	South Carolina Education Lottery Invitation for Bids	Solicitation: FY18PencilsIFB11202017 Date Issued: November 20, 2017 Procurement Officer: PETRINA F. MARSH Phone: 803-737-2808 E-Mail Address: Petrina.Marsh@sclot.com Mailing Address: SC Education Lottery Attention: Petrina F. Marsh PO Box 11949 Columbia SC 29211-1949
---	---	--

DESCRIPTION: **FY18 "Golf-Style" Pencils Without Erasers**

USING GOVERNMENTAL UNIT: **South Carolina Education Lottery**

SUBMIT YOUR OFFER VIA EMAIL TO THE FOLLOWING ADDRESS: Petrina.Marsh@sclot.com
--

SUBMIT OFFER BY (Opening Date/Time): **12/05/2017 2PM EST** (See "Deadline For Submission Of Offer" provision)

QUESTIONS MUST BE RECEIVED BY: **11/28/2017 2PM EST** (See "Questions From Offerors" provision)

NUMBER OF COPIES TO BE SUBMITTED: One (1) Original Hardcopy and/or One (1) Electronic Copy. (See "Submitting Redacted Offers" provision Section IV, "Submitting Confidential Information," Section II.A.)

CONFERENCE TYPE: N/A DATE & TIME: <small>(As appropriate, see "Conferences - Pre-Bid/Proposal" & "Site Visit" provisions)</small>	LOCATION: N/A
--	----------------------

AWARD & AMENDMENTS	Intent to Award should be posted 12/06/2017 . The award, this solicitation, any amendments, and any related notices will be posted at the following web address: http://www.sceducationlottery.com/lottery/procurement.aspx
-----------------------------------	--

You must submit a signed copy of this form with Your Offer. By signing, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of ninety (90) calendar days after the Opening Date. (See "Signing Your Offer" provision.)

NAME OF OFFEROR <small>(full legal name of business submitting the offer)</small>	Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc.
AUTHORIZED SIGNATURE <small>(Person must be authorized to submit binding offer to contract on behalf of Offeror.)</small>	DATE SIGNED
TITLE <small>(business title of person signing above)</small>	STATE VENDOR NO. <small>(Register to Obtain S.C. Vendor No. at www.procurement.sc.gov)</small>
PRINTED NAME <small>(printed name of person signing above)</small>	STATE OF INCORPORATION <small>(If you are a corporation, identify the state of incorporation.)</small>

OFFEROR'S TYPE OF ENTITY: (Check one)		<small>(See "Signing Your Offer" provision.)</small>
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Other _____
<input type="checkbox"/> Corporate entity (not tax-exempt)	<input type="checkbox"/> Corporation (tax-exempt)	<input type="checkbox"/> Government entity (federal, state, or local)

PAGE TWO

(Return Page Two with Your Offer)

HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)	NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) (See "Notice" clause)
	_____ Area Code - Number - Extension Facsimile _____ E- mail Address

PAYMENT ADDRESS (Address to which payments will be sent.) (See "Payment" clause)	ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders and "Contract Documents" clauses)
_____ Payment Address same as Home Office Address _____ Payment Address same as Notice Address (check only one)	_____ Order Address same as Home Office Address _____ Order Address same as Notice Address (check only one)

ACKNOWLEDGMENT OF AMENDMENTS
 Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See "Amendments to Solicitation" Provision)

Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date

DISCOUNT FOR PROMPT PAYMENT (See "Discount for Prompt Payment" clause)	10 Calendar Days (%)	20 Calendar Days (%)	30 Calendar Days (%)	_____ Calendar Days (%)
--	----------------------	----------------------	----------------------	-------------------------

PREFERENCES - A NOTICE TO VENDORS (SEP. 2009): On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at www.procurement.sc.gov/preferences . **ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES.** [11-35-1524(E)(4)&(6)]

PREFERENCES - ADDRESS AND PHONE OF IN-STATE OFFICE: Please provide the address and phone number for your in-state office in the space provided below. An in-state office is necessary to claim either the Resident Vendor Preference (11-35-1524(C)(1)(i)&(ii)) or the Resident Contractor Preference (11-35-1524(C)(1)(iii)). Accordingly, you must provide this information to qualify for the preference. An in-state office is not required, but can be beneficial, if you are claiming the Resident Subcontractor Preference (11-35-1524(D)).

_____ In-State Office Address same as Home Office Address _____ In-State Office Address same as Notice Address

(CHECK ONLY ONE)

