

Sample Contract – For information purposes only

THIS AGREEMENT (the “Contract”) is made and entered into effective this ___ day of _____, 2019 by and between the Ohio Department of Commerce, Division of Unclaimed Funds (hereinafter “State”), located at 77 South High Street, 20th Floor, Columbus, Ohio 43215, and _____, (hereinafter "Contractor"), a limited liability company/corporation located at _____, and organized in the State of _____.

WHEREAS, State desires to engage Contractor for the purpose of conducting unclaimed funds examinations on behalf of State, voluntarily agreed to by holders, and unclaimed funds examinations initiated by other states in which the State of Ohio has joined in as a participant;

WHEREAS, State desires to engage the services of Contractor as set forth in the Scope of Work attached to the Contract as Exhibit I as necessary to meet its obligations provided for under the Ohio Revised Code (ORC) and the Ohio Administrative Code (OAC);

WHEREAS, State, pursuant to ORC 169.03(F)(3), may enter into contracts to effectuate the purposes of the Division of Unclaimed Funds as codified under Chapter 169 of the ORC and is expressly authorized to, at reasonable times and upon reasonable notice, examine or cause to be examined the records of any “holder,” as defined in ORC 169.01(D)(1), to determine compliance with Chapter 169; and

WHEREAS, Contractor desires to perform such services for State in accordance with the terms and conditions prescribed by State;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and agreements set forth herein, the receipt and sufficiency of which the parties acknowledge, the parties hereto agree as follows:

ARTICLE I: NATURE OF CONTRACT

- 1.1 Contractor shall be employed as an independent contractor, to fulfill the terms of the Contract. It is specifically understood that the nature of the services to be rendered under the Contract are of such a nature that State is the sole judge of the adequacy of such services. State thus reserves the right to cancel the Contract should State at any time be dissatisfied with Contractor’s performance of its duties under the Contract.
- 1.2 State enters into the Contract in reliance upon Contractor’s representations that it has the necessary expertise, certifications, licenses, education, and/or experience (“Employment Credentials”) to perform its obligations hereunder, and Contractor warrants that it does possess the necessary Employment Credentials.
- 1.3 Contractor shall furnish professional services performed in a commercially reasonable manner, in good faith, and in accordance with standards necessary for the satisfactory performance of the work under the Contract. Contractor shall perform services and State shall not hire, supervise, or pay any assistants to Contractor in its performance under the Contract. State shall not be required to provide any training to Contractor to enable it to perform services required hereunder.

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- 1.4 In the event of cancellation of the Contract by State, Contractor shall be reimbursed in accordance with Article VI, Termination of Contractor’s Services. All provisions of the Contract relating to “confidentiality” shall remain binding upon Contractor in the event of cancellation.
- 1.5 State may, from time to time, communicate specific instructions and requests to Contractor concerning the performance of the work described in the Contract. Upon such notice and within ten (10) business days after receipt of instructions, Contractor shall comply with such instructions and fulfill such requests to State’s satisfaction. It is expressly understood by the parties that these instructions and requests are (1) for the sole purpose of performing the specific tasks requested to ensure satisfactory completion of the work described in the Contract and (2) descriptions of services desired and not directions as to how Contractor is to perform those services.

ARTICLE II: STATEMENT OF WORK

- 2.1 Contractor shall identify, collect, and deliver unclaimed property to State, as set forth in Exhibit I: Scope of Work, which is attached hereto, made a part hereof, and incorporated by reference as if fully written herein. The identification, collection and delivery of unclaimed property to State by Contractor shall be in accordance with generally accepted accounting principles (GAAP), generally accepted auditing standards (GAAS), and any examination/auditing procedures promulgated pursuant to ORC 169.09.
- 2.2 Contractor declares that it is engaged as an independent business and complies with all federal, state, and local laws regarding business permits and licenses of any kind, including but not limited to any insurance coverage that is required in the normal course of business as well as any specialized insurance or other liability coverage that is specified herein that may be required to carry out its business and perform under the terms of the Contract. Contractor agrees that it does not have any authority to sign contracts, notes, and/or obligations or to make purchases and/or dispose of property for or on behalf of State.
- 2.3 Contractor shall also deliver, assign, transfer, and convey to State all rights, title, and interest to all documents, data, materials, information, processes, studies, reports, surveys, proposals, plans, codes, scientific information, technological information, regulations, maps, equipment, charts, schedules, photographs, exhibits, software, software source code, documentation, and other materials and property prepared, developed, created, or discovered under or in connection with this Contract as described in Exhibit I: Deliverables.
- 2.4 Contractor declares that it is engaged in the same or similar activities for other customers and that State is not its sole and only customer.
- 2.5 Contractor understands that State may contract with other parties and entities to ensure compliance with Ohio Revised Code Chapter 169.
- 2.6 Contractor shall not discuss or disclose any information or material obtained pursuant to its obligations under the Contract without the prior written consent of State.

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- 2.7 Contractor acknowledges that State is not obligated to provide unclaimed property reports, research, or leads to Contractor regarding or related to unclaimed property or reports of unclaimed property, and further that State in its sole discretion may refuse to provide such information requested by Contractor.

ARTICLE III: TIME OF PERFORMANCE

- 3.1 The services, as stated in Article II, Statement of Work, shall commence on July 1, 2019 or the later date signed by the Director, and concluded on or before **June 30, 2021**.
- 3.2 The Contract shall remain in effect until the work described in Article II, Statement of Work, is completed to the satisfaction of State and until Contractor is paid in accordance with Article IV, Compensation, or until suspended or terminated as provided in Article VI, Termination of Contractor's Services, whichever is sooner. The Contract shall be completed no later than June 30, 2021.
- 3.3 As the current General Assembly cannot commit a future General Assembly to expenditure, the Contract shall expire no later than the end of the current biennium, or June 30, 2021. State also may renew this Contract on the same terms and conditions in the next biennium by giving written notice prior to expiration. Such renewal shall begin at the start of the next biennium and shall not extend beyond the expiration of the biennium in which the renewal commences.
- 3.4 It is expressly agreed by the parties that none of the rights, duties, and obligations herein shall be binding on either party if award of the Contract would be contrary to the terms of ORC 3517.13, ORC 127.16, or ORC Chapter 102.

