



Cover Letter

AXIS Data Solutions is delighted to participate in the City of Key West's Invitation to Bid (ITB) #12-003, Utility Bill Processing, Printing, Postage, Print Stock, and Envelopes. Our 20 years of experience in the printing and mailing of statements, invoices, customer bills and direct mail has allowed us to be fully engaged and compliant with the specifications you have identified.

We certify that the content of our response is accurate and agree to be bound by and fully compliant with the terms and conditions you have identified in the ITB. If we are chosen to become your partner in producing and mailing your customer bills, we hope to be able to offer suggestions moving forward that may enable you to add some additional convenience factors and possibly reduce costs with online self-help applications.

As the person authorized to sign the statement, I certify that AXIS Data Solutions complies fully with the above requirements.

David R. Salazar
President
AXIS Data Solutions

A handwritten signature in black ink that reads "David R. Salazar". The signature is written in a cursive style with a long horizontal flourish at the end.

Vendor's Signature



Executive Summary

Headquartered in Orlando, with a technology matching site in Albuquerque, NM, AXIS Data Solutions is an award winning service bureau specializing in projects that are customized specifically for client communication needs. We deliver unsurpassed excellence in data programming, laser printing, mail fulfillment and Web Presentment applications that meet the evolving needs of government, municipalities, utilities and corporations throughout the US.

- **Experience** – Since 1991, AXIS has become known for our customer service and innovative client solutions. Our goal is to constantly work at improving the communication process with ongoing dialog with our clients to gain a better understanding of both their immediate and long-term needs. Our clients appreciate our efforts by maintaining long-term relationships, some since AXIS started over 20 years ago.
- **Support** – AXIS will support your office with 24-hour access to our data programming, laser printing and mailing professionals. You will receive personal attention from a highly trained project manager who specifically knows and understands your requirements and expectations. AXIS also matches experience and personality to insure compatibility.
- **Security/Quality Control** – All programming and production services are performed on site in a secure SSAE 16 certified environment. We have designed and implemented end-to-end best-in-class quality control standards from data integrity checks to peer review before mailing.
- **Technology Investments** – We have made considerable capital investments over the last few years in digital printers, intelligent inserters, software, and data communications. This technology allows AXIS to operate with some of the greatest accuracy and precision in the industry. This offers you peace of mind knowing it will be done right the first time.
- **Mitigated Risk** – Even though AXIS offers some of the most advanced technology in the industry, we do maintain an old fashioned approach of maximizing a pleasant customer experience and minimizing risk. Our disaster recovery and data security programs meet, and in some cases, exceed the industry's most stringent requirements. We have in place, one of the simplest and most dependable business continuity programs. We operate two geographically separated production centers that technically mirror each other and are linked electronically 24/7. Since we use it at times for load balance we know it works.

AXIS provides the technical expertise and systematic quality control measures of a large company with the personalized attention of a small business. Please accept our open invitation to visit AXIS, tour our facility and meet the people who would manage your projects.



Reference

AXIS has been successfully serving the utility industry for over 20 years. We know and understand the importance of working closely with each client to insure the data we are receiving appears to be the correct file based on accuracy check points such as record counts, total dollar amount or other automated review points.

Additionally, different clients have given us the opportunity to work with different software applications that utility companies use. Our familiarity with these application and the file formats they export has enabled AXIS to offer faster and more accurate on-boarding capabilities to help insure your job will be done correctly the first time with no delays.

Here are five references that are comparable to your project.

1. Client Name: Sumter Electric Cooperative
330 South US Highway 301
Sumterville, FL 33585-0301
352-793-3801
Mr. Ted Purser, Director of Accounting and Finance
ted.purser@secoenergy.com

2. Client Name: City of Melbourne
900 East Strawbridge Ave
Melbourne, FL 32901
321-608-7170
Mr. Wayne Rosser, Financial Systems Administrator
wrosser@melbourneflorida.org

3. Client Name: ATS
5610 Barbados Boulevard
Castle Hayne, North Carolina 28429
910-210-4139
Scott Woodward, CEO
Scott.Woodward@ats.coop

4. Client Name: Monroe County Property Appraiser
1st Floor Real Estate Development
500 Whitehead Street
Key West, FL 33040
305-292-3420
Dorothy Allison



5. Client Name: Monroe County Tax Collector
1200 Truman Avenue
Key West, FL 33040
305-295-5063
Danise Henriquez



Vendor Information/Requirements

- 3.1 AXIS has experience working with data files that are in PDF format.
- 3.2
 - a. Advanced Xerographic Imaging Systems is the parent company and does business as AXIS Data Solution, and AXIS Inc.
 - b. We are a corporation.
 - c. AXIS was formed in 1991
 - d. Please see our customer references in the References section.
 - e. Please see our additional customer references in the References section.
 - f. Hours of availability for customer support range from 24 hours/day, 6 days/week to 24/7



Sample Contract

AXIS Data Solutions' sample contract begins next page.