Table of Contents

SECTION I-- SCOPE OF SOLICITATION	1
ACQUIRE SERVICES	1
MAXIMUM CONTRACT PERIOD - ESTIMATED	1
IMPORTANT DATES RELATED TO SOLICITATION	1
SECTION IIA--INSTRUCTIONS TO OFFERORS--GENERAL.....	2
DEFINITIONS, CAPITALIZATION, AND HEADINGS	2
AMENDMENTS TO SOLICITATION.....	2
AUTHORIZED AGENT	3
AWARD NOTIFICATION.....	3
BID/PROPOSAL AS OFFER TO CONTRACT	3
BID ACCEPTANCE PERIOD.....	3
BID IN ENGLISH and DOLLARS	3
CERTIFICATE OF INDEPENDENT PRICE DETERMINATION	3
CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS	4
CODE OF LAWS AVAILABLE.....	4
DEADLINE FOR SUBMISSION OF OFFER.....	4
DISCLOSURE OF CONFLICTS OF INTEREST OR UNFAIR COMPETITIVE ADVANTAGE	5
DRUG FREE WORK PLACE CERTIFICATION	5
DUTY TO INQUIRE.....	5
ETHICS CERTIFICATE	5
IRAN DIVESTMENT ACT - CERTIFICATION	5
OMIT TAXES FROM PRICE	6
OPEN TRADE REPRESENTATION	6
PROTESTS	6
PROHIBITED COMMUNICATIONS AND DONATIONS	6
PUBLIC OPENING	6
QUESTIONS FROM OFFERORS	6
REJECTION/CANCELLATION	7
RESPONSIVENESS/IMPROPER OFFERS	7
SIGNING YOUR OFFER	7
STATE OFFICE CLOSINGS.....	7
SUBMITTING CONFIDENTIAL INFORMATION	8
SUBMITTING A PAPER OFFER OR MODIFICATION.....	8
TAX CREDIT FOR SUBCONTRACTING WITH DISADVANTAGED SMALL BUSINESSES.....	8
WITHDRAWAL OR CORRECTION OF OFFER	8
SECTION IIB--INSTRUCTIONS TO OFFERORS--SPECIAL.....	9
BIDDING INSTRUCTIONS.....	9
CLARIFICATION	9
MAIL PICKUP.....	9
OFFERING BY LOT	9
PREFERENCES-A NOTICE TO VENDORS.....	9
PREFERENCES-SC/US END-PRODUCT	9
PREFERENCES-RESIDENT VENDOR PREFERENCE	9
PROTEST - CPO – MMO ADDRESS	10
SAMPLES.....	10
UNIT PRICES REQUIRED	10
SECTION III--SCOPE OF WORK/SPECIFICATIONS	11
SPECIFICATIONS	11
DELIVERY/PERFORMANCE LOCATION - SPECIFIED	12

DELIVERY DATE - SPECIFIED	13
QUALITY-NEW	13
SECTION IV—INFORMATION FOR OFFERORS TO SUBMIT.....	14
INFORMATION FOR OFFERORS TO SUBMIT - GENERAL	14
MINORITY PARTICIPATION	14
SECTION V—QUALIFICATIONS	15
QUALIFICATIONS OF OFFEROR.....	15
SECTION VI—AWARD CRITERIA-BIDS	15
AWARD CRITERIA - BIDS.....	15
AWARD TO ONE OFFEROR	15
CALCULATING THE LOW BID	15
UNIT PRICE GOVERNS	15
SECTION VIIA—TERMS AND CONDITIONS--GENERAL.....	16
ASSIGNMENT, NOVATION, AND CHANGE OF NAME, IDENTITY, OR STRUCTURE	16
AUDIT	16
BANKRUPTCY - GENERAL	16
CHOICE-OF-LAW.....	16
CONTRACT DOCUMENTS and ORDER OF PRECEDENCE	16
DISPUTES AND JURISDICTION	17
EQUAL OPPORTUNITY	17
FIXED PRICING REQUIRED	17
NO INDEMNITY OR DEFENSE.....	17
NOTICE	17
OPEN TRADE	17
PAYMENT AND INTEREST	18
PUBLICITY	18
PURCHASE ORDERS.....	18
IRAN DIVESTMENT ACT - ONGOING OBLIGATIONS.....	18
SURVIVAL OF OBLIGATIONS.....	18
TAXES	18
THIRD PARTY BENEFICIARY	19
WAIVER	19
SECTION VIIB—TERMS AND CONDITIONS--SPECIAL.....	20
CHANGES.....	20
CONTRACT INTERPRETATION.....	20
MATERIAL AND WORKMANSHIP	20
PRICE ADJUSTMENTS	20
PRICE ADJUSTMENT—LIMITED—AFTER INITIAL TERM ONLY	21
PRICE ADJUSTMENTS—LIMITED BY PPI	21
RELATIONSHIP OF THE PARTIES	21
SHIPPING/RISK OF LOSS	21
TERM OF CONTRACT—EFFECTIVE DATE/INITIAL CONTRACT PERIOD	21
TERM OF CONTRACT—OPTION TO RENEW	21
TERMINATION FOR CONVENIENCE	22
SECTION VIII—BIDDING SCHEDULE/PRICE-BUSINESS PROPOSAL.....	23
PRICE PROPOSAL	23
BIDDING SCHEDULE.....	23
HISTORICAL PRICING INFORMATION	26
SECTION IX—ATTACHMENTS TO SOLICITATION	28
ATTACHMENTS LIST.....	28

SCEL LOGO AS TEXT IMPRINT 29
NONRESIDENT IMPORTANT TAX NOTICE 30
OFFERORS CHECKLIST 31

I. SCOPE OF SOLICITATION

ACQUIRE SUPPLIES/EQUIPMENT (MODIFIED)

The purpose of this solicitation is for the South Carolina Education Lottery (SCEL) to establish a source of supply for the purchase of new "Golf-Style Pencils without Erasers" complying with the enclosed description and/or specifications and conditions:

Description: Pre-sharpened, Hex-shaped, Small "Golf-Style" Pencils without Erasers. Pencils must feature a bonded lead core. No rainforest wood to be used.

