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RECEIVED
 OFFICE OF PUBLIC ACCOUNTABILITY
 PROCUREMENT APPEALS

DATE: Oct. 22, 2021

PROCUREMENT APPEAL OF DENIAL OF ~~PROCUREMENT~~ PROTEST *Amis*
 IN THE OFFICE OF PUBLIC ACCOUNTABILITY
 FILE NO OPA-PA: 21-012

PART I.

In the Appeal of)	DOCKET NO. OPA-PA-
)	
GRAPHIC CENTER, INC.)	NOTICE OF APPEAL
)	
Appellant.)	
_____)	

I. APPELLANT INFORMATION

Appellant's Name: Graphic Center, Inc.

Appellant's Mailing Address: Graphic Center, Inc.
 167 Serenu Avenue
 Tamuning, Guam 96913

Appellant's Business Address: Graphic Center, Inc.
 167 Serenu Avenue
 Tamuning, Guam 96913

Appellant Representative's Direct Email Address: chris@gciguam.com

Appellant is represented by legal counsel in this appeal. For purposes of this appeal, please direct correspondence to Graphic Center, Inc.'s ("Graphic") counsel, James M. Maher of the Law Office of James M. Maher, PC.

Counsel's Mailing Address: 238 Archbishop Flores Street, Ste. 300
 Hagatna, Guam 96910

Counsel's Telephone: 671-477-7892

Counsel's Direct Email Address: jmpc671@gmail.com

II: APPEAL INFORMATION

- A. Purchasing Agency: Guam Power Authority
- B. Solicitation Number: GPA-RFD-21-002 (printing, mailing, archival and retrieval processing for GPA statements)("invitation").
- C. The Decision being appealed was provided to the Appellant on October 11, 2021. The Decision was made by the Head of the Purchasing Agency, Mr. John M. Benavente, P.E.
- D. The name of the only competing offeror known to Appellant is: INFOSEND, INC.

III: STATEMENT OF GROUNDS FOR APPEAL

A. THE GROUNDS FOR APPEAL

1. Relevant Procedural and Factual History

The Guam Power Authority ("GPA") issued Bid Invitation GPA-RFP-21-002 in February of 2021. GPA failed inform Graphic of the Bid Invitation. The Bid Invitation was cancelled. Graphic was informed that GPA had disqualified the sole but unknown bidder. The Guam Power Authority reissued its Bid Invitation GPA-RFP-21-002, a copy of which is appended and marked as exhibit "1". Graphic was informed of the re-issued RFP on May 18, 2021. In April of 2021, GPA and Graphic began negotiating with Graphic for a six-month extension of the GPA-RFP-21-002, a copy of GPA's and Graphic's communications regarding the extension are appended and marked as exhibit "2". On May 28, 2021, approximately three (3) working days before the re-issued Bid Invitation submission deadline, GPA informed Graphic about an amendment to the RFP containing two pages of questions to Graphic which it answered and included in its bid packet. Infosend bid packet contained neither the amendment nor answer to the questions in it, "inclusion" or amendment to the RFP, a copy of which is appended and marked as exhibit "3". On August 18, 2021, Graphic was informed that an award was recommended for Infosend. Graphic lodged its protest on August 30, 2021, alleging that

Infosend's was a non-responsive and non-responsible bidder, as set forth in Graphic's protest letter, a copy of which is appended and marked as exhibit "4". GPA denied the protest on October 7, 2021, a copy of the denial is appended and marked as exhibit "5"¹. GPA informed Graphic of its denial of the protest on October 11, 2021.

Graphic identified six (6) deficiencies with Infosend's bid and with GPA's uncritical evaluation of those deficiencies: (1) Infosend's ability, skill and capacity to meet the requirements of section 2.3 of the RFP; (2) Infosend's ability to meet the requirements of section 2.3, subsection B of the RFP; (3) a higher evaluation score accorded Infosend than accorded Graphic in categories of quality and understanding of services and utility scale, despite Graphic's 5-year record of product service to GPA and Graphic's creation of a print system to accommodate GPA's unique needs, and the absence of Infosend's proven service record and its untested, unknown print system; (4) system development, a major component and a condition precedent to service under the RFP was not given due weight and consideration in evaluating the responsive/responsible nature of the offerors' proposals; (5) in light of GPA subscriber adoption rate and changes in postal services periods, Infosend's inability to timely supply professional printing and processing services shall have a significant and negative impact GPA's operating budget and cash flow; and six (6) Infosend did not submit a sealed pricing proposal by the submission deadline. Those failures were identified to GPA in Graphic's correspondence of August 30, 2020. On October 11, 2021, Graphic received correspondence from GPA Denying its Protest. This Notice of Appeal to the OPA followed.

2. Infosend Submitted An Incomplete Packet

As noted about, GPA informed Graphic of an amendment to the RFP which contained

¹ In 2018, GPA requested a disaster recovery plan, Graphic provided a disaster recovery plan. See Kubra, Services Organization Controls Report appended and marked as exhibit "6".

two pages of questions which is referred in the bid packet as Exhibit A. Graphic answered the questions and included the amendment and its answers to the questions in its bid packet. Infosend's bid packet contains neither the amendment to the RFP nor answers to the questions posed in GPA's amendment. Infosend's packet is incomplete and therefore Infosend should be disqualified. The bid packet clearly states that if Exhibit A is not included in an offeror's packet that the offeror is disqualified its bid rejected. See page 14 of GPA bid packet.

3. GPA's Protest Decision failed to substantively address the merits of Graphic's protest.

GPA's October 7, 2021 denial of Graphic's protest did not substantively address the allegations that Infosend was non-responsive to the RFP, that the evaluators abused their discretion in the scores assigned to the offerors in that the scores bore no rational and factual relationship to the record before the evaluators. The evaluators either minimized or overlooked the significant deficiencies in Infosend's proposal. When addressing obvious deficiencies, GPA stated only that they were not RFP's requirements. In evaluating the proposals, GPA ignored system development, a major component of the RFP, failing to note that Infosend's development system is untested and unidentified. Graphic has a proven development system in place, functioning and tested. Rather than conducting a disinterested and thorough inquiry into the allegations raised, GPA provided a generic, non-responsive explanation in dismissing Graphic's protest and thereby avoided addressing the underlying merits of the protest.

4. Despite Graphic's Demonstrated Record of Service to GPA for Five Years, GPA's Denial Assumes Infosend development System Is Extant Even In Absence Of It

GPA's scoring of Infosend's development system to service GPA's subscribers, in the absence of a demonstrated record and existence of such a system, is curious. The evaluators accorded Graphic a lower score than Infosend in the categories of quality approach,

understanding of requirements, staffing and experience despite Graphic's five (5) years of service. Conversely, GPA failed to explain its high score and rating of Infosend despite the absence of any previous work relationship with Infosend, the absence of an identifiable, tested development system and despite a large geographic distance that separates Infosend's operations and GPA's subscriber base which shall, as noted above, adversely impact GPA's cash flow. The logistics of billing customers over great geographic distances compounds the difficulty of providing adequate notice to customers to ensure GPA's timely receipt of customer payments. Presently, GPA, operating on a 15-day billing cycle, provides a customer billing file to Graphic who, in turn, generates a billing which it mails to the GPA customer that same day. The customer receives it the following day. As such, a current customer has fourteen days to pay. Customer billing, GPA's receipt of payment, its resulting cash flow and customer satisfaction under an Infosend scenario is fraught with problems. First, the geographic distance from the U.S. mainland to Guam is significant. Communications over different time-zones and work-weekend overlap complicate and delay communications necessary to prompt and accurate customer billing. An additional issue that guarantees delay is a recent change in U.S.P.S.'s service standards, specifically its deliver-day ranges, effective October 1, 2021. This service change shall ensure a time delay in delivery service between the mainland and Guam, a copy of U.S.P.S.'s Lower Postal Service Standards Take Effect October 1 is appended and marked as exhibit 7. Under the new U.S.P.S. service standards, a mainland delivery shall require eight (8) to reach GPA customers on Guam. Under an optimal delivery scenario, a GPA customer shall therefore have approximately six (6) days to pay the bill assuming Infosend, like Graphic, receives the billing file from GPA on the first day of the billing cycle, generates a customer billing and mails it out the same day. One can envision an endless array of unexpected events

that could intervene to further delay the arrival of mail on Guam from a mainland site, all of which shall diminish customer satisfaction, result in late payment and adversely impact GPA's finances.

Infosend's rather optimistic estimate in creating a viable service system overlooks the in-time communication necessary to customize it to GPA's needs and its subscribers as well as GPA's ability to replicate and cross-reference data necessary to creating a system. A more realistic projection is a minimum of nine (9) months. A proven development system is a condition precedent to determining an offeror's responsibility. This essential component of the RFP GPA severely minimized in its evaluation and took Infosend's uninformed representation at face value in evaluating the proposals. GPA's failure to address those issues in its Protest decision violates procurement law, which constitutes further grounds for appeal.

IV. RULING REQUESTED

Graphic respectfully requests that the Office of Public Accountability Order the following:

- (1) That GPA disqualify Infosend from eligibility for an award under this RFP, as Infosend's proposal was non-responsive;
- (2) That GPA determine Infosend to be a non-responsible offeror given the inability of its proposed solutions to the RFP to safely and efficiently perform as specified by GPA; and
- (3) That GPA award GPA-RFD-21-002 to Graphic as the next lowest price responsive bidder to the RFP

A. SUPPORTING EXHIBIT, EVIDENCE OR DOCUMENTS

Submitted with this appeal are the following supporting exhibits, evidence, and documents:

- (1) GPA RFP No.: Re-Solicitation GPA-RFP-21-002 as Exhibit 1
 - (2) E-mail correspondence from Chris Biolchino to Melvyn K. Kwek dated April 14, 2021 and April 16, 2021 as Exhibit 2
 - (3) GPA Amendment No.: I to Request for Proposal No.: Re-Solicitation GPA-21-002 as Exhibit 3
 - (4) Graphic Center letter to GPA dated August 30, 2021 as Exhibit 4
 - (5) Denial of Procurement Protest dated October 7, 2021 as Exhibit 5
 - (6) Kubra, Services Organization Controls Report as Exhibit 6
 - (7) Lower Postal Service Standards Take Effect October 1 as Exhibit 7
- Graphic anticipates providing further documentation, including testimony, to substantiate

its claims as GPA submits the full contracting procurement record to the OPA, and allows Graphic to review the procurement record in in full.

PART V: DECLARATION RE COURT ACTION

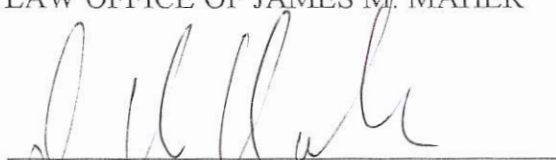
Pursuant to 5 GCA Chapter 5, unless the court requests, expects, or otherwise express interest in a decision by the Public Auditor, the Office of Public Accountability will not take action on any appeal where action concerning the protest or appeal has commenced in any court. The undersigned party does hereby confirm that to the best of his knowledge, no case or action concerning the subject of this Appeal has been commenced in court. The undersigned part agrees

to notify the Office of Public Accountability within 24 hours if court action commences regarding this Appeal or the underlying procurement action.

Respectfully submitted this ^{29th} day of October, 2021.

LAW OFFICE OF JAMES M. MAHER

By:



JAMES M. MAHER
Attorney for Graphic Center, Inc.

EXHIBIT

1



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUÅHAN
P.O.BOX 2977 • HAGÁTÑA, GUAM U.S.A. 96932-2977

To All Interested Parties:

I hereby acknowledge the following **GLOBAL NOTICE: COVID-19 PANDEMIC requirements:**

To ensure the safety and well-being of personnel and prospective bidders, please be advised of the following:

1. Six (6) Feet of Social Distancing shall be practiced.
2. Mandatory face mask required for each individual.
3. Temperature checks shall be conducted upon entrance of the Gloria B. Nelson Public Service Building.
4. One (1) Personnel per Prospective Bidder to submit and attend public opening.
5. One (1) Personnel per Prospective Offeror to submit an RFP proposal.

COMPANY NAME:

NAME OF INDIVIDUAL:

BID NO.: _____

RFP NO.: RE-SOLICITATION GPA-RFP-21-002



JOEY T. DUENAS
CCU Chairman

GUAM POWER AUTHORITY
ATURIDAT ILEKTRESEDAT GUAHAN
P.O. BOX 2977 * AGANA, GUAM U.S.A. 96932-2977
Telephone Nos.: (671) 648-3054/55 or Facsimile (671) 648-3165



JOHN M. BENAVENTE, P.E.
General Manager

Accountability	Impartiality	Competence	Openness	Value
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REQUEST FOR PROPOSAL: RE-SOLICITATION GPA-RFP-21-002

DESCRIPTION: PROFESSIONAL PRINTING, MAILING AND PROCESSING SERVICES RELATING TO UTILITY CUSTOMER BILLING

SPECIAL REMINDER TO PROSPECTIVE INDIVIDUALS/FIRMS

Firms/Individuals are reminded to read Proposal Instructions to ascertain that all of the following requirements checked below are submitted in the proposal envelope, one (1) bound paper original, five (5) bound paper copies, and one (1) electronic PDF format copy, at the date and time for proposal remittance.

- STATEMENT OF QUALIFICATION;
- AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS
- NO GRATUITIES OR KICKBACKS AFFIDAVIT;
- ETHICAL STANDARDS AFFIDAVIT;
- WAGE DETERMINATION AFFIDAVIT;
- RESTRICTIONS AGAINST SEX OFFENDERS AFFIDAVIT;
- NON-COLLUSION AFFIDAVIT;

*Note: The above Affidavits must comply with the following requirements:

- a. The affidavit must be signed within 60 days of the date the bid is due;
- b. Date of signature of the person authorized to sign the bid and the notary date must be the same.
- c. First time affidavit must be an original – If copy, indicate Bid Number/Agency where original can be obtained.

OTHERS: A Guam Business License is not required in order to provide a proposal for this engagement, but is a pre-condition for entering into a contract with the Authority. Offerors MUST comply with PL 26-111 dated June 18, 2002, P. 28-165 dated January 04, 2007 and Wage Determination under the Service Contract Act (www.wdol.gov).
Additionally, upon award the successful firm/individual must provide to GPA the most recently issued Wage Determination by the US Dept. of Labor.

***Restriction against Sex Offenders Employed by Service Providers to Government of Guam from Working on Government of Guam Property, 5GCA Section 5253, enacted by P.L. 28-24 and amended by P.L. 28-98:

If a contract for services is awarded to the bidder or offeror, then the service provider must warrant that no person in its employment who has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 of the Guam Code Annotated or of an offense defined in Article 2 of Chapter 28 of Title 9 of the Guam Code Annotated, or who has been convicted in any other jurisdiction of an offense with the same elements as heretofore defined, or who is listed on the Sex Offender Registry, shall provide services on behalf of the service provider while on government of Guam property, with the exception of public highways. If any employee of a service provider is providing services on government property and is convicted subsequent to an award of a contract, then the service provider warrants that it will notify the Government of the conviction within twenty-four hours of the conviction, and will immediately remove such convicted person from providing services on government property. If the service provider is found to be in violation of any of the provisions of this paragraph, then the Government will give notice to the service provider to take corrective action. The service provider shall take corrective action within twenty-four hours of notice from the Government, and the service provider shall notify the Government when action has been taken. If the service provider fails to take corrective steps within twenty-four hours of notice from the Government, then the Government in its sole discretion may suspend temporarily any contract for services until corrective action has been taken.

This reminder must be signed and returned in the proposal envelope together with the proposal. Failure to comply with the above requirements will mean a disqualification and rejection of the proposal.

On this _____ day of _____, 20____, I, authorized representative of _____ acknowledge receipt of this special reminder to PROSPECTIVE Individual/Firm with the above referenced RFP.

Individual/Firm Representative's Signature

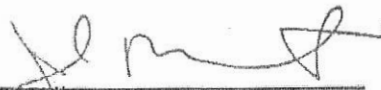
REQUEST FOR PROPOSAL

NO. GPA-RFP-21-002

**FOR
RE-SOLICITATION OF
PROFESSIONAL PRINTING, MAILING AND PROCESSING SERVICES
RELATING TO UTILITY CUSTOMER BILLING**



JOHN J.E. KIM
Chief Financial Officer



JOHN M. BENAVENTE, P.E.
General Manager

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1 INSTRUCTIONS TO OFFEROR

1.1 DEFINITIONS

OFFEROR: The individual, partnership, corporation, or joint venture submitting a written or documented response to this subject RFP.

OWNER: The Guam Power Authority (GPA) General Manager or designated representative.

ADDENDA: Any amendment, modification or addenda issued by OWNER, prior to the opening of the RFP's, for the purpose of changing the intent of the plans and technical specifications, clarifying the meaning of the same, or changing any of the provisions of this RFP, shall be binding to the same extent as if written in the Specifications.

1.2 PROPOSALS

The OFFEROR is required to read each and every page of the Request for Proposal and by the act of submitting a proposal shall be deemed to have accepted all conditions contained therein. In no case will failure to inspect constitute grounds for a claim or for the withdrawal of a proposal after opening.

Proposals shall be filled out in ink or typewritten and signed in black ink. Erasures or other changes in a proposal must be explained or noted over the signature of the OFFEROR. Proposals containing any conditions, omission, unexplained erasure or alterations or items not called for in the Proposal, or irregularities of any kind shall be rejected by the Guam Power Authority as being incomplete.

1.3 PROPRIETARY PORTIONS OF PROPOSALS

The OFFEROR may designate any proprietary portions of the proposal which contain trade secrets or other proprietary data to remain confidential.

1.4 PREPARATION AND SUBMISSION OF PROPOSALS

Envelopes containing proposals shall be sealed and marked on the face with the name and address of the OFFEROR, the Proposal Number and the time and date of submission. Telegraphic proposals will not be considered, nor modification by telegraph of proposals already submitted.

Only non-priced proposals are to be submitted by the proposal deadline. Priced proposals will be requested of the selected vendor or vendors at a later time.

Proposals shall be hand-carried and received at the place of opening on or before the opening date and time. Proposals received through mail will not be accepted if such mail is received at the address showing after the submission date and time. Proposals will not be opened publicly.

All submittals must strictly conform to the Request for Proposal and any addenda.

One (1) bound paper original, five (5) bound paper copies, and one (1) electronic PDF format copy of each proposal, consisting of technical and commercial sections, must be submitted, including all addenda, if any. Any and all sample documentation (reports of similar jobs, brochures, etc.) that will assist towards OFFEROR's evaluation may be furnished with each proposal.

No submittal shall be considered complete unless accompanied by all items specified in these submittal instructions.

Request for Proposal No.: RE-SOLICITATION GPA-RFP-21-002 must be submitted before 3:00 P.M., June 03, 2021 in a sealed envelope indicating the RFP number and addressed as follows:

To: Guam Power Authority
GPWA Procurement Office
Gloria B. Nelson Public Service Building
688 Route 15
1st. Floor, Room 101
Fadian, GU 96913

Attn: Jamie Lynn C. Pangelinan
Supply Management Administrator

Examination of RFP Documents: OFFEROR shall examine the RFP documents to inform himself of all conditions and requirements for the execution of the proposed work. Ignorance on the part of OFFEROR of any part of the Request for Proposal will in no way relieve him/her of the obligations and responsibilities assumed under the Contract.

Interpretation of the Approximate Quantities: OFFEROR's attention is called to the fact that any estimate of quantities of work to be done and materials to be furnished under the Contract as shown on the technical requirements section or elsewhere, is approximate only and not guaranteed. OWNER does not assume any responsibility that the final quantities shall remain in strict accordance with the estimated quantities, nor shall OFFEROR plead misunderstanding or deception because of such estimate of quantities or of the character, location of the work or other conditions pertaining thereto.

Familiarity with Laws: OFFEROR is assumed to be familiar with Federal and Local laws, ordinances, rules and regulations that in any manner affect the work. Ignorance on the part of OFFEROR will in no way relieve him/her from responsibility. The preparation and submission of a proposal will be by and at the expense of the OFFEROR.

1.5 EXPLANATION TO OFFERORS

No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the proposal. Discrepancies, omissions, or doubts as to the meaning of the specifications must be communicated in writing to the named contact individual of the Guam Power Authority requesting for interpretation. OFFERORS should act promptly and allow sufficient time for a reply to reach them before the submission of their proposals. Interpretation, if required, shall be made in the form of an amendment to the specifications, which will be forwarded to all prospective OFFERORS, and its receipt by the OFFEROR should be acknowledged on the proposal form.

1.6 CLARIFICATION ON REQUEST FOR PROPOSAL

Each OFFEROR must carefully examine the Request for Proposal and all addenda. If any OFFEROR (a) finds any discrepancies, omissions or ambiguities in the RFP documents, (b) is uncertain as to the intent or meaning of any provision of the request for Proposal, or (c) has any question regarding the Request for Proposal, the OFFEROR must promptly notify GPA in writing no later than (4) four working days prior to the closing date of this RFP thereof in writing at the address specified for submission of proposals. Replies to such notices may be made in the form of addenda, which will be issued simultaneously to all prospective OFFERORS. GPA further reserves the right to respond to any and all inquiries to this RFP, as any amendments issued may impact the project completion schedule.

1.7 ALTERNATE PROPOSALS

GPA reserves the right to withhold its approval of any or all alternates proposed by OFFERORS and to deny any or all requests for such approvals.

1.8 MODIFICATION OR WITHDRAWAL OF PROPOSALS

An OFFEROR may modify or withdraw its proposal by written request, provided that the request is received by GPA at the address indicated and prior to the time specified for the submission of proposals. Any proposals or submittals received after the time and date set for receipt of proposals or submittals will be considered late. No late modification or withdrawal will be considered unless received before the date of opening. Following withdrawal of its proposal, an OFFEROR may submit a new proposal, provided the new proposal is received by GPA prior to the time specified for the submission of proposals. There shall be no modifications or withdrawals after the opening date.

GPA may modify any provision of the Request for Proposal at any time prior to the time specified for the submission of proposals. Such modifications may be made in the form of addenda, which will be issued simultaneously to all OFFERORS.

Any addenda issued will be mailed to all OFFERORS in duplicate. OFFEROR shall acknowledge receipt of same by his signature on copy, which is to be returned to OWNER. The other copy shall accompany the proposal or submittal. Acknowledgement may also be made in writing or by telex or telegram.

Negligence on the part of the OFFEROR in preparing the proposal confers no right for the withdrawal of the proposal after it has been opened.

1.9 COMPLETE PROPOSALS

OFFERORS are requested to submit proposals, which are complete and unambiguous without the need for additional explanation or information. GPA may make a final determination as to whether a proposal is acceptable or unacceptable solely on the basis of the proposal as submitted, and proceed with proposal evaluation without requesting further information from any OFFEROR. GPA may, in its sole discretion, request from OFFERORS additional information clarifying or supplementing, but not basically changing any proposal as submitted.

All Proposals shall remain the property of GPA.

Time for Acceptance: All submittals shall be valid for 60 days from date of RFP opening.

Completion Date: OFFEROR shall realize that satisfactory completion of this work within the period shown on the Contract form is a critical requirement. Failure to do so may cause the imposition of liquidated damages as specified therein.