Master Contract Index

(Contract between Advanced Xerographics Imaging Systems, Inc. (d/b/a AXIS, Inc., AXIS Data Solutions and AXIS) and _____)

The contract between the Parties (as set out in the Master Contract which follows) consists of the following documents (including any Later Added Services), all of which taken together are the contract ("Contract"):

Description	Related Exhibit
Master Contract	
Pricing Schedule	Exhibit "A"
General Processing Assumptions	Exhibit "B"
Form of Later Added Services	Exhibit "C"

MASTER CONTRACT

This Contract is made and entered into on the date that the last signatory party affixes its signature hereto. This Contract is made and entered into by and between Advanced Xerographics Imaging Systems, Inc. (d/b/a AXIS, Inc., AXIS Data Solutions and "AXIS") and _____ ("Client"). Together AXIS and Client are the "Parties".

Contract

For good and valuable consideration, the receipt and sufficiency of which the parties hereby stipulate to, the Parties agree as follows:

1. Overview of Documents.

- 1.1 This Contract consists of this Master Contract, the Master Contract Index (the first page hereof) and the exhibits set forth in the Master Contract Index all of which together form the contract (the "Contract") between the Parties.
- 1.2 In the event of a conflict between the terms of this Master Contract and those of an exhibit, the conflicting exhibit terms shall control to the extent of the conflict and all of which shall be read together to achieve the intent of the Parties.

2. Duties of AXIS.

- 2.1 It is and shall be the duty of AXIS to provide the services set out in the above listed exhibits including any added at a later date ("Later Added Services") through amendment of the Master Contract Index and affixation of a signed and dated exhibit describing the Later Added Service in the general form set out at Exhibit "C".
- 2.2 It is and shall be the duty of AXIS to perform the services accurately, of the quality normal to the industry and in a timely and professional manner consistent with industry standards for the services.

3. Duties of Client.

- 3.1 It is and shall be the duty of Client to provide the required information and materials in the required format(s) specified in the above listed exhibits including any Later Added Exhibits.
- 3.2 It is and shall be the duty of Client reasonably to cooperate with and promptly communicate with AXIS to the extent reasonably necessary for AXIS to carry out its duties hereunder, including the provision of information and materials according to mutually agreed schedules.
- 3.3 It is and shall be the duty of Client promptly to pay for the services AXIS provides hereunder. However, Client may request a refund (or billing correction, as applicable) for any amounts that Client reasonably believes have been billed in error

by AXIS; such request shall be made in writing to AXIS. AXIS will review and respond to such request and, upon validation of the error, promptly provide the refund (or apply a billing correction).

3.4 Client represents and warrants that it is the sole and exclusive owner of all rights, including, but not limited to copyrights, titles, trademarks, trade names, trade dress, logos, and formats (“Intellectual Property”) associated with any information or materials provided to AXIS in order for AXIS to perform its services for Client under this contract.

4. Term; Effective Date; Early Termination.

4.1 The initial term of this Contract, including all Later Added Services, shall be three (3) years from, the first day of the first month that AXIS provides services, excluding any setup or development (the “Initial Term”).

4.2 This Contract shall automatically renew beyond its Initial Term for successive one year terms (the Renewal Term(s)), and collectively the “Term”, unless and until either party provides the other written notice of its intent to terminate (with the first possible day of termination being the day after the Term lapses) no less than ninety days prior to the date of termination.

4.3 The effective date of this Contract shall be the date that the last signatory party affixes its signature hereto. With respect to Later Added Services, the effective date shall be the date that the last signatory party affixes its signature to the exhibit describing the later added service and the term for any Later Added Services shall be that set out in paragraph 4.1, unless otherwise specified in the exhibit memorializing the later added services.

4.4 In the event that AXIS provides any services to Client following the termination of this Contract, either due to Client’s request or otherwise necessary to finish Client’s business still at AXIS, the parties agree that the terms and provisions of this Contract shall apply with respect thereto.

4.5 In the event Client terminates this Contract without cause prior to the end of the Term, then Client shall pay to AXIS as liquidated damages (with actual damages stipulated as being difficult if not impossible to calculate), fifty percent (50%) of the average revenue (revenue being the invoiced amount which is for work actually performed and not including one time of pass through charges) for each of the preceding months of the Term multiplied by the number of months remaining in the Term. In the event that there are less than two months remaining in the Term, the number of months remaining in the Term for the purposes of the foregoing calculation shall be deemed equal to two.

4.5.1 In the event an executed contract is terminated before work is actually performed or before all work for the month may be completed (i.e. before the end of the first month) solely at the request of Client and without any fault of AXIS,

then 100% of the charges for any actual work performed shall be the revenue used to calculate the above payment.

4.5.2 Thus, assuming a twelve month contract terminated in the first month with total minimum shop charges for each service being two thousand dollars and the charges for actual work performed being one hundred dollars, the calculation is one thousand dollars (ignoring the lesser amount of one hundred dollars for actual work performed) times twelve remaining months for a total owed of twelve thousand dollars times fifty percent [$\$1,000 \text{ Sum of all Minimum Shop Charges} * 12 \text{ months remaining in contract} * 50\% = \$12,000 \text{ owed}$].

