

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG

FOR: ALL USING AGENCIES OF THE COMMONWEALTH
SUBJECT: AGENCY NOTIFICATION OF AWARD
CONTRACT NAME: INTERNET-BASED NEWS AND INFORMATION SERVICE
CONTRACT PERIOD: Beginning MARCH 15, 2002 and Ending MARCH 14, 2004

CONTRACT MANUAL INDICATOR: M
CONTRACT RESTRICTION CODE: 0

FIELD PURCHASE ORDERS: Using agencies may issue field purchase orders against this contract. These orders constitute the contractor's authority to make delivery. All field purchase orders received by the contractor up to and including the expiration date of the contract are acceptable and must be shipped in accordance with the delivery time specified in the contract. Contractors are not permitted to accept field purchase orders which require deliveries extended beyond the delivery time specified in the contract. Each field purchase order will be deemed to incorporate the terms and conditions set forth in this contract.

Field purchase orders may be issued through electronic data interchange ("EDI") or through facsimile equipment. EDI will involve the electronic transmission of field purchase order information from the using agency via a Value Added Network ("VAN") and the acknowledgement of receipt of the transmission by the contractor. Receipt of the electronic or facsimile transmission of the field purchase order shall constitute receipt of an order. Orders received by the contractor after 4:00 p.m. will be considered received the following business day.

In the event of the issuance of a field purchase order through EDI, the Commonwealth and the contractor specifically agree as follows:

- a. Upon receipt of an order through EDI, the contractor shall promptly and properly transmit an acknowledgement in return. Any order which is issued through EDI shall not give rise to any obligation to deliver on the part of the contractor unless and until the Commonwealth agency transmitting the order has properly received an acknowledgement.
- b. The parties agree that no hand-written signature shall be required in order for the field purchase order to be legally enforceable. To the maximum extent permitted by law, the parties hereby define and adopt the confidential codes that they will affix or include on the order to the acknowledgement as any necessary "signature" that may be required by law. Any field purchase order or acknowledgement which contains or includes the confidential code shall be deemed for all purposes to have been "signed" and to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business. Neither party shall disclose to any unauthorized person the "signatures" of the other party. The Commonwealth shall share its confidential code(s) after award of the contract.
- c. The parties agree that no writing shall be required in order to make the order legally binding, notwithstanding contrary requirements in any law. The parties hereby agree not to contest the validity or enforceability of a genuine field purchase order or acknowledgement issued through EDI under the provisions of a statute of frauds or any other applicable law relating to whether certain agreements be in writing and signed by the party bound thereby. Any genuine field purchase order or acknowledgement issued through EDI, if introduced as evidence on paper in any judicial, arbitration, mediation, or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither party shall contest the admissibility of copies of genuine field purchase orders or acknowledgements under either the business records exception to the hearsay rule or the best evidence rule on the basis that the order or acknowledgement shall be deemed to be genuine for all purposes if: (a) it contains the proper access code assigned to the party from which the document appears to have originated, and (b) it is transmitted to the location designated for such documents in the procedure agreed to by the parties.

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

ESTIMATED QUANTITIES: It shall be understood and agreed that any quantities listed in the proposal are estimated only and may be increased or decreased in accordance with the actual requirements of the Commonwealth and that the Commonwealth in accepting any bid or portion thereof, contracts only and agrees to purchase only the supplies, equipment, and materials in such quantities as represent the actual requirements of the Commonwealth. The Commonwealth reserves the right to purchase items covered by this contract from another source if the price is lower than the contract price.

IDENTIFICATION NUMBER: The vendor's federal identification number must be typed in the designated space on the Field Purchase Order.

COMMODITY IDENTIFICATION NUMBER: Each item shown on the Field Purchase Order must be identified by its complete commodity number.

TAXES: The Commonwealth is exempt from all Federal excise and transportation taxes, is exempt from the provisions of the Fair Trade Law, and is exempt from the Pennsylvania sale and use tax upon the purchase of tangible personal property. Registration number with the Internal Revenue Service is **23740001-K**. Nothing in this paragraph is meant to exempt a construction contractor from the payment of sales or use tax required to be paid with respect to its construction contract.

ACCEPTANCE: Payment should not be construed by the awarded vendor as acceptance of equipment, goods, materials or supplies furnished under this contract. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after delivery, and to reject the equipment, goods, materials or supplies if such post-payment testing or inspection discloses a defect or a failure to meet specifications.