1.10 POST-PROPOSAL MEETING

After the receipt of proposals, GPA may request additional information over the telephone or in individual meetings with selected OFFERORS to clarify and discuss their proposals. Failure by an OFFEROR to attend such requested meeting(s) shall be cause for disqualification.

GPA reserves the right to request clarifications from only those OFFERORS whom it deems in its best interest.

All clarifications shall be documented by OFFERORS as addenda to the submittals.

1.11 PROPOSAL INCONSISTENCIES

Any provisions in the proposal which are inconsistent with the provisions of this Request for Proposal, unless expressly described as being exceptions or alternates, are deemed waived by the OFFERORS. In the event the proposal is awarded to OFFEROR, any claim of inconsistency between the proposal and these RFP documents will be resolved in favor of these RFP documents unless otherwise agreed to in writing by GPA.

1.12 SUBCONTRACTOR

If the OFFEROR plans to enter into contracts with subcontractors in order to complete this project, the identification and location of the possible subcontractors with a comprehensive description of their offering shall be submitted with the proposal. GPA reserves the right to disapprove any subcontractor, or a subcontractor's offering proposed by the OFFEROR. This right applies to the original submittal as well as submittals subsequent to the original proposal.

1.13 SUBMITTAL FORMAT

All responses to this subject RFP shall be written in the ENGLISH language.

The submittal information shall be in 8-1/2 inch by 11-inch report binders with the covers identifying the respective OFFEROR. Large sheets or drawings shall be bound in the binder so that they can be unfolded for easy review.

1.14 SIGNATURE

The proposals shall be signed by an official authorized to contractually bind the OFFEROR. The proposal shall also provide the following information:

Signature on Proposal: OFFEROR must sign his proposal correctly. If the proposal is made by an individual, his name and post office address must be shown. If made by a firm or partnership, the name and post office address of each member of the firm or partnership must be shown. If made by a corporation, the person signing the proposal shall show the name of the State or Territory under the laws of which the corporation was chartered, also the names and business address of its president, secretary and treasurer.

1.15 INQUIRIES

Prospective OFFERORS should address inquiries, questions or clarifications in writing to:

John M. Benavente, P.E.
General Manager
Guam Power Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, Guam 96913

Attn: Jamie Lynn C. Pangelinan
Supply Management Administrator
GPA Procurement Division
1st. Floor, Room 101
Telephone No: (671) 648-3054/3055
Facsimile: (671) 648-3165
Email: jpangelinan@gpagwa.com

***Note:** Cut-Off Date for Receipt of Questions shall be Thursday, May 20, 2021 at 4:00 P.M.
Inquiries received after the deadline shall not be entertained.

2 GENERAL TERMS AND CONDITIONS

2.1 AUTHORITY

This Request for Proposals (RFP) solicitation is issued subject to all of the provisions of the Guam Procurement Act (Public Law 16-124) and the Guam Procurement Regulations (copies are available for inspection at the Guam Power Authority). The RFP requires all parties involved in the preparation, negotiation, performance, or administration of contracts to act in good faith.

2.2 GENERAL INTENTION

Unless otherwise specified, it is the declared and acknowledged intention and meaning of these General Terms and Conditions for the OFFEROR to provide the Guam Power Authority with specified services.

2.3 STANDARDS FOR DETERMINATION OF MOST QUALIFIED OFFEROR

In determining the most qualified OFFEROR, the Agency/Department shall be guided by the following:

- A. The ability, capacity and skill of the OFFEROR to perform the work specified.
- B. Whether the OFFEROR can perform promptly or within the specified time.
- C. The quality of performance of the OFFEROR with regard to awards previously made to him.
- D. The previous and existing compliance by the OFFEROR with laws and regulations relative to procurement.

2.4 AWARD OR REJECTION OF PROPOSALS

The right is reserved as the interest of the Guam Power Authority may require waiving any minor informalities or irregularities in proposals received. The Guam Power Authority reserves the right and shall have the prerogative to award, amend, or reject proposals in whole or in part. It is the policy of the Guam Power Authority to award proposals to OFFERORS duly authorized and licensed to conduct business in Guam.

GPA reserves the right to award a Contract for the entire RFP scope or for subsets of the RFP scope to one, none, or any OFFERORS.

Proposals will be opened privately, and GPA reserves the right to keep any or all proposals confidential.

- A. Cancellation of Solicitation, Delays: GPA reserves the right to cancel or to withdraw this RFP, to delay determination on this RFP, or to reject all submittals or any individual submittal in whole or in part at any time prior to the final award. The reasons for the cancellation, delay or rejection shall be made a part of the project file and shall be available for public inspection.

After opening, but prior to award, all proposals may be rejected in whole or in part when the Procurement Authority of GPA determines in writing that such action is in the Territory's best interest for reasons including but not limited to:

- 1) The supplies and services being procured are no longer required;
- 2) Ambiguous or otherwise inadequate Specifications were part of the solicitation;
- 3) The solicitation did not provide consideration of all factors of significance to the Territory;
- 4) Price(s) exceed available funds and it would not be appropriate to adjust quantities to come within available funds;
- 5) Inability of the selected OFFEROR and GPA to successfully negotiate contract terms for the scope of services requested.

When a solicitation is cancelled or rejected prior to final award, notice of cancellation or rejection shall be sent to all OFFERORS. The reasons for cancellation or rejection shall be made a part of the project file and shall be available for public inspection.

- B. Rejection of Individual Proposal or Submittal: Any individual proposal or submittal may be rejected in whole or in part when in the best interest of the Authority. Reasons for rejecting a proposal or submittal include but are not limited to:

- 1) OFFEROR is not responsive;
- 2) The proposal or submittal is non-responsive as it does not conform in all respects to the RFP;
- 3) The construction, supply or service offered in the proposal is unacceptable by reason of its failure to meet the requirements of the specifications or technical requirements set forth in the RFP;
- 4) The proposal or submittal does not meet the requirements or criteria set forth in the RFP. Upon request, unsuccessful OFFERORS shall be advised of the reasons for rejection.

Any or all proposals or submittals will be rejected if there is reason to believe that collusion exists among OFFERORS and no participants in such collusion will be considered in future projects for the same work.

2.5 EXECUTION OF THE ORDER

The OFFEROR to whom the Order is awarded (the "successful OFFEROR") shall execute and deliver to GPA the Contract prior to performing any services on GPA premises. A written notice will be issued to the most successful OFFEROR indicating commencement of the project.

Award of Contract: The award of the Contract, if awarded, will be to the most responsive OFFEROR whose qualifications indicate that award thereto will be in the best interest of OWNER, and whose proposal shall comply with the requirements of the Contract Documents. In no case will the award be made until all necessary investigations have been made into the responsibility of the OFFEROR, and the OWNER is satisfied that the OFFEROR is qualified to do the work and has the necessary equipment to carry out the provisions of the Contract to the satisfaction of OWNER within the time specified. OWNER may award separate contracts for each project scope or for any combination of project scope.

Execution of Contract: The individual, firm or corporation to which this Contract has been awarded shall sign the necessary agreement entering into Contract with OWNER, and return it to OWNER within ten (10) days after date of award.

Failure to Execute Contract: Failure on the part of OFFEROR to execute the Contract as required will be just cause for the annulment of the award. The award may then be made to the next most qualified OFFEROR or the work re-advertised, as OWNER may elect.

2.6 MODIFICATION / ALTERATION

After the receipt and opening of proposals, and at its option, the Guam Power Authority may conduct discussions with the OFFEROR who has submitted a proposal reasonably susceptible of being selected for award with the purpose of clarification to assure full understanding and responsiveness to the Proposal requirements. OFFERORS shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision to proposals and such revisions shall be permitted after submission and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing OFFERORS.

2.7 CONTACT FOR CONTRACT ADMINISTRATION

If your firm receives a contract as a result of this Proposal, designate a person whom we may contact for prompt administration, showing:

NAME: _____ TITLE: _____
ADDRESS: _____ PHONE: _____

2.8 DETERMINATION OF RESPONSIBILITY OF OFFEROR

The Guam Power Authority reserves the right to secure from OFFERORS information necessary to determine whether or not they are responsible and to determine their responsibility in accordance with Section 2.3 of the General Terms and Conditions.

2.9 LIMITATIONS

This RFP does not commit the Guam Power Authority to award a contract, to pay any costs incurred in the preparation of a proposal by the OFFEROR under this request, or to procure a contract for services. The Guam Power Authority reserves the right to reject any and all proposals received under this request, to negotiate with all qualified sources, or to cancel the whole or any part of this RFP at any time.

2.10 ACCEPTANCE OF PROPOSAL CONTENTS

The contents of the Proposal of the successful firm will become contractual obligations if a contract ensues. Failure of the successful firm to accept these obligations will result in a disqualification of the Proposal.

2.11 CONTROL

The successful OFFEROR will carry out this assignment under the direction and control of the Guam Power Authority and/or his/her designee(s).

2.12 REQUIRED FORMS

All OFFERORS are required to submit current affidavits, as required below. Failure to do so will mean disqualification and rejection of the proposal.

- A. Major Shareholders Disclosure Affidavit
- B. Non-Collusion Affidavit
- C. No Gratuities or Kickbacks Affidavit
- D. Ethical Standards Affidavit
- E. Declaration Re-Compliance with U.S. DOL Wage Determination
- F. Restriction Against Convicted Sex Offenders
- G. Exhibit A

2.13 CONTRACT TERM

GPA and the CONSULTANT agree this CONTRACT will be for a one year period (12 months) from the date of award of the contract with an option to extend the contract for four additional one-year periods, subject to the availability of funds, and may, by mutual written agreement, be renewed at the same terms and conditions for additional periods subject to availability of funding.

2.14 JUSTIFICATION OF DELAY

The OFFEROR who is awarded the proposal guarantees that the services will be completed within the agreed upon completion date. If, however, the OFFEROR cannot comply with the completion requirement, it is the OFFEROR's responsibility to advise the Guam Power Authority in writing explaining the cause and reasons for the delay.

Section 6-101.09.1 of the Guam Procurement Regulations, "Liquidated Damages", will be in effect if the OFFEROR fails to meet the completion requirement.

2.15 INVOICING AND PAYMENT TERMS & CONDITIONS

All invoices shall include supporting documents (i.e. timesheets, shipping invoices, consumable listings, etc.). All supporting documents must be reviewed and approved by the GPA Project Manager prior to invoice submittals. All invoices will be paid net 30 days from the date the invoice is received at the GPA Accounting Department. Payment shall be made using a method mutually agreed upon by the Guam Power Authority and the successful OFFEROR.

2.16 TAXES

OFFEROR shall be liable for Guam Gross Receipt Taxes and all other applicable taxes and duties. The Guam Power Authority shall have no tax liability under this order. Specific information on taxes may be obtained from the Director of Revenue and Taxation.

GPA is a government agency exempted from all government taxes as stipulated in the Guam Code Annotated.

2.17 LICENSING

OFFERORS are reminded that the Guam Power Authority will not consider for award any offer submitted by an OFFEROR who has not complied with the Guam Licensing Law by the time of contract signing. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

2.18 COVENANT AGAINST CONTINGENT FEES

The OFFEROR warrants that he has not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Guam Power Authority the right to terminate the Contractor, or in its discretion to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commission payable by contractors upon contracts or sales secured or made through, bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

2.19 ASSIGNMENTS

Contractor may not assign this CONTRACT or any sum becoming due under the provisions of this CONTRACT without the prior written consent of the Guam Power Authority.

2.20 EQUAL EMPLOYMENT OPPORTUNITY

Section 3.01 of the Executive Order 10935 dated March 07, 1965 requires the OFFEROR not to discriminate against an employee or applicant for employment because of race, creed, color or national origin. The OFFEROR will take affirmative action to ensure that applicants are employed and that employees are treated equally during employment without regard to race, creed, color or national origin.

2.21 AMERICAN DISABILITIES ACT

If requested, the OFFEROR must meet all ADA regulations and requirements.

2.22 PROHIBITION AGAINST GRATUITIES, KICKBACKS AND FAVORS TO THE TERRITORY

All OFFERORS are required to submit a current No Gratuities of Kickbacks Affidavit. Failure to do so will mean disqualification and rejection of the proposal.

Pursuant to GCA 5 section 5630 (c), this clause is conspicuously set forth to alert all parties in this procurement that Guam Public Law Title 5 §5630. Gratuities and Kickbacks, prohibits against gratuities, kickbacks, and favors to the Territory.

2.23 RESTRICTION AGAINST CONVICTED SEX OFFENDERS

All OFFERORS are required to submit a current Restriction against Sex Offenders Affidavit. Failure to do so will mean disqualification and rejection of the proposal.

GCA 5 §5253(b) restricts the OFFEROR against employing convicted sex offenders from working at Government of Guam venues. It states:

(b) All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the contractor has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the contractor is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.

2.24 MAJOR SHAREHOLDERS DISCLOSURE AND NON-COLLUSION

All OFFERORS are required to submit a current Major Shareholders Disclosure Affidavit as required below. Failure to do so will mean disqualification and rejection of the proposal.

5 GCA §5233 (Title 5, Section 5233) states:

"Section 5233 Disclosure of Major Shareholders. As a condition of submitting a bid or offer, any partnership, sole proprietorship or corporation doing business with the Government of Guam shall submit an affidavit executed under oath that lists the name and address of any person who has held more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a bid, or, that it is a not for profit organization that qualifies for tax exemption under the Internal Revenue Code of the United States or the Business Privilege Tax law of Guam, Title 12, Guam Code Annotated, Section 26203©. With the exception of not for profit organizations, the affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation which have been held by each such person during the twelve (12) month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid or offer and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to the public for inspection and copying."

1. If the affidavit is a copy, indicate the RFP number and where it is filed.
2. Affidavits must be signed within 60 days of the date the proposals are due.

2.25 NON-COLLUSION

All OFFERORS are required to submit a current Non-Collusion Affidavit. Failure to do so will mean disqualification and rejection of the proposal.

2.26 ETHICAL STANDARDS

All OFFERORS are required to submit a current Ethical Standards Affidavit. Failure to do so will mean disqualification and rejection of the proposal.

2.27 COMPLIANCE WITH U.S. DOL WAGE DETERMINATION

All OFFERORS are required to submit a Declaration Re-Compliance with U.S. DOL Wage Determination. Failure to do so will mean disqualification and rejection of the proposal.

3 FORM OF CONTRACT

CONTRACT FOR TECHNICAL AND PROFESSIONAL SERVICES

THIS CONTRACT is made and entered into on the ___ day of _____, 2021, by CONSULTANT NAME, hereinafter called the CONSULTANT, and the Guam Power Authority, hereinafter called GPA.

GPA engages the CONSULTANT to perform professional services for a project known and described as "**Professional Printing, Mailing and Processing Services**", GPA-RFP-__-__, hereinafter called the "Project".

RECITALS

WHEREAS, the Guam Power Authority (GPA), is a public corporation of the Government of Guam authorized to conduct its own procurement; and

WHEREAS, the GPA strategic plan contains initiatives to create a culture based on customer services excellence at the Authority; and

WHEREAS, GPA seeks to enter into a contract for **Professional Printing, Mailing and Processing Services** with a Consultant wherein such services can be provided to the Authority for the benefit of its customers; and

WHEREAS, the services to be rendered are of a special and temporary nature and are determined to be in the best public interest to be performed under contract by technical personnel other than employees in the services of GPA; and

NOW, THEREFORE, the Guam Power Authority and the Consultant for the considerations set forth, agree as follows:

SECTION I - SERVICES OF THE CONSULTANT

The CONSULTANT shall perform the following professional services in accordance with the degree of care and skill that a registered professional in Guam would exercise under similar conditions:

- A. The CONSULTANT shall provide services as described in the detailed scope of work provided in the Scope of work in GPA-RFP-__-__.
- B. The CONSULTANT has assigned _____ as the Project Manager for this Contract. Prior written approval is required in the event the CONSULTANT needs to change the Project Manager. The CONSULTANT shall submit the qualifications of the proposed substituted personnel to GPA for approval.
- C. The CONSULTANT shall submit all final documents in both hard copy and electronic format. All documents shall be Microsoft Office compatible or in an alternate format approved by GPA. The software version used shall be compatible to current GPA standards.

SECTION II - PERIOD OF SERVICE

GPA and the CONSULTANT agree this CONTRACT will be effective commencing _____, 2020 for a one year period (12 months) from the date of award of the contract with an option to extend the contract for four additional one-year periods, subject to the availability of funds, and may, by mutual written agreement, be renewed at the same terms and conditions for additional periods subject to availability of funding.

SECTION III - CONSULTANT'S COMPENSATION

- A. The total compensation to Consultant for services in this CONTRACT is the lump sum of: _____, plus approved adjustments.

B. GPA shall pay the CONSULTANT using a method mutually agreed upon by GPA and the successful Offeror.

SECTION IV - CONSULTANT'S STATUS

Consultant agrees that there shall be no employee benefits occurring from this Agreement, such as:

- A. Insurance coverage provided by GPA;
- B. Participation in the Government of Guam retirement system;
- C. Accumulation of vacation or sick leave;
- D. There shall be no withholding of taxes by GPA;
- E. That it is expressly understood and agreed that, in the performance of services under this Agreement, CONSULTANT and its employees shall at all times act as independent contractors with respect to GPA, and not as an employee or agent of GPA. Further, it is expressly understood and agreed by the parties that nothing contained in this Agreement shall be construed to create a joint venture, partnership, association, or other affiliation or like relationship is and shall remain that of independent parties to a contractual relationship set forth in this Agreement.

SECTION V - GUAM POWER AUTHORITY'S RESPONSIBILITIES

- A. GPA shall designate a Project Manager during the term of this CONTRACT. The Project Manager has the authority to administer this CONTRACT and shall monitor compliance with all terms and conditions stated herein. All requests for information from or a decision by GPA on any aspect of the work shall be directed to the Project Manager.
- B. GPA shall review submittals by the CONSULTANT and provide prompt responses to questions and rendering of decisions pertaining thereto, to minimize delays in the progress of the CONSULTANT'S work. GPA will keep the CONSULTANT advised concerning the progress of GPA's review of the work. The CONSULTANT agrees that GPA's inspection, review, acceptance or approval of CONSULTANT'S work shall not relieve CONSULTANT'S responsibility for errors or omissions of the CONSULTANT or its sub-consultant(s).

SECTION VI - INVOICING AND PAYMENT TERMS & CONDITIONS

All Invoices shall include supporting documents (i.e. timesheets, shipping invoices, consumable listings). All supporting documents must be reviewed and approved by GPA Project Manager prior to invoice submittal for charges. All invoices will be paid NET 30 Days from date invoice is received at the GPA Accounting Department. Payment shall be made using a method mutually agreed upon by the Guam Power Authority and the CONSULTANT.

SECTION VII - TERMINATION

GPA, at its sole discretion, may terminate this CONTRACT for convenience or abandon any portion of the Project for which services have not been performed by the CONSULTANT, upon thirty (30) days written notice delivered to CONSULTANT personally, via email, or by certified mail at the address provided.

Immediately after receiving such notice, the CONSULTANT shall discontinue advancing the services under this CONTRACT and proceed to close said operations under this CONTRACT. The CONSULTANT shall appraise the services it has completed and submit an appraisal to GPA for evaluation. GPA shall have the right to inspect the CONSULTANT'S work to appraise the services completed.

In the event of such termination or abandonment, the CONSULTANT shall be paid for services performed prior to receipt of said notice of termination including reimbursable expenses then incurred.

GPA shall make final payment within thirty (30) days after the CONSULTANT has delivered the last of the partially completed items and the final fee has been agreed upon.

In the event this CONTRACT is terminated, GPA shall have the option of completing the work, or entering into a CONTRACT with another party for the completion of the work according to the provisions and agreements herein.

SECTION VIII - CHANGES

GPA may at any time, by written order, make any changes or deletions in the services to be performed hereunder. If such changes or deletions cause an increase or decrease in the cost of doing work under this Agreement, or in the time required for this performance, an equitable adjustment shall be made as agreed to by the parties and the Agreement shall be modified in writing accordingly.

SECTION IX - ASSIGNMENT OF AGREEMENT

Consultant may not assign this Agreement, or any sum becoming due to under the provisions of this Agreement, without the prior written consent of GPA.

SECTION X - FORCE MAJEURE

Neither party shall be liable for any delay in meeting or failure to meet its obligations under this Agreement due to a force majeure.

SECTION XI - TAXES

OFFEROR shall be liable for Guam Gross Receipt Taxes and all other applicable taxes and duties. Guam Power Authority shall have no tax liability under this contract. Specific information on taxes may be obtained from the Director of the Guam Department of Revenue and Taxation.

GPA is a government agency exempted from ALL government taxes as stipulated in the Guam Code Annotated.

SECTION XII – NOTICES

Any notice, demand or other document required or permitted to be delivered hereunder shall be in writing and may be delivered personally (not to include facsimile transmission) or shall be deemed to be delivered when received postage prepaid, registered or certified mail, return receipt requested, addressed to the parties at their respective address as specified herein:

TO:	Name and Address
COPY:	If applicable, Name and address
FAX:	Fax number
TO:	Guam Power Authority P.O. Box 2977 Hagatna, Guam 96932-2977
ATTN:	General Manager
FAX:	(671) 648-3165

SECTION XIII – GOVERNING LAW

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties to this Agreement, shall be governed by the laws of Guam.

SECTION XIV - SUPPLEMENTAL CONTRACT PROVISIONS

The supplemental contract provisions to this CONTRACT are attached hereto and incorporated herein by reference as if fully set forth.

SECTION XV – INDEMNIFICATION

The CONSULTANT shall indemnify and hold GPA harmless from any claim, liability or product liability, loss, damage, demand, cause of action or suit, expense or reasonable fee of legal counsel arising out of or in connection with the goods or services the CONSULTANT provides.

SECTION XVI – DISPUTES

All controversies between GPA and the CONSULTANT which arise under, or are by virtue of this CONTRACT and which are not resolved by mutual agreement shall be resolved under Guam Procurement Law and the Government Claims Act, and pursuant to the laws of Guam.

SECTION XVII – RELEASE OF INFORMATION

The CONSULTANT shall not release any information, including the contract price; concerning this project or any part thereof in any form, including advertising, news releases, or professional articles, without written permission from GPA.

SECTION XVIII – INSURANCE

The CONSULTANT shall not commence work under this CONTRACT until he has obtained reasonable insurance for Auto Liability and Worker's Compensation and Employer's Liability up to the statutory limits. The CONSULTANT shall maintain all insurance required during the course of the work.

IN WITNESS WHEREOF, the parties hereto have executed this CONTRACT this ____ day _____, 2021. The CONSULTANT warrants that the person who is signing this CONTRACT on behalf of the CONSULTANT is authorized to do so and to execute all other documents necessary to carry out the terms of this CONTRACT.

Offeror
Title
Company Name
Federal I.D. No. /Social Security No.

JOHN M. BENAVENTE P.E.
GENERAL MANAGER
GUAM POWER AUTHORITY

4 SOLICITATION AND TECHNICAL REQUIREMENTS

Guam Power Authority Professional Printing, Mailing and Processing Services

General:

Established in 1968, Guam Power Authority (GPA) is a public corporation and an enterprise fund of the Government of Guam. GPA's governing board is the Consolidated Commission on Utilities (CCU) consisting of five elected commissioners.