5. Terms of Payment.

- 5.1 Client shall promptly pay AXIS's invoices within thirty calendar days of date of invoice for all services performed or materials provided pursuant to this Contract or otherwise requested by Client.
- 5.2 Balances carried for more than thirty days shall accrue simple interest at a rate of 1.5% per month.
- 5.3 Both parties shall negotiate in good faith to resolve any and all disputes in accordance with paragraph 5.4 below, but Client is responsible for promptly paying all undisputed charges in accordance with paragraph 5.1 above.
- 5.4 Upon discovery of any purported error in billing or payment for services hereunder, either party hereto may within one hundred and twenty (120) days following the date of invoice (but not more than two (2) months after the effective termination date of this Contract) notify the AXIS in writing ("Notice of Claim") setting forth the specific error or claim why an invoice is not correct, whereupon the parties shall in good faith seek to determine if such claim is justified. Any claim found to be justified shall be settled within thirty (30) days of receipt of Notice of Claim with written proof of justification. If, after thirty (30) days, both parties have not resolved the items in dispute, then both parties shall resolve the good faith dispute as set forth in paragraph 13 below.
- 5.5 In the event of cancellation of a special project or service requested by the Client solely at the request of Client and without any fault of AXIS, prior to its completion, Client shall pay AXIS for the work performed by AXIS prior to notification of the cancellation. To the extent AXIS has made any commitments or agreements for services in connection with the cancelled project that are not cancelable, Client is liable for all out-of-pocket expenses incurred by AXIS, up to and including full payment owed to the third party by AXIS.

6. Price Adjustments.

- 6.1 The prices quoted herein are firm for the first eighteen months of the Initial Term.

6.2 After the first eighteen months, AXIS may increase prices every twelve months ("Price Adjustment Date") based on the increase, if any, in the Producer Price Index ("PPI") for selected stage of processing finished goods as calculated by the United States Department of Labor, Bureau of Labor Statistics <http://www.bls.gov/ppi> not to exceed such increase or 5%, whichever is less. Should the PPI decrease, prices will not be adjusted downward.

6.2.1 For purposes of calculating the price adjustment AXIS shall use the published PPI for the 3rd month prior to the Price Adjustment Data. The percentage increase shall be calculated by dividing the PPI index figure for the current year by the PPI index figure for the prior year multiplying by one hundred then subtracting one hundred to yield the percentage increase. Thus: (Current Year PPI Index/Prior Year PPI Index)*100)-100)

6.2.2 If the Department of Labor should discontinue publication of the above referenced PPI, then such other Index as may be published by the Department of Labor, or any other nationally recognized publisher of similar statistical information, which most approximates the discontinued Index, shall be substituted by AXIS for the discontinued Index.

7. Postage.

7.1 Client is responsible for the payment of the cost of all postage incurred hereunder.

7.2 Client is responsible for insuring that all addresses provided to AXIS will conform to all USPS requirements for automation mail, including, but not limited to address standardization, CASS certification, and compliance with the USPS Move Update program in order to qualify for USPS automation discounts. Client, at its option, can purchase additional services from AXIS for the purpose of insuring compliance with USPS requirements.

7.3 The postage Client is to pay shall be the actual cost of such postage, i.e. the cost is passed through to Client.

7.4 AXIS shall provide a reasonable estimate of the cost of postage to Client as soon as reasonably practicable and Client shall pay to AXIS such estimated amount in cleared funds at least one week prior to mailing. Any overage or underage shall adjust the amount Client shall pay to AXIS in the following months.

7.5 If Client pays the USPS directly for postage (i.e. AXIS uses Client's own permit account for mailings), then Client is responsible for insuring that there are adequate funds on deposit with the USPS to cover the cost of each mailing.

8. Taxes.

8.1 Client remains responsible for the payment of any and all federal, state, county and/or local sales, use or excise taxes related to the provisioning of services hereunder.

8.2 The Parties remain responsible for their own income and the like taxes.

9. Confidentiality.

9.1 Any Confidential Information disclosed by either party (a "Disclosing Party") to the other party (the "Receiving Party") is deemed to be the proprietary information of the Disclosing Party, and the Disclosing Party will retain title to and exclusive ownership of all such Confidential Information and to all copies thereof, and all rights (including intellectual property rights and other proprietary rights) therein. The Receiving Party will neither do nor permit to be done any act which may in any way jeopardize or be detrimental to the validity of the Disclosing Party's rights in the Confidential Information.

9.2 The Receiving Party will hold the Confidential Information strictly confidential and, except as provided in this Section 9, will not disclose such Confidential Information to any third party. The Receiving Party will use the Confidential Information solely to perform its obligations set forth in this Agreement. The Receiving Party will limit the use of, and access to the Confidential Information to its employees, agents or independent contractors ("Representatives") who have been informed of the confidentiality obligations hereunder and who have a need to know such information, provided that the Receiving Party acknowledges and agrees that it shall be responsible and held liable for the actions or inactions of such Representatives (regardless whether or not such actions or inactions are within their scope of engagement) with respect to the maintenance of the secrecy and confidentiality of the Confidential Information. The Receiving Party will, by all reasonable and appropriate means, prevent unauthorized disclosure, publication, display or use of any of the Confidential Information, including taking such steps as the Receiving Party takes to protect its own confidential information. In the event that the Receiving Party is ordered or required to disclose the Confidential Information pursuant to a judicial or governmental request, requirement or order, the Receiving Party will immediately notify the Disclosing Party and will, at the Disclosing Party's request and sole cost, take reasonable steps to assist the Disclosing Party in contesting such request, requirement or order or otherwise protecting the Confidential Information.