ASSIGNMENT OF ANTITRUST CLAIMS: Vendor and the Commonwealth recognize that in actual economic practice, overcharges by vendor's suppliers resulting from violations of State or Federal Antitrust Laws are in fact borne by the Commonwealth. As part of the consideration for the award of this contract, and intending to be legally bound, vendor assigns to the Commonwealth all right, title and interest in and to any claims vendor now has or may hereafter acquire under State or Federal Antitrust Laws relating to the goods or services which are the subject of this contract.

ORDERS UNDER \$1,500.00: For orders involving less than \$1,500.00, the Commonwealth will accept only a complete shipment of all items and a single invoice for the items.

OPTION TO EXTEND: The Commonwealth reserves the right to extend this contract or any part of this contract up to three (3) months. This should be utilized to prevent a lapse in contract coverage and only for the time necessary, up to three (3) months, to issue the new contract.

SPECIAL CONTRACT TERMS AND CONDITIONS

CONTRACT SCOPE/OVERVIEW: This Contract No. 9985-12 (identified here and in the other documents as the "Contract") will cover the requirements of Commonwealth agencies for Internet-Based News and Information Service that focuses on public affairs, politics and state government.

ORDER OF PRECEDENCE: These Special Contract Terms and Conditions supplement the Standard Contract Terms and Conditions For Statewide Contracts for Services. To the extent that these Special Contract Terms and Conditions conflict with the Standard Contract Terms and Conditions For Statewide Contracts for Services, these Special Contract Terms and Conditions shall prevail.

TERM OF CONTRACT: The Contract shall commence on the Effective Date which shall be no earlier than March 15, 2002 and expire on March 14, 2004.

OPTION TO EXTEND: The Department of General Services reserves the right, upon notice to the Contractor, to extend the Contract or any part of the Contract for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Contract coverage and only for the time necessary, up to three (3) months, to enter into a new contract.

OPTION FOR SEPARATE COMPETITIVE BIDDING PROCEDURE: The Department of General Services reserves the right to purchase services covered under this Contract through a separate competitive bidding procedure, whenever the department deems it to be in the best interest of the Commonwealth. The right will generally be exercised only when a specific need for a large quantity of the supply exists or the price offered is significantly lower than the Contract price.

ADDRESS OF FIELD PURCHASE ORDER: Commonwealth agencies may issue field purchase orders against this Contract for services required by the agencies (using agencies). Please state below where the Field Purchase Orders should be sent (name, address, city, state, zip code).

The Contractor will grant to each person listed on the agency field purchase order a non-exclusive, non-transferable, limited license to access the service in accordance with the terms and conditions of this Contract. The field purchase order shall list those persons for whom the Agency is purchasing subscriptions, together with each person's user ID and password. The agency person is licensed to use the data made available through the service ("the data") solely in the regular course of research, analysis, constituent service and related work. Except as otherwise expressly provided, the license includes the right to download and temporarily

store insubstantial portions of the data to a storage device under the agency's exclusive control solely (i) to display internally such downloaded data and (ii) to quote and excerpt from such downloaded data (appropriately cited and credited) by electronic cutting and pasting or other means in memoranda, letters and similar work product created by the agency in the regular course of business. The agency may also create printouts of such downloaded and temporarily stored data for, (!) internal use or (ii) distribution to third parties if the printout includes a credit to the service and such third parties agree not to further distribute the printouts, Any reference to the data in this Contract shall include and be applicable to downloaded data and printouts.

Option to Renew: The Contract or any part of the Contract may be renewed by the Department of General Services for three (3) additional one (1) year terms. If the contract is renewed, the same terms and conditions shall apply.

Price Adjustments: In the event of contract renewal(s), the Contractor may increase its rates at the consent of the Commonwealth. Contractor will be permitted to increase prices at the beginning of each contract renewal period. Prices must remain firm during the initial two-year contract period. The contractor shall submit a letter with the new rates to the Department of General Services Buyer listed on the contract requesting review and approval of the increase. If approved, a Contract change notice will be issued indicating the updated rates.

Description of the Service: The Contractor owns an Internet-based news and Information service that focuses on public affairs, politics and state government (hereinafter "the service"). The service incorporates news and information features (such as, but not limited to, "Under the Dome" and "Today's Headlines"), databases and functions that are presented to subscribers on linked Web pages. The Contractor will update the service at least once each day, Monday through Friday (except holidays observed by the Commonwealth of Pennsylvania). The service and the Contractor's registered World Wide Web site, capitolwire.com, are subject to protection under the copyright, trade secret, and other Intellectual property laws, of the United States and other jurisdictions.