ARTICLE IV: COMPENSATION

- 4.1 The fee for Contractor will be determined by State, after receipt by State of the unclaimed funds and/or securities, and the Unclaimed Property Report detailed in Exhibit I, Item 5. The maximum allowable fee is **(to be determined) percent (____%)** of funds remitted to State.
- (a) Contractor shall remit the gross proceeds of unclaimed funds recovered from a holder as the result of an examination, the Unclaimed Property Report detailed in Exhibit I, Item 5, and Contractor's invoice for an examination to State for its fee.
- (b) No fee shall be escrowed by Contractor, nor shall any fee earned from one issue be offset against any uncollected fee from another issue.
- (c) Fees due Contractor for securities are set forth in Article 4.3.
- (d) Contractor shall not be entitled to any fees resulting from a particular examination if State finds that the examination was not performed in a commercially reasonable manner and in good faith.

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- (e) If Contractor identifies a holder which maintains its principal place of business and/or its books and records relating to unclaimed property within Ohio, then no payment will be made to Contractor by State for any services rendered as a result of this Contract unless State expressly requests, or otherwise grants approval to Contractor, that such holder's books and records relating to the unclaimed property be examined.
- (f) Any unclaimed funds that Contractor has identified, but not collected or recovered, prior to the execution of the Contract, may, in the State's sole discretion, be compensated on a case by case basis. Upon execution of the Contract, Contractor shall submit a list of holders that fall within this category, for review by State.
- (g) Contractor shall not charge a fee to State for filing a holder report, remitting property, or reporting property in which Contractor or an affiliate of Contractor has a separate agreement with a person or entity aside from the State to process a particular holder's unclaimed property reports for the category of property to be examined.
- (h) Contractor shall not charge a fee to State for filing a holder report, remitting property, or reporting property to State for any company, or subsidiary, or parent company of Contractor, who would be obligated to report or remit property to State.
- (i) Contractor shall not charge a fee to State if no unclaimed funds are remitted or a "none" or "negative" report is filed.
- (j) Contractor is authorized to charge State for funds delivered from a voluntary examination within 15 months following the approval of such examination by State. Contractor shall not charge State a fee for delivery of funds for the same entity being examined due in a reporting cycle consecutive to the reporting cycles within the period approved for any completed voluntary or involuntary examination, unless such fee is expressly approved by State in writing.

4.2 Failure to Execute Contract Timely; Penalties.

- (a) The maximum allowable fee is **to be determined** percent (____%) if Contractor submits audit reports, funds and securities within thirty (30) business days after receipt of funds by Contractor.
- (b) Audit reports, funds, and securities that are submitted thirty-one (31) to sixty (60) business days after receipt of funds by Contractor will be subject to four percent (4%) fee reduction from the fee amount in 4.1 and 4.2(a).
- (c) Audit reports, funds, and securities that are submitted sixty-one (61) to ninety (90) business days after receipt of funds by Contractor will be subject to an eight percent (8%) fee reduction from the fee amount in 4.1 and 4.2(a).
- (d) Audit reports, funds, and securities that are submitted past ninety-one (91) business days after receipt of funds by Contractor will be considered past due and a forfeiture

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of any fee amount in 4.1 and 4.2(a). State reserves the right to require Contractor to submit all funds immediately upon reaching past due status. The Director may assess interest and penalties against Contractor based upon the amount of funds located for State. Such penalties and interest will be calculated based on the language in ORC 169.12.

- (e) State and Contractor acknowledge that timely disbursement of property may be delayed as a result of a dispute with respect to the delivery, ownership, right of possession, and/or disposition of property. Delivery requirements may be suspended at the discretion of State pending the resolution of said disputes or as otherwise requested by State. Contractor shall notify State of any such disputes within thirty (30) days of receipt of funds by Contractor.

4.3 The value of a securities issue will be determined by the following:

- (a) Contractor shall determine the value of securities, at the closing bid price of any security traded on an exchange, on the date the security is registered to State; or if traded in the over-the-counter market, then at the bid price as set forth on the NASDAQ, or in the pink sheets, whichever is applicable, on the date the security is registered to State.
- (b) Contractor shall, contemporaneously with the delivery of property as set forth in Exhibit I: Deliverables, submit to State, official and verifiable documentation supporting the valuation of the securities on the date the securities are registered to State.
- (c) All securities shall be valued in accordance with generally accepted valuation procedures subject to verification by State.

4.4 Contractor shall submit to State a proper invoice and an Unclaimed Property Report that does not contain gross error, as determined by State, for each request for payment. Contractor's Federal tax identification number shall appear on all invoices, statements, and time sheets. The provisions of ORC 126.30 shall apply to any contract between the parties. A proper invoice must include the following information and/or attached documentation:

- (a) Name and address of Contractor.
- (b) Federal tax identification number or Social Security number for Contractor.
- (c) Invoice remittance address.
- (d) Description including time period of examination and services actually delivered, as specified in the Contract.
- (e) Unclaimed Property Report, remittances, and all other related property.

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If an invoice contains a defect or impropriety and/or it is not a proper invoice as defined in this section, Contractor will be notified of the improper invoice within fifteen (15) business days after receipt thereof. If an Unclaimed Property Report submitted by Contractor contains gross error, as determined by State, Contractor will be notified of the gross error within thirty (30) business days after receipt of the Unclaimed Property Report containing gross error. Contractor will be given a description of the defect or impropriety and any additional information necessary to correct the defect or impropriety. The corrected invoice shall be submitted within thirty (30) days, unless an extension is granted by State. The corrected Unclaimed Property Report shall be submitted within thirty (30) days, unless an extension is granted by State.

Interest on any overdue payments shall be paid by the State according to the requirements of section 126.30 of the Ohio Revised Code.

Payments under the Contract shall be due thirty (30) calendar days after the date of actual receipt of a proper invoice in the office designated to receive the invoice, or thirty (30) calendar days after the date services are accepted, whichever is later, in accordance with the terms of the Contract. The date of the warrant issued in payment of the invoice shall be considered the date payment is made. Contractor payment shall not be initiated before an invoice is received.

- 4.5 Invoices shall be sent to: Ohio Department of Commerce
Division of Unclaimed Funds
Attn: Charles Farris
77 S. High St., 20th Floor
Columbus, Ohio 43215

ARTICLE V: CERTIFICATION OF FUNDS & NON-APPROPRIATION

- 5.1 In accordance with ORC 126.07, orders under the Contract are not valid or enforceable until the director of the Office of Budget and Management certifies that there is a balance in the applicable appropriation not already obligated to pay existing obligations.
- 5.2 Performance by State under this Contract is contingent on the availability of lawful appropriation of funds by the Ohio General Assembly. If the Ohio General Assembly fails at any time to continue funding for any payments due under the Contract, the Contract will terminate as of the date the funding expires without further obligation of State.