9.3 "Confidential Information" shall mean any and all information or documentation whatsoever relating to the business of the Disclosing Party that is marked confidential or proprietary or is treated by the Disclosing Party as confidential, regarding the Disclosing Party's services, activities, businesses, properties, operations, means, methods, clients, customers, business associates, or trade secrets related to the Disclosing Party, its businesses, properties, clients or prospects, and all other information or materials which the Company may from time to time designate and treat as confidential and proprietary or as a trade secret.

- 9.3.1 AXIS agrees that Client's records and data, including without limitation, non-public, personal information of Client's customers or members is also Confidential Information.
- 9.3.2 Client agrees that this Contract, any proposals and any pricing provided to Client by AXIS is also Confidential Information.
- 9.4 In the event of the improper disclosure or use by the other of a Parties' confidential information, then both parties agree and stipulate that such disclosure or use will give rise to irreparable harm and that the offended party may seek injunctive relief. Regardless of whether a party may seek injunctive relief as a result of a violation of this section, the offended party may nevertheless seek any and all other relief available to it, including monetary remedies. If the Disclosing Party or its successors in interest shall make application to a court of competent jurisdiction for injunctive relief to enforce this Agreement, the Receiving Party waives, to the greatest extent permissible, any requirement that the Disclosing Party post bond or other security as a precondition to an injunction, whether temporary or permanent.
- 9.5 AXIS may use the Confidential Information for those purposes contemplated by the Agreement for the performance of AXIS's obligations under the Agreement, but shall not use the Confidential Information other than as expressly permitted by the Agreement, as amended hereby, or as required by law.
- 9.5.1 AXIS shall maintain a record of all disclosures of Confidential Information made other than for the purposes of this Agreement, including the date of the disclosure, the name and, if known, the address of the recipient of the Confidential Information, a brief description of the Confidential Information disclosed, and the purpose of the disclosure. AXIS shall make such record available to CLIENT upon request.
- 9.5.2 AXIS shall promptly report to CLIENT any unauthorized access to or use or disclosure of Confidential Information by AXIS or its workforce or subcontractors, and the remedial action taken or proposed to be taken with respect to such use or disclosure.
- 9.5.3 Upon termination of this Agreement, AXIS shall return or destroy all Confidential Information that it maintains in any form, and shall retain no copies of such information or, if the parties agree that the return or destruction is not feasible, it shall continue to extend the protections of this Section to such information, and limit further use of the information to those purposes that make the return or destruction of the information infeasible.
- 9.6 An offended party may only recover money damages for breach of this confidentiality provision if the offending party's actions were willful or grossly negligent.

9.7 Nothing hereunder shall cause information that was previously properly in the other party's possession to become confidential, nor is any information that is commonly known (through no fault of the recipient party) made confidential hereby.

9.8 AXIS promises to comply with the terms of the Gramm-Leach-Bliley Act and NCUA Regulations Part 716 and 748, the Federal Credit Reporting Act, the Fair Accountability and Credit Transaction Act and any applicable state privacy laws (collectively "Privacy Laws") as they apply to the services provided by AXIS to Client under this Contract. Confidential Information includes the non-public personal information as defined by the Gramm-Leach-Bliley Act. AXIS promises to permit Client to audit policies and procedures regarding the protection of Confidential Information, upon reasonable notice.

10. Non-Circumvention, Non-Solicitation and Non-Competition.

10.1 As a result of the performance of the services contemplated herein, Client may come into contact with and become familiar with (i) AXIS's business, pricing and/or business means and methods, (ii) one or more of AXIS's clients/customers, and/or (iii) AXIS's employees ("Employees"). Accordingly, in addition to any obligations of confidentiality hereunder, Client agrees, during the Term and for a period of two (2) years from and after the termination of AXIS's rendition of Services to Client for any reason (the "Restricted Period"), as follows:

10.1.1 Neither Client nor AXIS will solicit or employ, contract and/or pay, directly and/or indirectly, any Employees of the other party for purposes of directly or indirectly engaging in a business which provides services substantially similar to or is otherwise competing with the other party's business.

10.1.2 Client will not engage, directly or indirectly, in providing services or products or offering to provide products or services of the kind provided by AXIS during the Term for/to AXIS's other Clients (including potential clients that AXIS has contacted during the Term for the purpose of offering to provide services).

10.2 In the event of breach of this section, the parties agree and stipulate that such breach will give rise to irreparable harm and that the non-breaching party may seek injunctive relief. Regardless of whether a party may seek injunctive relief as a result of a violation of this section, that party may nevertheless seek any and all other relief available to it, including monetary relief. If a party shall make application to a court of competent jurisdiction for injunctive relief to enforce this section, the other party waives, to the greatest extent permissible, any requirement to post bond or other security as a precondition to an injunction.

10.3 In the event a court of competent jurisdiction finds any provision of this section ten to be unenforceable, then this section ten will be deemed to be amended to the extent necessary to

render the otherwise unenforceable provision and the rest of the Contract valid and enforceable. If such court declines to amend this section ten as provided herein, the invalidity or unenforceability of any provisions of this section ten shall not affect the validity or enforceability of the remaining provisions of this section ten (or this contract), which shall be enforced as if the offending provision had not been included in this Contract.

11. Independence.

11.1 AXIS is and remains an independent contractor with the sole and exclusive right to determine the means and methods it may use to accomplish the services it has agreed to provide hereunder. Client likewise shall remain and is an independent entity separate and apart from AXIS.