GPA provides electric services to the island of Guam with 48,000 customer connections.

Our Billing section is responsible for preparing approximately 48,000 bills per month for print and mailing. The meter reading and billing processes are divided into 30 cycles with approximately 1,800 bills per cycle. A bill print file is processed and printed based on a set schedule of the cycle. Please note that multiple cycle can be processed in a day.

In addition, the Consolidated Commission on Utilities oversees Guam Water Authority (GWA). GWA provide water and waste treatment to the island of Guam.

GWA has 48,000 customers. If the business relationship is successful, GPA has the right to extend the RFP to Guam Water Works.

Current Customer Information System:

GPA recently converted our billing system to Oracle's Customer Care and Billing (CC&B) V2.6.1. Oracle Customer Self Service with Oracle replaced our current web based customer self-service system. This allows customers to easily view the bills and make payments online.

Purpose:

Guam Power Authority is seeking proposals from qualified vendors who can provide dynamic bill design, processing, print, finishing, mail, insertion, and electronic archiving of customer bills from Oracle's Customer Care & Billing (CC&B) solution. Guidelines with industry standards and best practice need to be considered when working with GPA and the bill reformat.

Scope of Work:

The following is an overview of the major requirements/specifications in which Guam Power Authority (GPA) is interested and provides explanatory information regarding items within the SOW.

A. Communication - This area covers the methods of data transfer from GPA to the vendor. You should indicate all methods of data transfer supported and the recommended method for transferring data. If the data must be delivered in a manual or non-electronic manner, please describe the method, delivery, turnaround time frame, additional costs, etc.

B. Security - This item addresses the security methods employed by the vendor to assure that transfer of GPA customer data and data processing is secure. This should also cover the finished products and its electronic and physical distribution. All encryption software, procedures, secured lines, etc. should be listed.

C. Bill Format Software - Guam Power Authority is looking to provide a flexible-billing format to support multiple metered and non-metered services. It is the intent of GPA to have the vendor format the billing statement from the provided layout, utilizing proven software.

C. Electronic Archive - Guam Power Authority is interested in obtaining an electronic archive of the bill and other documents sent to its customers to facilitate better Customer Service. This archive will need to be available directly after the bill extract is processed and represent a true image of the bill or other document to its Customer Service Representatives. The following will be required for the electronic archived data:

1. Electronic bill should be available via GPA Customer Website Integration or Mobile APP and indexed by customer number and billing date/month/year via a secure webpage link.
2. Electronic bill archive data should be kept for no more than 2 years from data of bill print to electronic conversion.
3. Bill archive data should also be available to GPA via an external secured access portal indexed by customer number and billing date/month/year.
4. All electronic data should be stored in a secure hosted environment in the United States or related territories. Access to such data is to be limited to GPA and vendor.

E. Internet Email Delivery or Notification of Bill - Guam Power Authority is interested in the ability to notify the customer that a bill is available via email. The internet accessible bill must be generated in a format that represents the true image of the bill, as well as not require special software licensing on the client. This true image must represent charts and graphs, logos and graphics, fonts, etc.

F. Duplicate Bill - This area addresses the ease and method of duplicate bill delivery at GPA's or the customer's request.

Return/Undeliverable Bill

Describe how return or undeliverable bills are addressed and notification to GPA of such.

G. Special Handling/Pull Bill - This section deals with the ease with which the vendor can handle special requests, particularly whether the vendor can pull a bill electronically or whether the vendor needs to rely on manual methods.

H. Printer - This area deals with the flexibility and features of your printers. As GPA starts to offer more services, it may be necessary to utilize different paper sizes and paper stocks.

I. Finishers/Insertion Equipment - This section addresses the features available on your finishing/insertion equipment.

J. Mail - GPA wants the best value as well as present a host of delivery options to its customers. Please also include if local printing and mailing will be available.

K. Paper/Envelope - GPA would like to understand your processes, procedures and pricing regarding paper inventory and envelopes. Include your inventory plan for GPA stock.

L. Processing Window - GPA needs to understand the deadlines and turnaround times between delivery of the bill print file, printing, and mailing to our customers.

Delivery Receipt Timeframe

GPA would like to know the timeframe of mailing of bills to customers from delivery to actual receipt.

M. Disaster Recovery Plan - Answering questions within this section will allow GPA to discover your processes and procedures in regards to Disaster Recovery and backup processes.

N. Reporting - Describe your balancing and quality assurance processes. How do you determine that every bill transmitted for processing is worked and data printed is accurate?
Service Level Response Time

Describe the process and timeframe of responding to issues and resolutions.

O. Archival and Retrieval Processing

P. Printing and Processing of Disconnection Notices

Q. Other Services - Describe any other services you may offer which may benefit GPA.

ADDITIONAL REQUESTS:

- Each Proponent must complete Exhibit A.
- Copies of bill samples in Exhibit B.

5.0: RFP EVALUATION CRITERIA

A committee will convene after the deadline for receipt of submittals to evaluate the respondents' qualifications based on but not limited to the following criteria:

Criteria	Points	Weight
Experience of the firm in this type of service and utility scale.	10	25%
Quality of approach and methodology that demonstrates an understanding of the requirements.	10	25%
Quality, extent and relevance of Proponent's staff / experience in conducting service(s) and utility scale.	10	25%
Overall presentation (Quality of submittal, professionalism, etc.)	10	15%
References	10	10%

A team composing of five (5) members will be chosen by the Authority to evaluate the proposals based on the above criteria. Each team member will rank each OFFEROR based on points received from the total weighted criteria. A final ranking will be determined by consolidating the team members' ranking.

APPENDIX A MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM)
)ss.
HAGATNA, GUAM)

I, the undersigned, _____, being first
(partner or officer of the company of, etc.)
duly sworn, depose and say:

- 1. That the persons who have held more than ten percent (10%) of the company's shares during the past twelve months are as follows:

<u>Name</u>	<u>Address</u>	<u>Percentage of Shares Held</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total Number of Shares:		_____

- 2. Persons who have received or are entitled to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the bid/rfp for which this Affidavit is submitted are as follows:

<u>Name</u>	<u>Address</u>	<u>Amount of Commission Gratuity or Other Compensation</u>
_____	_____	_____
_____	_____	_____

Further, affiant sayeth naught.

Date: _____

Signature of individual if bidder/offeror is a sole proprietorship;
Partner, if the bidder is a partnership; Officer, if the bidder is a
corporation.

Subscribed and sworn to before me this _____ day of _____, 20_____.

Notary Public _____
In and for the Territory of Guam

My Commission expires: _____

APPENDIX B NON-COLLUSION AFFIDAVIT

NON-COLLUSION AFFIDAVIT

TERRITORY OF GUAM)
)ss.
HAGATNA, GUAM)

I, _____, first being duly sworn, depose and say:
(Name of Declarant)

1. That I am the _____ of the _____.
(Title) (Name of Bidding/RFP Company)
2. That in making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham, that said bidder/offeror has not colluded, conspired or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain from bidding or submitting a proposal and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or any other bidder, or to secure any overhead, project or cost element of said bid price, or of that of any bidder, or to secure any advantage against the GUAM POWER AUTHORITY or any person interested in the proposed contract; and
3. That all statements in said proposal or bid are true.
4. This affidavit is made in compliance with 2 Guam Administrative Rules and Regulations §3126(b).

(Declarant)

Subscribed and sworn to before me this _____ day of _____, 20_____.

Notary Public _____
In and for the Territory of Guam

My commission expires: _____

APPENDIX C NO GRATUITIES OR KICKBACKS AFFIDAVIT

NO GRATUITIES OR KICKBACKS AFFIDAVIT

AFFIDAVIT
(Offeror)

TERRITORY OF GUAM)
)ss:
HAGATNA, GUAM)

_____, being first duly sworn, deposes and says:

As the duly authorized representative of the Offeror, that neither I nor of the Offeror's officers, representatives, agents, subcontractors, or employees has or have offered, given or agreed to give any government of Guam employee or former employee, any payment, gift, kickback, gratuity or offer of employment in connection with Offeror's proposal.

Signature of Individual if Offeror is a Sole Proprietorship;
Partner, if the Offeror is a Partnership;
Officer, if the Offeror is a Corporation

SUBSCRIBED AND SWORN to before me this ____ day of _____, 20____.

Notary Public _____
In and for the Territory of Guam

My commission expires: _____

APPENDIX D ETHICAL STANDARDS AFFIDAVIT

ETHICAL STANDARDS AFFIDAVIT

AFFIDAVIT
(Offeror)

TERRITORY OF GUAM)
)ss:
HAGATNA, GUAM)

_____, being first duly sworn, deposes and says:

That I am (the Sole Proprietor, a Partner or Officer of the Offeror)

That Offeror making the foregoing Proposal, that neither he or nor of the Offeror's officers, representatives, agents, subcontractors, or employees of the Offeror have knowingly influenced any government of Guam employee to breach any of the ethical standards set forth in 5 GCA Chapter 5 Article 11, and promises that neither he nor any officer, representative, agent, subcontractor, or employee of Offeror will knowingly influence any government of Guam employee to breach any ethical standard set for in 5 GCA Chapter 5 Article 11.

Signature of Individual if Offeror is a Sole Proprietorship;
Partner, if the Offeror is a Partnership;
Officer, if the Offeror is a Corporation

SUBSCRIBED AND SWORN to before me this ____ day of _____, 20_____.

Notary Public _____
In and for the Territory of Guam

My commission expires: _____

APPENDIX E	DECLARATION RE-COMPLIANCE WITH U.S. DOL WAGE DETERMINATION
------------	--

DECLARATION RE-COMPLIANCE WITH U.S. DOL WAGE DETERMINATION

Procurement No.: _____

Name of Offeror Company: _____ hereby certifies under penalty of perjury:

(1) That I am _____ (the offeror, a partner of the offeror, an officer of the offeror) making the bid or proposal in the foregoing identified procurement;

(2) That I have read and understand the provisions of 5 GCA § 5801 and § 5802 which read:

§ 5801. Wage Determination Established.

In such cases where the government of Guam enters into contractual arrangements with a sole proprietorship, a partnership or a corporation ('contractor') for the provision of a service to the government of Guam, and in such cases where the contractor employs a person(s) whose purpose, in whole or in part, is the direct delivery of service contracted by the government of Guam, then the contractor shall pay such employee(s) in accordance with the Wage Determination for Guam and the Northern Mariana Islands issued and promulgated by the U.S. Department of Labor for such labor as is employed in the direct delivery of contract deliverables to the government of Guam.

The Wage Determination most recently issued by the U.S. Department of Labor at the time a contract is awarded to a contractor by the government of Guam shall be used to determine wages, which shall be paid to employees pursuant to this Article. Should any contract contain a renewal clause, then at the time of renewal adjustments, there shall be made stipulations contained in that contract for applying the Wage Determination, as required by this Article, so that the Wage Determination promulgated by the U.S. Department of Labor on a date most recent to the renewal date shall apply.

§ 5802. Benefits.

In addition to the Wage Determination detailed in this Article, any contract to which this Article applies shall also contain provisions mandating health and similar benefits for employees covered by this Article, such benefits having a minimum value as detailed in the Wage Determination issued and promulgated by the U.S. Department of Labor, and shall contain provisions guaranteeing a minimum of ten (10) paid holidays per annum per employee.

(3) That the offeror is in full compliance with 5 GCA § 5801 and § 5802, as may be applicable to the procurement referenced herein;

(4) That I have attached the most recent wage determination applicable to Guam issued by the U.S. Department of Labor.

Signature of Individual if Proposer is a Sole Proprietorship;
Partner, if the Proposer is a Partnership;
Officer, if the Proposer is a Corporation

SUBSCRIBED AND SWORN to before me this ____ day of _____, 2021.

Notary Public
In and for the Territory of Guam
My Commission Expires:

APPENDIX F RESTRICTION AGAINST CONVICTED SEX OFFENDERS



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUÅHAN
P.O.BOX 2977 • HAGÁTÑA, GUAM U.S.A. 96932-2977

SPECIAL PROVISIONS

Restriction Against Sex Offenders Employed by Service Providers to Government of Guam from Working on Government of Guam Property

GCA 5 §5253(b) restricts the OFFEROR against employing convicted sex offenders from working at Government of Guam venues. It states:

(b) All contracts for services to agencies listed herein shall include the following provisions: (1) warranties that no person providing services on behalf of the contractor has been convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA, or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry; and (2) that if any person providing services on behalf of the contractor is convicted of a sex offense under the provisions of Chapter 25 of Title 9 GCA or an offense as defined in Article 2 of Chapter 28, Title 9 GCA or an offense in another jurisdiction with, at a minimum, the same elements as such offenses, or who is listed on the Sex Offender Registry, that such person will be immediately removed from working at said agency and that the administrator of said agency be informed of such within twenty-four (24) hours of such conviction.

Signature of Bidder Date
Proposer, if an individual;
Partner, if a partnership;
Officer, if a corporation.

SUBSCRIBED AND SWORN to before me this ____ day of _____, 20_____.

Notary Public _____
In and for the Territory of Guam

My commission expires: _____

EXHIBIT A - 2020 BILLING CYCLE

MONTH	YEAR
JANUARY	2020

DATE	CYCLES
January 1, 2020	<i>New Year's Day</i>
January 2, 2020	PM23,PM24,PM25,PM26,PM27,PM28
January 3, 2020	
January 4, 2020	
January 5, 2020	
January 6, 2020	PM29,PM30
January 7, 2020	
January 8, 2020	PM01, PM02, PM03
January 9, 2020	PM04,PM05
January 10, 2020	PM06
January 11, 2020	
January 12, 2020	
January 13, 2020	
January 14, 2020	
January 15, 2020	PM07,PM08,PM09
January 16, 2020	PM10, PM11
January 17, 2020	
January 18, 2020	
January 19, 2020	
January 20, 2020	<i>Martin Luther King Jr Day</i>
January 21, 2020	PM12
January 22, 2020	PM13, PM14, PM15
January 23, 2020	PM16
January 24, 2020	PM17, PM18
January 25, 2020	
January 26, 2020	
January 27, 2020	PM19
January 28, 2020	PM20
January 29, 2020	PM21
January 30, 2020	
January 31, 2020	

MONTH	YEAR
FEBRUARY	2020

DATE	CYCLES
February 1, 2020	
February 2, 2020	
February 3, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
February 4, 2020	
February 5, 2020	
February 6, 2020	
February 7, 2020	PM01,PM02,PM03,PM04,PM05
February 8, 2020	
February 9, 2020	
February 10, 2020	
February 11, 2020	PM06
February 12, 2020	PM07,PM08
February 13, 2020	PM09
February 14, 2020	PM10
February 15, 2020	
February 16, 2020	
February 17, 2020	PM11
February 18, 2020	PM12
February 19, 2020	PM13,PM14
February 20, 2020	PM15
February 21, 2020	PM16
February 22, 2020	
February 23, 2020	
February 24, 2020	PM17,PM18
February 25, 2020	PM19,PM20,PM21
February 26, 2020	
February 27, 2020	
February 28, 2020	
February 29, 2020	

MONTH	YEAR
MARCH	2020

DATE	CYCLES
March 1, 2020	
March 2, 2020	<i>Guam Discovery and Chamorro Heritage Day</i>
March 3, 2020	
March 4, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
March 5, 2020	
March 6, 2020	PM01,PM02,PM03
March 7, 2020	
March 8, 2020	
March 9, 2020	PM04,PM05
March 10, 2020	PM06
March 11, 2020	
March 12, 2020	PM07,PM08
March 13, 2020	PM09
March 14, 2020	
March 15, 2020	
March 16, 2020	PM10
March 17, 2020	PM11
March 18, 2020	PM12
March 19, 2020	PM13,PM14
March 20, 2020	PM15
March 21, 2020	
March 22, 2020	
March 23, 2020	PM16
March 24, 2020	PM17,PM18
March 25, 2020	PM19,PM20,PM21
March 26, 2020	
March 27, 2020	
March 28, 2020	
March 29, 2020	
March 30, 2020	
March 31, 2020	

MONTH	YEAR
APRIL	2020

DATE	CYCLES
April 1, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
April 2, 2020	
April 3, 2020	
April 4, 2020	
April 5, 2020	
April 6, 2020	
April 7, 2020	PM01,PM02,PM03
April 8, 2020	PM04,PM05,PM06
April 9, 2020	
April 10, 2020	
April 11, 2020	
April 12, 2020	
April 13, 2020	
April 14, 2020	PM07,PM08,PM09,PM10
April 15, 2020	PM11
April 16, 2020	
April 17, 2020	
April 18, 2020	
April 19, 2020	
April 20, 2020	PM12
April 21, 2020	PM13,PM14,PM15,PM16
April 22, 2020	PM17,PM18
April 23, 2020	
April 24, 2020	
April 25, 2020	
April 26, 2020	
April 27, 2020	PM19,PM20,PM21
April 28, 2020	
April 29, 2020	
April 30, 2018	

MONTH	YEAR
MAY	2020

DATE CYCLES

May 1, 2020
 May 2, 2020
 May 3, 2020
 May 4, 2020 PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
 May 5, 2020
 May 6, 2020 PM01,PM02,PM03,PM04,PM05
 May 7, 2020
 May 8, 2020 PM06
 May 9, 2020
 May 10, 2020
 May 11, 2020
 May 12, 2020 PM07,PM08
 May 13, 2020 PM09
 May 14, 2020 PM10
 May 15, 2020 PM11
 May 16, 2020
 May 17, 2020
 May 18, 2020
 May 19, 2020 PM12,PM13,PM14
 May 20, 2020 PM15
 May 21, 2020 PM16
 May 22, 2020 PM17,PM18
 May 23, 2020
 May 24, 2020
 May 25, 2020 *Memorial Day*
 May 26, 2020
 May 27, 2020 PM19,PM20,PM21
 May 28, 2020
 May 29, 2020
 May 30, 2020
 May 31, 2020

MONTH	YEAR
JUNE	2020

DATE CYCLES

June 1, 2020	
June 2, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
June 3, 2020	
June 4, 2020	
June 5, 2020	
June 6, 2020	
June 7, 2020	
June 8, 2020	
June 9, 2020	PM01,PM02,PM03
June 10, 2020	PM04,PM05
June 11, 2020	PM06
June 12, 2020	PM07,PM08
June 13, 2020	
June 14, 2020	
June 15, 2020	PM09
June 16, 2020	PM10,PM11
June 17, 2020	
June 18, 2020	PM12
June 19, 2020	PM13,PM14
June 20, 2020	
June 21, 2020	
June 22, 2020	PM15
June 23, 2020	PM16,PM17,PM18
June 24, 2020	
June 25, 2020	PM19,PM20,PM21
June 26, 2020	
June 27, 2020	
June 28, 2020	
June 29, 2020	
June 30, 2020	

MONTH	YEAR
JULY	2020

DATE	CYCLES
July 1, 2020	
July 2, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
July 3, 2020	Observed Independence Day
July 4, 2020	Independence Day
July 5, 2020	
July 6, 2020	
July 7, 2020	
July 8, 2020	PM01,PM02,PM03,PM04,PM05
July 9, 2020	PM06
July 10, 2020	
July 11, 2020	
July 12, 2020	
July 13, 2020	
July 14, 2020	PM07,PM08,PM09,PM10
July 15, 2020	PM11
July 16, 2020	
July 17, 2020	
July 18, 2020	
July 19, 2020	
July 20, 2020	PM12
July 21, 2020	<i>Guam Liberation Day</i>
July 22, 2020	PM13,PM14,PM15,PM16
July 23, 2020	
July 24, 2020	PM17,PM18
July 25, 2020	
July 26, 2020	
July 27, 2020	PM19,PM20,PM21
July 28, 2020	
July 29, 2020	
July 30, 2020	

MONTH	YEAR
AUGUST	2020

DATE	CYCLES
August 1, 2020	
August 2, 2020	
August 3, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
August 4, 2020	
August 5, 2020	
August 6, 2020	PM01,PM02,PM03,PM04
August 7, 2020	PM05
August 8, 2020	
August 9, 2020	
August 10, 2020	PM06
August 11, 2020	
August 12, 2020	PM07,PM08
August 13, 2020	PM09
August 14, 2020	PM10
August 15, 2020	
August 16, 2020	
August 17, 2020	PM11
August 18, 2020	PM12
August 19, 2020	PM13,PM14
August 20, 2020	PM15
August 21, 2020	PM16
August 22, 2020	
August 23, 2020	
August 24, 2020	PM17,PM18
August 25, 2020	PM19,PM20,PM21
August 26, 2020	
August 27, 2020	
August 28, 2020	
August 29, 2020	
August 30, 2020	

	YEAR
SEPTEMBER	2020

DATE	CYCLES
September 1, 2020	
September 2, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
September 3, 2020	
September 4, 2020	
September 5, 2020	
September 6, 2020	
September 7, 2020	Labor Day
September 8, 2020	PM01,PM02,PM03
September 9, 2020	PM04
September 10, 2020	PM05,PM06
September 11, 2020	
September 12, 2020	
September 13, 2020	
September 14, 2020	
September 15, 2020	PM07,PM08,PM09,PM10,PM11
September 16, 2020	
September 17, 2020	
September 18, 2020	PM12
September 19, 2020	
September 20, 2020	
September 21, 2020	PM13,PM14
September 22, 2020	PM15,PM16,PM17,PM18
September 23, 2020	
September 24, 2020	
September 25, 2020	PM19,PM20,PM21
September 26, 2020	
September 27, 2020	
September 28, 2020	
September 29, 2020	
September 30, 2020	

	YEAR
OCTOBER	2020

DATE	CYCLES
October 1, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
October 2, 2020	
October 3, 2020	
October 4, 2020	
October 5, 2020	
October 6, 2020	
October 7, 2020	PM01,PM02,PM03
October 8, 2020	PM04,PM05,PM06
October 9, 2020	
October 10, 2020	
October 11, 2020	
October 12, 2020	
October 13, 2020	PM07,PM08,PM09
October 14, 2020	PM10
October 15, 2020	PM11
October 16, 2020	
October 17, 2020	
October 18, 2020	
October 19, 2020	
October 20, 2020	PM12,PM13
October 21, 2020	PM14,PM15,PM16
October 22, 2020	PM17,PM18
October 23, 2020	
October 24, 2020	
October 25, 2020	
October 26, 2020	
October 27, 2020	PM19,PM20,PM21
October 28, 2020	
October 29, 2020	
October 30, 2020	
October 31, 2020	

	YEAR
NOVEMBER	2020

DATE	CYCLES
November 1, 2020	
November 2, 2020	<i>All Soul's Day</i>
November 3, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
November 4, 2020	
November 5, 2020	
November 6, 2020	PM01,PM02,PM03
November 7, 2020	
November 8, 2020	
November 9, 2020	PM04
November 10, 2020	PM05
November 11, 2020	<i>Veterans Day</i>
November 12, 2020	
November 13, 2020	PM06,PM07,PM08,PM09
November 14, 2020	
November 15, 2020	
November 16, 2020	PM10
November 17, 2020	PM11
November 18, 2020	PM12
November 19, 2020	PM13
November 20, 2020	PM14,PM15
November 21, 2020	
November 22, 2020	
November 23, 2020	PM16
November 24, 2020	PM17,PM18
November 25, 2020	PM19,PM20,PM21
November 26, 2020	<i>Thanksgiving Day</i>
November 27, 2020	
November 28, 2020	
November 29, 2020	
November 30, 2020	

	YEAR
DECEMBER	2020

DATE	CYCLES
December 1, 2020	
December 2, 2020	PM22,PM23,PM24,PM25,PM26,PM27,PM28,PM29,PM30
December 3, 2020	
December 4, 2020	
December 5, 2020	
December 6, 2020	
December 7, 2020	PM01,PM02,PM03
December 8, 2020	<i>Our Lady of Camarin Day</i>
December 9, 2020	PM04,PM05,PM06
December 10, 2020	
December 11, 2020	PM07,PM08
December 12, 2020	
December 13, 2020	
December 14, 2020	PM09
December 15, 2020	PM10,PM11
December 16, 2020	
December 17, 2020	PM12
December 18, 2020	PM13,PM14
December 19, 2020	
December 20, 2020	
December 21, 2020	PM15,PM16
December 22, 2020	PM17
December 23, 2020	PM18
December 24, 2020	PM19,PM20,PM21
December 25, 2020	<i>Christmas Day</i>
December 26, 2020	
December 27, 2020	
December 28, 2020	
December 29, 2020	
December 30, 2020	
December 31, 2020	

EXHIBIT B - BILL SAMPLES



Guam Power Authority
 Aturidat Ilektrisedat Guahan
MY ENERGY STATEMENT

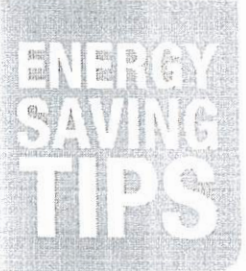
FLORENCIO ELENITAR
 PO BOX 7597
 TAMUNING, GU 96931-7597

BALANCE FROM PREVIOUS STATEMENT	AMOUNT PAID	ARREARS	CURRENT PERIOD BILLING	PLUS/LESS ADJUSTMENTS	TOTAL AMOUNT DUE
\$321.47	\$0.00	\$321.47	\$300.78	\$0.00	\$622.25

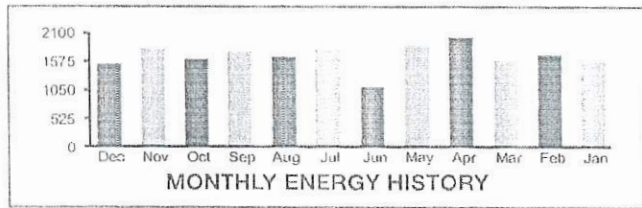
SERVICE INFORMATION	
Account Number	2755400000
Primary Name	FLORENCIO ELENITAR
Service Location	183 CHALAN TAN MARGARITA MACHANAO, DEDEDO
Bill Date:	02/17/2017
Due Date:	Upon Receipt



ENERGY sense
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Switch off TVs, stereos and other electrical equipment rather than leaving them on standby.