Total Quantity: 2,004,480

Color:

1,002,240 must be PMS 286 blue; and

1,002,240 must be PMS 361 green.

Implementation of Delivery Schedule

First (1st) Partial Shipment must be delivered no later than **MARCH 30, 2018:**

Total QTY-- 1st Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).

Second (2nd) Partial Shipment must be delivered no later than **FEBRUARY 8, 2019:**

Total QTY-- 2nd Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).

MAXIMUM CONTRACT PERIOD - ESTIMATED

Start date: 12/06/2017 End date: 12/05/2019. Dates provided are estimates only. Any resulting contract will begin on the date specified in the notice of award. The resulting contract shall be effective for a term of one (1) year with one additional 1-year option to renew. See clause entitled "Term of Contract-Effective Date/Initial Contract Period." [01-1040-1].

IMPORTANT DATES RELATED TO SOLICITATION

Below are estimated dates related to this Solicitation.

1. Invitation for Bids Issued	November 20, 2017
2. Deadline for Offerors to submit Questions	November 28, 2017
3. Written Response to Questions (tentative)	November 29, 2017
4. Submission and Opening of Bids (2PM EST)	December 5, 2017
6. Intent to Award Posting Date (tentative)	December 6, 2017
7. Implementation of Delivery Schedule	
First (1st) Partial Shipment	Week of March 30, 2018
Second (2nd) and Final Partial Shipment	Week of February 8, 2019

II. INSTRUCTIONS TO OFFERORS - A. GENERAL INSTRUCTIONS

DEFINITIONS, CAPITALIZATION, AND HEADINGS (MODIFIED)

CLAUSE HEADINGS USED IN THIS SOLICITATION ARE FOR CONVENIENCE ONLY AND SHALL NOT BE USED TO CONSTRUE MEANING OR INTENT. EVEN IF NOT CAPITALIZED, THE FOLLOWING DEFINITIONS ARE APPLICABLE TO ALL PARTS OF THE SOLICITATION, UNLESS EXPRESSLY PROVIDED OTHERWISE.

AMENDMENT means a document issued to supplement the original solicitation document. AUTHORITY means the State Fiscal Accountability Authority or its successor in interest.

BUSINESS means any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity. [11-35-310(3)]

CHANGE ORDER means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual agreement of the parties to the contract. [11-35-310(4)]

CONTRACT See clause entitled Contract Documents & Order of Precedence.

CONTRACT MODIFICATION means a written order signed by the procurement officer, directing the contractor to make changes which the clause of the contract titled "Changes," if included herein, authorizes the Procurement Officer to order without the consent of the contractor. [11-35-310(9)]

CONTRACTOR means the Offeror receiving an award as a result of this solicitation.

COVER PAGE means the top page of the original solicitation on which the solicitation is identified by number. Offerors are cautioned that Amendments may modify information provided on the Cover Page.

LOTTERY VENDOR (SCEL) means a person who provides or proposes to provide goods or services to the South Carolina Education Commission pursuant to a procurement contract, but does not include an employee of the commission, a lottery retailer, or a state agency or instrumentality of the State. The term includes a corporation whose shares are traded publicly and which is the parent company of the contracting party in a procurement contract. [59-150-20(9)]

OFFER means the bid or proposal submitted in response this solicitation. The terms Bid and Proposal are used interchangeably with the term Offer.

OFFEROR means the single legal entity submitting the offer. The term Bidder is used interchangeably with the term Offeror. See bidding provisions entitled Signing Your Offer and Bid/Proposal As Offer To Contract.

PAGE TWO means the second page of the original solicitation, which is labeled Page Two.

PROCUREMENT OFFICER means the person, or his successor, identified as such on either the Cover Page, an amendment, or an award notice.

YOU and YOUR means Offeror.

SOLICITATION means this document, including all its parts, attachments, and any Amendments. STATE means the Using Governmental Unit identified on the Cover Page.

SUBCONTRACTOR means any person you contract with to perform or provide any part of the work. US or WE means the using governmental unit.

USING GOVERNMENTAL UNIT means the unit of government identified as such on the Cover Page.

WORK means all labor, materials, equipment, services, or property of any type, provided or to be provided by the Contractor to fulfill the Contractor's obligations under the Contract.

AMENDMENTS TO SOLICITATION (JAN 2004)

(a) The Solicitation may be amended at any time prior to opening. All actual and prospective Offerors should download an electronic copy of the issuance of Amendments from SCCEL's Procurement web page via the following address: <http://www.sceducationlottery.com/lottery/procurement.aspx>;

(b) Offerors shall acknowledge receipt of any amendment to this solicitation via email:

(1) by signing and returning the amendment;

(2) by identifying the amendment number and date in the space provided for this purpose on Page Two;

(3) by letter; or

(4) by submitting a bid that indicates in some way that the bidder received the amendment.