11.2 Nothing herein shall be construed as giving rise to a joint venture or partnership between the parties and/or their successors.

12. Other Statements Excluded, etc.

12.1 The Parties agree and acknowledge that no promise, inducement, agreement, statement or representation not herein expressed has been made or relied on by them in entering into this contract. The Parties agree that this contract, and the exhibits hereto, which are incorporated by reference, contain the entire agreement between them and that all terms hereof are contractual and not mere recitals.

13. Dispute Resolution.

13.1 This Contract shall be construed and interpreted in accordance with the laws of Florida without regard to Florida's choice of laws/conflict of law rules and doctrines. Any case or controversy arising relative to this Contract shall exclusively and mandatorily be filed in the federal or state courts of Florida with authority in or over Orange County, Florida. The Parties agree and stipulate that venue and personal jurisdiction is properly laid in such court.

13.2 In the event of a breach of this Contract, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable attorneys' fees, paralegal fees and costs through all litigation including without limitation appeals and related proceedings.

14. Mutual Negotiations; Headings.

14.1 This Contract is the product of mutual negotiations and by and between AXIS and Client.

14.2 The section headings herein are for convenience only and shall have no substantive and/or interpretive effect.

15. Severability.

In the event a court of competent jurisdiction finds any provision of this Contract to be unenforceable, then this Contract will be deemed to be amended to the extent necessary to render the otherwise unenforceable provision and the rest of the Contract valid and enforceable. If such court declines to amend this Contract as provided herein, the invalidity or unenforceability of any provisions of this Contract shall not affect the validity or enforceability of the remaining provisions of this Contract, which shall be enforced as if the offending provision had not been included in this Contract. Moreover the Parties agree to cooperate in carrying out the spirit and intent of this Contract in light of any stricken or amended provisions.

16. Counterparts.

This Contract (including any exhibits as they may be from time to time) may be executed in counterparts and any of such counterparts may be transmitted by facsimile and/or e-mail (e.g. .tiff or .pdf) and each of such counterparts whether an original or an image of an original, will be deemed to be an original and all of such counterparts together will constitute a single agreement. Copies/images of original signatures are deemed to be an original.

17. Force Majeure.

Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from and/or delayed in performing such obligations by any act of war, hostile foreign action, nuclear explosion, civil insurrection, terrorist action, riot, strike, provider boycott, hurricane, tornado, wind storm, snow storm, fire, flooding, earthquake, volcanic explosion or other catastrophic natural event or act of God.

18. Notices.

Any notice concerning this Contract shall be in writing and deemed sufficiently given if actually received by the below listed person in writing by mail and/or sent to the below person at the below address by a nationally recognized overnight delivery service.

If to AXIS:

Mr. David Salazar
President
Advanced Xerographics Imaging Systems, Inc.
6851 TPC Drive
Orlando, Florida 32822-5142

If to Client:

Client Name
Client Contact
Client Contact Title
Client Contact Address

19. Assignment.

19.1 AXIS may assign its responsibilities under this Contract upon approval of Client which approval shall not be unreasonably withheld.

19.2 Should Client and/or AXIS be sold, merged, consolidated or substantially all of the assets be sold, then this Contract shall be assigned to and binding on the surviving/acquiring/resulting entity upon approval of the other party which shall not be unreasonably withheld.

20. Waiver and Modification.

20.1 Neither this Contract nor this provision may be orally modified or orally waived. To be effective, any modification or waiver of this Contract or any provision or term hereof must be in writing and signed by the party to be charged.

20.2 No failure or delay of either party hereto to exercise any power or right granted hereunder, or to insist on strict compliance with any obligation hereunder, and no custom or practice of the parties with regard to the terms of performance hereof, shall constitute a waiver of the rights of such party to demand full and exact compliance with the terms of this agreement.

21. Maintenance of Records.

21.1 Client agrees that it retains the responsibility for maintaining its own records regardless of the services AXIS agrees to provide hereunder.

21.2 Client agrees that it retains the responsibility for maintaining duplicate copies of source materials to mitigate against the possibility of data loss arising from any cause.

21.3 If any document or record becomes unusable while in AXIS's possession, then AXIS shall provide notice to Client and Client shall promptly provide a duplicate of such information to AXIS.

22. Warranties; Limitation of Liability; Indemnification.

22.1 AXIS warrants that the services provided pursuant to this Contract will result in the creation of products that are usable as the working records of Client.

22.2 Client is solely responsible for verifying that the services it is purchasing hereunder and the products that will result conform with any and all law and regulation applicable to Client. That is, it is Client's sole responsibility to determine and verify that the records (information and format) transmitted to its customers contain the information in the format required by law and/or any rule or regulation that may appertain. AXIS's duties hereunder are limited to receiving, processing and transmitting only the information it receives as directed by Client and in the form Client specifies in an accurate and timely manner and in accordance with the quality consistent with the industry.