Register your residential account at myenergyguam.com to view your energy usage. For GPA EZ-Pay by Phone, please contact 647-5787/8/9.

Read Date	Meter Nbr	Current Rdg	Previous Rdg	Multiplier	Consumption	Unit	Days	AveDly
02/14/2017	02005958	71357.85	69838.48	1	1,519.37	KWH	28	54.26
Billing Period	Statement Item		Quantity x Rate	Amount				
01/18/2017 - 02/14/2017	Electric Residential Rate - Schedule R - Monthly Customer Charge			\$ 15.00				
	Energy Charge (First 500 kWh)		500.00 x \$0.06955	\$ 34.78				
	Energy Charge (Over 500 kWh)		1,019.37 x \$0.08687	\$ 88.55				
	Fuel Recovery Charge		1,519.37 x \$0.105051	\$ 159.61				
	Emergency Water-well/Wasterwater Charge (Over 500 kWh)		1,019.37 x \$0.00279	\$ 2.84				
	Current Period Statement Amount			\$ 300.78				

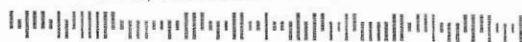
** Fuel Recovery Charge reflects the new Levelized Energy Adjustment Clause (LEAC) rate approved by the PUC effective February 1, 2017.
 * Account overdue, subject to immediate disconnection without further notice.
 * Payment in full required. Please disregard if payment has been made.

Return this portion with payment. Keep above portion for your records. Important information on reverse side.



Account Number:	Due Date:	Total Amount Due:	Amount Enclosed:
2755400000	Upon Receipt	\$622.25	\$

GP022017 R1 C1*****SINGLE-PIECE 96913
FLORENCIO ELENITAR
 PO BOX 7597
 TAMUNING, GU 96931-7597



485 275542473878

Guam Power Authority
 Aturidat Ilektrisedat Guahan
 P.O. Box 21868 Barrigada, Guam
 96921-1868

IMPORTANT CUSTOMER INFORMATION

Visit our Website at www.guampowerauthority.com
GPWA Customer Service Location and Business Hours

Offices are open Monday thru Friday, Saturday at GPWA Upper Tumon office, closed on Holidays. Business hours subject to change without notice. Payments can be made at various financial institutions, Guam Waterworks Authority and the Treasurer of Guam.

Gloria B. Nelson Public Service Bldg.
 688 Route 15, Fadian Mangilao
 7:00 am - 5:00 pm

Hagatña Satellite Office
 103 Julale Shopping Center
 8:00 am - 5:00 pm

GPWA Upper Tumon Office
 578 N. Marine Corps Dr., Tamuning
 7:30 am - 6:00 pm | 9:00 am - 1:00 pm

By Phone: GPA EZ-Pay by Phone Contact (671) 647-5787/8/9 7AM - 6PM; Automated Pay by Phone (IVR) 1-855-977-2002 24 hours; Mobile App: Pay GPWA. Simply search for the following key words - Pay GPWA, Guam Power, Guam Water, and Guam Utilities in the Apple App store or in the Google Play Store.
 Via Online: GPA online payment PayGPA at <https://www.paygpa.com/>. We accept VISA, MasterCard and Discover for the Residential Customers. Commercial Accounts are restricted to MasterCard only. Contact us for all inquiries at Customer Service Call Center (671) 647-5787/8/9 or email us at customersfirst@gpagwa.com.

EMERGENCY 24-HOUR SERVICE Dispatcher: (671) 475-1472/3/4

- Non-receipt of energy statement does not prevent your account from becoming due or payable.
- All Energy Statements are past due if unpaid 15 days after the "Statement Date"
- Past due balance must be paid at a GPA Customer Service Office to ensure timely receipt of your payment and to avoid service interruptions. Restoration of service may take up to 48 hours once full payment has been made.
- Your service may be disconnected if payment is received after the stated due date. If your service is disconnected, you may be required to pay your energy statement in full plus a reconnection fee, a service establishment charge and a cash deposit before your service is restored.
- **Late Payment.** Whenever a payment of a regular Energy Statement for electric service is received after 5:00 pm of the date specified in the original energy statement as the date such payment is due, an additional charge of .75% of the amount of said statement shall be assessed as your late payment charge.
- **When usage on your statement is Estimated.** We try to read your meter each month, but if for some reason we cannot, your energy statement will be based on an estimate of recent average use. You are responsible for ensuring that your meter is unobstructed and accessible.
- **Moving or Starting New Service.** Please visit our office at least two business days before moving or starting new service.
- **Life Support or Emergency Equipment.** Please contact Customer Service if anyone living in your home is dependent on life support or emergency equipment. However, because unplanned outages can and do occur, it is important for customers on life support to make alternative plans should the power go out at their homes.
- For other information regarding your service, account charges and rate schedules, please visit our website at www.guampowerauthority.com or call Customer Service.

To report illegal hookups/connections or suspected wrong doing at GPA call the Internal Audit Office.
 Hotline Number: 671-648-3199 or email to ia-rps@gpagwa.com. All reports are held in strict confidence.

Update My Information

Please allow 1-2 energy statement cycles for changes to take effect.

Your Account Number: _____ Account Holder's Email: _____

Change my mailing address to street address/PO Box: _____

City: _____ State/Territory: _____ ZIP: _____

Home Phone No.: _____ Work Phone No.: _____ Cell Phone No.: _____

Name of Account Holder: _____ Account Holder's Authorization Signature _____



Guam Power Authority
 Aturidat Iktresedat Guahan
MY ENERGY STATEMENT

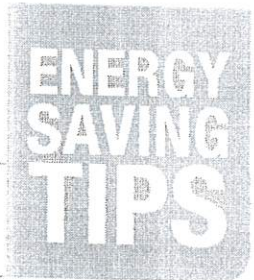
HIPOLITO MARYK
 PO BOX 8474
 TAMUNING, GU 96931-8474

BALANCE FROM PREVIOUS STATEMENT	AMOUNT PAID	ARREARS	CURRENT PERIOD BILLING	PLUS/LESS ADJUSTMENTS	TOTAL AMOUNT DUE
\$244.60	-\$244.60	\$0.00	\$238.94	\$0.00	\$238.94

SERVICE INFORMATION	
Account Number	3728000000
Primary Name	HIPOLITO MARYK
Service Location	381 CHALAN BONGBONG LN, DEDEDO
Bill Date:	02/17/2017
Due Date:	03/07/2017

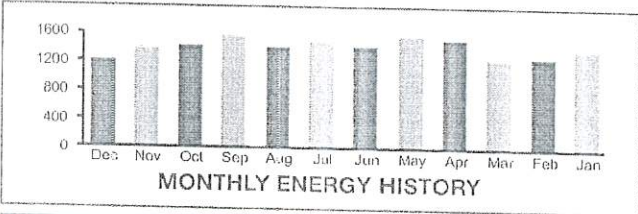


ENERGY sense
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Switch off TVs, stereos and other electrical equipment rather than leaving them on standby.

Register your residential account at myenergyguam.com to view your energy usage. For GPA EZ-Pay by Phone, please contact 647-5787/8/9.



Read Date	Meter Nbr	Current Rdg	Previous Rdg	Multiplier	Consumption	Unit	Days	AveDly
02/14/2017	02006509	44402.94	43201.24	1	1,201.70	KWH	28	42.92
Billing Period		Statement Item			Quantity x Rate		Amount	
01/18/2017 - 02/14/2017		Electric Residential Rate - Schedule R -						
		Monthly Customer Charge					\$ 34.78	
		Energy Charge (First 500 kWh)			500.00 x \$0.06955		\$ 34.78	
		Energy Charge (Over 500 kWh)			701.70 x \$0.08687		\$ 60.96	
		Fuel Recovery Charge			1,201.70 x \$0.105051		\$ 126.24	
		Emergency Water-well/Wasterwater Charge (Over 500 kWh)			701.70 x \$0.00279		\$ 1.96	
		Current Period Statement Amount					\$ 238.94	

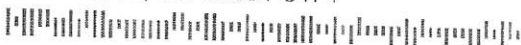
** Fuel Recovery Charge reflects the new Levelized Energy Adjustment Clause (LEAC) rate approved by the PUC effective February 1, 2017.

Return this portion with payment. Keep above portion for your records. Important information on reverse side.



Account Number:	Due Date:	Total Amount Due:	Amount Enclosed:
3728000000	03/07/2017	\$238.94	\$

GP022017 R2 C2*****SINGLE-PIECE 96913
HIPOLITO MARYK
 PO BOX 8474
 TAMUNING, GU 96931-8474



485 372809037898

Guam Power Authority
 Aturidat Iktresedat Guahan
 P.O. Box 21868 Barrigada, Guam
 96921-1868

IMPORTANT CUSTOMER INFORMATION

Visit our Website at www.guampowerauthority.com
GPWA Customer Service Location and Business Hours

Offices are open Monday thru Friday, Saturday at GPWA Upper Tumon office, closed on Holidays. Business hours subject to change without notice. Payments can be made at various financial institutions, Guam Waterworks Authority and the Treasurer of Guam.

Gloria B. Nelson Public Service Bldg.
 688 Route 15, Fadian Mangilao
 7:00 am - 5:00 pm

Hagatña Satellite Office
 103 Julale Shopping Center
 8:00 am - 5:00 pm

GPWA Upper Tumon Office
 578 N. Marine Corps Dr., Tamuning
 7:30 am - 6:00 pm | 9:00 am - 1:00 pm

By Phone: GPA EZ-Pay by Phone Contact (671) 647-5787/8/9 7AM - 6PM; Automated Pay by Phone (IVR) 1-855-977-2002 24 hours; **Mobile App:** Pay GPWA. Simply search for the following key words - Pay GPWA, Guam Power, Guam Water, and Guam Utilities in the Apple App store or in the Google Play Store.
 Via Online: GPA online payment PayGPA at <https://www.paygpa.com/>. We accept VISA, MasterCard and Discover for the Residential Customers. Commercial Accounts are restricted to MasterCard only. Contact us for all inquiries at Customer Service Call Center (671) 647-5787/8/9 or email us at customersfirst@gpagwa.com.

EMERGENCY 24-HOUR SERVICE Dispatcher: (671) 475-1472/3/4

- Non-receipt of energy statement does not prevent your account from becoming due or payable.
- All Energy Statements are past due if unpaid 15 days after the "Statement Date"
- Past due balance must be paid at a GPA Customer Service Office to ensure timely receipt of your payment and to avoid service interruptions. Restoration of service may take up to 48 hours once full payment has been made.
- Your service may be disconnected if payment is received after the stated due date. If your service is disconnected, you may be required to pay your energy statement in full plus a reconnection fee, a service establishment charge and a cash deposit before your service is restored.
- **Late Payment.** Whenever a payment of a regular Energy Statement for electric service is received after 5:00 pm of the date specified in the original energy statement as the date such payment is due, an additional charge of .75% of the amount of said statement shall be assessed as your late payment charge.
- When usage on your statement is Estimated. We try to read your meter each month, but if for some reason we cannot, your energy statement will be based on an estimate of recent average use. You are responsible for ensuring that your meter is unobstructed and accessible.
- **Moving or Starting New Service.** Please visit our office at least two business days before moving or starting new service.
- **Life Support or Emergency Equipment.** Please contact Customer Service if anyone living in your home is dependent on life support or emergency equipment. However, because unplanned outages can and do occur, it is important for customers on life support to make alternative plans should the power go out at their homes.
- For other information regarding your service, account charges and rate schedules, please visit our website at www.guampowerauthority.com or call Customer Service.

To report illegal hookups/connections or suspected wrong doing at GPA call the Internal Audit Office.
Hotline Number: 671-648-3199 or email to ia-rps@gpagwa.com. All reports are held in strict confidence.

Update My Information

Please allow 1-2 energy statement cycles for changes to take effect.

Your Account Number: _____ Account Holder's Email: _____

Change my mailing address to street address/PO Box: _____

City: _____ State/Territory: _____ ZIP: _____

Home Phone No.: _____ Work Phone No.: _____ Cell Phone No.: _____

Name of Account Holder: _____ Account Holder's Authorization Signature _____



Guam Power Authority
 Aturidât Ilektrisedât Guahan
MY ENERGY STATEMENT

BALLON JOSE
 PO BOX 5230
 HAGATNA, GU 96932-8660

BALANCE FROM PREVIOUS STATEMENT	AMOUNT PAID	ARREARS	CURRENT PERIOD BILLING	PLUS/LESS ADJUSTMENTS	TOTAL AMOUNT DUE
\$297.94	\$-142.91	\$155.03	\$143.48	\$0.00	\$298.51

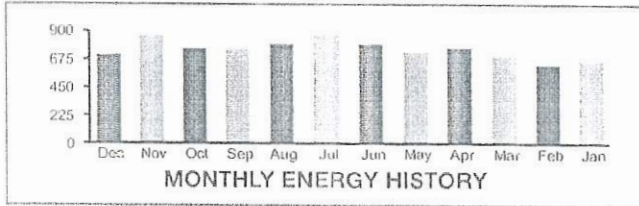
SERVICE INFORMATION	
Account Number	8177300000
Primary Name	BALLON JOSE
Service Location	130 GARDENIA ST, DEDEDO
Bill Date:	02/17/2017
Due Date:	Upon Receipt



ENERGY sense
 Bringing energy solutions to you!

ENERGY SAVING TIPS

Switch off TVs, stereos and other electrical equipment rather than leaving them on standby.



Register your residential account at myenergyguam.com to view your energy usage. For GPA EZ-Pay by Phone, please contact 647-5787/8/9.

Read Date	Meter Nbr	Current Rdg	Previous Rdg	Multiplier	Consumption	Unit	Days	AveDly
02/14/2017	02006620	35420.76	34709.29	1	711.47	KWH	28	25.41
Billing Period		Statement Item			Quantity x Rate		Amount	
01/18/2017 - 02/14/2017		Electric Residential Rate - Schedule R - Monthly Customer Charge					\$	15.00
		Energy Charge (First 500 kWh)			500.00 x \$0.06955		\$	34.78
		Energy Charge (Over 500 kWh)			211.47 x \$0.08687		\$	18.37
		Fuel Recovery Charge			711.47 x \$0.105051		\$	74.74
		Emergency Water-well/Wasterwater Charge (Over 500 kWh)			211.47 x \$0.00279		\$	0.59
		Current Period Statement Amount					\$	143.48

** Fuel Recovery Charge reflects the new Levelized Energy Adjustment Clause (LEAC) rate approved by the PUC effective February 1, 2017.
 * Account overdue, subject to immediate disconnection without further notice.
 * Payment in full required. Please disregard if payment has been made.

Return this portion with payment. Keep above portion for your records. Important information on reverse side.



Account Number:	Due Date:	Total Amount Due:	Amount Enclosed:
8177300000	Upon Receipt	\$298.51	\$

GP022017 R3 C3*****SINGLE-PIECE 96913
BALLON JOSE
 PO BOX 5230
 HAGATNA, GU 96932-8660



485 817737247765

Guam Power Authority
 Aturidât Ilektrisedât Guahan
 P.O. Box 21868 Barrigada, Guam
 96921-1868

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By Phone: GPA EZ-Pay by Phone Contact (671) 647-5787/8/9 7AM - 6PM; Automated Pay by Phone (IVR) 1-855-977-2002 24 hours; Mobile App: Pay GPWA.
 Simply search for the following key words - Pay GPWA, Guam Power, Guam Water, and Guam Utilities in the Apple App store or in the Google Play Store.
 Via Online: GPA online payment PayGPA at <https://www.paygpa.com/>. We accept VISA, MasterCard and Discover for the Residential Customers. Commercial Accounts are restricted to MasterCard only. Contact us for all inquiries at Customer Service Call Center (671) 647-5787/8/9 or email us at customersfirst@gpagwa.com.

EMERGENCY 24-HOUR SERVICE Dispatcher: (671) 475-1472/3/4

- Non-receipt of energy statement does not prevent your account from becoming due or payable.
- All Energy Statements are past due if unpaid 15 days after the "Statement Date"
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- Your service may be disconnected if payment is received after the stated due date. If your service is disconnected, you may be required to pay your energy statement in full plus a reconnection fee, a service establishment charge and a cash deposit before your service is restored.
- **Late Payment.** Whenever a payment of a regular Energy Statement for electric service is received after 5:00 pm of the date specified in the original energy statement as the date such payment is due, an additional charge of .75% of the amount of said statement shall be assessed as your late payment charge.
- **When usage on your statement is Estimated.** We try to read your meter each month, but if for some reason we cannot, your energy statement will be based on an estimate of recent average use. You are responsible for ensuring that your meter is unobstructed and accessible.
- **Moving or Starting New Service.** Please visit our office at least two business days before moving or starting new service.
- **Life Support or Emergency Equipment.** Please contact Customer Service if anyone living in your home is dependent on life support or emergency equipment. However, because unplanned outages can and do occur, it is important for customers on life support to make alternative plans should the power go out at their homes.
- For other information regarding your service, account charges and rate schedules, please visit our website at www.guampowerauthority.com or call Customer Service.

To report illegal hookups/connections or suspected wrong doing at GPA call the Internal Audit Office.
Hotline Number: 671-648-3199 or email to ia-rps@gpagwa.com. All reports are held in strict confidence.

Update My Information

Please allow 1-2 energy statement cycles for changes to take effect.

Your Account Number: _____ Account Holder's Email: _____

Change my mailing address to street address/PO Box: _____

City: _____ State/Territory: _____ ZIP: _____

Home Phone No.: _____ Work Phone No.: _____ Cell Phone No.: _____

Name of Account Holder: _____ Account Holder's Authorization Signature _____

EXHIBIT C - SAMPLE OUTGOING ENVELOPE



GUAM POWER AUTHORITY
ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O. Box 21868 Barrigada, Guam 96921-1868

PRESORTED
FIRST CLASS MAIL
U.S. POSTAGE PAID
HAGATNA, GUAM
PERMIT NO. 47

STATEMENT ENCLOSED



EXHIBIT

2

From: Melvyn K. Kwek <mkwek@gpagwa.com>
Sent: Friday, April 16, 2021 2:13 PM
To: GRAPHIC CENTER INC <chris@gciguam.com>
Cc: 'Jessie Rosario' <jessie@gciguam.com>; John J.E. Kim <jjekim@gpagwa.com>;
Tamra M Muna <tmuna@gpagwa.com>
Subject: RE: GPA - 6 Month Extension Price

Chris,

Good day. As per our conversation, we are preparing to bring the additional 6 month extension proposal dated April 14, 2021 before the next CCU session next week for their approval. As mentioned, the additional amendment to the total Purchase Order amount requires CCU approval before we can move forward on amending the current PO. Hope this clarifies and any questions let me know.

Regards,

Melvyn Kwek

Information Technology Division
Guam Power Authority
Phone: 1-671-648-3137
Fax: 1-671-648-3168
E-mail: mkwek@gpagwa.com

From: Chris Biolchino [<mailto:Chris@gciguam.com>]
Sent: Wednesday, April 14, 2021 2:41 PM
To: Melvyn K. Kwek <mkwek@gpagwa.com>
Cc: 'Jessie Rosario' <jessie@gciguam.com>
Subject: GPA - 6 Month Extension Price

Dear Melvyn,

Please see attached proposal. There are a few things I'd like to explain while you are reviewing our proposal. The price for the statement printing increased 8%. The rate of inflation 2018 – current reflects an approximate 5% increase and the additional 3% is due to paper costs which is attributed to be the lower volume as compared to a longer term contract. The newsletter went up 10% as a result of inflationary conditions and the reduction of volume. The paper that is used for the newsletter has a much more volatile price which is why the increase is more than that of the statement paper. I was able to negotiate a freeze on the pricing with our PDF hosting partner now that the term is longer and with the expectation that we are in the position to rebid on the project. There could be an increase in the hosting costs in the near future but we will cross that bridge when we get there.

We anticipate that if the contract is renewed the final pricing will most likely be the original negotiated contracted price with an increase based on the rate of inflation barring any unforeseen circumstances. We anticipate that any new contracted rate will be less than the 6 month rate that is included in this proposal.

Please contact me if you have any questions or concerns.