(5) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

AUTHORIZED AGENT (FEB 2015)

All authority regarding this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the government with regard to this procurement or the resulting contract. [02-2A007-1]

AWARD NOTIFICATION (FEB 2015)

Notice regarding any award, cancellation of award, or extension of award will be posted at the location and on the date specified on the Cover Page or, if applicable, any notice of extension of award. Should the contract resulting from this Solicitation have a total or potential value of one hundred thousand dollars or more, such notice will be sent to all Offerors responding to the Solicitation and any award will not be effective until the eleventh day after such notice is given. [02-2A010-2]

BID/PROPOSAL AS OFFER TO CONTRACT (JAN 2004)

By submitting Your Bid or Proposal, You are offering to enter into a contract with the Using Governmental Unit(s). Without further action by either party, a binding contract shall result upon final award. Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror on the Cover Page. An Offer may be submitted by only one legal entity; "joint bids" are not allowed. [02-2A015-1]

BID ACCEPTANCE PERIOD (JAN 2004)

In order to withdraw Your Offer after the minimum period specified on the Cover Page, You must notify the Procurement Officer in writing. [02-2A020-1]

BID IN ENGLISH and DOLLARS (JAN 2004)

Offers submitted in response to this solicitation shall be in the English language and in US dollars, unless otherwise permitted by the Solicitation. [02-2A025-1]

CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (MAY 2008)

GIVING FALSE, MISLEADING, OR INCOMPLETE INFORMATION ON THIS CERTIFICATION MAY RENDER YOU SUBJECT TO PROSECUTION UNDER SECTION 16-9-10 OF THE SOUTH CAROLINA CODE OF LAWS AND OTHER APPLICABLE LAWS.

- (a) By submitting an offer, the offeror certifies that-
 - (1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to-(i) Those prices; (ii) The intention to submit an offer; or (iii) The methods or factors used to calculate the prices offered.
 - (2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
 - (3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.
- (b) Each signature on the offer is considered to be a certification by the signatory that the signatory-
 - (1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; or (2)(i) Has been authorized, in writing, to act as agent for the offeror's principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification [As used in this subdivision (b)(2)(i), the term "principals" means the person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal]; (ii) As an authorized agent, does certify that the principals referenced in subdivision (b)(2)(i) of this certification have not participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; and (iii) As an agent, has not personally participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification.

- (c) If the offeror deletes or modifies paragraph (a)(2) of this certification, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure. [02-2A032-1]

CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS (JAN 2004)

- (a) (1) By submitting an Offer, Offeror certifies, to the best of its knowledge and belief, that-
- (i) Offeror and/or any of its Principals-
- (A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;
- (B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and
- (C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.
- (ii) Offeror has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any public (Federal, state, or local) entity.
- (2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).
- (b) Offeror shall provide immediate written notice to the Procurement Officer if, at any time prior to contract award, Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (c) If Offeror is unable to certify the representations stated in paragraphs (a)(1), Offer must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the Offeror's responsibility. Failure of the Offeror to furnish additional information as requested by the Procurement Officer may render the Offeror nonresponsible.
- (d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly or in bad faith rendered an erroneous certification, in addition to other remedies available to the State, the Procurement Officer may terminate the contract resulting from this solicitation for default.
- [02-2A035-1]

CODE OF LAWS AVAILABLE (MODIFIED)

The South Carolina Code of Laws, including the Consolidated Procurement Code, is available at:

<http://www.scstatehouse.gov/code/statmast.php>

S.C. Code of Laws, Section 59-150-10, S.C. Education Lottery Act:

<http://www.scstatehouse.gov/code/t59c150.php>

The South Carolina Regulations are available at: <http://www.scstatehouse.gov/coderegs/statmast.php>

S.C. Code of Regulations, 44-10, S.C. Lottery Commission:

<http://www.scstatehouse.gov/coderegs/Ch%2044.pdf>

DEADLINE FOR SUBMISSION OF OFFER (JAN 2004)

Any offer received after the Procurement Officer of the governmental body or his designee has declared that the time set for opening has arrived, shall be rejected unless the offer has been delivered via email and

hard copy to the designated purchasing office prior to the opening. [R.19-445.2070(G)] [02-2A050-1]

DISCLOSURE OF CONFLICTS OF INTEREST OR UNFAIR COMPETITIVE ADVANTAGE (FEB 2015)

You warrant and represent that your offer identifies and explains any unfair competitive advantage you may have in competing for the proposed contract and any actual or potential conflicts of interest that may arise from your participation in this competition or your receipt of an award. The two underlying principles are (a) preventing the existence of conflicting roles that might bias a contractor's judgment, and (b) preventing an unfair competitive advantage. If you have an unfair competitive advantage or a conflict of interest, the state may withhold award. Before withholding award on these grounds, an offeror will be notified of the concerns and provided a reasonable opportunity to respond. Efforts to avoid or mitigate such concerns, including restrictions on future activities, may be considered. Without limiting the foregoing, you represent that your offer identifies any services that relate to either this solicitation or the work and that has already been performed by you, a proposed subcontractor, or an affiliated business of either. [02-2A047-2]

DRUG FREE WORK PLACE CERTIFICATION (JAN 2004)

By submitting an Offer, Contractor certifies that, if awarded a contract, Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended. [02-2A065-1]

DUTY TO INQUIRE (FEB 2015)

Offeror, by submitting an Offer, represents that it has read and understands the Solicitation and that its Offer is made in compliance with the Solicitation. Offerors are expected to examine the Solicitation thoroughly and should request an explanation of any ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation. Failure to do so will be at the Offeror's risk. All ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation shall be interpreted to require the better quality or greater quantity of work and/or materials, unless otherwise directed by amendment. Offeror assumes responsibility for any patent ambiguity in the Solicitation that Offeror does not bring to the State's attention. See clause entitled "Questions from Offerors." [02-2A070-2]