Limitations: Agencies may not copy, download, store, publish, transmit, transfer, broadcast, sell or otherwise use the data, or any portion thereof, in any form or by any means, except (i) as expressly permitted by this Contract, (ii) with the Contractor's prior written permission, which shall not be unreasonably withheld, or (iii) if not expressly prohibited by this Contract, as allowed under the fair use provisions of the Copyright Act (17 U.S.C. § 107). Data shall not be stored or used in an archival database or other searchable database except as expressly permitted by this Contract or as quoted in the agency's work product. Agencies shall not sell, license, publish, broadcast or distribute the data to third parties or use the data as a component of or as a basis for any material offered for sale, license or distribution. Agencies may not reverse engineer, decompile, disassemble or otherwise attempt to discern the source code of the components of the service. Further, Agencies may not reproduce all or any portion of the components of the service, Agencies may use any information cached in the Agency's local disk drive solely in support of its use of the service and for no other purpose. Agencies shall utilize their best efforts to notify their employees, which the Agencies reasonably believe may have access to the service of the restrictions contained herein and shall utilize their best efforts to ensure their compliance with these restrictions. The Contractor may terminate this Contract or, at its option, any field purchase order or any person's access to and use of the service, upon ten (10) days written notice to the Department of General

Services or to the Ordering Agency in the event an Agency fails to comply with any term or condition set forth in this Contract.

Rights in Data: Except for the license granted in this Contract, all right, title and interest in the data, in all languages, formats and media, including all copyrights, are and shall continue to be the exclusive property of the contractor.

Additional Terms and Conditions: The Contractor may, in its sole discretion, add certain databases or news and information features (hereinafter "additional features") to the service from time-to-time. The Agencies shall have a non-exclusive, non-transferable option to acquire and use any such additional features, The contractor reserves the right, after affording notice and opportunity to review, to propose terms and conditions, including charges, that are different than those set forth in this Contract for the Agencies' use of additional features, If acceptable to the parties, any such additional terms and conditions, as agreed to by the parties, shall be set forth in writing in the form of an amendment to this Contract.

Charges and Terms of Agreement:

(a.) Option 1 : Individual Subscriptions to Capitolwire.com

Base Price: \$1,100 per year

Subscription period is March 15, 2002 to March 14, 2003

Subscriptions beginning after March 15, 2002 are prorated by Month.

Subscription is for Pennsylvania edition

Capitolwire currently publishes editions in New Jersey, New York, Ohio and Virginia.

One Additional Edition is \$150 per year

Four Additional Editions are \$500

Option 2: Agency Bulk Subscriptions

-Bulk Subscriptions offer steep discounts on the per subscriber rate in order to encourage an agency to allow more executives and managers to have the content and information that they deem important in a more timely manner. Minimum subscribers for bulk subscriptions are based on the overall size of the agency.

-Bulk subscriptions give subscribers access to all editions published on capitolwire.com

-Additional subscribers can be added to a bulk subscription for \$200 per year per Subscriber

-Agencies with more than 2,000 Employees

- Up to 60 subscribes for \$25,000 year

-Agencies with more than 500 Employees

- Up to 35 subscribers for \$15,000 per year

-Agencies with more than 150 Employees

- Up to 25 subscribers for \$10,000 per year
- Agencies with less than or equal to 150 Employees
- Up to 15 subscribers for \$6,000 per year

Option 3: Headlines Subscription for Commonwealth of PA Agencies

-The headline subscription provides capitolwire content that can be republished on an agency intranet and made available to those agency employees with internet access from their network connection. This subscription provides more limited content to a broader audience.

-The headline subscription is an aggregated set of news headline clippings and press releases most relevant to the public policy issues managed by the agency. For instance, the Department of Environmental Protection can subscribe to headlines and content about Environmental Issues and the Department of Revenue can subscribe to headlines and content about Taxation.

-The headlines are delivered to the agencies intranet as either an XML file, or can be hosted on a capitolwire server using scripting techniques that seamlessly integrate the headlines into the agencies intranet site.

-Pricing:

-Pricing is based on delivering a headline subscription daily, M-F, except state holidays.

-10 Headlines per Day

\$5000 or \$425 per month

-15 Headlines per day

\$7125 or \$600 per month

-20 Headlines per day

\$8750 per year or \$735 per month

-25 Headlines per day

\$10,000 per year or \$910 per month

-Requirements and Restrictions:

-Subscription is restricted to authorized users of agency intranet web site, but may include non-agency employees who are authorized to access intranet. Subscription must not be made available to general public.

-Individual Users should have access to Internet. Headlines and Content generally require links to websites of newspapers and other media and would not be viewable to subscribers with intranet only privileges.

-Number of users is not otherwise restricted.