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EXHIBIT

3



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUÅHAN
P.O. BOX 2977 • HAGÁTÑA, GUAM U.S.A. 96932-2977

May 27, 2021

AMENDMENT NO.: I

TO

REQUEST FOR PROPOSAL NO.: RE-SOLICITATION GPA-RFP-21-002

FOR

PROFESSIONAL PRINTING, MAILING, AND PROCESSING SERVICES RELATING TO UTILITY
CUSTOMER BILLING

Interested Firms/Individuals are hereby notified of the following inclusions and response to inquiries received from Proponent No.: 1 dated May 25, 2021:

INCLUSIONS:

Under Exhibit A – 2020 Billing Cycle, include Pages 50(a) and 50(b) of 59 (see attached).

QUESTION:

1. Form of Contract – this is just an idea of what it will look like? I don't have to include this to our proposal?

ANSWER:

The Form of Contract is a draft contract which will be executed upon award. Therefore, it is not required upon submission of the Technical Proposal.

QUESTION:

2. Required forms – it states that exhibit A is required in our proposal but when looking at exhibit A in the bid packet its only a list of your billing cycles and dates. Note sure what to do here?

ANSWER:

Kindly refer to ***INCLUSIONS*** above.

All other Terms and Conditions in the RFP package shall remain unchanged and in full force.

for JOHN M. BENAVENTE, P.E.
General Manager

Requirement		Yes	No	Partial	Explanation/Comments
A. Communication	A. 1 How do you receive the bill extract or letter file from us?				
	A. 2 What file formats can you accept?				
B. Security	B. 1 Does your system have data transfer security? If so, what type?				
	B. 2 Does your system have process security? If so, what type?				
C. Bill Format Software	C. 1 Do you support flexible bill formats as follows: <ul style="list-style-type: none"> Residential Bills (Exhibit B) Commercial Bills (Exhibit B) Landlord Bill (Exhibit 5) 				
	C. 2 Does your system provide the ability to customize the bill print appearance?				
	C. 3 Can you produce flexible, dynamic bills?				
	C. 4 Can you produce unbundled bills?				
	C. 5 Can you produce summary bills?				
	C. 6 Can you produce bills with dynamic marketing messages?				
	C. 7 Can you produce bills with dynamic logos?				
	C. 8 Can you produce bills with dynamic graphs and charts? (Future option)				
	C. 9 Can you produce bills with bar codes?				
	C. 10 Can you produce bills in multiple languages? (Future option)				
	C. 11 Can you produce bills with the remittance coupon on the top, bottom or either?				
	C. 12 Can you format flexible marketing letter, notices, and				
	C. 13 Number of colors able to use?				
	C. 14 Can you print the SCAN LINE on the bill using the font OCR-B?				
	C. 15 Can your system print 2 sided (back-to-back) 11 bills?				
	C. 16 Can your system supports "two-up" (1 1/2 x 14) formats				
	C. 17 Can your system supports 8 1/2 x 11 format				
	C. 18 The system provides an out file of billing data for outsources printer and mailer				
	C. 19 The system supports graphic images, shading, bolding and				
	C. 20 The system will allow combining charges by type on the bill.				
	C. 21 At a minimum the bill can present the following discrete data <ul style="list-style-type: none"> Bill Date Bill period for each service Previous and Current Meter readings by meter Rate Schedule per meter/service Rate Description Consumption being billed by service 				
D. Electronic Archive	D. 1 Do you have electric archive capabilities? If so, what type?				
	D. 2 What method is used for retrieval of the archive?				
	D. 3 Can you integrate bill view with the billing system? If so, how?				
	D. 4 Can you reprint an exact copy of the bill from archive, including scan line, bar code, fonts, and graphs? If yes, what printer languages do you support for the reprint?				
	D. 5 What types of viewers do you support?				
	D. 6 What are your storage capabilities for printed data?				
	D. 7 What is your purge process of the stored data?				
	D. 8 Could customers view their historical bills on our website? If so, in what format?				
	D. 9 Can you integrate bill with the CC&O system? If so, how?				
E. Internet Email Delivery or Notification of Bill	E. 1 Can you e-mail bill notifications to customers? If so, what is the process for customers to view their bill from within the electronic notification?				
	E. 2 Can you provide exact bill representation, of the bills accessed from the electronic notification?				
F. Duplicate Bill	F. 1 Explain your method. <ul style="list-style-type: none"> Meter size per service Meter number(s) per service Account Name Account Address 				

Requirement		Yes	No	Partial	Explanation/Comments
	<ul style="list-style-type: none"> • Surcharges, fees, penalties and taxes with descriptions • Past Due Balance • Previous Balance • Current Amount Due • Bill Due Date • Next meter reading date • Consumption History Graph by service • Subtotal by service • Bill Messages • User defined Scan Line (Mac ID) • Handling code, i.e. Opening bill, closing bill, • User defined data 				
G. Special Handling/Pull Bill	<p>G.1 Can you pull a bill during production? If needed, could the bill be printed then returned to GUC?</p> <p>G.1.1 If so, please explain your method for the following pull situations: pulling bill with a returned printed statement, pull a bill with archive only, and pull a bill to not process.</p> <p>G.2 If necessary, could you pull a bill electronically?</p> <p>G.3 Can you support special handling of certain accounts? Such as: archive only without a notification; archive and notify; archive, print and notify archive and print.</p>				
H. Printer	<p>H.1 Do you support duplex printing?</p> <p>H.2 How many different paper stocks can you co-mingle into an envelope?</p> <p>H.3 What are the different paper stocks your printers are capable of using?</p> <p>H.4 Can you print checks, i.e. MICR? If so, can you insert the refund check with bill?</p>				
I. Finishers/Insertion Equipment	<p>I.1 Do you have intelligent insertion stations? If so, how many?</p> <p>I.2 How many pages can you send in a #10 envelope, i.e., tri-fold?</p> <p>I.3 How many pages can you send in a #6 envelope, i.e., one-fold? (Future option)</p> <p>I.4 Can you send bills in a flat envelope? (Future option)</p>				
J. Mail	<p>J.1 What steps do you take to insure lowest cost of postage?</p> <p>J.2 Do you do address verification and postal sorting? If so, what software?</p> <p>J.3 Do you support indicia mailing?</p> <p>J.4 What type of mailing classes do you use? Indicate which carriers you use for the classes.</p>				
K. Paper/Envelope	<p>K.1 perforated paper?</p> <p>K.2 window envelopes?</p> <p>K.3 Do you offer Paper Design services? (Future option)</p> <p>K.4 How do you handle inventory control?</p> <p>K.4.1 Is there an additional cost for inventory control?</p> <p>K.4.2 Is there an additional cost for delivery?</p>				
L. Processing Window	<p>L.1 Do you offer same-day processing of the billing statements?</p> <p>L.1.1 What is the cutoff for same-day processing?</p> <p>L.2 Do you have enough capacity to handle large volume increases during a daily cycle?</p>				
M. Disaster Recovery Plan	<p>M.1 Do you have a disaster Recovery Plan established?</p> <p>M.1.1 Details should include testing scope and frequency as well as</p> <p>M.1.2 notified of an unplanned incident relevant to completion of a</p>				
N. Reporting	<p>N.1 Describe control handling for:</p> <ul style="list-style-type: none"> Balance Controls Out of balance procedures <p>N.2 How do you validate that transmittals sent by Guam Power Authority are complete and error free. How is the receipt of such files acknowledged?</p> <p>N.3 How you communicate a mailing has been completed.</p> <p>N.4 Can you provide a detailed time line of each cycle/job, starting at receipt of the file to complete processing and mailing.</p>				
O. Other Internet Services	<p>O.1 Describe any other services you may offer.</p>				
P. Other Miscellaneous Accounts	<p>P.1 Does your system provide the ability to print other customized bills e.g. Landlord (LL) bills? (Please see exhibit B)</p> <p>P.2 Can your system print 2 sided (back-to-back) LL bills?</p> <p>P.3 Can you send LL bills electronically?</p> <p>P.4 What are the mailing options for LL bills?</p>				

EXHIBIT

4



GRAPHIC CENTER

August 30, 2021

John Benavente
Guam Power Authority
Gloria B. Nelson Public Service Building
688 Route 15
Mangilao, Guam 96913

Re: GPA-RFP-21-002 Printing, Mailing, Archival and Retrieval processing for GPA Statements

Dear Mr. Benavente,

Graphic Center, Inc. is formally protesting the selection of InfoSend, Inc as the best qualified offeror for the Professional Printing, Mailing and Processing Services Relating to Utility Customer Billing.

Section 2.3, subsection A of the RFQ (Standards For Determination of Most Qualified Offer) states that the most qualified offeror has the ability, capacity and skill to perform the work specified. Section 2.3, subsection B whether the offeror can perform promptly or within the specified time. Based on InfoSend's proposal, it will not be possible for the company to provide the proper level of service since all of the development work and fulfillment will be performed in California.

We dispute the evaluation scores given to both offerors, Graphic Center and Infosend, Inc.

Section J of the Scope of Work indicates asks if on island printing and mailing will be available. InfoSend will not be able to produce the statements on Guam and yet 2 evaluators rated Infosend 10/10 in all categories.

Infosend states that the delivery time from their DMU (Detached Mail Unit) is 5 days, however due to the ongoing pandemic and processing bottlenecks, the average time to receive first class mail on Guam is 7 days. This also does not account for worsening pandemic conditions or peak mail volume which could delay inbound mail from the Mainland US to up to 10 days or more.

Graphic Center was rated a 7 by 1 evaluator for references even though we are currently generating all the public utility statements on Guam. We also service all of the largest corporations in our region.

Graphic Center was rated lower than InfoSend in the categories of quality of approach and understanding of the requirements and in quality of extent relevance of proponent's staff / experience in conducting service(s) and utility scale. Graphic center built the bill print system from the ground up

and has been successfully servicing GPA for over 5 years under Guam's unique business and logistical environment.

System development was not a consideration in this RFP when it is a major issue. The current system Graphic Center is using no longer requires any major development efforts and there is no additional cost to GPA. InfoSend's stated that their system would be ready in 12 weeks but given the time zone differences and GPA's general lack of documentation for the billing statement, it will take significantly longer than 12 weeks to implement. Graphic Center has 5 years of changes requested by GPA that is tied into the logic of our software.

The weight in the evaluation sheet was not consistent across the board for both companies.

Infosend did not submit a sealed pricing proposal by the deadline of August 18, 2021.

We look forward to working with GPA to resolve this matter in an expedient manner.

V/R

Chris Biolchino
Vice President
Graphic Center, Inc.

5

EXHIBIT



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

Tel: (671) 648-3225; Fax: 648-3290

DENIAL OF PROCUREMENT PROTEST

October 7, 2021

Mr. Chris Biolchino
Vice President
Graphic Center, Inc.
167 Serenu Avenue
Tamuning, Guam 96913

RE: Guam Power Authority's Response to Graphic Center, Inc.'s Protest dated August 30, 2021, for GPA-RFP-21-002, Printing, Mailing, Archival and Retrieval Processing for GPA Statements

Dear Mr. Biolchino:

I have reviewed your protest letter dated August 30, 2021, protesting the Guam Power Authority's (GPA) proposed award to Infosend, Inc. Your Protest is hereby denied for the following reasons:

1. You indicated in your letter that you believe that Infosend, Inc.'s bid should not be rated higher than Graphic Center, Inc. as you allege that the Infosend, Inc. cannot provide the proper level of service as the development work and fulfillment will be performed in California. There is no requirement in the RFP that development work and fulfillment be done in Guam. Additionally, you dispute the scores given to Graphic Center, Inc. compared to Infosend, Inc., specifically, regarding Section J, which you state "asks if island printing and mailing will be available." Section J, Mail provides that "GPA wants the best value as well as present a host of delivery options to its customers. Please also include if local printing and mailing will be

available.” GPA was looking at delivery options that are available and local printing and mailing was not a requirement. GPA also noted that Graphic Center, Inc. did not address Section M, Disaster Recovery Plan, in its RFP submission to GPA. GPA wanted information regarding the proponent’s processes and procedures regarding Disaster Recovery and backup processes. The RFP submissions were reviewed by GPA, and GPA provided a notice of selection of the best qualified offeror to provide the required services. 2 GAR, Div. 4, §3114(j).

2. GPA has determined that Infosend, Inc. is the best qualified offeror for RFP-21-002, Printing, Mailing, Archival and Retrieval Processing for GPA Statements, as they were deemed to be the best qualified offeror pursuant to 2 GAR, Div. 4, §3114(j). The Infosend, Inc. submission was responsive to the RFP and complied with the specifications set forth in the RFP. Therefore, GPA hereby finds that there is no merit to the Graphic Center, Inc.’s claim that they should be ranked the best qualified offeror.

Graphic Center, Inc. is hereby ON NOTICE that this is the Guam Power Authority’s final decision concerning Graphic Center, Inc.’s August 30, 2021, protest for the above described RFP. You are hereby advised that Graphic Center, Inc. has the right to seek judicial review.

Sincerely,


JOHN M. BENAVENTE, P.E.
General Manager

6

EXHIBIT



Service Organization Controls Report SOC 1 Type 2

**iDoxs™ System Used for the Production and Presentation of
Documents**

**DocWeb System Used for the Production, Printing and
Mailing of Documents**

January 1, 2018 to December 31, 2018

Deloitte

This report, including the description of tests of controls and results thereof in Section IV is intended solely for the information and use of the Service Organization, user entities of the Service Organization's system related to during some or all of the period, and the independent auditors of such user entities, who have a sufficient understanding to consider it, along with other information including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties.

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Independent Service Auditors' Report

KUBRA Data Transfer, Ltd.
Toronto, Ontario, Canada

Scope

We have examined the description of the system of KUBRA Data Transfer, Ltd. (the "Service Organization" or "KUBRA") related to iDoxs™ system used for the production and presentation of documents, Document Web ("DocWeb") system used for the production, printing and mailing of documents, and the related general computer controls throughout the period January 1, 2018 to December 31, 2018 (the "Description") and the suitability of the design and operating effectiveness of controls included in the Description to achieve the related control objectives as so included in the Description based on the criteria identified in Section II (the "Assertion"). The controls and control objectives included in the Description are those that management of KUBRA believes are likely to be relevant to user entities' internal control over financial reporting and the Description does not include those aspects of the system of KUBRA that are not likely to be relevant to user entities' internal control over financial reporting.

The information in Section V, "Other Information Provided by KUBRA" that describes the Service Organization's Management's Responses to Exceptions noted in Section IV is presented by management of the Service Organization to provide additional information and is not a part of the Service Organization's Description of its system made available to user entities during the period January 1, 2018 to December 31, 2018. Information about the Service Organization's Management's Responses to Exceptions noted in Section IV has not been subjected to the procedures applied in the examination of the Description of the system and of the suitability of the design and operating effectiveness of controls to achieve the related control objectives stated in the Description of the system and, accordingly, we express no opinion on it.

The Service Organization uses CenturyLink Technology Solutions to provide infrastructure hosting services in support of its computer processing ("subservice organization"). The Description in Section III includes only the controls and related control objectives of the Service Organization and excludes the control objectives and related controls of the subservice organizations. The description also indicates that certain control objectives specified by KUBRA can be achieved only if complementary subservice organization controls assumed in the design of the Service Organization's controls are suitably designed and operating effectively, along with the related controls at KUBRA. Our examination did not extend to controls of the subservice organizations or their functions, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The Description indicates that certain control objectives specified in the Description can be achieved only if complementary user entity controls contemplated in the design of the Service Organization's controls are suitably designed and operating effectively, along with related controls at the Service Organization. Our examination did not extend to such complementary user entity controls and we have not evaluated the suitability of the design or operating effectiveness of such complementary user entity controls.

Service Organization's responsibilities

In Section II, the Service Organization has provided an assertion about the fairness of the presentation of the description and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the Description. The Service Organization is responsible for preparing the Description and its assertion, including the completeness, accuracy, and method of presentation of the Description and the assertion, providing the services covered by the Description, specifying the control objectives and stating them in the Description, identifying the risks that threaten the achievement of the control objectives, selecting the criteria stated in the assertion, and designing, implementing, and documenting

controls that are suitably designed and operating effectively to achieve the related control objectives stated in the Description.

Service Auditors' responsibilities

Our responsibility is to express an opinion on the fairness of the presentation of the Description and on the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the Description, based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and International Standard on Assurance Engagements 3402, Assurance Reports on Controls at a Service Organization, issued by the International Auditing and Assurance Standards Board. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether, in all material respects, based on the criteria in management's assertion, the Description is fairly presented and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the Description throughout the period January 1, 2018 to December 31, 2018. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

An examination of a description of a service organization's system and the suitability of the design and operating effectiveness of controls involves:

- Performing procedures to obtain evidence about the fairness of the presentation of the Description and the suitability of the design and operating effectiveness of the controls to achieve the related control objectives stated in the description, based on the criteria in management's assertion.
- Assessing the risks that the description is not fairly presented and that the controls were not suitably designed or operating effectively to achieve the related control objectives stated in the Description.
- Testing the operating effectiveness of those controls that management considers necessary to provide reasonable assurance that the related control objectives stated in the Description were achieved.
- Evaluating the overall presentation of the Description, suitability of the control objectives stated therein, and suitability of the criteria specified by the service organization in its assertion.

Service Auditors' Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct established by the AICPA. We applied the statements on quality control standards established by the AICPA and accordingly maintain a comprehensive system of quality control.

Inherent limitations

The Description is prepared to meet the common needs of a broad range of user entities and their auditors, who audit and report on user entities' financial statements and may not, therefore, include every aspect of the system that each individual user entity may consider important in its own particular environment. Because of their nature, controls at a service organization may not prevent, or detect and correct, all errors or omissions in processing or reporting transactions. Also, the projection to the future of any evaluation of the fairness of the presentation of the Description, or conclusions about the suitability of the design or operating effectiveness of the controls to achieve the related control objectives is subject to the risk that controls at a service organization may become ineffective.

Description of tests of controls

The specific controls tested and the nature, timing, and results of those tests are listed in Section IV of the report.

Opinion

In our opinion, in all material respects, based on the criteria described in the Service Organization's assertion in Section II of the report:

- a. The description fairly presents the iDoxs™ system used for the production and presentation of documents, the DocWeb system used for the production, printing and mailing of documents, and the related general computer controls that was designed and implemented throughout the period January 1, 2018 to December 31, 2018.

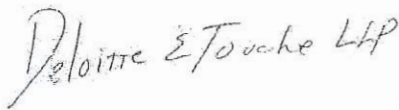
- b. The controls related to the control objectives stated in the Description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period January 1, 2018 to December 31, 2018, and subservice organizations and user entities applied the complementary user entity controls assumed in the design of the Service

Organization's controls throughout the period January 1, 2018 to December 31, 2018.

- c. The controls operated effectively to provide reasonable assurance that the control objectives stated in the Description were achieved, throughout the period January 1, 2018 to December 31, 2018 if complementary subservice organization controls and complementary user entity controls assumed in the design of Service Organization's controls operated effectively throughout the period January 1, 2018 to December 31, 2018.

Restricted use

This report, including the description of tests of controls and results thereof in Section IV is intended solely for the information and use of management of the Service Organization, user entities of the Service Organization's iDoxs™ system used for the production and presentation of documents, DocWeb system used for the production, printing and mailing of documents, and the related general computer controls during some or all of the period January 1, 2018 to December 31, 2018, and their auditors who audit and report on such user entities' financial statements or internal control over financial reporting and have a sufficient understanding to consider it, along with other information including information about controls implemented by user entities themselves, when assessing the risks of material misstatements of user entities' financial statements. This report is not intended to be and should not be used by anyone other than these specified parties.



February 11, 2019



Management's Assertion

February 11, 2019

We have prepared the description of the system of KUBRA Data Transfer, Ltd. ("KUBRA") related to iDoxs™ system used for the production and presentation of documents, Document Web ("DocWeb") system used for the production, printing and mailing of documents, and the related general computer controls (description) for user entities during some or all of the period January 1, 2018 to December 31, 2018, and their user auditors who have a sufficient understanding to consider it, along with other information, including information about controls implemented by user entities of the system themselves, when assessing the risks of material misstatements of user entities' financial statements.

KUBRA uses CenturyLink Technology Solutions to provide infrastructure hosting services in support of its computer processing. The description includes only the control objectives and related controls of KUBRA and excludes the control objectives and related controls of the subservice organization. The description also indicates that certain control objectives specified by KUBRA can be achieved only if complementary subservice organization controls assumed in the design of KUBRA's controls are suitably designed and operating effectively, along with the related controls at KUBRA. The description does not extend to controls of the subservice organization.

The description indicates that certain control objectives specified in the description can be achieved only if complementary user entity controls assumed in the design of KUBRA's controls are suitably designed and operating effectively, along with related controls at the service organization. The description does not extend to controls of the user entities.

Description Criteria

We confirm, to the best of our knowledge and belief, that:

1. The description fairly presents the iDoxs™ system used for the production and presentation of documents, DocWeb system used for the production, printing and mailing of documents, and the related general computer controls made available to user entities of the system during some or all of the period January 1, 2018 to December 31, 2018. The criteria we used in making this assertion were that the description:
 - a. Presents how the system made available to user entities was designed and implemented to process relevant transactions, including, if applicable:
 - i. The types of services provided including, as appropriate, the classes of transactions processed.
 - ii. The procedures, within both automated and manual systems, by which those services are provided, including, as appropriate, procedures by which transactions are initiated, authorized, recorded, processed, corrected as necessary, and transferred to the



reports and other information prepared for user entities of the system.

- iii. The information used in the performance of procedures, including, if applicable, related accounting records, whether electronic or manual, and supporting information involved in initiating, authorizing, recording, processing, and reporting transactions; this includes the correction of incorrect information and how information is transferred to the reports and other information prepared for user entities.
 - iv. How the system captures and addresses significant events and conditions.
 - v. The process used to prepare reports or other information provided to user entities of the system.
 - vi. Services performed by a subservice organization, if any, including whether the carveout method or the inclusive method has been used in relation to them.
 - vii. The specified control objectives and controls designed to achieve those objectives, including, as applicable, complementary user entity controls assumed in the design of the service organization's controls.
 - viii. Other aspects of our control environment, risk assessment process, information and communications (including the related business processes), control activities, and monitoring activities that are relevant to the services provided.
- b. The description includes relevant details of changes to KUBRA's system during the period covered by the description when the description covers a period of time.
 - c. The description does not omit or distort information relevant to the service organization's system, while acknowledging that the description is prepared to meet the common needs of a broad range of user entities of the system and their user auditors and may not, therefore, include every aspect of the system that each individual user entity of the system and its auditor may consider important in its own particular environment.
2. The controls related to the control objectives stated in the description were suitably designed and operated effectively throughout the period January 1, 2018 to December 31, 2018 to achieve those control objectives provided that subservice organizations and user entities applied the controls contemplated in the design of the service organization's controls. The criteria we used in making this assertion were that:
- a. The risks that threaten the achievement of the control objectives stated in the description have been identified by KUBRA.
 - b. Controls identified in our description would, if operating as described, provide reasonable assurance that those risks would not prevent the control objectives stated in our description from being achieved.
 - c. The controls were consistently applied as designed, including whether manual controls were applied by individuals who have the appropriate competence and authority.

Section III: Description of the System

Description of the System

Description Criteria

KUBRA Data Transfer, Ltd. (KUBRA) is a Canadian corporation that maintains multiple business units across North America, with facilities in Dallas, Texas; Gardena, California; Piscataway, New Jersey and Mississauga, Ontario.