ETHICS CERTIFICATE (MAY 2008)

By submitting an offer, the offeror certifies that the offeror has and will comply with, and has not, and will not, induce a person to violate Title 8, Chapter 13 of the South Carolina Code of Laws, as amended (ethics act). The following statutes require special attention: Section 8-13-700, regarding use of official position for financial gain; Section 8-13-705, regarding gifts to influence action of public official; Section 8-13-720, regarding offering money for advice or assistance of public official; Sections 8-13-755 and 8-13-760, regarding restrictions on employment by former public official; Section 8-13-775, prohibiting public official with economic interests from acting on contracts; Section 8-13-790, regarding recovery of kickbacks; Section 8-13-1150, regarding statements to be filed by consultants; and Section 8-13-1342, regarding restrictions on contributions by contractor to candidate who participated in awarding of contract. The state may rescind any contract and recover all amounts expended as a result of any action taken in violation of this provision. If contractor participates, directly or indirectly, in the evaluation or award of public contracts, including without limitation, change orders or task orders regarding a public contract, contractor shall, if required by law to file such a statement, provide the statement required by Section 8- 13-1150 to the procurement officer at the same time the law requires the statement to be filed. [02-2A075-2]

IRAN DIVESTMENT ACT - CERTIFICATION (DEC 2015)

(a) The Iran Divestment Act List is a list published by the Authority pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: <http://procurement.sc.gov/PS/PS-iran-divestment.phtml> (.). Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to award a contract to you. (b) By signing your Offer, you certify that, as of the date you sign, you are not on the then-current version of the Iran Divestment Act List. (c) You must notify the Procurement Officer immediately if, at any time before posting of a final statement of award, you are added to the Iran Divestment Act List. [02-2A077-2]

OMIT TAXES FROM PRICE (JAN 2004)

Do not include any sales or use taxes in Your price that the State may be required to pay. [02-2A080-1]

OPEN TRADE REPRESENTATION (JUN 2015)

By submitting an Offer, Offeror represents that Offeror is not currently engaged in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [02-2A083-1]

PROTESTS (JUN 2006)

Any prospective bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the solicitation of a contract shall protest within fifteen days of the date of issuance of the applicable solicitation document at issue. Any actual bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of a contract shall protest within ten days of the date notification of award is posted in accordance with this code. A protest shall be in writing, shall set forth the grounds of the protest and the relief requested with enough particularity to give notice of the issues to be decided, and must be received by the appropriate Chief Procurement Officer within the time provided. See Clause entitled "Protest-CPO". [Section 11-35-4210] [02-2A085-1]

PROHIBITED COMMUNICATIONS AND DONATIONS (FEB 2015)

Violation of these restrictions may result in disqualification of your offer, suspension or debarment, and may constitute a violation of law.

- (a) During the period between publication of the solicitation and final award, **you must not communicate, directly or indirectly, with the Using Governmental Unit or its employees, agents or officials regarding any aspect of this procurement activity**, unless otherwise approved in writing by the Procurement Officer. All communications must be solely with the Procurement Officer. [R. 19-445.2010]
- (b) You are advised to familiarize yourself with Regulation 19-445.2165, which restricts donations to a governmental entity with whom you have or seek to have a contract. **You represent that your offer discloses any gifts made, directly or through an intermediary, by you or your named subcontractors to or for the benefit of the Using Governmental Unit during the period beginning eighteen months prior to the Opening Date.** [R. 19-445.2165] [02- 2A087-1]

PUBLIC OPENING (JAN 2004)

Offers will be publicly opened at the date/time and at the location identified on the Cover Page, or last Amendment, whichever is applicable. [02-2A090-1]

QUESTIONS FROM OFFERORS (FEB 2015)

(a) Any prospective offeror desiring an explanation or interpretation of the solicitation, drawings, specifications, etc., must request it in writing. Questions regarding the original solicitation or any amendment must be received by the Procurement Officer no later than five (5) days prior to opening unless an earlier date is stated on the Cover Page. Label any communication regarding your questions with the name of the procurement officer, and the solicitation's title and number. Oral explanations or instructions will not be binding. [See R. 19-445.2042(B)] Any information given a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an Amendment to the solicitation, if that information is necessary for submitting offers or if the lack of it would be prejudicial to other prospective offerors. See clause entitled "Duty to Inquire."

(b) The State seeks to permit maximum practicable competition. Offerors are urged to advise the Procurement Officer -- as soon as possible -- regarding any aspect of this procurement, including any aspect of the Solicitation that unnecessarily or inappropriately limits full and open competition. [See R. 19-445.2140]

SEND QUESTIONS AND ALL CORRESPONDENCE VIA EMAIL TO:

Petrina Marsh ("Procurement Officer")

Email: Petrina.Marsh@sclot.com

REJECTION/CANCELLATION (JAN 2004)

The State may cancel this solicitation in whole or in part. The State may reject any or all proposals in whole or in part. [SC Code Section 11-35-1710 & R.19-445.2065][02-2A100-1]

RESPONSIVENESS/IMPROPER OFFERS (JUN 2015)