22.3 Each party shall indemnify, defend and hold harmless, and to promptly reimburse the other party, its officers, directors, shareholders, employees and agents from and against any expenses, losses, damages, fines, settlements, judgments, expenditures or claims, including reasonable counsel fees, legal expenses and court fees, bond charges and/or premiums, as well as any and all other costs incurred by the other party arising out of any third party claim, action or proceeding and/or investigation, whether civil or criminal, any or all of which occur, whether actual or alleged, in connection with, or arising out of: (i) breach by such party of its obligations hereunder; (ii) negligence or willful misconduct of such party or its employees, officers or agents; (iii) failure to comply with applicable law; or (iv) any claims in which one party is named or joined with other party when such party has not engaged in any wrongful acts. The indemnified party will promptly notify the indemnifying part of any claims

22.4 Except as otherwise expressly provided in this document, **AXIS PROVIDES NO WARRANTIES OF ANY KIND WITH RESPECT TO ANY SERVICE MATERIAL OR PRODUCT IT PROVIDES HEREUNDER** AXIS PROVIDES NO WARRANTY OF FITNESS FOR ANY PARTICULAR USE.

22.5 **IN THE EVENT OF AN ERROR ON THE PART OF AXIS IN PROVIDING THE SERVICES AND/OR PRODUCTS/MATERIALS CONTEMPLATED HEREUNDER AND WITH THE EXCEPTION OF OBLIGATIONS UNDER SECTION 9 AND SECTION 2.2, CLIENT'S DAMAGES ARE LIMITED SOLELY TO THE RETURN OF THE PAYMENTS CLIENT HAS MADE TO AXIS FOR THE SERVICES AND/OR PRODUCTS AND/OR MATERIALS PROVIDED IMPROPERLY. IN NO EVENT WILL CLIENT BE ENTITLED TO RECOVER FROM AXIS ANY PUNITIVE, SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES. AXIS MAY IN ITS SOLE DISCRETION, IN LIEU OF RETURNING PAYMENTS TO CLIENT, CHOOSE TO REPROCESS AND/OR REPRINT AND/OR RESEND ERRONEOUS ITEMS.**

22.6 In the event of a data breach error on the part of AXIS in providing the services and/or products and/or materials contemplated hereunder, Client's damages are limited solely to costs and fees associated with Crisis Management Services provided to or received by Client for said breach

22.6.1 "Crisis Management Services" means professional services or advise by a crisis management service or firm to Client to mitigate the impact of a breach

of data, but not limited to: (1) reasonable and necessary expenses incurred to comply with such crisis management advice; (2) reasonable and necessary expenses incurred to satisfy Client's notification obligations under existing federal or state statutes or regulations; (3) reasonable and necessary expense incurred to satisfy Client's notification responsibilities under Client's obligations to its credit card issuer(s); and (4) reasonable and necessary expenses for credit file monitoring.

22.6.2 Crisis Management Services must be approved and authorized by AXIS. The Client has the right to retain a firm for provision of Crisis Management Services, but only after consulting with AXIS. Client may relinquish this right to AXIS, but AXIS does not have a duty to retain such firm.

23. Pricing Mistake

23.1 Should AXIS, at any time, determine that it has miscalculated or misstated (for any reason, including gross unilateral negligence) a pricing item hereof, then AXIS will promptly notify Client of such pricing error and set forth the correct term. The corrected pricing term shall thence forward be the pricing term except as modified below

23.2 Should Client find the corrected pricing term unacceptable, then Client may choose to cancel this Contract without penalty prior to the provision by AXIS of any new services or materials. Cancellation in this paragraph only applies to pricing mistakes.

24. Termination for Cause

24.1 Should AXIS materially fail to provide the services required by this Contract, then Client may provide AXIS with written notice of the breach in sufficient detail to enable AXIS to understand the specific nature of the breach and provide an opportunity for AXIS to cure the breach or end the violation within thirty (30) days of receipt of such written notice. If AXIS does not cure the breach or end the violation within thirty (30) days of such written notice, Client has forty-five (45) days to give written notice to terminate the contract.

24.2 Should Client fail to carry out the duties imposed upon it under this Contract, including, but not limited to paying for services rendered and materials provided (except for bona fide, good faith billing dispute), then AXIS may provide Client with written notice of the breach in sufficient detail to enable Client to understand the specific nature of the breach and provide an opportunity for Client to cure the specific nature of the breach or end the violation within thirty (30) days. If Client does not cure the breach or end the violation within thirty (30) days, AXIS has forty-five (45) days to give written notice to terminate the Contract.

24.3 As to the payment required of Client under paragraph 5 of the Master Contract, the times set forth in paragraph 25.2 shall instead be that AXIS may make a written demand for payment on the thirty-first (31st) day with the time to cure limited to five calendar days thereafter (including the day of notice as a day in the five). If Client does not make payment, then AXIS, at its option, may immediately suspend providing services under this Contract until payment is made, in addition to AXIS's right to immediately terminate the Contract for non-payment by giving written notice (except for bona fide, good faith billing dispute). This provision is in addition to any other remedies that AXIS may have pursuant to this Contract and otherwise under law for failure of Client to make timely payment of any invoice.

24.4 Neither Client's nor AXIS' remedies under this paragraph 25 shall be unreasonably imposed upon the other, and the parties agree to work together in good faith to resolve any breaches.

25. Subcontracting

25.1 If AXIS uses the services of a third-party, as necessary, to perform the services under this contract, then AXIS shall be responsible for all services performed by that third party.