ARTICLE VI: TERMINATION OF CONTRACTOR'S SERVICES

- 6.1 State may, at any time prior to completion of services by Contractor under this Agreement, suspend or terminate the Contract, with or without cause, by giving to Contractor written notice fourteen (14) days prior to such suspension or termination.
- 6.2 Upon providing written notice to Contractor, State may suspend or terminate the Contract, in whole or in part, and may suspend or terminate a specific examination, in whole or in part.

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- 6.3 Contractor, upon receipt of notice of suspension or termination, shall cease work on the suspended or terminated activities under the Contract, suspend or terminate all subcontracts relating to such suspended or terminated activities, take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within sixty (60) days, as of the date of receipt of notice of suspension or termination, describing the status of all work under the Contract, including without limitation, results accomplished, conclusions resulting therefrom, and such other matters as State requires.
- 6.4 In the event of suspension or termination under this Article, Contractor shall be entitled to compensation, upon submission of a proper invoice, for the work performed prior to receipt of notice of termination or suspension, which shall be calculated by State in accordance with Article IV less any funds previously paid by or on behalf of State. State shall not be liable for any further claims, and the claims submitted by Contractor shall not exceed the total amount of consideration stated in the Contract. In the event of suspension or termination, any payments made by State in which services have not been rendered by Contractor shall be refunded to State.
- 6.5 In the event of suspension or termination under this Article, and upon payment of compensation as specified in Article IV if Contractor is entitled to such compensation, Contractor shall deliver to State all work products and documents that have been prepared by Contractor or any of its subcontractors to the Contract during the course of performance of the Contract. All such materials shall become and remain the property of State, to be used in such manner and for such purposes as State may in its exclusive discretion choose.
- 6.6 Contractor agrees to waive any right to, and shall make no claim for, additional compensation against State by reason of such suspension or termination.
- 6.7 Contractor may terminate the Contract upon sixty (60) days prior written notice to State.

ARTICLE VII: RELATIONSHIP OF THE PARTIES

- 7.1 State and Contractor agree that, during the term of the Contract, Contractor shall be engaged by State solely on an independent contractor basis, and Contractor shall therefore be responsible for all Contractor's business expenses, including but not limited to, employees' wages and salaries, insurance of every type and description, meals, travel, lodging, equipment and supplies, and all business and personal taxes, including income and Social Security taxes, and contributions for Workers' Compensation and Unemployment Compensation coverage, if any. There shall be no reimbursable expenses associated with the Contract.
- 7.2 Contractor agrees to comply with all applicable federal, state and local laws in the conduct of the work hereunder.
- 7.3 While Contractor shall be required to render services described hereunder for State during the term of the Contract, nothing herein shall be construed to imply, by reason of Contractor's engagement hereunder on an independent contractor basis, that State shall have or may exercise any right of control over Contractor with regard to the

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manner or method of Contractor's performances of services hereunder.

- 7.4 The management of the work, including the exclusive right to control or direct the manner or means by which the work is performed, remains with Contractor. State retains the right to ensure that Contractor's work is in conformity with the terms and conditions of the Contract. It is fully understood and agreed that Contractor is an independent contractor and neither Contractor nor its personnel shall at any time, or for any purpose, be considered as agents, servants, or employees of the Department of Commerce or the State of Ohio.
- 7.5 The parties understand and acknowledge that Contractor is entering into a personal service contract and is not a Civil Service employee by entering into the Contract. Contractor, its employees, officers, directors, or agents will not at any time, or for any purpose, be considered employees or agents of State, or be entitled to benefits provided to Civil Service employees. Contractor shall furnish its own support staff, materials, tools, equipment and other supplies necessary for the satisfactory performance of the work hereunder, unless stated otherwise in Exhibit I: Scope of Work.
- 7.6 Contractor and its employees are not employees of State with regard to the application of the Fair Labor Standards Act minimum wage and overtime payments, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, and, for state revenue and tax laws, the Child Support Enforcement Act, state Workers' Compensation laws, and state unemployment insurance laws. Contractor waives any claims to rights to participate in the Ohio Public Employees Retirement System.

ARTICLE VIII: RECORD KEEPING REQUIREMENTS

- 8.1 During performance of the Contract and for a period of seven (7) years after its completion, Contractor shall keep all financial records in a manner consistent with generally accepted accounting procedures. Documentation to support each examination action shall be filed in a manner allowing it to be readily located.
- 8.2 During the period covered by the Contract, and until the expiration of seven (7) years after final payment under the Contract, Contractor agrees to provide State, its duly authorized representatives, or any person, agency, or instrumentality providing financial support to the work undertaken hereunder, with access to and the right to examine any books, documents papers, and records of Contractor involving transactions related to the Contract, upon reasonable notice by State. Said access shall also be limited to normal business hours. Contractor shall, for each subcontract in excess of twenty-five hundred dollars (\$2,500.00), require its subcontractors to agree to the same provisions of this Article. Contractor agrees that if an appeal is made of the findings of an examination, Contractor shall cooperate with State in the review of all materials containing information relevant to the examination and resulting appeal.
- 8.3 Contractor shall keep a separate account for this project ("Contract Account"). All disbursements made from the Contract Account shall be only for obligations incurred in the performance of the Contract and shall be supported by contracts, invoices,

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vouchers and other data, as appropriate to support such disbursements. All disbursements from the Contract Account shall be for obligations incurred only after the effective date of the Contract, unless specific authorization for prior disbursements has been given in writing by State.

ARTICLE IX: RELATED CONTRACTS

- 9.1 The work contemplated in the Contract is to be performed by Contractor, who may subcontract without State's approval for the purchase of articles, supplies, components, or special mechanical services that do not involve the type of work or services described in Article II, Statement of Work, but which are required for its satisfactory completion. ***Contractor shall not enter into other subcontracts without written approval by State.*** Such approval shall not be unreasonably withheld. All work subcontracted shall be at the expense of Contractor.
- 9.2 Contractor shall bind its subcontractors to the terms of the Contract, so far as applicable to the work of the subcontractor, and shall not agree to any provision which seeks to bind State to terms inconsistent with, or at variance from, the Contract.
- 9.3 Contractor warrants that it has not entered into, nor shall it enter into other contracts, without written approval of State, to perform substantially identical work for the State of Ohio such that the work product contemplated under the Contract duplicates the work done or to be done under other contracts.
- 9.4 Contractor shall furnish to State a list of all subcontractors, their addresses, tax identification numbers, and the dollar amount of each subcontract.
- 9.5 Except as expressly provided herein, neither party shall have the right to bind or obligate the other party in any manner without the other party's prior written consent.