KUBRA develops and markets Client Communication Management solutions via a portfolio of business process outsourcing, information software, and professional services.

KUBRA's integrated solutions enable companies to compose, deliver, manage, and process complex, high-volume, personalized information assets for maximizing the client relationship management potential of each and every client contact. KUBRA has over 600 user entities including some of the largest Communication, Utility, Insurance, Financial Services, Media, and Manufacturing/Distribution organizations.

KUBRA's outsourced document production, print and mail solution is referred to as KUBRA iMail™. The KUBRA iMail™ solution portfolio includes an integrated suite of advanced services for capturing, composing, personalizing, producing, and distributing bills, statements and invoices via the mail stream. The iDoxs™ suite provides an e-billing platform for distributing bills, electronic statements and invoices electronically via the Internet. The Document Web (DocWeb) application is required to support the use of iDoxs™ in the capture, composition, personalization and production of documents.

An Overview of DocWeb

KUBRA's Document Web (DocWeb) application is a key component of KUBRA iMail™. The DocWeb core system consists of three main components:

- a. Front end, which contains web application servers
- b. Mid-tier, which provides business logic and rendering
- c. Back end, which provides online data storage.

The application provides a web-based client portal for user entities and access to interactive tools used in the management and consolidated visibility of the entire offline document production, print and mail process. It also provides a ticketing system used by user entities and employees to create and manage all KUBRA iMail™ support cases.

An overview of iDoxs™ suite

KUBRA's iDoxs™ suite facilitates the capturing, personalizing, composing, and distributing of electronic bills, electronic statements, electronic invoices, and correspondence via KUBRA's iDoxs™ Direct Product. Additionally, KUBRA has a process monitoring product, Customer Online Portal¹, which provides user entities with complete monitoring, control and access to their critical data.

The iDoxs™ suite is an e-billing and self-service platform that is delivered as an active server page-based solution. The iDoxs™ suite provides the following services:

- a. Electronic billing

¹ Details related to the system is included for informational purposes. The system is not in the scope of this report.

- b. Non-Enrolled one-time payments
- c. Inbound Electronic payment consolidation
- d. Electronic Document (bill) archival and retrieval

KUBRA'S iDoxs™ suite is composed of the following modules:

- a. Call Center Console - represents the core and foundation of the iDoxs™ suite which facilitates the transformation of Kubra client's legacy transactional data into interactive and intuitive online bills, invoices and statements.
- b. iDoxs™ Virtual Biller Site (VBS) - provides KUBRA client's subscribers with online account management capabilities, invoice/bills presentment and settlement.
- c. Portal - foundation to iDoxs™' online account management and electronic presentment by providing subscribers with dynamic access to their bills, invoices, statements and supporting documents online.
- d. Payment Module - provides complete payment enrollment with real-time and batch connections to Automated Clearing House (ACH) originators, credit card processors and ATM networks.
- e. Marketing - supports KUBRA client's personalization, campaign and content management applications, which promotes personalized marketing and customer service messages throughout the entire online account management experience.
- f. Consolidator - supports the enrollment, document composition, delivery, processing and tracking of all client data.
- g. Mobile - This holds pre-configured Mobile apps that provide links to the client's online billing systems and
- h. Alerts - This is used as a mobile messaging system to notify users of account billing information, and market advertisements.

Description of the Control Environment, Risk Assessment, Monitoring Activities, Information & Communication, and Control Activities

KUBRA's internal control framework was patterned after the Internal Control Framework (COSO 2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The framework consists of five interrelated components:

- a. Control environment
- b. Risk assessment
- c. Monitoring Activities
- d. Information and communication
- e. Control activities

This sub-section provides a more detailed description of the five components of KUBRA control framework.

Control environment

KUBRA's control environment reflects the mindset by management and the overall attitude, awareness and actions of the Executive team and other stakeholders concerning the importance of internal control. Key elements of the control environment include the company's organizational structure and human resource policies and procedures.

Organizational structure

KUBRA's CEO and President provide oversight to management regarding strategic and operational issues, organizational objectives and reviews and monitors management's performance. KUBRA's organization objectives and strategic planning are presented to KUBRA's Board of Directors.

Management is centralized in the Mississauga location providing oversight and tone at the top. However, the operational organizational hierarchy is distributed across the multiple locations providing adequate day-to-day decision-making ability for each location.

Human Resource policies and procedures

KUBRA documents a code of conduct in its security policy document. The policy is readily available to employees on the Intranet repository, and is communicated to employees.

KUBRA has standards and procedures for hiring, training, motivating, evaluating, promoting, compensating, transferring, or terminating personnel.

IT personnel have the competence and training needed to deal with the nature and complexity of the KUBRA business. Regular training is coordinated by a training consultant, who works closely with department heads to identify training needs and schedule training.

KUBRA also has a whistleblower protection policy documented in its policies and procedures document. The Privacy Manager and Chief Privacy Officer respond to all complaints in order to remediate any issues raised.

Risk assessment

KUBRA management and supervisory personnel monitor key business objectives on a routine basis. To assist in this monitoring, management and team members conduct regular meetings to discuss financial and operation performance measures. In addition, a formal budgeting process is in place to monitor organizational performance.

A Security and Privacy Risk Advisory committee consisting of IT management meets on a monthly basis to discuss status of ongoing and upcoming projects. The committee also discusses the current and emerging risk trends, and formulate KUBRA's risk management approach.

Monitoring Activities

The CEO takes ownership of KUBRA's budgeting process, and periodic actual-to-budget variances are investigated in order to monitor the achievement of KUBRA's organizational goals.

Quality controls are also in place as part of KUBRA's daily activity. This covers various aspects of operation, including the review of quality and timely completion of production and presentation jobs.

KUBRA uses CenturyLink Technology Solutions (CenturyLink) to provide infrastructure hosting services in support of its computer processing. As such, CenturyLink is only responsible for physical security as it pertains to the iDoxs™ and DocWeb services. Physical security controls at CenturyLink are regularly monitored by KUBRA IT personnel during regular data center visits to support their hardware infrastructure.

KUBRA also actively monitors compliance with the Payment Card Industry Data Security Standard (PCI DSS)², which provides an actionable framework for developing a payment card data security process including prevention, detection and appropriate reaction to IT security incidents and response to events of noncompliance.

² Details related to PCI DSS are included for informational purposes. PCI DSS is not in the scope of this report.

Monitoring Program: Internal Audit

KUBRA is a subsidiary of Hearst Corporation. The Hearst Corporation Board of Directors has established an Audit Committee that oversees risk assessment and monitoring activities for all Hearst Corporation companies including KUBRA. Ongoing risk assessments and feedback from management are used to determine specific internal and external audit activities needed.

Hearst Corporation Internal Audit performs internal audits of KUBRA in accordance with the Hearst Corporation Internal Audit Plan. Internal audits may include, but are not limited to, gaining an understanding of and evaluating the effectiveness of risk management and control activities and may include the following:

- Organizational structure and responsibilities
- General information technology controls and operations
- Relevant business processes that affect quality and performance
- Continuous improvement activities
- Compliance with laws and regulations

An audit report of findings and management's corrective action is issued to applicable management at the completion of each audit. Follow up is performed by Internal Audit to ensure satisfactory implementation of management's corrective actions. The results of these completed audits are reported to the Hearst Corporation Audit Committee on a periodic basis. In cases of non-conformance, corrective actions are required and the Audit or Compliance teams follow up to ensure they have been implemented.

Information and communication

KUBRA maintains job descriptions and reference manuals that describe personnel duties and responsibilities. There are various means of communication media utilized by KUBRA, in communicating in a timely manner, significant events to its employees and stakeholders; these include electronic mail messages, new employee orientation and KUBRA's Intranet site. KUBRA management updates stakeholders on significant operations objectives and achievements and is receptive to comments and suggestions from both employees and stakeholder on ways to enhance productivity and quality.

Control activities

Control activities are the policies and procedures that help define the management directives to be carried out. They define the necessary actions to be taken to address risks to the achievement of KUBRA's objectives. Control activities, whether automated or manual, have various objectives and are applied at various organizational levels.

KUBRA business units are required to implement control activities that assist with the achievement of business objectives associated with:

1. The reliability of financial reporting
2. The effectiveness and efficiency of operations
3. Compliance with applicable laws and regulations

These control activities are designed to address the specific risks associated with the operations and are reviewed annually as part of the risk assessment process. KUBRA has developed policies and procedures covering various financial and operational matters to accomplish the performance of these control activities. Specific control activities are provided within Section III of this report.

Subservice Organization Monitoring and Complementary Subservice Organization Controls (CSOCs)

KUBRA utilizes subservice organizations to support complete, accurate and timely processing of client transactions which are identified in table 1 below. KUBRA management assesses the risks associated with these subservice organizations and has implemented various management oversight and monitoring processes to confirm that the subservice organizations continue to provide services in a controlled manner. These include, but are not limited to, the review of third-party service auditor reports, holding discussions with subservice organization management, and performing periodic assessments of subservice organizations' facilities, processes, and controls.

Table 1: Subservice Organizations and CSOCs

KUBRA's controls related to the iDoxs™ and DocWeb processes cover only a portion of overall internal control for each user entity of KUBRA. It is not feasible for the control objectives related to iDoxs™ and DocWeb to be achieved solely by KUBRA. Therefore, each user entity's internal control over financial reporting must be evaluated in conjunction with KUBRA's controls and the related tests and results described in section IV of this report, taking into account the related complementary subservice organization controls expected to be implemented at the subservice organization as described below.

Name of Subservice Organization	Description of Service(s) Provided	Related Control Objectives	CSOCs
CenturyLink Technology Solutions	Infrastructure Hosting	9 – Logical & Physical Security	CenturyLink is responsible for maintaining physical security over its data center in which the servers used to host the iDoxs™ and DocWeb applications are housed.

Additionally, KUBRA utilizes certain vendors in performing controls related to its services. Organizations that provide services to a service organization that are not considered subservice organizations are referred to as vendors. For the scope of this report, no vendors are used.

Description of Controls

KUBRA's control objectives and related controls are included in below in the section – *Description of Control Objectives, Controls, Test and Results of Tests*. This is to eliminate the redundancy that would result from listing them in this section and repeating them below. Although the control objectives and related controls are presented in aforementioned section, they are, nevertheless, an integral part of KUBRA's description of controls.

Client integration

Control Objective 1: Controls provide reasonable assurance that authorized new clients, and changes to existing clients, are received, recorded and processed completely, accurately, and timely in accordance with the client service agreement.

Client Integration refers to the process of adding new client, or making changes to the solutions of existing user entities, into DocWeb. This process is performed primarily in the Mississauga location and follows KUBRA's standard implementation methodology.

Client Integration involves 5 phases:

- a. Initiate and Plan
- b. Analyze and Design
- c. Build d. Test
- e. Implementation and Post-implementation

Initiate and Plan

When a new client subscribes, or an existing client changes its subscription, a Client Relationship Manager (CRM) is assigned to serve as a liaison with the client to enable the coordinated flow of information. Key client information and business requirements are obtained and documented by the CRM.

A DocWeb client profile is set up for tracking and billing purposes, as well as a File Transfer Protocol (FTP) directory for the receipt of any test data from the client.

A kick-off meeting is then held between the user organization, the CRM and the appropriate implementation and product team leaders. The detailed business requirements are documented, and a user organization contract is approved. A project lead is assigned to manage the implementation.

Analyze and Design

Once the kick-off meeting has been conducted and requirements have been gathered, the service delivery team proceeds to create a project plan outlining the project work steps. A solutions development meeting is held by the project team, and a solution is designed and documented in the Application Starter Kit (ASK)/ Internal test booklets. A finalized agreement is presented to the client for review, and a change request is created to initiate the build process. The agreement presented could be one of the following three forms - Statement of Work (SoW), contract and / or contract amendment.

Build

Programmers leverage the ASK to develop the solution in the development environment. Programmers and the Project Lead will then review and test the solutions before submitting the solution for system integration and user acceptance testing review.

Test

Programmers then proceed to perform system integration testing in the test environment and Quality Assurance (QA) reviews the testing to ensure it meets KUBRA's testing standards. Once QA has completed its procedures, the solution will be promoted to the pre-production environment for client to review the solution and test its functionality. Once satisfied, a client will sign off a client acceptance form and the solution will be promoted to the production environment.

Implementation and Post-implementation

After the solution has been promoted to the production environment, the first day of production is reviewed for accuracy and completeness. Any issues identified are addressed using KUBRA's incident and problem management process. The case is then closed in the DocWeb tracking system.

Data receipt

Control Objective 2: Controls provide reasonable assurance that data authorized and initiated by the client is received and recorded completely, accurately, and timely in accordance with the client service agreement.

User entities send data via a secured connection to an FTP directory set up by the Network Support Group (NSG). Each client has its own directory, and access is restricted to the client. The data is decrypted using FileSync or DocWeb Sync as pre-specified by the client. Once decryption is complete, the client data is stored in the DocWeb Inbox to be picked up by the Transmission Manager.

The Transmission Manager, which is scheduled to run every 5 minutes, analyzes the contents of the files and validates the data file is unique, file naming is appropriate, and the file was received in the expected time window as defined in the Service Level Agreement (SLA) between KUBRA and the client.

System alerts such as Arrived, Unexpected, Late and Transmission Error are sent to the KUBRA client via DocWeb's client portal which provides network visibility of the entire document production process. The client is responsible for reviewing system alerts for errors, and responding to KUBRA within 4 hours in order for files with errors to be corrected. Depending on the alert, the client could either cancel a job or request for processing to continue. Also, if errors are noted, cases are created within DocWeb's ticketing system for Incident Resolution. Once data receipt is complete, a job is created in the DocWeb SQL Database for further processing and composition.

Data composition

Control Objective 3: Controls provide reasonable assurance that data authorized and initiated by the client is processed completely, accurately, and timely in accordance with the client service agreement.

Once pre-processed files have been placed into the DocWeb SQL database and a job is created, Task Dispatch within DocWeb schedules and distributes the execution of jobs to the processing nodes. During the processing of jobs, the nodes collect related data (i.e., data configuration files, filters) from the SQL database. DocWeb processing nodes automatically map billing data to the pre-specified billing template. The Report Filter within DocWeb analyzes the job to validate the business logic to be executed. Business logic executed includes:

- Document decomposition

- Preparation of various output files (email, fax, print and return)

The filtering process performs a validation check to determine whether the file received is in the predetermined format specified by the client and adheres to the expected business rules for the client. If the validation process fails a system alert is sent to the DocWeb client portal to notify the client.

The Report Filter segments all files into various output file formats and creates destination files for print, iDoxs™, email, fax, billing and e-Reports. Print jobs are automatically scheduled according to their required completion time and the most appropriate printing location based on job priority as outlined in the client SLA. When segmentation is completed, DocWeb automatically transfers data into iDoxs™ for loading into customer specific databases.

The job status is updated and a job log containing information such as name of the file received, number of records in the file, number of jobs processed by type (e.g. emailed, returned, sent to print), and any

additional client-requested tracking measures is created and made available to clients to review on the DocWeb and iDoxs™ client portal at the completion of data composition.

For User entities utilizing the preview and release attribute in DocWeb or release manager functionality in iDoxs™, the systems provide clients with the functionality to review sample processed files online and release the files for printing and online distribution. User entities can release the job for printing and online distribution once they are satisfied or can cancel the job and follow up any issues with KUBRA. A job is not processed unless given the approval by the client online.

Presentation

Control Objective 4: Controls provide reasonable assurance that jobs authorized and initiated by the client, are presented completely, accurately, and timely in accordance with the client service agreement.

Once DocWeb has formatted and transferred the data into iDoxs™, data is automatically presented on client specific e-billing websites, unless the release manager functionality is being utilized as previously discussed which provides clients the opportunity for a final review and manual release to the client specific e-billing websites.

When data is being loaded into client specific databases, data validation checks are performed and the system automatically creates incident tickets in the KUBRA's Tracking System if errors are encountered. The tickets are then resolved a timely manner following the overall Incident Management process detailed in Control Objective 10 below.

A DocWeb setting also allows client to obtain a feedback file that provides detailed information to determine whether their jobs submitted have been completed, and to validate the number of records processed.

Printing

Control Objective 5: Controls provide reasonable assurance that jobs authorized and initiated by the client, are printed completely, accurately, and timely in accordance with the client service agreement.

DocWeb billing jobs that need to be printed are automatically received in the print queue, and urgent jobs that require same day completion are highlighted for the print operators. Print operators print jobs according to priority in the DocWeb production schedule in order to maintain an efficient workflow. Standardized documentation such as the File Control Page (FCP), outlining first and last invoices, number of pages, number and types of inserts, number and types of mailings, as well as any special handling requirements, and a Quality of Service (QoS) check sheet are attached to each print job in order to enable operators to process the jobs accurately and perform quality checks.

Print operators set up the printers with consumables listed in the FCP and print the jobs by sending the job files to a designated printer. Large jobs can be split and sent to multiple printers, and a split report is printed for each split allowing the recompilation of the print job.

Throughout the printing process, quality checks are performed, including a review of random invoices printed. Quality check results are recorded on the FCP. In the event a print job is over 1000 pages, a QoS check sheet is also used for additional review. On average, one per 1000 pages printed is reviewed. At the completion of a print job, the printed billing documents are checked for completeness by viewing the first and last invoice (account numbers) listed on the FCP, as well as the first and last page number, to validate the correct numbers of pages were printed. In addition, on the FCP, the consumable item numbers are indicated as verified by checking off the check box next to the letterhead item. Each section of the print job is separated with accompanying standard documentation for further processing by the insertion and manual insertion departments.

Upon completion of the print job, print operators sign off on the FCP and scan the job in KUBRA's Tracking System (KTS), module within DocWeb, to change the printing status to complete.

Finishing and mailing

Control Objective 6: Controls provide reasonable assurance that jobs authorized and initiated by the client, are finished and sent for mailing completely, accurately, and timely in accordance with the client service agreement.

Once jobs have been printed, each of the finishing departments (Insertion, Manual Insertion) collect their respective portions of the print job from their designated area for further finishing. DocWeb billing jobs are automatically received in the insertion queue, and urgent jobs that require same day completion are highlighted for the insert operators. Insert operators finish and mail jobs according to priority in the DocWeb production schedule. DocWeb status tracker tracks the progress of each bill in a billing job to ensure completion of the entire job.

Insertion

Insertion mailings are automatically inserted using KUBRA's inserters. Jobs are scanned in order to load their respective DocWeb profiles, and Inserter Operators load the various inserts noted in the FCP to each insertion station. Inserter operators set up the type of fold and set up the Inserter vision cameras to detect the appropriate address identifier (Customer Address, USPS barcode, or Package Sequence).

Operators continuously perform quality and spot-checks, and perform a quality inspection of random envelopes. Quality inspections are noted in the FCP, and a quick reconciliation of inserts used is performed by comparing insert counters to the FCP as well. Similar to the printing process, in the event of a print job over 1000 pages, a QoS check sheet is used for additional review, on average one per 1000 pages. At the completion of the job, a completeness check is performed by comparing total inserts used and pieces processed to totals on the File Control Page. Once the insertion process is complete the job is scanned out of the DocWeb job tracker.

The inserted envelopes are then placed in mailing trays depending upon the mailing specifications and incentives. Operators sign-off on the FCP once jobs have been finished, transferred to the mailing area, and mailing documentation is complete. The completed jobs are then scanned into DocWeb to indicate completion. All US mail is processed through the USPS incentive mailing software and statements of mailing are automatically prepared. Canadian mail is processed for incentive rates via pre-sort software, and statements of mailing are prepared manually at the end of each shift.

For incentive pieces, mail is usually pre-sorted and unloaded in a specific order using ink marks made by the Inserter denoting the first and last envelopes to be placed in a single tray. Separate tray tags and statements of mailings are attached. For non-incentive pieces, envelopes are commingled and placed in one skid and a statement of mailing is attached. Incentive pieces are kept in presort order and are trayed in this order.

Manual insertion

Oversized jobs and group mailings are processed by the Manual Insertion department by hand. Manual insertion operators review the FCP for the necessary consumables and insert the bills and related inserts into envelopes and the envelopes are mailed. Standard quality checks are performed and documented in the File Control Page, and the job is closed out of the KTS once complete.

Returns

Files that require printing only and do not have machining specifications are shipped by courier or mailed to the client. No further processing is done, and the job is closed out in KTS.

Payment processing

Control Objective 7: Controls provide reasonable assurance that payments are processed completely, accurately, and timely in accordance with the client service agreement.

Scheduled, pre-authorized, and ad-hoc payments are authorized in real time and consolidated daily into EFT batch files. EFT batch files are created and processed daily with each of KUBRA's various payment processors.

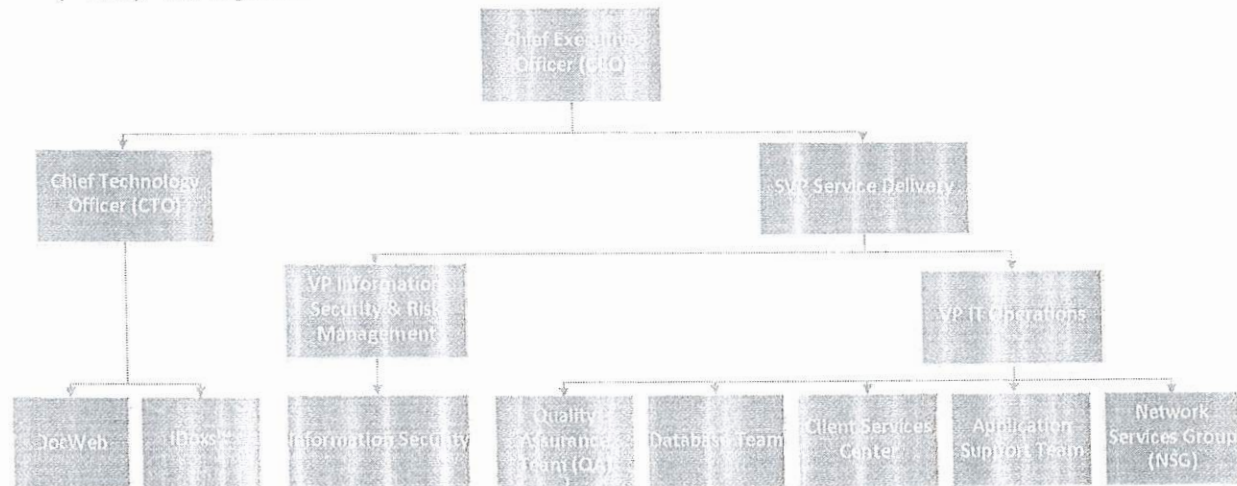
Response files from banks of payments processed are logged for confirmation and uploaded into iDoxs™.

Individual payment status reports are available for review within the iDoxs™ client portal by clients. On a customer by customer basis, clients can review whether payments are scheduled, processed, or declined by reviewing the comment fields for each customer account.

Every morning, a remittance file is generated automatically and sent to the client for reconciliation of bank deposits.