26. AXIS Property

26.1 All computer programs and data processing systems, as well as all other equipment, systems, procedures and supplies utilized by AXIS in performing services hereunder shall be and remain the exclusive property of AXIS. Nothing in this Contract or in the course of the relationship between the Parties shall affect a transfer of such property, in whom or in part, to Client. For purposes of this Contract, the term "computer programs" includes all, but is not limited to, software, source codes, object codes, base codes, graphics, layouts, flowcharts, diagrams, program listings, magnetic impressions on tape or in the computer memory together with all the booklets, or manuals of instructions, whether handwritten or printed, or other related information and documentation.

27. Performance Standards

27.1 AXIS agrees that it will supply the services hereunder in accordance with the performance standards specified in each exhibit.

27.2 In the event AXIS fails to perform according to a performance standard for a period of thirty (30) days, then CLIENT may notify AXIS in writing of its non-compliance with the standards. AXIS shall then have thirty (30) days from receipt of written notice to correct the deficiency. This paragraph is subject to the provisions of

paragraph 17 Force Majeure and in the event AXIS is closed because of a Force Majeure event as defined in paragraph 17, such days shall not be counted for compliance purposes. In the event that AXIS is unable to meet the performance standard due to Client's fault or failure to meet an obligation under this Contract, including, but not limited to provision of data or materials in a timely manner, failure of Client supplied data or materials to meet specifications, or failure to make timely payment of invoices, AXIS shall use its best effort to meet the time frames, but shall not be in breach of this Contract.

27.3 In the event that AXIS does not correct the deficiency in thirty (30) days from receipt of written notice, then AXIS will provide a credit to Client of ten percent (10%) of the amount billed for the services that did not comply with the performance standard.

28. SSAE 16 Audit

28.1 AXIS shall have a SSAE 16 Type II audit (or equivalent) performed on an annual basis for each AXIS shared services facility at or from which the services by AXIS for Client under this Contract will be performed and provide it to Client annually at the cost listed on "Exhibit A" Pricing Schedule.

[Remainder of page intentionally blank]

[Signature Page to Master Contract]

In witness whereof, Advanced Xerographics Imaging Systems, Inc. and McCoy Federal Credit Union hereby cause this contract to be executed:

Advanced Xerographics Imaging Systems Inc.	Client Name
X _____	X _____
By: Mr. David R. Salazar	By: Client Contact Name
As: President	As: Client Contact Title
Date:	Date:

Exhibit "A"

Pricing Schedule

Pricing Items will be listed and itemized on this page

Exhibit "B"

General Processing Assumptions:

General Processing Assumptions for both parties will be listed on this page.

Exhibit “C”

Form of Later Added Services

Exhibit “___” to Master Contract between Advanced Xerographics Imaging Systems, Inc. (d/b/a AXIS, Inc. and AXIS Data Solutions) (“AXIS”) and (“Client”)(AXIS and Client are the “Parties”).

All capitalized terms used but not otherwise defined in this exhibit shall have the meanings given in the Master Contract, Master Contract Index and all of its exhibits (including those added later) (the “Contract”) between AXIS and Client of which this exhibit is a material part. This document, once signed by the parties, will become part of the Master Contract between the Parties. Except to the extent stated in the Exhibit, the terms and conditions of the Master Contract shall control.

Later Added Services

Duties of Client:

[Describe] **Duties of Axis:**

[Describe]

Pricing Schedule:

[Describe]

Delivery Schedule:

[Describe] **Other Terms:**

Advanced Xerographics Imaging Systems Inc.	Company Name
X _____	X _____
By: Mr. David R. Salazar	By: Company Representative
As: President	As: Title
Date:	Date:

CITY OF KEY WEST INDEMNIFICATION FORM

Contractor agrees to protect, defend, indemnify, save and hold harmless The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, agents, servants and employees, including volunteers, from and against any and all claims, debts, demands, expense and liability arising out of injury or death to any person or the damage, loss of destruction of any property which may occur or in any way grow out of any act or omission of the Contractor, its agents, servants, and employees, or any and all costs, expense and/or attorney fees incurred by the City as a result of any claim, demands, and/or causes of action except of those claims, demands, and/or causes of action arising out of the negligence of The City of Key West, all its Departments, Agencies, Boards, Commissions, officers, agents, servants and employees. The Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent. The City of Key West does not waive any of its sovereign immunity rights, including but not limited to, those expressed in Section 768.28, Florida Statutes.

These indemnifications shall survive the term of this agreement. In the event that any action or proceeding is brought against the City of Key West by reason of such claim or demand, Contractor shall, upon written notice from the City of Key West, resist and defend such action or proceeding by counsel satisfactory to the City of Key West.

The indemnification provided above shall obligate Contractor to defend at its own expense to and through appellate, supplemental or bankruptcy proceeding, or to provide for such defense, at the City of Key West's option, any and all claims of liability and all suits and actions of every name and description covered above which may be brought against the City of Key West whether performed by Contractor, or persons employed or utilized by Contractor.

The Contractor's obligation under this provision shall not be limited in any way by the agreed upon Contract Price as shown in this agreement, or the Contractor's limit of or lack of sufficient insurance protection.