ARTICLE X: CONFLICTS OF INTEREST

- 10.1 No personnel of Contractor or member of the governing body of any locality or other public official or employee of any such locality in which, or relating to which, the work under the Contract is being carried out, and who exercises any functions or responsibilities in connection with the review or approval of this Agreement or carrying out of any such work, shall, prior to the completion of said work, voluntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge and fulfillment of his or her functions and responsibilities with respect to the carrying out of said work.
- 10.2 Contractor or any of its employees or agents who acquire an incompatible or conflicting personal interest, on or after the effective date of the Contract, or who involuntarily acquires any such incompatible or conflicting personal interest, shall immediately disclose his or her interest to State in writing. Thereafter, he or she shall not participate in any action affecting the work under the Contract, unless State shall determine in its sole discretion that, in the light of the personal interest disclosed, his or her participation in any

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such action would not be contrary to the public interest.

ARTICLE XI: EQUAL EMPLOYMENT OPPORTUNITY

- 11.1 Contractor agrees that it is in compliance with the requirements of ORC 125.111 and that it will comply with all state and Federal laws regarding equal employment opportunity and fair labor and employment practices.

ARTICLE XII: RIGHTS IN DATA, PUBLIC USE, CONFIDENTIALITY

- 12.1 The deliverables provided by Contractor under Article II and Exhibit I: Deliverables shall become the property of State. State shall have unrestricted authority to reproduce, distribute, and use (in whole or in part) any reports, data, or materials prepared by Contractor pursuant to this Contract. No such documents or other materials produced (in whole or in part) with funds provided to Contractor by State shall be subject to copyright by Contractor in the United States or any other country. Contractor shall not obtain copyright, patent, or other proprietary protection for the deliverables. Contractor shall not include in any deliverable any copyrighted matter, unless the copyright owner and any person, agency, or instrumentality providing financial assistance to the work hereunder gives prior written approval to use such copyrighted matter in the manner provided herein.
- 12.2 Contractor hereby assigns, transfers, and conveys all work papers, and all other information, documents, and materials prepared and created by Contractor for or in connection with the Contract and all title thereto to State. Work papers pertaining to the tasks and reports shall be made available, upon request, to State or its representatives for review, inspection, and, if desired, reproduction. Contractor shall retain work papers for at least seven (7) years after the delivery of the final reports required under the Contract.
- 12.3 Contractor agrees that all deliverables hereunder shall be made freely available to the general public to the extent permitted or required by law.
- 12.4 Contractor agrees to observe complete confidentiality with respect to all aspects of any proprietary data or trade secrets, and any parts thereof, belonging to State, holder, or other contractors with which Contractor or any of Contractor's personnel gain access. Contractor shall assume that all aspects of proprietary data and trade secrets are confidential unless otherwise indicated.
- 12.5 Contractor acknowledges that some of the data it may be exposed to in the performance of this Contract is of a confidential nature and subject to ORC 169.03(F) and ORC 1345.15. Contractor shall make all reasonable efforts to ensure that no such confidential information is disseminated by Contractor, Contractor's employees, officers, agents, and subcontractors. Contractor agrees that its use of confidential personal information will be in accordance with ORC Chapter 169 and restricted to Contractor's performance of the work specified in Article II, Statement of the Work, and Exhibit I, Scope of Work. No confidential information shall be disclosed unless required by law or legal process. If a subpoena or other legal process concerning any such confidential information is served on Contractor, Contractor shall

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promptly provide notice of such service to State. Contractor shall cooperate with any lawful effort by State to contest the validity of the subpoena, seek a protective order, or pursue other legal process to protect the confidential information.

- 12.6 The restrictions in this Article shall survive the termination of the Contract for any reason and shall continue in full force and effect and shall be binding upon Contractor and any party claiming an interest in the Contract on behalf of or under the rights of Contractor following any termination. Contractor shall advise all of Contractor's agents, employees, successors, assigns, and subcontractors which are engaged by State of the restrictions, present and continuing, set forth herein.
- 12.7 Contractor shall indemnify State and incur all costs, including reasonable attorney fees, for actions which arise as a result of noncompliance by Contractor regarding the restrictions in this Article.

ARTICLE XIII: LIABILITY

- 13.1 Contractor agrees to indemnify and to hold harmless and immune the Department of Commerce and the State of Ohio from any and all claims for injury or damages arising from the Contract which are attributable to Contractor's own actions or omissions or those of its trustees, officers, employees, subcontractors, suppliers, third parties engaged by Contractor, or joint venturers while acting under the Contract. Such claims shall include any claims made under the Fair Labor Standards Act or any other Federal or state law involving wagers, overtime, or employment matters and any claims involving patents, copyrights, and trademarks.
- 13.2 Contractor shall bear all costs associated with defending the Department of Commerce and the State of Ohio against any claims.
- 13.3 In no event shall either party be liable to the other party for indirect, consequential, incidental, special, or punitive damages, or lost profits.
- 13.4 Contractor will indemnify State for any damages if a suit is brought against State, including, but not limited to its public officials, State employees, and State departments, based on a claim that the identification and collection of unclaimed property furnished hereunder infringes a United States patent or copyright or constitutes misuse or misappropriation of a trade secret, provided Contractor is given written notice within thirty (30) days of such suit and is given information required for the defense of same, if applicable. Contractor will indemnify the State for any out-of-pocket costs and any judgment incurred by State and/or the State's Office of the Attorney General provided Contractor has full opportunity to participate as co-defendant. State's entire liability and Contractor's exclusive remedies for claims related to or arising out of Contract for any cause and regardless of the form of action, whether in contract, tort, or otherwise, shall be as set forth in the Contract. When applicable, Contractor shall reimburse State for any judgments for infringement of patent or copyright rights.
- 13.5 Contractor shall be liable for direct damages, as agreed to by the parties or as awarded by a

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court of competent jurisdiction, which are incurred due to the fault or negligence of Contractor. Contractor is responsible for satisfactory completion of work as indicated in the Contract and shall make every effort to correct any deficiencies and complete each assigned task or work as specified in Exhibit I: Scope of Work. Contractor shall carry insurance against risks of claim or loss as specified in Article XV, Contractor Requirements.

Notwithstanding any language to the contrary, Contractor shall be liable for any personal injury or damage to real property or tangible personal property, caused by the fault or negligence of Contractor. Contractor shall be liable for any personal injury or damage to real property or tangible personal property caused by the fault or negligence of Contractor, its employees or agents in the operation of a motor vehicle. In no event shall State be liable for injuries suffered by Contractor, or Contractor's employees, related to the work performed under the Contract.