Description of KUBRA Information Technology Environment

KUBRA's Technology Department is composed of 6 groups, located in Canada (Mississauga) and the United States (Dallas). The organization structure is as follows:



Change control

Control Objective 8: Controls provide reasonable assurance that changes to iDoxs™, DocWeb and supporting infrastructure components are authorized, tested and approved in accordance with KUBRA's policies.

KUBRA's change management process controls changes over iDoxs™, DocWeb and supporting infrastructure components that are managed by the Technology Department, such as databases, servers, network components and their associated documentation and manuals. The process also allows for handling changes that need to be expedited due to their impact level, such as emergency changes.

The change management process validates that all changes are authorized, tested and approved by the Technology Department prior to implementation to the production environment.

Changes are initiated as cases and then logged and tracked in KUBRA's tracking system. These include:

- a. iDoxs™ and DocWeb infrastructure upgrade/modification requests (server upgrades, firewall changes, network drive installations, etc.)
- b. iDoxs™ and DocWeb application upgrade/modification requests

Charge requests are then escalated within KUBRA's tracking system to appropriate teams based on their nature and type

- a. iDoxs™ and DocWeb infrastructure upgrade/modification requests are escalated to the Network Support Group (NSG) for change authorization, development and testing
- b. iDoxs™ and DocWeb application upgrade/modification requests are also escalated to respective application teams for change authorization, development and testing

Charges are developed and tested in the development and test environments which are segregated from the production environment, to prevent any adverse impacts changes may have to Client's production data.

Quality Assurance (QA) Team also executes additional testing on changes that directly impact KUBRA's client. Prior to implementation, changes are reviewed and approved by Technology Department management. Implementation of changes to the production environment is centralized within the Technology Department with ownership accorded to the NSG team. Individuals performing change management controls do not have conflicting duties. Different individuals within the organization perform the following duties: request/approve the development of a change, program the change, and move the change into production.

Additionally, periodic monitoring is performed over updates made within the iDoxs™ and DocWeb production environments to ascertain that updates are accounted for and authorized. A monitoring utility is in place to monitor key production servers and flag updates in a report. On a daily basis IT personnel review the report and validate that flagged updates were authorized and appropriate.

Access control

Control Objective 9: Controls provide reasonable assurance that logical access to iDoxs™, DocWeb and supporting infrastructure and physical access to computer equipment are restricted to properly authorized individuals in accordance with KUBRA's policies.

KUBRA manages a framework of information security policies, which detail standards and guidelines to be executed for the use and maintenance of KUBRA's iDoxs™ Suite, DocWeb application and supporting infrastructure components. The Chief Security Officer has responsibility over the management and administration of compliance with security policies.

The Technology Department and its associated groups have ownership over the design, implementation and daily management of technologies and processes that ascertain that security over iDoxs™, DocWeb and supporting infrastructure environment (Operating System, Network and Database Environment) is delivered and monitored on a consistent basis.

Access to privilege functions within iDoxs™ Suite, DocWeb application system and supporting infrastructure components is restricted to authorized and appropriate groups within the Technology Department.

Guidelines and procedures govern the granting and removal of accesses to KUBRA facilities and information processing assets which includes iDoxs™ and DocWeb. KUBRA's new and current employees' access and removal requests are reviewed by the Human Resource (HR) Department and then approved by KUBRA's departmental management. The Technology Department is responsible for granting and removing accesses to processing facilities and iDoxs™ suite, DocWeb and supporting infrastructure components.

iDoxs™ and DocWeb access and removal requests by user entities are communicated to KUBRA's Client Services team (CST) and escalated to the respective application teams to accordingly execute the granting and removing of accesses.

User entities access to DocWeb is restricted to:

- a. The client portal, which provides a consolidated view of the entire offline document production, print and mail process; and,
- b. Client directories within DocWeb's FTP server which temporarily hold data transferred via FTP from client proprietary systems and transferred to DocWeb for processing.

User entities access to iDoxs™ is restricted to:

- a. iDoxs™ Online Administrator and Client Services Representative portals which provides access to subscriber account management capabilities; and
- b. Client folders within iDoxs™' FTP server which temporarily holds data transferred via FTP from client proprietary systems and transferred to iDoxs™ for processing.

In addition, KUBRA Personnel, KUBRA Client and their respective subscriber accounts are controlled through the use of user accounts and passwords, for which standards have been established governing password complexities and lifetimes.

Network security is provided by a multi-layered firewall system that enforces secure access to and from KUBRA's internal network and internet. Firewalls are placed at all entry and exit points within KUBRA's network environment. Administrative rights to firewalls are restricted to authorized KUBRA IT personnel.

Physical Access

Access to KUBRA facilities is restricted to authorized KUBRA employees pending a successful criminal and background check. The Security Department is responsible for the management of physical access requests to KUBRA's processing facilities. KUBRA facilities, which include all processing areas, are securely locked with access permissible only by an assigned key card with pre-configured access restrictions. As a result, physical access is confined to areas within the facility that is appropriate and based on employee's job responsibilities.

Timely removals of access cards are also enforced for terminated KUBRA employees to prevent unauthorized access to facilities. In addition, surveillance systems are implemented within KUBRA facilities to monitor all activities within KUBRA's processing locations. Visitors or non-KUBRA employees are required to log entry in a Visitor log and be escorted by an authorized KUBRA employee prior to being granted access to a facility.

Incident management

Control Objective 10: Controls provide reasonable assurance that IT operations incidents are analyzed, reviewed, and resolved in a timely manner in accordance with KUBRA's policies.

Incidents identified by KUBRA and its client are put through an Incident Management Process. The process ascertains that all incidents identified are documented within DocWeb's ticketing system, prioritized, reviewed, assigned to the appropriate teams and resolved in a timely manner.

iDoxs™ and DocWeb related incidents identified at KUBRA are assigned to appropriate groups within KUBRA's Technology Department and assigned mandatory completion times for prompt resolution. Incident Reports summarizing the details of incidents are also communicated to user entities to inform them of level of impact incident has on their services and the steps being executed to resolve the incident.

KUBRA's CST is the first point of contact for client incident cases. These reported incidents are initially analyzed and resolved by the CST and escalated to the appropriate Technology Department group if resolution is not possible at their level. Completion timelines defined in the SLA and communicated to KUBRA client are enforced for all incident resolutions and any deviations are communicated to the impacting client for appropriate authorization. Change requests resulting from incident resolutions are put through KUBRA's change management process.

Backup and recovery

Control Objective 11: Controls provide reasonable assurance that production program, data, and system files are backed up and restored in accordance with KUBRA's policies.

Standards and procedures govern the processes involved in backing up KUBRA's processing data onto tapes, storing of tapes offsite and the restoration of tapes. Litespeed and Symantec application tools³ are scheduled to automate the backup and restore processes. Backups are performed according to an established schedule

³ Details related to the system is included for informational purposes. The system is not in the scope of this report.

and frequency, from database to hard disk, and from hard disk to tapes for the iDoxs™ and DocWeb applications, and supporting infrastructure components.

IT personnel monitor backup logs daily to validate that backups were created successfully. Backup failures are reviewed and resolved by NSG for timely resolution.

The NSG also performs random restoration tests to ascertain the capability to restore production data in the event of a data loss.

Description of Complementary User Entity Controls

In designing its system, KUBRA has contemplated that certain complementary controls would be implemented by user organizations to achieve certain control objectives included in this report. In certain situations, the application of specified controls at the user entity is necessary to achieve certain control objectives included in this report.

This section describes some of the controls that should be in operation at user entities to complement internal controls at KUBRA. Each user entity must evaluate its own internal controls to determine if the following controls are in place. This list does not purport to be and is not a complete listing of the controls that provide a basis for the assertions underlying the financial statements of user entities. The complementary user entity controls are listed below.

Control Objective 1 - Client integration

- User entities are responsible for ensuring the complete, accurate and timely submission of project requests and priorities prior to the issuing of the Statement of Work
- User entities are responsible for ensuring timely review of and response to DocWeb system alerts, in order to remediate errors.
- User entities are responsible for authorizing, approving, and monitoring of the DocWeb/ iDoxs™ administrative accounts provided by KUBRA.
- User entities are responsible for authorizing, approving, and monitoring of the DocWeb/ iDoxs™ user accounts created by the user entities' owned DocWeb/ iDoxs™ administrative account.

Control Objective 2 - Data receipt

- User entities are responsible for ensuring the complete, accurate and timely submission of client data in the format pre-specified in the client agreement.
- User entities are responsible for ensuring timely review of and response to DocWeb system alerts, in order to remediate errors.

Control Objective 3 - Data composition

- User entities are responsible for ensuring the complete, accurate and timely submission of client data in the format pre-specified in the client agreement.
- User entities are responsible for ensuring timely review of and response to DocWeb/ iDoxs™ system alerts, in order to remediate errors.
- User entities utilizing the release manager functionality are responsible for ensuring timely review of their processed files online and providing approval for the files to be released for distribution to customers.
- User entities who specify the preview and release attribute, are responsible for ensuring timely review of their processed files and providing approval for the files to be released for printing.

Control Objective 7 - Payment processing

- User entities are responsible for ensuring timely review of payments processed on their behalf by KUBRA.

Control Objective 9 - Access control

- User entities are responsible for communicating iDoxs™ and DocWeb access and removal requests timely to KUBRA's Client Service Team (CST).

Section IV:
Information Provided by
Independent Service Auditor
Except for Control Objectives
and Control Activities

Information Provided by Independent Service Auditor Except for Control

Objectives and Control Activities

Introduction

This report on the description of the system is intended to provide user entities and their auditors with information for their evaluation of the effect of a service organization on a user entity's internal control

relating to KUBRA Data Transfer, Ltd.'s ("KUBRA") controls over iDoxs™ system used for the production and presentation of documents, Document Web ("DocWeb") system used for the production, printing and mailing of documents, and the related general computer controls throughout the period January 1, 2018 to December 31, 2018.

This section presents the following information provided by KUBRA:

- The control objectives specified by the management of KUBRA.
- The controls established and specified by KUBRA to achieve the specified control objectives.

Also included in this section is the following information provided by Deloitte & Touche LLP:

- A description of the tests performed by Deloitte & Touche LLP to determine whether KUBRA's controls were operating with sufficient effectiveness to achieve specified control objectives. Deloitte & Touche LLP determined the nature, timing, and extent of the testing performed.
- The results of Deloitte & Touche LLP's tests of controls.

Our examination was conducted in accordance with the Statement on Standards for Attestation Engagements No. 18 (SSAE 18), "Attestation Standards: Clarification and Recodification" established by the American Institute of Certified Public Accountants (AICPA) and International Standard on Assurance Engagements 3402, Assurance Reports on Controls at a Service Organization, issued by the International Auditing and Assurance Standards Board. Our testing of KUBRA's controls was restricted to the control objectives and related control activities listed in this Section IV and was not extended to controls described in Section III but not included in Section IV, or to controls that may be in effect at user organizations.

It is each user's responsibility to evaluate the information included in this report in relation to internal control in place at individual user entities to obtain an understanding and to assess control risk at the user entities. The controls at user entities and KUBRA's controls should be evaluated together. If effective user entity controls are not in place, KUBRA's controls may not compensate for such weaknesses.

Control environment elements

The control environment sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for other components of internal control, providing discipline and structure. In addition to the tests of design, implementation, and operating effectiveness of controls identified by KUBRA, our procedures included tests of the following relevant elements of KUBRA's control environment:

- a. Control environment
- b. Risk assessment

- c. Monitoring
- d. Information and communication
- e. Control activities

Such tests included inquiry of the appropriate management, supervisory, and staff personnel; observation of KUBRA’s activities and operations, inspection of KUBRA’s documents and records, and re-performance of the application of KUBRA’s controls. The results of these tests were considered in planning the nature, timing, and extent of our testing of the control activities described in this section.

Tests of operating effectiveness

Our tests of the controls were designed to cover a representative number of transactions throughout the period from January 1, 2018 to December 31, 2018. In determining the nature, timing and extent of tests we considered, (a) the nature and frequency of the controls being tested, (b) the types of available evidential matter, (c) the nature of the control objectives to be achieved, (d) the assessed level of control risk, (e) the expected effectiveness of the test, and (f) the results of our tests of the control environment.

Description of testing procedures performed

Deloitte & Touche LLP performed a variety of tests relating to the controls listed in this section throughout the period from January 1, 2018 to December 31, 2018. Our tests of controls were performed on controls as they existed during the period of January 1, 2018 to December 31, 2018, and were applied to those controls relating to control objectives specified by KUBRA.

In addition to the tests listed below, ascertained through multiple inquiries with management and the control owner that each control activity listed below operated as described throughout the period. Tests performed are described below:

Test	Description
Corroborative Inquiry	Conducted detailed interviews with relevant personnel to obtain evidence that the control was in operation during the report period and is accompanied by other procedures noted below that are necessary to corroborate the information derived from the inquiry.
Observation	Observed the performance of the control multiple times throughout the report period to evidence application of the specific control activity.
Examination of documentation/Inspection	If the performance of the control is documented, inspected documents and reports indicating performance of the control.
Reperformance of monitoring activities or manual controls	Obtained documents used in the monitoring activity or manual control activity and independently reperfomed the procedures. Compared any exception items identified with those identified by the responsible control owner.
Reperformance of programmed processing	Input test data, manually calculated expected results, and compared actual results of processing to expectations.

Reliability of information produced by the Service Organization

We performed procedures to evaluate whether the information provided by the Service Organization, which includes (a) information provided by the Service Organization to the service auditor in response to ad hoc requests from the service auditor (e.g., population lists); (b) information used in the execution of a control (e.g., exception reports or transaction reconciliations); and (c) information prepared for user entities (e.g., user access lists), was sufficiently reliable for our purposes by obtaining evidence about the accuracy and completeness of such information and evaluating whether

the information was sufficiently precise and detailed for our purposes. Information we utilized as evidence may have included, but was not limited to:

- Standard "out of the box" reports as configured within the system
- Parameter-driven reports generated by KUBRA's systems
- Custom-developed reports that are not standard to the application such as scripts, report writers and queries
- Spreadsheets that include relevant information utilized for the performance or testing of a control
- KUBRA prepared analyses, schedules, or other evidence manually prepared and utilized by the KUBRA

Our procedures to evaluate whether this information was sufficiently reliable included obtaining evidence regarding the accuracy and completeness of the information and performing procedures to address (a) the accuracy and completeness of source data and (b) the creation and modification of applicable report logic and parameters. While these procedures were not specifically called out in the test procedures listed in this section, they were completed as a component of our testing to support the evaluation of whether or not the information is sufficiently precise and detailed for purposes of fully testing the controls identified by the Service Organization.

Reporting on results of testing

The concept of materiality is not applied when reporting the results of tests of controls for which deviations have been identified because Deloitte & Touche LLP does not have the ability to ascertain that a deviation will be relevant to a particular user entity. Consequently, Deloitte & Touche LLP reports all deviations.

Information Provided by Independent Service Auditor Except for Control Objectives and Control Activities

Objective - 1. Client Integration: Controls provide reasonable assurance that authorized new clients, and changes to existing clients, are received, recorded and processed completely, accurately, and timely in accordance with the client service agreement.

Control Title	Control Activity	Test Procedures	Results of Tests
1.1	An agreement is created for all projects related to the integration of authorized new clients or changes to existing clients and submitted to the client for approval.	For a sample of new clients and changes to the existing clients during the period under examination, inspected project agreement to ascertain that an agreement was created and approved by the client.	No exceptions noted.
1.2	Network Support Group (NSG) personnel create an FTP directory and provide appropriate access to a new client based on the receipt of an approved setup request.	For a sample of new clients and changes to the existing clients during the period under examination, inspected client FTP Settings to ascertain that an FTP directory was created and appropriate access was provided based on the receipt of an approved setup request.	No exceptions noted.
1.3	DocWeb Product Support personnel create a client profile within DocWeb, including the assignment of a Unique ID to each client, based on the receipt of an approved setup request.	For a sample of new clients and changes to the existing clients during the period under examination, inspected client profile to ascertain that DocWeb Product Support personnel created a client profile within DocWeb, including the assignment of a Unique ID to each client, based on the receipt of an approved setup request.	No exceptions noted.

1.4	Internal test booklets guide the process for implementing new or changed client jobs. Developers and supervisors subject test files and sample statements to QA procedures to verify programming accuracy prior to production.	For a sample of new clients and changes to the existing clients during the period under examination, inspected Internal test booklets to ascertain that new or changed client jobs were subjected to QA procedures to verify programming accuracy prior to production.	No exceptions noted.
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Control Title	Test Procedures		Results of Tests
Control Activity			
1.5	QA personnel obtain client authorization prior to production management team to ascertain that QA release management manner.	For a sample of new clients and changes to the existing clients during the period under examination, inspected authorized service level agreement and client DocWeb profile to ascertain that QA personnel obtained client into production in a timely manner. team implemented developed solutions into production in a	No exceptions noted. and release implement developed solutions authorization prior to production and timely manner.
1.6	Only authorized SLA for each client is set up in DocWeb.	For a sample of new clients and changes to the existing clients during the period under examination, inspected authorized SLA and client DocWeb profile to ascertain that only authorized SLA was set up in DocWeb.	No exceptions noted.

Objective - 2. Data Receipt: Controls provide reasonable assurance that data authorized and initiated by the client is received and recorded completely, accurately, and timely in accordance with the client service agreement.

Control Title	Control Activity	Test Procedures	Results of Tests
2.1	Client data is received through a secure connection to KUBRA's FTP server.	For a sample of clients during the period under examination, inspected client account settings to ascertain that client data is received through a secure connection to KUBRA's FTP server.	No exceptions noted.
2.2	Client access is restricted to a specific FTP directory to provide data as set up initially during Client Integration.	For a sample of new clients and changes to the existing clients during the period under examination, inspected client account settings to ascertain that client access is restricted to a specific FTP directory to provide data as set up initially during Client Integration.	No exceptions noted.
2.3	The DocWeb Transmission Manager will validate that the: - data file received is unique and not the same as previous files received from the client; - file name specifications are appropriate; - date and time data file is received is within the predefined time window in the file receipt schedule.	Observed validation checks in the DocWeb Transmission Manager system during the period under examination, to ascertain that the system validated data received and generated an error when a: <ul style="list-style-type: none"> - data file was not unique, - file name was inappropriate, or - data file received was outside the predefined time window in the file receipt schedule. 	No exceptions noted.
2.4	System alerts (Arrived, Unexpected, Late, and Transmission Error) are sent to user entities via DocWeb's client portal to provide visibility to the client. Once identified, a ticket is created and errors are resolved appropriately in a timely manner.	Inspected a sample of errors during the period under examination, to ascertain that system alerts (Arrived, Unexpected, Late, and Transmission Error) were sent to KUBRA's clients via DocWeb's client portal to provide visibility to the client, ticket was created and errors were resolved appropriately in a timely manner.	No exceptions noted.

Objective - 3. Data Composition: Controls provide reasonable assurance that data authorized and initiated by the client is processed completely, accurately, and timely in accordance with the client service agreement.

Control Title	Control Activity	Test Procedures	Results of Tests
3.1	A DocWeb processing filter validates that a data file received is in the format specified by the client in the client service agreement.	Observed processing filter validation for a client during the period under examination, to ascertain that a DocWeb processing filter validated that the data file received was in the format specified by the client in the client service agreement.	No exceptions noted.
3.2	DocWeb processing nodes automatically map billing data to the pre-specified billing template accurately.	Inspected a sample electronic bill and related client data file during the period under examination, to ascertain that DocWeb processing nodes automatically mapped billing data to the pre-specified billing template accurately.	No exceptions noted.
3.3	DocWeb automatically transfers data into iDoxs™ specific customer databases, completely and accurately. Data validation checks are automatically performed and incident tickets are automatically generated if errors are encountered.	For a sample job during the period under examination, inspected DocWeb Job Log and iDoxs™ user console to ascertain that data was transferred completely and accurately from DocWeb into iDoxs™ specific customer database. Inspected DocWeb Job log to ascertain that data validation checks were automatically performed, and incident tickets were automatically generated if errors were encountered.	No exceptions noted.
3.4	Print jobs are automatically scheduled by DocWeb based on job priority as outlined in the client SLA.	Observed printing process at the printing sites during the period under examination, to ascertain that jobs are automatically scheduled by DocWeb based on job priority as outlined in the Service Level Agreement with the client.	No exceptions noted.

3.5	For clients utilizing the release manager functionality, iDoxs™ provides clients with the functionality to review sample processed files online and release the files for distribution to their customers. A job will not be released unless given the approval by the client online.	For a client utilizing the release manager functionality, inspected the iDoxs™ user console and client release screen to ascertain that iDoxs™ provides clients with the functionality to review sample processed files online and release the files for distribution to their customers. Observed that a job would not be processed unless given the approval by the client online.	No exceptions noted.
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Control Title	Test Procedures	Results of Tests	
Control Activity 3.6	For clients that specify the preview and release attribute, DocWeb provides clients with the functionality to review sample processed files online and release the files for printing. A job will not be processed unless given the approval by the client online.	For a sample client that specify the preview and release attribute during the period under examination, inspected the DocWeb user console and client release screen to ascertain that DocWeb provides clients with the functionality to review sample processed files online and release the files for printing. Observed that a job would not be processed unless given the approval by the client online.	No exceptions noted.
3.7	A Job Log containing information such as name of the file received, number of records in the file, number of jobs processed by type (e.g. emailed, returned, sent to print), and any additional client requested tracking measures is created and made available to clients to review on the DocWeb client portal at the completion of processing.	Inspected a sample processed billing data file during the period under examination, to ascertain that a Job Log containing information such as name of the file received, number of records in the file, number of jobs processed by type (e.g. emailed, returned, sent to print) was created and made available to the client on the DocWeb client portal at the completion of processing.	No exceptions noted.
3.8	Network Support Group (NSG) personnel create an FTP directory and provide appropriate access to a new client based on the receipt of an approved setup request.	For a sample of new clients and changes to the existing clients during the period under examination, inspected client FTP Settings to ascertain that an FTP directory was created and appropriate access was provided based on the receipt of an approved setup request.	No exceptions noted.

3.9	System alerts identified by monitoring systems are sent to Kubra IT personnel and the related errors are researched and resolved in a timely manner.	For a sample of system alerts during the period under examination, inspected the incident management tickets to ascertain that the system alerts identified by monitoring systems were sent to Kubra IT personnel and the related errors were researched and resolved in a timely manner.	No exceptions noted.
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Objective - 4. Presentation: Controls provide reasonable assurance that jobs authorized and initiated by the client, are presented completely, accurately, and timely in accordance with the client service agreement.

Control Title	Control Activity	Test Procedures	Results of Tests
4.1	Once DocWeb has transferred the data into iDoxs™, data is automatically presented on client specific e-billing websites completely, accurately and timely in accordance with the client service agreement.	For a sample client during the period under examination, inspected DocWeb Job Log, billing data in iDoxs™ and data presented on the client specific e-billing website to ascertain that once DocWeb had transferred the data into iDoxs™, the data was automatically presented on the client specific e-billing website completely, accurately, and timely in accordance with the client service agreement.	No exceptions noted.
4.2	DocWeb automatically transfers data into iDoxs™ specific customer databases, completely and accurately. Data validation checks are automatically performed and incident tickets are automatically generated if errors are encountered.	For a sample job during the period under examination, inspected DocWeb Job Log and iDoxs™ user console to ascertain that data was transferred completely and accurately from DocWeb into iDoxs™ specific customer database. Inspected DocWeb Job Log to ascertain that data validation checks were automatically performed and incident tickets were automatically generated if errors were encountered.	No exceptions noted.