- (a) Bid as Specified. Offers for supplies or services other than those specified will not be considered unless authorized by the Solicitation.
- (b) Multiple Offers. Offerors may submit more than one Offer, provided that each Offer has significant differences other than price. Each separate Offer must satisfy all Solicitation requirements. If this solicitation is an Invitation for Bids, each separate offer must be submitted as a separate document. If this solicitation is a Request for Proposals, multiple offers may be submitted as one document, provided that you clearly differentiate between each offer and you submit a separate cost proposal for each offer, if applicable.
- (c) Responsiveness. Any Offer which fails to conform to the material requirements of the Solicitation may be rejected as nonresponsive. Offers which impose conditions that modify material requirements of the Solicitation may be rejected. If a fixed price is required, an Offer will be rejected if the total possible cost to the State cannot be determined. Offerors will not be given an opportunity to correct any material nonconformity. Any deficiency resulting from a minor informality may be cured or waived at the sole discretion of the Procurement Officer. [R.19-445.2070 and Section 11-35-1520(13)]
- (d) Price Reasonableness: Any offer may be rejected if the Procurement Officer determines in writing that it is unreasonable as to price. [R. 19-445.2070].
 - (e) Unbalanced Bidding. The State may reject an Offer as nonresponsive if the prices bid are materially unbalanced between line items or subline items. A bid is materially unbalanced when it is based on prices significantly less than cost for some work and prices which are significantly overstated in relation to cost for other work, and if there is a reasonable doubt that the bid will result in the lowest overall cost to the State even though it may be the low evaluated bid, or if it is so unbalanced as to be tantamount to allowing an advance payment.
- (f) **Do not submit bid samples or descriptive literature unless expressly requested.** Unsolicited bid samples or descriptive literature will not be examined or tested, will not be used to determine responsiveness, and will not be deemed to vary any of the provisions of the solicitation. S.C. Code Ann. Reg. 19-445.2077(D).
[02-2A105-2]

SIGNING YOUR OFFER (JAN 2004)

Every Offer must be signed by an individual with actual authority to bind the Offeror. (a) If the Offeror is an individual, the Offer must be signed by that individual. If the Offeror is an individual doing business as a firm, the Offer must be submitted in the firm name, signed by the individual, and state that the individual is doing business as a firm. (b) If the Offeror is a partnership, the Offer must be submitted in the partnership name, followed by the words by its Partner, and signed by a general partner. (c) If the Offeror is a corporation, the Offer must be submitted in the corporate name, followed by the signature and title of the person authorized to sign. (d) An Offer may be submitted by a joint venture involving any combination of individuals, partnerships, or corporations. If the Offeror is a joint venture, the Offer must be submitted in the name of the Joint Venture and signed by every participant in the joint venture in the manner prescribed in paragraphs (a) through (c) above for each type of participant. (e) If an Offer is signed by an agent, other than as stated in subparagraphs (a) through (d) above, the Offer must state that it has been signed by an Agent. Upon request, Offeror must provide proof of the agent's authorization to bind the principal. [02-2A115-1]

STATE OFFICE CLOSINGS (JAN 2004)

If an emergency or unanticipated event interrupts normal government processes so that offers cannot be received at the government office designated for receipt of bids by the exact time specified in the solicitation, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal government processes resume. In lieu of

an automatic extension, an Amendment may be issued to reschedule bid opening. If state offices are closed at the time a pre-bid or pre-proposal conference is scheduled, an Amendment will be issued to reschedule the conference. Useful information may be available at: <http://www.scemd.org/closings>. [02-2A120-3]

SUBMITTING A PAPER OFFER OR MODIFICATION (MODIFIED)

You should submit a paper offer or modification and the following instructions apply. (a) All prices and notations should be printed in ink or typewritten. Errors should be crossed out, corrections entered and initialed by the person signing the bid. Do not modify the solicitation document itself (including bid schedule). (b) (1) All copies of the offer or modification, and any other documents required to be submitted with the offer shall be enclosed in a sealed, opaque envelope or package. (2) Submit your offer or modification to the address on the Cover Page. (3) The envelope or package must show the time and date specified for opening, the solicitation number, and the name and address of the bidder. If the offer or modification is sent by mail or special delivery service (UPS, Federal Express, etc.), the outermost envelope or wrapper must be labeled "OFFER ENCLOSED" on the face thereof. (c) Submit the number of copies indicated on the Cover Page.

TAX CREDIT FOR SUBCONTRACTING WITH DISADVANTAGED SMALL BUSINESSES (JAN 2008)

Pursuant to Section 12-6-3350, a taxpayer having a contract with this State who subcontracts with a socially and economically disadvantaged small business is eligible for an income tax credit equal to four percent of the payments to that subcontractor for work pursuant to the contract. The subcontractor must be certified as a socially and economically disadvantaged small business as defined in Section 11-35-5010 and regulations pursuant to it. The credit is limited to a maximum of fifty thousand dollars annually. A taxpayer is eligible to claim the credit for ten consecutive taxable years beginning with the taxable year in which the first payment is made to the subcontractor that qualifies for the credit. After the above ten consecutive taxable years, the taxpayer is no longer eligible for the credit. A taxpayer claiming the credit shall maintain evidence of work performed for the contract by the subcontractor. The credit may be claimed on Form TC-2, "Minority Business Credit." A copy of the subcontractor's certificate from the Governor's Office of Small and Minority Business (OSMBA) is to be attached to the contractor's income tax return. Questions regarding the tax credit and how to file are to be referred to: SC Department of Revenue, Research and Review, Phone: (803) 898-5786, Fax: (803) 898-5888. Questions regarding subcontractor certification are to be referred to: Governor's Office of Small and Minority Business Assistance, Phone: (803) 734- 0657, Fax: (803) 734-2498. [02-2A135-1]