ARTICLE XIV: COMPLIANCE WITH LAW

- 14.1 Contractor agrees to comply with all applicable federal, state and local laws, as well as applicable administrative rules promulgated pursuant to ORC 169.09, in the conduct of the work hereunder, as the same are constituted on the effective date hereof, or as the same may be amended after that date and during the term of the Contract. Contractor agrees that State is not liable for any damages, financial or otherwise, that an amendment of any applicable law or administrative rule impacting the work hereunder, has or may have on Contractor. Contractor accepts full responsibility for payment of all taxes including, without limitation, unemployment compensation insurance premiums, all income tax deductions, social security deductions, and any and all other taxes or payroll deductions required for all employees engaged by Contractor in the performance of the work authorized by the Contract.
- 14.2 Contractor shall provide its own Workers' Compensation coverage throughout the duration of this Contract and any extensions thereof. State is hereby released from any and all liability for injury received by Contractor's employees, agents, or subcontractors while performing the tasks, duties, work, or responsibilities as set forth in this Contract.
- 14.3 Contractor shall indemnify, save, and hold State harmless from any and all liability or damages arising from Contractor's failure to meet its obligations under this section, and under the provisions of the Contract.

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ARTICLE XV: CONTRACTOR REQUIREMENTS

- 15.1 *Unclaimed Property Experience and References:* By entering into the Contract, Contractor agrees that it is knowledgeable of ORC Chapter 169, relevant U.S. and Ohio Supreme Court rulings, GAAP, GAAS, and any relevant examination/auditing procedures promulgated pursuant to ORC 169.09 as they relate to the identification and collection of unclaimed property from holders.
- 15.2 *Contractor Records Retention:* Contractor will be required to maintain financial and accounting records and supporting evidence pertaining to the contract in accordance with GAAP. Financial and accounting records must be made available for inspection and audit at all reasonable times to the State during the contract period and any extension thereof, and for seven (7) years from the date of Contractor's final payment on the contract.
- 15.3 *Confidentiality:*
- (a) Contractor agrees to preserve the integrity of State's security and confidentiality. If Contractor is engaged in handling confidential State information or property, it will be required to exercise appropriate security precautions.
 - (b) Except as allowed otherwise, and subject to Article XIV: Compliance with Law, Contractor shall hold all information provided to State about a holder's property confidential for State (unless such information is already publicly known) and shall advise any party that may be processing such information on behalf of Contractor of the confidential nature thereof.
 - (c) Contractor may disclose information it acquires in connection with its examinations of holders to other states that have entered into similar agreements with Contractor, pursuant to a plan whereby State similarly benefits from such reciprocal disclosures.
- 15.4 *Audit Records:* Contractor shall maintain for a period of not less than seven (7) years after completion of the Contract all records pertaining to the identification and collection of unclaimed property. Contractor shall establish adequate controls to ensure the accuracy and competence of such information or records. State may inspect Contractor's records relating to the performance or subject matter of this agreement at reasonable times and upon reasonable notice using State employees, its designees, or employees of other state agencies, as provided by law. Contractor shall fully cooperate with any audit conducted by State or its representative and shall provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by the Contract shall establish a presumption in favor of State for the recovery of any funds paid by State. Contractor acknowledges and understands that holder records examined shall be kept confidential pursuant to ORC 169.03(F)(4).
- 15.5 Contractor agrees to provide a copy of a current certificate showing that Contractor is covered by Worker's Compensation Insurance. Contractor shall also provide proof of Employer's Liability and/or Contractor's Insurance. Sole proprietors are also subject to this requirement.

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- 15.6 At its own expense, Contractor must procure and continue in force at all times that the Contract is in effect, the following minimum levels of insurance coverages:
- (a) Workers' Compensation insurance as required by Ohio law, or if some of the project will be done outside Ohio, the laws of the appropriate state(s) where the work will be done. Contractor will also maintain employer's liability insurance with at least a \$1,000,000 limit.
 - (b) General liability insurance against any and all claims for injuries to persons or damages to property occurring or arising out of Contractor's obligations set forth herein. Such insurance shall at all times be in an amount not less than Five Hundred Thousand Dollars (\$500,000) on account of bodily injury to or death of one (1) person, and One Million Dollars (\$1,000,000) on account of bodily injuries or death of more than one person as a result of any one accident or disaster, and Two Hundred Fifty Thousand Dollars (\$250,000) for property damage in any one accident. Such insurance shall be written by a company or companies authorized to engage in the business of general liability insurance in the State of Ohio with an A.M. Best rating of at least "A" or be otherwise approved in writing by the Attorney General of the State of Ohio.
- 15.7 Contractor shall also furnish certificates of insurance to State for the required coverages. The certificate must be in a form that is reasonably satisfactory to State as to policy contents and the quality of the insurance carriers. The certificates of insurance must contain the following provisions:
- (a) A thirty (30) day notice to State prior to cancellation;
 - (b) An endorsement providing that the insurance is primary insurance and over any coverage held by State; and
 - (c) State is an additional insured.
- 15.8 Contractor shall, pursuant to ORC 169.03(F)(3), obtain a corporate surety bond for which the amount has been set at \$100,000.00. Said bond, to be issued by a bonding company or insurance company authorized to do business in the State of Ohio, is for the benefit of any holder of unclaimed funds subject to an examination by Contractor and injured by Contractor's failure to comply with ORC 169.03(F)(3).

ARTICLE XVI: DRUG-FREE WORKPLACE

- 16.1 Contractor agrees to comply with all applicable federal, state, and local laws regarding maintaining a drug-free workplace. Contractor will make a good faith effort to ensure that all Contractor's employees, while working on State property, will not have or be under the influence of drugs or alcohol, or abuse prescription drugs in any way.

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ARTICLE XVII: ENTIRE AGREEMENT; CHANGE OR MODIFICATIONS; WAIVER

- 17.1 The Contract contains the entire agreement between the parties hereto and shall not be modified, amended or supplemented, or any rights herein waived, unless specifically agreed upon in writing by the parties hereto.
- 17.2 The Contract supersedes any and all previous agreements, whether written or oral, between the parties.
- 17.3 A waiver by any party of any breach or default by the other party under the Contract shall not constitute a continuing waiver by such party of any subsequent act in breach of or in default of the Contract.

ARTICLE XVIII: SUCCESSORS AND ASSIGNS

- 18.1 Neither the Contract nor any rights, duties, or obligations hereunder may be assigned or transferred by Contractor without the prior express written consent of State.