4.3	A DocWeb setting allows clients to obtain a feedback file that details information such as the number of jobs processed for the client.	For a sample client during the period under examination, inspected DocWeb user console to ascertain that a DocWeb setting allows client to obtain a feedback file that details information such as the number of jobs processed for them.	No exceptions noted.
4.4	System alerts identified by monitoring systems are sent to Kubra IT personnel and the related errors are researched and resolved in a timely manner.	For a sample of system alerts during the period under examination, inspected the incident management tickets to ascertain that the system alerts identified by monitoring systems were sent to Kubra IT personnel and the related errors were researched and resolved in a timely manner.	No exceptions noted.

Objective - 5. Printing: Controls provide reasonable assurance that jobs authorized and initiated by the client, are printed completely, accurately, and timely in accordance with the client service agreement.

Control Title	Control Activity	Test Procedures	Results of Tests
5.1	Print Operators print jobs according to priority in the DocWeb production schedule.	Observed a sample of print jobs during the period under examination, to ascertain that the jobs were printed according to priority in the DocWeb production schedule.	No exceptions noted.
5.2	Print Operators inspect the print quality and alignment of print jobs, take corrective action in the case of print errors, and document the results of their quality and alignment checks on the File Control Page. Additional quality inspections are also performed at least once for pages over 1000 and results documented on the QoS check sheet. Upon completion of the print job, Print Operators sign off on the File Control Page and scan	<p>the job in KTS to change the printing status to complete.</p> <p>Observed a sample of print jobs during the period under examination, to ascertain the following:</p> <ul style="list-style-type: none"> - Print Operators inspected the print quality and alignment of print jobs, took corrective actions in the case of print errors, and documented the results of their quality and alignment checks on the File Control Page. - A quality inspection was performed at least once for print jobs over a 1000 pages and the results were documented on the QoS check sheet. 	No exceptions noted.

- Upon completion of the print job, Print Operators signed off on the File Control Page and scanned the job in KTS to change the printing status to complete.
- For a sample of print jobs during the period inspection, inspected File Control Pages, QoS check sheets, and DocWeb job log, to ascertain that a File Control Page was completed and signed off by the Print Operator, and the printing job status was complete in DocWeb. For print jobs over 1000 pages, ascertained that quality inspections were performed at least once after every 1000 pages and results were documented in the QoS check sheet.

5.3	Print Operators reconcile first and last invoices and pages printed to the File Control Page to ensure that the job has been printed completely.	Observed a sample of print jobs during the period under examination, to ascertain that Print Operators reconciled first and last invoices and pages printed to the File Control Page to ensure that the job has been printed completely. For a sample of print jobs during the period under examination, inspected job documentation packages, to ascertain that Print Operators reconciled first and last invoices and pages printed to the File Control Page to ensure that the job has been printed completely.	No exceptions noted.
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Objective - 6. Finishing and Mailing: Controls provide reasonable assurance that jobs authorized and initiated by the client, are finished and sent for mailing completely, accurately, and timely in accordance with the client service agreement.

Control Title	Test Procedures	Results of Tests
Control Activity 6.1	Insert Operators insert jobs to priority in the examination, to ascertain that the jobs were inserted according to priority in the DocWeb production schedule.	Observed a sample of insert jobs during the period under examination, to ascertain that the jobs were inserted according to priority in the DocWeb production schedule. No exceptions noted.
6.2	An inserter vision camera is used to ensure that the customer address is visible through the transparent Outgoing Mail Envelope (OME) window. Any customer address that cannot be detected by the camera's optical character recognition resulted in the off-sorting of those envelopes to an inspection bin, from which the Insert Operator reviews the off-sorted envelopes manually.	Observed a sample of insertion jobs during the period under examination, to ascertain that an Inserter Vision Camera was used to ensure that the customer address was visible through the transparent Outgoing Mail Envelope (OME) window. Observed that any customer address that could not be detected by the camera's optical character recognition resulted in the off-sorting of these envelopes to an inspection bin, from which the Insert Operator reviewed the off-sorted envelopes manually. No exceptions noted.

Control Title	Control Activity	Test Procedures	Results of Tests
6.3	<p>Quality assurance procedures are in place for processing both machine inserted and manually inserted jobs. Insert Operators perform quality checks on address visibility, placement of inserts, fold, postal indicia, and seal and record the results on the File Control Page. For print jobs over 1000 pages, quality inspections are also performed at least once for pages over 1000 and results documented in the QoS check sheet. At the completion of the job, a completeness check is performed by comparing total inserts used and pieces processed to totals on the File Control Page, and also by verifying the total number of each type of mailing item that is sent to their respective staging areas in preparation for mailing. Upon completion of the insertion, operators sign off on the File Control Page and scan the job in KTS to change the insertion status to complete.</p>	<p>Observed a sample of insertion jobs during the period under examination, to ascertain the following:</p> <ul style="list-style-type: none"> - Insert Operators performed quality checks on address visibility, placement of inserts, fold, postal indicia, and seal and recorded the results on the File Control Page. - Quality inspection was performed at least once for pages over 1000 and results were documented in the QoS check sheet. - A completeness check was performed by the Print Operators by comparing total inserts used and pieces processed to totals on the File Control Page, and also by verifying the total number of each type of mailing item that was sent to their respective staging areas in preparation for mailing. - Upon completion of the insertion, Insert Operators signed off on the File Control Page and scanned the job in KTS to change the insertion status to complete. <p>For a sample of insertion jobs during the period inspection, inspected File Control Pages, QoS check sheets, and DocWeb job log, to ascertain that a File Control Page was completed and signed off by the Insert Operator, and the insertion job status was complete in DocWeb. For print jobs over 1000 pages, ascertained that quality inspections were performed at least once after every 1000 pages and results were documented in the QoS check sheet.</p>	No exceptions noted.
6.4	<p>DocWeb status tracker tracks the progress of each bill in a billing job to ensure completion of the entire job.</p>	<p>Observed a sample of billing jobs during the period under examination, to ascertain that the status of each job was tracked up until completion of the entire job.</p>	No exceptions noted.

6.5	After an insertion job is completed, the mails for that job are sent to a postal service agency.	Observed a sample of insertion jobs during the period under examination, to ascertain that the mails for that job were sent to a postal service agency after the insertion job was completed.	No exceptions noted.
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Objective - 7. Payment Processing: Controls provide reasonable assurance that payments are processed completely, accurately, and timely in accordance with the client service agreement.

Control Title	Control Activity	Test Procedures	Results of Tests
7.1	EFT batch files for scheduled, pre-authorized, and ad-hoc payments are automatically created and processed daily.	For a sample of days during the period under examination, inspected the batch log and payment status reports to ascertain that the EFT batch files were automatically created and processed daily.	No exceptions noted.
7.2	Response files from financial institutions for payments processed are automatically uploaded into iDoxs™ and system alerts are sent in the event of a payment processing error.	For a sample day during the period under examination, inspected the payment sync logs and payment import logs to ascertain that response files from financial institutions for payments processed were automatically uploaded into iDoxs™ and system alerts were sent in the event of a payment processing error.	No exceptions noted.
7.3	Payment status reports are available for review within the iDoxs™ client portal.	For a sample client during the period under examination, inspected the iDoxs™ client portal to ascertain that the payment status reports were available for review within the iDoxs™ client portal.	No exceptions noted.
7.4	Remittance files are automatically generated and sent to the client for reconciliation of bank deposits on a daily basis.	For a sample client during the period under examination, inspected remittance logs and payment reports to ascertain that remittance files were automatically generated and sent to the client for reconciliation of bank deposits on a daily basis.	No exceptions noted.

7.5	System alerts identified by monitoring systems are sent to Kubra IT personnel and the related errors are researched and resolved in a timely manner.	For a sample of system alerts during the period under examination, inspected the incident management tickets to ascertain that the system alerts identified by monitoring systems were sent to Kubra IT personnel and the related errors were researched and resolved in a timely manner.	No exceptions noted.
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Objective - 8. Change Control: Controls provide reasonable assurance that changes to iDoxs™, DocWeb and supporting infrastructure components are authorized, tested and approved in accordance with KUBRA's policies.

Control Title	Control Activity	Test Procedures	Results of Tests
8.1	Change control policies are documented, kept up-to-date and made available to personnel that require them.	Inspected the change control policies during the period under examination, to ascertain that they were documented, kept up-to-date and made available to personnel that require them.	No exceptions noted.
8.2	Proposed changes are documented and authorized by the appropriate system owners.	For a sample of system changes during the period under examination, inspected the change documentation to ascertain that the proposed changes were documented and authorized by the appropriate system owners.	No exceptions noted.
8.3	IT personnel test all significant changes to iDoxs™ and DocWeb. reviewed and ascertain that IT personnel tested the changes and test reviewed and approved by authorized management personnel prior to implementation.	For a sample of system changes during the period under examination, inspected the change documentation to ascertain that IT personnel tested the changes and test approved by authorized management personnel prior to implementation.	No exceptions noted. Test results are approved by authorized management personnel prior to implementation.
8.4	IT personnel prepare and present the implementation plan to KUBRA's management. Changes are implemented only upon receipt of approval from the management.	For a sample of system changes during the period under examination, inspected the change documentation to ascertain that IT personnel prepared and presented the implementation plan to KUBRA's management and changes were implemented only upon receipt of approval from the management.	No exceptions noted.

8.5	A monitoring utility is in place to monitor key production servers and flag updates in a report. On a daily basis IT personnel review the report and validate that flagged updates were authorized and appropriate.	For a sample of days during the period under examination, inspected daily monitoring reports to ascertain that a monitoring utility is in place to monitor the key production servers and flag updates in a report, and that on a daily basis IT personnel reviewed the report and validated that flagged updates were authorized and appropriate.	No exceptions noted.
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Control Title	Control Activity	Test Procedures	Results of Tests
8.6	Access to implement changes into the production environment is restricted and segregated from developers.	Inspected system generated listing of users with access to implement changes into the production environment during the period under examination to ascertain that access to implement changes into the production environment is restricted to authorized personnel and developers do not have access to the production environment.	No exceptions noted.

Objective - 9. Access Control: Controls provide reasonable assurance that logical access to iDoxs™, DocWeb and supporting infrastructure components and physical access to computer equipment are restricted to properly authorized individuals in accordance with KUBRA's policies.

Control Title	Control Activity	Test Procedures	Results of Tests
9.1	Access control policies are documented, kept up-to-date and made available to personnel that require them.	Inspected the access control policies during the period under examination, to ascertain that they were documented, kept up-to-date and made available to personnel that require them.	No exceptions noted.
9.2	User authentication is achieved through the use of unique user IDs and password parameters that meet company policy (e.g., password minimum length, complexity, history, account lockout, and expiration).	<p>use of unique user IDs and password parameters that meet company policy.</p> <p>Password settings for iDoxs™ and DocWeb applications, Windows Server and Active Directory were in compliance with the KUBRA Information Security Policy.</p> <p>No exceptions noted.</p>	<ul style="list-style-type: none"> • Minimum Password Length • Password Complexity • Password History • Account Lockout <p>Exceptions noted.</p> <p>See Section V for Management Response.</p>
Inspected the password parameters for iDoxs™,			
9.3	Access to privileged accounts is restricted to authorized personnel.	Inspected listings of privileged access to iDoxs™ and DocWeb systems during the period under examination, to ascertain that access was restricted to authorized personnel.	No exceptions noted.
9.4	Business process or system owners authorize the granting of access to critical production systems for new logical user access privileges.	For a sample of new access requests during the period under examination, inspected access authorization request form to ascertain that business process or system owner authorized the granting of access.	No exceptions noted.
DocWeb and the related infrastructure components during the period under examination, to ascertain that user authentication was achieved through the		Following password settings for the local SQL accounts within the selected databases were not in compliance with the KUBRA Information Security Policy:	

Control Title	Control Activity	Test Procedures	Results of Tests
9.5	Requesting access, approving access and setting up access are performed by different individuals.	For a sample of new access requests during the period under examination, inspected access authorization request form to ascertain that access requestor, approver and grantor were different individuals.	No exceptions noted.
9.6	Access for terminated users and/or transferred users is disabled, removed or modified in a timely manner.	For a sample of terminations and transfers during the period under examination, inspected new access request and exit review forms to ascertain that a request was submitted to remove or modify their access. Further, compared the sample of terminated and transferred users to system generated access listings to ascertain that access was disabled, removed or modified in a timely manner.	No exceptions noted.
9.7	Physical access to data center facilities is restricted to use to authorized individuals	Observed during the period under examination, that physical access to the data center facilities was restricted by the use of a card key system. Inspected the listing of users with access to data center facilities during the period under examination to ascertain that access was restricted to authorized personnel.	No exceptions noted. authorized individuals by the use of a card key system.
9.8	IT personnel execute removal of physical access to KUBRA facility employees on a facilities listing to basis.	For a sample of terminations during the period under examination, inspected exit review form and data center facilities listing to ascertain that physical access was timely basis.	No exceptions noted. for terminated removed on a timely basis.

Objective - 10. Incident Management: Controls provide reasonable assurance that IT operations incidents are analyzed, reviewed, and resolved in a timely manner in accordance with KUBRA's policies.

Control Title	Control Activity	Test Procedures	Results of Tests
10.1	Incident management policies are documented, kept up-to-date and made available to personnel that require them.	Inspected the incident management policies during the period under examination, to ascertain that they were documented, kept up-to-date and made available to personnel that require them.	No exceptions noted.
10.2	Incidents are analyzed, reviewed and resolved in a timely manner.	For a sample of incidents during the period under examination, inspected the incident management tickets to ascertain that incidents were analyzed, reviewed and resolved in a timely manner.	No exceptions noted.
10.3	System alerts identified by monitoring systems are sent to Kubra IT personnel and the related errors are researched and resolved in a timely manner.	For a sample of system alerts during the period under examination, inspected the incident management tickets to ascertain that the system alerts identified by monitoring systems were sent to Kubra IT personnel and the related errors were researched and resolved in a timely manner.	No exceptions noted.

Objective - 11. Backup and Recovery: Controls provide reasonable assurance that production program, data, and system files are backed up and restored in accordance with KUBRA's policies.

Control Title	Control Activity	Test Procedures	Results of Tests
11.1	Backup and recovery policies are documented, kept up- to-date and made available to personnel that require them.	Inspected the backup and recovery policies during the period under examination, to ascertain that they were documented, kept up-to-date and made available to personnel that require them.	No exceptions noted.
11.2	Backups are performed from database to hard disk for iDoxs™, DocWeb and related infrastructure components. Incremental backups are performed every 30 minutes during weekdays and full backups are performed every Saturday.	Inspected backup job configuration for iDoxs™, DocWeb and related infrastructure components during the period under examination, to ascertain that incremental backups from database to hard disk were scheduled to perform every 30 minutes during weekdays and full backups were schedule to perform every Saturday.	No exceptions noted.
11.3	Backups are performed from hard disk to tape for iDoxs™, DocWeb and related infrastructure components. Incremental backups are performed Wednesday through Friday and full backups are performed every Tuesday.	Inspected backup job configuration for iDoxs™, DocWeb and related infrastructure components during the period under examination, to ascertain that incremental backups from hard disk to tape were scheduled to perform every Wednesday through Friday and full backups were scheduled to perform every Tuesday.	No exceptions noted.

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| 11.4 | IT personnel monitor backup logs daily to validate that backups were created successfully. Backup failures are identified, analyzed, reviewed, and resolved in a timely manner. | For a sample of days during the period under examination, inspected backup logs to ascertain that IT personnel reviewed backup logs daily to validate that backups were created successfully, and backup failures (if any) were identified, analyzed, reviewed, and resolved in a timely manner. | No exceptions noted. |
| 11.5 | Data is restored from backups periodically in accordance with company policies. | | |

For a sample of data restorations during the period under examination, inspected data restoration documentation to ascertain that data was restored from backups in accordance with company policies.

Section V:
Other Information Provided by
KUBRA

Other Information Provided by KUBRA

The information included in Section V is presented by KUBRA to provide additional information to user entities and is not a part of the description of the system. The information in Section V has not been subjected to the procedures applied in the examination of the aforementioned description of KUBRA and, accordingly, Deloitte & Touche LLP expresses no opinion on the information contained here within Section V.

MANAGEMENT'S RESPONSE TO EXCEPTIONS NOTED IN SECTION IV:

Control Title	Control Activity	Exception Noted	Management Response
9.2	User authentication is achieved through the use of unique user IDs and password parameters that meet company policy (e.g., password minimum length, complexity, history, account lockout, and expiration).	<p>Password settings for iDoxs™ and DocWeb applications, Windows Server and Active Directory were in compliance with the KUBRA Information Security Policy. No exceptions noted.</p> <p>Following password settings for the local SQL accounts within the selected databases were not in compliance with the KUBRA Information Security Policy:</p> <ul style="list-style-type: none"> • Minimum Password Length • Password Complexity • Password History • Account Lockout <p>Exceptions noted.</p>	<p>Local SQL accounts were not integrated with Windows authentication. Hence, local accounts on SQL database/s do not adhere to all password controls as specified in the Information Security policy. However, the SQL Database/s are located in the production environment accessible only by privileged users by first logging into a intermediary Windows based systems (Jump server) which serves as a gateway and regulates access to the production systems including the SQL servers.</p> <p>Connection to the Jump servers is controlled by the firewall and active directory group membership. Authentication to the jump servers is by a multi factor mechanism. This ensures only those whose users and systems that have been white-listed and have been added to the appropriate Active Directory group can indeed access the Jump-servers and consequently attempt to reach the SQL server.</p> <p>KUBRA possesses these compensating controls that allows to offset this password policy exception on the SQL databases.</p>

EXHIBIT

7

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Lower Postal Service Standards Take Effect October 1

New service standards for First-Class Mail and Periodicals will be implemented on October 1, 2021.

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WASHINGTON, DC — The new service standards for First-Class Mail and Periodicals will be implemented on October 1, 2021.

The USPS says most First-Class Mail (61 percent) and Periodicals (93 percent) will be unaffected by the changes. Standards for single-piece First-Class Mail traveling within a local area will continue to be two days.

The Postal Service will increase time-in-transit standards by one or two days for certain mail that is traveling longer distances. "By doing so, the organization can entrust its ground network to deliver more First-Class Mail, which will lead to greater consistency, reliability and efficiency to benefit customers," the USPS said in its announcement.

The USPS said the changes "will help the organization achieve its goal of consistently meeting 95 percent service performance."

From the Federal Register Notice:

The Postal Service is changing some of the service standards applicable to certain First-Class Mail with respect to both of the two components of the standards. First, the Postal Service is promulgating modifications to the delivery day ranges

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within which mail in a given product is expected to be delivered. Second, the Postal Service is promulgating modifications to the business rules, changing the maximum number of hours of drive time that corresponds to the specific number of delivery days after acceptance of a mail piece by which a customer can expect that piece to be delivered (within a product's applicable delivery day range).

In particular, the changes to service standards include the delivery-day range for certain First-Class Mail. Currently, a one-day (overnight) service standard is applied to intra-SCF Presort First-Class Mail pieces properly accepted at the SCF before the day-zero CET. A two-day service standard is applied to intra-SCF single-piece First-Class Mail properly accepted before the day-zero CET, as well as to inter-SCF domestic First-Class Mail pieces properly accepted before the day-zero CET if the drive time between the origin P&DC/F and destination SCF is 6 hours or less. A three-day service standard is applied to inter-SCF domestic First-Class Mail pieces properly accepted before the day-zero CET if the drive time between the origin P&DC/F and destination SCF is more than 6 hours and the origin and the destination are within the contiguous 48 states.

Under the new service standards, the delivery day range for First-Class Mail within the contiguous United States will expand from the current 1-3 days, to 1-5 days. The overnight service standard does not change. Among the changes detailed below, a two-day service standard will apply to intra-SCF First-Class Mail where the SCF is also the origin P&DC/F, and to intra-SCF and inter-SCF domestic First-Class Mail where the combined drive time between the origin P&DC/F, destination ADC, and destination SCF is 3 hours or less; a three-day service standard for inter-SCF First-Class Mail would apply where the combined drive time between the origin P&DC/F, destination ADC, and destination SCF is 20 hours or less (but over 3 hours) within the contiguous United States, and the same three-day standard would also apply for intra-SCF single-piece First-Class Mail if the combined drive time exceeds 3 hours and the SCF is not the origin P&DC/F; a four-day service standard for inter-SCF First-Class Mail would apply where the combined drive time between the origin P&DC/F, destination ADC, and destination SCF is 41 hours or less (but over 20 hours) within the contiguous United States; and combined drive times between the origin P&DC/F, destination ADC, and destination SCF in excess of 41 hours would result in a service standard of five days.

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The USPS said the changes “will help the organization achieve its goal of consistently meeting 95 percent service performance.”

From the Federal Register Notice:

The Postal Service is changing some of the service standards applicable to certain First-Class Mail with respect to both of the two components of the standards. First, the Postal Service is promulgating modifications to the delivery day ranges within which mail in a given product is expected to be delivered. Second, the Postal Service is promulgating modifications to the business rules, changing the maximum number of hours of drive time that corresponds to the specific number of delivery days after acceptance of a mail piece by which a customer can expect that piece to be delivered (within a product’s applicable delivery day range).

In particular, the changes to service standards include the delivery-day range for certain First-Class Mail. Currently, a one-day (overnight) service standard is applied

to intra-SCF Presort First-Class Mail pieces properly accepted at the SCF before the day-zero CET. A two-day service standard is applied to intra-SCF single-piece First-Class Mail properly accepted before the day-zero CET, as well as to inter-SCF domestic First-Class Mail pieces properly accepted before the day-zero CET if the drive time between the origin P&DC/F and destination SCF is 6 hours or less. A three-day service standard is applied to inter-SCF domestic First-Class Mail pieces properly accepted before the day-zero CET if the drive time between the origin P&DC/F and destination SCF is more than 6 hours and the origin and the destination are within the contiguous 48 states.

Under the new service standards, the delivery day range for First-Class Mail within the contiguous United States will expand from the current 1-3 days, to 1-5 days. The overnight service standard does not change. Among the changes detailed below, a two-day service standard will apply to intra-SCF First-Class Mail where the SCF is also the origin P&DC/F, and to intra-SCF and inter-SCF domestic First-Class Mail where the combined drive time between the origin P&DC/F, destination ADC, and destination SCF is 3 hours or less; a three-day service standard for inter-SCF First-Class Mail would apply where the combined drive time between the origin P&DC/F, destination ADC, and destination SCF is 20 hours or less (but over 3 hours) within the contiguous United States, and the same three-day standard would also apply for intra-SCF single-piece First-Class Mail if the combined drive time exceeds 3 hours and the SCF is not the origin P&DC/F; a four-day service standard for inter-SCF First-Class Mail would apply where the combined drive time between the origin P&DC/F, destination ADC, and destination SCF is 41 hours or less (but over 20 hours) within the contiguous United States; and combined drive times between the origin P&DC/F, destination ADC, and destination SCF in excess of 41 hours would result in a service standard of five days.