-The agency via Intranet webmaster must create a web page to host the headlines subscriptions. Capitolwire provides computer code that is placed on the page, unless Commonwealth opts to use XML. Capitolwire can provide examples and will provide up to 4 hours of technical support to set-up the host page.

-Description of Subscribed Content:

-Subscription is daily selection of -

- 1) Links to Daily newspaper articles from around Pennsylvania and neighboring states regarding stories relevant to the mission of the

Commonwealth and its agencies. Links to newspaper articles are posted on site by 9:00 AM for daily editions of newspapers.

2) Press Releases, Announcements and similar original source material collected by Reporters throughout the day. Press Releases are posted on the site by 3:00 PM for the day and will remain on site for 24 hours.

3) Original Stories by Capitolwire. These are news articles and briefs written by capitolwire.com staff and are posted on the site at 9:00 AM the day after publication.

- (b.) The Ordering Agency shall pay the Contractor the subscription fees for access to and use of the service in the amounts and according to the payment terms stated in the Contract. Agencies may add or delete subscriptions upon written notice to the Contractor given at least ten (10) business days prior to the effective date of the change. Each Agency is responsible for notifying the Contractor in writing of any necessary user identification or password changes. All other charges including, without limitation, equipment, software and third party telecommunications charges, are not included in the subscription fees payable to the Contractor and are the responsibility of the Ordering Agency. The Contractor is required to establish separate billing accounts with each Ordering Agency and to invoice them directly.

Warranties, Disclaimer of Warranties and Limitation of Liability: The service and the data are provided "as is," without warranty of any kind, express or implied, including, but not limited to, warranties of performance, merchantability, fitness for a particular purpose, accuracy, omissions, completeness, currentness and delays. The Agencies' exclusive remedy and the Contractor's entire liability under this Contract, if any, for any claim(s) for damages relating to the service which are made against the Contractor, its officers, employees and agents, individually or jointly, whether based in contract or negligence, shall be limited to the greater of the aggregate amount of the subscription fees paid by the Agencies or \$50,000. In no event shall the Contractor be liable to the Agencies for any claim(s) relating in any way to (1) the Agencies' inability or failure to perform research or related work or to perform the same properly or completely, even if assisted by the service, or any decision made or action taken by the Agencies in reliance upon the service or the data, (ii) any lost profits or other consequential, exemplary, incidental, indirect or special damages relating in whole or in part to the Agencies' rights under this Contract or use of, or inability to use, the service, even if the Contractor has been advised of the possibility of such damages, or (iii) the procuring, compiling, interpreting, editing, writing, reporting, or delivering of the data, Further, the data may include views, opinions, and recommendations of individuals or organizations whose thoughts are deemed of interest, and the Contractor does not endorse such views, give investment, tax or legal advice, or advocate the purchase or sale of any security. The Contractor has used and shall continue to use due care in reporting news and otherwise presenting data through the service. However, the provision of the service entails the likelihood of some reasonable human and machine errors, delays, interruptions, and losses, including the inadvertent loss of data or damage to media.

The performance of the service varies with the manufacturers' equipment with which it is used, The Contractor does not warrant the reasonable level of performance of the service, that the service and its functions will meet the Agencies' hardware or software capabilities, or that the service will be uninterrupted, secure or error free. Agencies are solely responsible for determining whether the service will achieve their performance expectations and meet their hardware and software requirements. Agencies are solely responsible for maintaining the security of user identifications and passwords. The Contractor makes no warranty regarding the life of any uniform resource locator (URL) generated or published by the Contractor.

Force Majure: The parties acknowledge that the service is subject to interruption and delay due to causes beyond the Contractor's reasonable control such as acts of God, acts of any government, war or other hostility, civil disorder, the elements, fire, explosion, power failure, equipment or software failure, industrial or labor dispute, inability to obtain necessary supplies and the like. No such interruption or delay shall constitute a material breach of this Contract by the Contractor, provided that the Contractor restores the service within a reasonable period of time after the cause of the interruption or delay is removed.