ARTICLE XIX: GOVERNING LAW

- 19.1 This Contract and the rights of the parties hereunder shall be governed, construed, and interpreted in accordance with the laws of the State of Ohio. To the extent that State is a party to any litigation arising out of, or relating in any way to, this Contract or the performance thereunder, such an action shall be brought only in a court of competent jurisdiction in Franklin County, Ohio.
- 19.2 Contractor, its employees, and subcontractors are bound to observe the laws, regulations, and policies of the State of Ohio, as the same are constituted on the effective date hereof or as the same may be amended after that date and during the term of the Contract. Violation of such laws, regulations or policies may result in the suspension or termination of the contract or specific examination.

ARTICLE XX: CERTIFICATION OF COMPLIANCE WITH OHIO ETHICS AND ELECTIONS LAW REQUIREMENTS (FOR NONCOMPETITIVE BID CONTRACTS)

- 20.1 Contractor confirms that it is in compliance and will continue to adhere to the requirements of Ohio Ethics laws as provided by ORC 102.03 and 102.04.
- 20.2 Contractor affirms that it is currently in compliance with ORC 3517.13.

ARTICLE XXI: SEVERABILITY

- 21.1 The provisions of the Contract are severable and independent, and if any particular provision shall be determined to be unenforceable in whole or in part, then the remaining provisions and any partially enforceable provision shall, to the extent enforceable in any jurisdiction, nevertheless be binding and enforceable. However, State may enter into an addendum, at State's discretion, and if appropriate.

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- 21.2 Any addenda attached hereto and properly executed but not otherwise referenced herein are hereby incorporated into this Contract and shall be deemed to be a part of this Contract.
- 21.3 The terms contained in this Contract shall supersede any and all conflicting terms contained in any addendum hereto.

ARTICLE XXII: NOTICES AND HEADINGS

- 22.1 All notices, consents, and communications under the Contract shall be given in writing, shall be deemed to be given upon receipt thereof, and, with the exception of invoices as provided for in Article IV of the Contract, shall be sent to the addresses first set forth above.
- 22.2 The headings in the Contract have been inserted for convenient reference only and shall not be considered in any questions of interpretation or construction of the Contract.

ARTICLE XXIII: STATE AUDIT FINDINGS

- 23.1 Contractor affirmatively represents to State that it is not subject to a finding for recovery under ORC 9.24, or that it has taken the appropriate remedial steps required under ORC 9.24 or otherwise qualifies under that section. Contractor agrees that if this representation is deemed to be false, the Contract shall be void *ab initio* as between the parties, and any funds paid by State hereunder shall be repaid immediately to State, or an action for recovery may be commenced immediately by State for recovery of said funds.

ARTICLE XXIV: DEBARMENT

- 24.1 Contractor represents and warrants that it is not debarred from consideration for contract awards by the Director of the Department of Administrative Services, pursuant to either ORC 153.02 or ORC 125.25. If this representation and warranty is found to be false, the Contract is void *ab initio* as between the parties, and Contractor shall immediately repay to State any funds paid under this Contract.

ARTICLE XXV: PROHIBITING EXPENDITURE OF PUBLIC FUNDS ON OFFSHORE SERVICES.

- 25.1 Contractor has read and understands Executive Order 2019-12D, “Governing the Expenditure of Public Funds for Offshore Services,” and agrees to abide by its terms, including that the Department may not purchase offshore services. Thus, Contractor must disclose to the Department in writing as an addendum to its signature below (a) the location(s) where all services will be performed by Contractor and any relevant subcontractor; (b) the location(s) where any State data associated with any services Contractor provides or seeks to provide will be accessed, tested, maintained, backed up, and/or stored; and (c) the principal location of the Contractor’s business place and those of all relevant subcontractors. If any of the disclosures violate E.O. 2019-12D, the Department shall have the right not to execute this Agreement, having accrued and thereby accruing no

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liability to Contractor. Additionally, if the Department executes this Agreement and any changes occur to the information underlying the disclosures during the term of this Agreement, Contractor must immediately disclose those changes to the Department and, upon such notice, the Department will have thirty (30) days to terminate this Agreement, at its sole discretion, free and clear of continued liability to Contractor and paying only for those pre-change services that it used. The only exception to this provision is found in Paragraph 4c of E.O. 2019-12D. If that exception is utilized here, both signatories to this Agreement must initial here:

For the Department: _____ For Contractor: _____

ARTICLE XXVI: INSURANCE

26.2 The State of Ohio is self-insured.

ARTICLE XXVII: CONFIDENTIAL PERSONAL INFORMATION

27.1 Contractor represents and warrants that it and its employees, officers, directors, or agents engaged in the administration or performance of this Contract have read, are knowledgeable of, and understand ORC 1347.15, OAC 1301-1-03, and the State's policies and procedures regarding the handling of confidential personal information. Contractor agrees that its use of confidential personal information will be in accordance with ORC Chapter 169 and restricted to Contractor's performance of the work specified in Article II, Statement of Work, and Exhibit I, Scope of Work.

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ARTICLE XXVIII: EXECUTION

28.1 The Contract is not binding upon the State unless executed in full.

In Witness Whereof, the parties hereto have caused the Contract to be executed by their duly authorized officers and certify that the persons signing below are authorized to bind each party. The parties further agree that an electronic or scanned signature of the authorized party below is binding on each party and that a copy of the Contract bearing such scanned signatures is the same as the original.

**STATE OF OHIO
DEPARTMENT OF COMMERCE**

CONTRACT AUDITOR

By: _____
Sheryl Maxfield, Director

Date: _____

By: _____

Printed Name: _____

Job Title: _____

Date: _____

Fed. Tax ID No.: _____

By: _____
Akil Hardy, Superintendent, Division of Unclaimed Funds

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EXHIBIT I

SCOPE OF WORK

The terms of the Contract shall commence on **July 1, 2019**, or the later date signed by the Director of Commerce, and terminate on **June 30, 2021**.

Contractor hereby agrees that the scope of work under the Contract shall be as follows:

1. *Statement of Work:* Contractor shall undertake to identify and collect all types of unclaimed funds from persons, firms, and entities (collectively “holders”) who are holding or have unclaimed funds in their possession (“property”) which are subject to report and delivery under ORC Chapter 169 and OAC 1301:10 (collectively the “Ohio Unclaimed Funds Law” or “the Law”), and pertinent U.S. Supreme Court and Ohio Supreme Court rulings. The Nature of Funds Codes in Appendix 4D lists specific types of unclaimed funds and their dormancy periods.