WITHDRAWAL OR CORRECTION OF OFFER (JAN 2004)

Offers may be withdrawn by written notice received at any time before the exact time set for opening. If the Solicitation authorizes facsimile offers, offers may be withdrawn via facsimile received at any time before the exact time set for opening. A bid may be withdrawn in person by a bidder or its authorized representative if, before the exact time set for opening, the identity of the person requesting withdrawal is established and the person signs a receipt for the bid. The withdrawal and correction of Offers is governed by S.C. Code Section 11-35-1520 and Regulation 19-445.2085. [02-2A150-1]

II. INSTRUCTIONS TO OFFERORS -- B. SPECIAL INSTRUCTIONS

BIDDING INSTRUCTIONS (MODIFIED)

Submit one (1) copy of the Offer only, which should be submitted as a hard copy in a sealed envelope, either delivered by mail or hand carried. Electronic Offers will be accepted. After the bids are tabulated, ONLY the lowest priced vendor will be contacted to submit samples of the pencils being solicited. If the lowest priced vendor cannot provide samples or if the samples provided are not approved, then the next lowest priced vendor will be requested to submit samples.

CLARIFICATION (NOV 2007)

Pursuant to Section 11-35-1520(8), the Procurement Officer may elect to communicate with you after opening for the purpose of clarifying either your offer or the requirements of the solicitation. Such communications may be conducted only with offerors who have submitted an offer which obviously conforms in all material aspects to the solicitation. Clarification of an offer must be documented in writing and included with the offer. Clarifications may not be used to revise an offer or the solicitation. [Section 11-35-1520(8); R.19-445.2080] [02-2B055-1]

MAIL PICKUP (MODIFIED)

The South Carolina Education Lottery picks up all mail from The US Postal Service daily around 3:30 p.m. (excluding weekends and holidays). See provision entitled Deadline for Submission of Offer.

OFFERING BY LOT (JAN 2006)

Offers may be submitted for one or more complete lots. Failure to offer on all items within a lot will be reason for rejection. [02-2B095-1]

PREFERENCES - A NOTICE TO VENDORS (SEP 2009)

On June 16, 2009, the South Carolina General Assembly rewrote the law governing preferences available to in-state vendors, vendors using in-state subcontractors, and vendors selling in-state or US end products. This law appears in Section 11-35-1524 of the South Carolina Code of Laws. A summary of the new preferences is available at www.procurement.sc.gov/preferences. ALL THE PREFERENCES MUST BE CLAIMED AND ARE APPLIED BY LINE ITEM, REGARDLESS OF WHETHER AWARD IS MADE BY ITEM OR LOT. VENDORS ARE CAUTIONED TO CAREFULLY REVIEW THE STATUTE BEFORE CLAIMING ANY PREFERENCES. THE REQUIREMENTS TO QUALIFY HAVE CHANGED. IF YOU REQUEST A PREFERENCE, YOU ARE CERTIFYING THAT YOUR OFFER QUALIFIES FOR THE PREFERENCE YOU'VE CLAIMED. IMPROPERLY REQUESTING A PREFERENCE CAN HAVE SERIOUS CONSEQUENCES. [11-35-1524(E)(4)&(6)] [02-2B111-1]

PREFERENCES - SC/US END-PRODUCT (SEP 2009)

Section 11-35-1524 provides a preference to vendors offering South Carolina end-products or US end-products, if those products are made, manufactured, or grown in SC or the US, respectively. An end-product is the tangible project identified for acquisition in this solicitation, including all component parts in final form and ready for the use intended. The terms "made," "manufactured," and "grown" are defined by Section 11-35-1524(A). By signing your offer and checking the appropriate space(s) provided and identified on the bid schedule, you certify that the end-product(s) is either made, manufactured or grown in South Carolina, or other states of the United States, as applicable. Preference will be applied as required by law. Post award substitutions are prohibited. See "Substitutions Prohibited - End Product Preferences (Sep 2009)" provision. [02-2B112-1]

PREFERENCES - RESIDENT VENDOR PREFERENCE (SEP 2009)

To qualify for the RVP, you must maintain an office in this state. An office is a nonmobile place for the regular transaction of business or performance of a particular service which has been operated as such by

the bidder for at least one year before the bid opening and during that year the place has been staffed for at least fifty weeks by at least two employees for at least thirty five hours a week each. In addition, you must either: (1) maintain at a location in South Carolina at the time of the bid an inventory of expendable items which are representative of the general type of commodities for which the award will be made and which have a minimum total value, based on the bid price, equal to the lesser of fifty thousand dollars [\$50,000] or the annual amount of the contract; or (2) be a manufacturer headquartered and having an annual payroll of at least one million dollars in South Carolina and the end product being sold is either made or processed from raw materials into a finished end product by that manufacturer or its affiliate (as defined in Section 1563 of the Internal Revenue Code). [02-2B114-1]

PROTEST - CPO - MMO ADDRESS (JUN 2006)

Any protest must be addressed to the Chief Procurement Officer, Materials Management Office, and submitted in writing