CONTRACTOR: Advanced Xerographics Imaging Systems, Inc. SEAL:

6851 TPC Drive, Orlando, FL 32822

Address



Signature

David R. Salazar

Print Name

President

Title

DATE: April 9, 2012



THE CITY OF KEY WEST
Post Office Box 1409 Key West, FL 33041-1409

ADDENDUM # 1

Invitation to Bid (ITB) # 12-003 Utility Bill Processing, Printing, Postage, Print Stock, and Envelopes

April 3, 2012

To All Prospective Bidders:

The following changes, additions, and/or deletions are hereby made a part of the Bid Documents for the Utility Bill Processing, Printing, Postage, Print Stock, and Envelopes (ITB # 12-003) dated March, 2012 as fully and completely as if the same were fully set forth therein:

QUESTIONS FROM RESPONDANTS:
(Answers in Italics)

1. Is printing simplex or duplex?

The utility bills are printed duplex (two-sided) on one sheet of paper.

2. Please clarify 9x12 insertion envelopes? Are you looking for pricing on the envelopes, using 70 per month?

Correct. We have a small number of customers where multiple bills are sent in the larger 9"x12" envelopes. Cost should include fee for inserting other bills in 9"x12" envelopes.

3. How many pages generally go into one #10?

Just the one page duplex bill along with the # 9 return envelope.

4. Is there any printing on the #10 and #9 envelopes? Is the printing color or black and white?



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There is printing on both envelopes in one color (black). The # 10 envelope has the City's return address along with the City seal. The # 9 envelope has the City's address. Please see the photos of the envelopes that are part of this addendum.

5. Is there a window on the #9 BRE

There is no window on this return envelope.

6. I am requesting what the current contract costs are for this project and a copy of the bid tabulation when it was last bid.

# 9 Envelopes -	\$23.95 per 1,000
#10 Envelopes (with window)-	\$28.25 per 1,000
8 ½" x 11" Bill Stock 20 pound -	\$16.99 per 1,000
Postal Presort -	\$13.64 per 1,000
Laser Imaging -	\$40.87 per 1,000
Insertion of Bill + #9 Envelope -	\$ 34.06 per 1,000
9"x12" Envelope Insertion -	\$ 2.68 each

We do not have a copy of when the last time this project was bid. We piggybacked on a contract from another local utility – Keys Energy Services. Barrett and Company from Key West is our current contractor.

7. Is it possible to get a physical sample of your bills and envelopes?

We don't have time to send a physical sample to everybody, so I have included a photograph in this addendum.

8. Is there any color printing on your bill preprinted form?

No. All printing is in black.



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9. Is your return address printed in black on the #10 1-window outgoing envelope?

Yes it is, along with the City Seal.

10. Is the #9 return envelope a simple 1-window envelope?

There is no window on the return envelope. The return envelope is printed with the City's address and some other information. See photo for more information.

11. I would like to make a public record request for current contract information on Key West Local Utility billing, printing materials mailing services and postage associate with getting the monthly Sewer and Garbage billings produced and mailed.

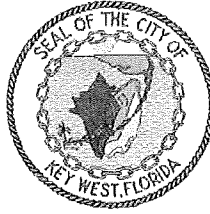
I have attached a copy of the City's current contract with this addendum.

12. Reading through your invitation to bid. I wanted to know if it would it be OK to substitute a double window #10 for the single window #10 you have in the Description of Current Environment. The reason I am asking is that a double window envelope eliminates an additional step in the production process of imprinting the logo and return address onto the face of a single window envelope -- thus eliminating the cost as well. Instead, the return address and logo is printed onto the bill which shows through the top window (I have attached an example).

By using a double window envelope across our entire customer base it allows everyone to benefit from a large envelope order, instead of running dozens of short runs for each individual customer. This would be helpful since we are trying to arrive as the lowest cost.

We plan on keeping our one window # 10 envelope that we are currently using. Please bid on a one window # 10 envelope.

13. Sungard has the ability to export multiple file formats; of the export file types, the PDF export is less desirable as these files have significantly less flexibility when it comes to format changes. Our normal process with Sungard customers is to work with their text export file or the multiple data table export files; we use these as we work with our



THE CITY OF KEY WEST

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customers to create a customized statement. Does this sufficiently cover the needs of the City?

We would prefer to use the same PDF export we are using currently.

14. Is it safe to assume that you require PDF image copies of all bills prior to printing, so you can review any and all statements?

Yes.

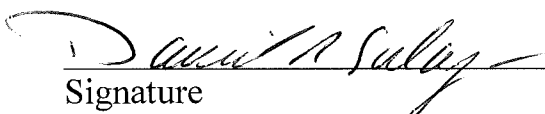
15. You state that 20 lbs is the minimum requirement, however automated payment vendors and equipment require 24 lbs long-grain paper. Do you anticipate requiring 24lbs long-grain paper for any automation in the future?

We anticipate that we will continue to use the 20 lbs minimum. No change is anticipated.

16. On the Bid Schedule, you are asking the cost for monthly quantities of #9 envelopes. We normally use selective feeding for #9 envelopes to save our customers money for Bank Draft customers and other accounts that are paid automatically. Do you have an estimate of the accounts that would not require #9 envelopes in your mailings, if any?

We do not have such an estimate. You should plan on using the full amount of # 9 envelopes.

All Bidders shall acknowledge receipt and acceptance of this Addendum # 1 by acknowledging this Addendum in their proposal or by submitting the addendum with the bid package. Bids submitted without acknowledgement or without this Addendum may be considered non-responsive.


Signature

Name of Business