In conjunction with the identification and collection of property not initiated or planned by State, Contractor:

- (a) May enter into voluntary compliance agreements with holders in order to comply with the Unclaimed Funds Law, provided Contractor first obtains State’s prior written approval; nor is Contractor prohibited from offering other services to a holder. However, Contractor shall not solicit a holder to enter into such an agreement or purchase other services in regard to holder’s unclaimed funds reporting liability (a) during the period in which the holder is under an involuntary examination being conducted by Contractor on behalf of and at the initiation of the State, (b) when Contractor has been notified that such an examination is being conducted by another Contractor or auditor on behalf of and at the initiation of the State, (c) if Contractor has been notified in writing by the State that an examination of the holder is planned, or (d) if the holder has been contacted within the scope of State’s Compliance Section Audit Program. Contractor’s request to State for prior written approval shall include all the information specified in **Appendix 3** (“Voluntary Compliance Agreement Requirements”), as attached hereto or as updated by State.
- (b) Shall inform State of examination/audit agreements that it has with other states. Contractor may only include Ohio in such agreements if Contractor obtains prior written consent of the State;
- (c) Shall identify and review records of holders and/or their agents relating to unclaimed property, and as a part of that, follow and adhere to the examination requirements of OAC 1301:10-3-04 (“Examination of accounts”) and shall submit to State forms and information verifying adherence to State’s procedures for each examination as requested by State, in accordance with **Appendix 5** (“Audit Process Verifications”), attached hereto, or as updated by State.

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- (d) Shall prepare and submit to State reports of property in accordance with the requirements of the Law, and Exhibit I: Deliverables;
- (e) Shall request holders and/or their agents to relinquish to Contractor, or its custodian, property deemed owing under the Law;
- (f) Shall forward the property to State or its designee; and
- (g) Shall advise holder(s) that all property reported and remitted must conform to ORC Chapter 169. Holder is not exempt from any section of the Ohio Unclaimed Funds Law, including but not limited to ORC 169.12, which grants the State the authority to charge penalties and interest to delinquent holders. Contractor shall not represent to holders that penalties and interest will be waived without express written authorization from the State.

The identification of unclaimed property from the records of holders, the processing of records, the collection of unclaimed property, and the demands for payment of the property shall be made pursuant to and in accordance with generally accepted accounting principles (GAAP), generally accepted auditing standards (GAAS), any examination/auditing procedures promulgated pursuant to ORC 169.09, and **Appendix 1** (“Identification and Collection Procedures”). Any exceptions to these provisions must be approved in writing by State.

2. *Work in Progress Report:* Contractor shall provide to State, on a monthly basis, a Work in Progress Report substantially similar to the format set forth in **Appendix 2** (“Work in Progress Report Instructions”) or in such other format authorized by State; which sets forth all new record processing to be commenced, and all record processing not yet completed, including reports in process with respect to each examination being conducted by the Contractor.

State may, in accordance with Article VI: Termination of Contractor’s Services, direct Contractor not to process records on behalf of the State for a potential holder or a holder listed on the Work in Progress Report/Audit Approval Request Form (**Appendix 2**) at any time prior to the 30th day after the State receives notification of such report.

3. Contractor acknowledges that:
 - (a) State has the final and sole authority to decide who, if anyone, will represent the State in the unlikely event that more than one contractor or another state wants to identify and collect unclaimed property from the same holder.
 - (b) State, in accordance with OAC 1301:10-3-04(D) and any rules promulgated pursuant to ORC 169.09, shall determine when an examination of a holder is appropriate. State may approve or disapprove authorization to attempt to identify and locate unclaimed property from any holder without offering justification for such denial. State may also, after authorization has been granted to conduct an examination of a

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holder, suspend or terminate the examination, regardless of whether it has commenced, for any reason, including legislative or judicial action which causes delay that prevents performance, or an unforeseen or uncontrollable event, and without offering justification for such suspension or termination.

- (c) If Contractor identifies a holder which maintains its principal place of business in Ohio, then Contractor may not cause the holder's records of unclaimed property to be examined on behalf of State, unless Contractor first receives prior written authorization from State. Contractor's request for State's written approval for any involuntary or voluntary examination shall include the information specified in **Appendix 3** ("Request for State's Approval").
 - (d) If Contractor identifies a holder which maintains its books and records relating to unclaimed property within Ohio, then no payment will be made to Contractor by the State unless State expressly requests that such holder's books and records relating to the unclaimed property be examined.
 - (e) Contractor must receive approval of all examinations, regardless of state of domicile or incorporation of holder, when any unclaimed funds are reportable.
4. *Due Diligence:* Contractor shall notify each holder of the provisions of the Law for notifying owners of their property. Contractor shall require each holder to confirm, in writing, that the Law's due diligence provisions have been carried out, prior to demanding any property, and Contractor shall certify the holder's compliance with ORC 169.03(D). Contractor shall provide a copy of such certification to State. Contractor shall advise such holder of its continuing obligation to report property to State. Contractor shall notify the State if due diligence has not been carried out by the holder, or if there is no confirmation letter on file.
5. *Unclaimed Property Report:*
- (a) State has adopted procedures for the reporting of unclaimed property via electronic medium. Contractor shall provide all reports to State on electronic medium, unless written permission has been granted in advance by State. Permission will not be unreasonably withheld.
 - (b) Contractor shall provide reports of the property to be forwarded to State in a format prescribed by State pursuant to ORC Chapter 169. State will provide reporting instructions, forms, and any specifications needed for automated reporting. Contractor shall use State's format (**Appendix 4A, 4B, and 4C**) for non-electronic reporting of unclaimed property.
 - (c) The Unclaimed Property Report shall not be submitted in gross error, as determined by State. A report is in gross error, for example, if the unclaimed funds detail within the report does not balance with the remittance of funds and/or shares. Such a report cannot be posted to State's data processing system.
 - (d) Contractor shall remit a separate payment, which reconciles to

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the total dollar amount due, for each holder report submitted to State. If Contractor submits multiple holder reports on electronic medium, a separate payment, one for each holder report, shall be submitted to State.

- (e) If Contractor is reporting mutual fund shares, the report must be allocated to reflect each individual owner's shares and reconciled to the actual redemption sale proceeds remitted to State at the time of filing of the report. Contractor shall clearly inform the holders that at no time are the holders to merely transfer mutual funds to an account by book entry but must liquidate and remit mutual funds with the Unclaimed Property Report.
- (f) Contractor shall instruct holders, who remit property to State through Contractor, to report property directly to State after the initial report has been completed and filed. Contractor will further instruct such holders to file a "None" or "Negative" report to State if there is no property to be reported in the year(s) following completion of Contractor's reporting.