INQUIRIES: Direct all questions concerning this contract to Kathy Krause, Telephone No. 717-787-2389 or e-mail: kakrause@state.pa.us

CONTRACT VENDOR LIST

The contractor(s) identified by an "X" in the Act 57 column has agreed to sell the awarded item(s) at the same prices and/or discounts, and in accordance with the contractual terms and conditions, to local public procurement units which elect to participate in the contract. A "local public procurement unit" is defined as: any political subdivision; public authority; educational, health, or other institution; and to the extent provided by law, any other entity, including a council of governments or an area government; nonprofit fire, rescue, or ambulance company; and any nonprofit corporation operating a charitable hospital. Unless otherwise specified below, payment terms are Net 30 days

ACT 57	VENDOR #/ FIN	SUFFIX	VENDOR NAME/ADDRESS	TELEPHONE NO.	FAX NO.	CONTACT PERSON
	25-1804674		CAPITOL WIRE INC. 810 EISENHOWER BLVD. SUITE 11 MIDDLETOWN PA 17057	(717) 986-0225, EXT. 3121	(717) 986-0965	SCOTT REILLY

CONTRACT NO. 9985-12

ITEM NO.	COMMODITY CODE NO. FOR DGS ONLY	MANUFACTURER	PRICE LIST TITLE AND DATE	PERCENT DISCOUNT	VENDOR FIN NUMBER
1	9999-5500-005	CAPITOL WIRE INC.	Fee Schedule effective March 2002	0	25-1804674

Contract Number: 9985-12
Change Number: 1
Change Effective Date: IMMEDIATELY

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG

For: ALL USING COMMONWEALTH AGENCIES
Subject: INTERNET-BASED NEWS AND INFORMATION SERVICE
Contract Period: Effective date of March 15, 2002 through March 14, 2004
Buyer Name: B23/Norman John Kee 717 787 7675

CHANGE SUMMARY: CHANGE OF OWNERSHIP: LINE ITEM 1, SERVICE CODE 9999-5500-005, FROM CAPITOL WIRE INC TO PRESS ASSOCIATION INC., FIN 13-1182832. THE ADDRESS, PHONE, FAX AND CONTACT PERSONNEL REMAIN THE SAME.

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT WHICH ARE NOT CHANGED BY THIS AMENDMENT REMAIN IN FULL FORCE AND EFFECT.

Contract Number: 9985-12
Change Number: 2
Change Effective Date: March 15, 2004

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG

For: ALL USING COMMONWEALTH AGENCIES
Subject: INTERNET-BASED NEWS AND INFORMATION SERVICE
Contract Period: Effective date of March 15, 2002 through March 14, 2004 (has renewed through
March 14, 2006)

Buyer Name: B23/Norman John Kee 717 787 7675

CHANGE SUMMARY:

In accordance with the Option to renew clause contained within the referenced contract PRESS ASSOCIATION INC. (formerly Capitol Wire) , SAP Purch. Doc. 4600004508 has renewed their contract through March 14, 2006. In addition, they have increased their individual subscription rate from \$1,100.00 to \$1,175.00. Randy Picht is the new Director of Capitol Wire, Phone: 717-985-0225 ext. 3103 – Fax: 717-986-0965

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT WHICH ARE NOT CHANGED BY THIS AMENDMENT REMAIN IN FULL FORCE AND EFFECT.

Contract Number: 9985-12

Collective Number: None

Change Number: 3

Change Effective Date: March 19, 2004

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG

For: ALL USING COMMONWEALTH AGENCIES
Subject: INTERNET-BASED NEWS AND INFORMATION SERVICE
Contract Period: Effective date of March 15, 2002 through March 14, 2004 (has renewed through
March 14, 2006)

Buyer Name: B23/Norman John Kee 717 787 7675

CHANGE SUMMARY:

Correction of phone number: PRESS ASSOCIATION (formerly Capitol Wire), Randy Picht:
717-986-0225 ext. 3103 – Fax: 717-986-0965

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT WHICH ARE NOT CHANGED BY THIS
AMENDMENT REMAIN IN FULL FORCE AND EFFECT.

Contract Number: 9985-12
Change Number: 4
Change Effective Date: IMMEDIATELY

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES
HARRISBURG

For: ALL USING COMMONWEALTH AGENCIES
Subject: INTERNET-BASED NEWS AND INFORMATION SERVICE
Contract Period: Effective date of March 15, 2002 through March 14, 2004 (Renewed Through March 14, 2006)
Buyer Name: B23/Norman John Kee 717 787 7675 nkee@state.pa.us

CHANGE SUMMARY:

CHANGE OF OWNERSHIP: **FROM** PRESS ASSOCIATION D/B/A CAPITOL WIRE INC **TO** GOVNETPA, INC. D/B/A CAPITOL WIRE;
227 State Street, Harrisburg, PA. 17101 Contact: Al Neri, Director
717-236-1090 Purch. Doc. 4600008381, VIN 203755 e-mail aneri@capitolwire.com

ALL OTHER TERMS AND CONDITIONS OF THIS AGREEMENT WHICH ARE NOT CHANGED BY THIS AMENDMENT REMAIN IN FULL FORCE AND EFFECT.