assembled by the Contractor under this Agreement which the Department requests to be kept as

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confidential shall not be made available to any individual or organization by the Contractor without the prior written approval of the Department, unless such confidentiality would be contrary to the laws of the State of Alabama or the United States.

7. COORDINATION CONTACT

Each party to this contract agrees to designate a single source contact person for the purpose of coordination and problem-solving during the term of this contract and any renewal thereto. The designation shall be made in writing immediately after all signatures to the agreement have been obtained.

8. EQUAL EMPLOYMENT OPPORTUNITY

There shall be no discrimination against any employee who is employed in the work covered by this Agreement, or against any applicant for such employment, because of race, color, religion, sex, national origin, age or disability. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship.

9. AVAILABILITY OF FUNDS

This contract is conditional upon the receipt of sufficient funds from the Alabama Legislature. In the event of the proration of the fund from which payment under this contract is to be made, this contract will be subject to termination by Department upon notice to the Contractor.

10. ENTIRE AGREEMENT

This Agreement contains the entire agreement of the parties. There are no other promises or conditions in any other agreement whether oral or written. This Agreement supersedes any prior written or oral agreements between the parties.

11. AMENDMENT

This Agreement may be modified or amended if the amendment is made in writing and is signed by both parties.

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12. SEVERABILITY

If any provision of this Agreement shall be held to be invalid or unenforceable for any reason the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

13. WAIVER OF CONTRACTUAL RIGHT

The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

14. APPLICABLE LAW

This Agreement shall be governed by the laws of the State of Alabama. It is agreed that the terms and commitments contained herein shall not be constituted as a debt of the State of Alabama in violation of Article 11, Section 213, of the Constitution of Alabama, 1901, as amended by Amendment No. 26. It is further agreed that if any provision of this contract shall contravene any statute or constitutional provision or amendment, either now in effect or which may, during the course of this Contract, be enacted, then any conflicting provision in the Contract shall be deemed null and void. The Contractor's sole remedy for settlement of any and all disputes rising under the terms of this Agreement shall be limited to the filing of a claim with the Board of Adjustment for the State of Alabama. For any and all disputes arising under the terms of this Agreement, the parties hereto agree, in compliance with the recommendations of the Governor and Attorney General, when considering settlement of such disputes, to utilize appropriate forms of non-binding alternative dispute resolution including, but not limited to, mediation by and through the Attorney General's Office of Administrative hearings or, where appropriate, private mediators. The Contractor shall not incur any liability on behalf of the State of Alabama.

15. EXEMPTION

The Department, notwithstanding any provisions of this Agreement, incorporations or amendments hereto, does not release or waive, expressly or

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impliedly, its right to assert sovereign immunity or any other affirmative or defensive right or claim it may have under law.

16. AUTHORITY

This Contract is made pursuant to and under the authority of Section 27-2-10, Code of Alabama, 1975.

17. EFFECTIVE DATE

This Contract shall not become effective until approved by the Governor of Alabama. The Contractor acknowledges and understands that this contract is not effective until it has received all the requisite state government approvals and the Contractor shall not begin performing work under this contract until notified to do so by the Department. The Contractor is entitled to no compensation for work performed under this contract prior to the effective date of this contract.

DEPARTMENT:

CONTRACTOR:

By: _____
Jim L. Ridling
Commissioner
Alabama Department of Insurance

By: _____

Taxpayer ID Number: _____

APPROVED AS TO FORM ONLY:

Legal Counsel
Alabama Department of Insurance

APPROVED:

Robert Bentley
Governor, State of Alabama