6. *Out of Proof Reports:* Out of proof reports are those in which inaccurate record keeping results in more accounts listed in the report than actual accounts exist, for which property is remitted to State. Out of proof reports will only be accepted, with prior approval from State, if Contractor pro-rates the report prior to submittal to State, and if allocated for each individual owner, in order to reconcile the report to the actual dollar and/or share amount submitted by Contractor to State. Out of proof reports will be accepted only if the reports are clearly marked as "out of proof," and the reason the report is out of proof is certified by the holder or holder's agent.

7. *Custody of Unclaimed Property:*

- (a) If Contractor does not provide safekeeping custodial services, Contractor shall enter into an agreement with a custodian to provide said services for Contractor. Contractor must obtain approval from the State in advance prior to entering into a contractual relationship with any custodian.
- (b) Contractor and/or custodian shall:
 - (i) Maintain all property delivered by holders to the custodian segregated into a separate account or accounts for State on the date of receipt; and
 - (ii) Acknowledge that the provisions referred to in this section are for the benefit of State, which shall have all rights of a third-party beneficiary with respect to the benefit and enforcement of such provisions, and that such provisions and the provision referred to in this subsection (b) may only be amended with the written consent of State.
- (c) Contractor or custodian shall not pay claims against the property. Contractor shall advise the holder that the holder is responsible for paying all claims up to the time

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the holder and agent have agreed to a final report. The State will reimburse the holder after the reconciled report and property have been received.

- (d) During the period of reconciliation, transfers may be made from the State's account(s) for erroneous deposits or changes only upon prior written approval by the State.
- (e) Contractor, or its custodian, shall not pledge, assign, hypothecate, or otherwise encumber property without the prior written consent of the State; nor shall Contractor take any ownership position in any securities constituting property.

Any transactions relating to securities and mutual funds after the issue is in the name of the State, shall only be processed upon obtaining an executed Stock Power from the State.

- (f) Contractor shall not co-mingle funds received as a result of unclaimed property recovery efforts with any other unclaimed property that may be in safekeeping with Contractor's custodian.

8. *Remittance of Unclaimed Property:*

- (a) Contractor shall reconcile the Unclaimed Property Report with the holder and remit all property with the reconciled report to State within thirty (30) business days after receipt of the funds by Contractor. Contractor shall promptly remit unclaimed property to State via electronic funds transfer, depository transfer, corporation transfer, or in a manner prescribed by State. Maximum allowable fees, and penalties and interest for untimely submission of funds, are described in Article 4.2 of the Contract.
- (b) State shall receive an earnings credit equal to an approved, verifiable interest rate on all cash funds held by Contractor on behalf of State. The interest shall be no less than that which is earned on a money market account. The interest shall be figured from the date such funds were originally received from the holder, to the date such funds are electronically transferred by Contractor to State.
- (c) Certificates for securities must be registered, if at all possible, in the name of the State: Ohio Department of Commerce Division of Unclaimed Funds. Those certificates that cannot be transferred must still be remitted to the State of Ohio in the nominee or original owner's name.

The ORIGINAL DATE that certificates are registered in the name of the State or credited in book entry form must be retained and must become a part of all reports relating to such certificates.

9. *Delivery of Unclaimed Property Information to the State:* The following constitutes a complete delivery of unclaimed property. Each issue must be separated and placed in an individual security envelope.

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- (a) Electronic Unclaimed Property Report or Unclaimed Funds Report in **Appendix 4A through 4C**, if approved.
 - (b) All securities, including but not limited to, stock certificates, reinvested dividend information, or a combination of each.
 - (c) The actual remittance or a copy of the “faxed” electronic funds transfer information, whichever is applicable.
 - (d) Summary of Amount Remitted - by Issue – and providing the value of the liquidated securities on the date they are registered to the State, as well as the date of the sale/liquidation of said securities by Contractor.
 - (e) Summary of Issue Delivered to the State.
 - (f) Corporate Contact Information Sheet.
 - (g) Summary of Delivery Invoice.
 - (h) Summary of Accrued Interest by Issue, if any.
10. *Payment of Fees:*
- (a) Contractor will submit a Summary by Delivery invoice with each delivery. The invoice must summarize the delivery by Issue/Holder. Payment of the invoice will be processed only on completed deliveries, as defined in Exhibit I, Item 8. If Contractor fails to remit/deliver ANY of the unclaimed property associated with the invoice, the invoice will be considered improper in accordance with Article IV of the Contract and will not be paid until such time as all unclaimed property has been received by the State.
 - (b) No fees shall be escrowed by Contractor, nor shall any fee earned from one issue be offset against any uncollected fee from another issue.
 - (c) State will audit the invoice to the delivery, and will make payment for completed deliveries, in accordance with Article IV: Compensation.
11. *Legal Services:* Only the Ohio Attorney General (OAG) or its appointee is authorized to provide legal services on behalf of State. Legal services may be used to enforce ORC Chapter 169 pursuant to the following procedures:

Contractor shall notify State in writing if it believes that legal services are required for the collection of a particular claim. Notification shall include a statement of the nature of the services requested, and a projected range of monetary recovery from the claim. Contractor shall make available all records and supporting documentation and necessary personnel in the event that the State seeks litigation against a holder. State shall determine

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in its exclusive discretion whether to request legal services from the OAG to pursue the claim. Contractor's fees for a claim requiring legal services will be based upon the total amount identified and submitted by Contractor.

DELIVERABLES

1. *Property and Reports:* Upon forwarding of property and reports to State, the following items must be delivered for each holder audited by Contractor:
 - (a) All funds and securities identified as unclaimed funds in ORC 169.01(B);
 - (b) Completed Unclaimed Property Report detailed in Exhibit I, Item 5 and **Appendix 4A through 4C**;
 - (c) Holder due diligence certification detailed in Exhibit I, Item 4; and
 - (d) A proper invoice detailed in Article 4.4 of the Contract.

2. *Out of Proof Reports:* For holders whose Unclaimed Property Reports are out-of-proof, the following must be delivered to the State:
 - (a) Unclaimed Property Report detailed in Exhibit I, Item 5 and **Appendix 4A through 4C**, prorated for each individual owner, and clearly marked as an out-of-proof report detailed in Exhibit I, Item 6; and
 - (b) Certification of the reason the report is out-of-proof, by the holder or holder's agent detailed in Exhibit I, Item 6.

3. *Work in Progress Reports.* On a monthly basis, the following must be delivered to the State: Work in Progress report detailed in Exhibit I, Item 2 and **Appendix 2**.