(a) by email to 639protest-mmo@mmo.sc.gov ,

(b) by facsimile at 803-737-0102, or

(c) by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201. [02-2B122-1]

SAMPLES (JAN 2006)

Free samples may be required for testing and/or evaluation. If requested, your failure to provide a sample will result in rejection of your offer. You must send your sample to the Procurement Officer under separate cover, mark the solicitation number on the outside of the shipping carton, and tag each sample with your name and other pertinent information. The Procurement Officer must receive your samples prior to opening date. [02-2B130-1]

Send Samples To:

SC Education Lottery

Solicitation FY18 Pencils IFB- Samples

Attention: Petrina F. Marsh, Senior Procurement

PO Box 11949

Columbia, SC 29211-1949

UNIT PRICES REQUIRED (JAN 2006)

Unit price to be shown for each item. [02-2B170-1]

III. SCOPE OF WORK/SPECIFICATIONS

See Bidding Schedule [03-3005-1]

Item Description

Pre-sharpened, Hex-shaped, Small “Golf” Style Pencils **without** Erasers. Pencils must feature a bonded lead core. No rainforest wood to be used. All products must be deemed acceptable by SCEL.

Bonded Lead Description

Pencils must feature a bonded lead core. Each lead core should be permanently glued directly onto the pencil barrel.

Quantity

Total Quantity: 2,004,480

- 1,002,240 pencils must be PMS 286 Blue; and
- 1,002,240 pencils must be PMS 361 Green.

Colors

1,002,240 pencils should be PMS 286 blue;
1,002,240 pencils should be PMS 361 green;

Substitutions in colors will not be accepted. Blue and Green PMS colors must be deemed acceptable by SCEL.

Imprint and Imprint Area

White Imprint: **SCE EDUCATION LOTTERY.COM**

Font must be a Sanserif font (Helvetica, Arial or similar)

Image area of imprint should be 1 7/8" L x 1/8" H

Packaging Requirements

Packaging Box Style: “Snap-Bottom” Lock Box also known as an “Auto-Bottom” Lock Box with a “Tuck-In Top”

Packaging Box Material: Paperboard with a minimum 14 point thickness

Sample Requirements

SAMPLE REQUIREMENTS	REQUIRED DATE FOR SAMPLES	QUANTITY	ACTUAL OR VIRTUAL SAMPLE REQUIREMENTS	COLORS REQUIRED	IMPRINT	SPECIFICATIONS OF PENCIL DESIGN	DELIVERY LOCATION FOR SAMPLES
PENCIL SAMPLES WITH BID SUBMISSION	ON OR BEFORE DECEMBER 5, 2017 BY 2PM EST	2	(1) ACTUAL/PHYSICAL SAMPLE OF PENCIL WITH ACTUAL SAMPLE LOGO REQUIRED (DOES NOT HAVE TO BE SCEL LOGO) ----- VIRTUAL SAMPLE OF EACH REQUIRED PMS COLOR IS ACCEPTABLE	(1) PMS 286 Blue AND (1) PMS 361 Green	IMPRINT COLOR: ANY COLOR IMPRINT LOGO: ANY LOGO SIZE OF IMPRINT AREA : ANY SIZE	HEX-SHAPED "GOLF STYLE" PENCIL WITHOUT ERASER	S.C. Education Lottery Attn: SCEL FY18 Pencil-Bid Sample Sr. Procurement: Petrina F. Marsh 1333 Main Street, Suite 400 Columbia, SC 29201 Petrina.Marsh@sclot.com
PRE-PRODUCTION SAMPLE PROOF	PRIOR TO START OF FINAL PRODUCTION	2	(2) ACTUAL/PHYSICAL SAMPLES OF PENCILS WITH ACTUAL PMS COLORS AND IMPRINTS ARE REQUIRED	(1) PMS 286 Blue AND (1) PMS 361 Green	IMPRINT COLOR: WHITE IMPRINT LOGO: SCE EDUCATION LOTTERY.COM SIZE OF IMPRINT AREA : 1 7/8" L X 1/8" H	HEX-SHAPED "GOLF STYLE" PENCIL WITHOUT ERASER	S.C. Education Lottery Attn: SCEL FY18 Pencil Pre-Pro Sales Dept: Teresa Brock 1333 Main Street, Suite 400 Columbia, SC 29201 Teresa.Brock@sclot.com

Implementation of Delivery Schedule

Week of MARCH 30, 2018: First (1st) Partial Shipment

Week of FEBRUARY 8, 2019: Second (2nd) Partial Shipment

IMPLEMENTATION OF DELIVERY SCHEDULE	PENCIL QUANTITY	COLOR	CARTONS	BOXES	BUNDLES	WAREHOUSE DELIVERY LOCATION FOR FINAL PRODUCTION
Week of MARCH 30, 2018: FIRST (1ST) PARTIAL SHIPMENT	501,120	PMS 286 Blue	174	20 Boxes/Carton (2,880 Pencils/Box)	144 Pencils/Bundle	S.C. Education Lottery c/o Scientific Games International Attn: Dan Dyar (803) 237-9746 120 North Point Court Blythewood, SC 29016
	501,120	PMS 361 Green	174	20 Boxes/Carton (2,880 pencils/box)	144 Pencils/Bundle	
	1,002,240 Total Pencils in First Shipment		348 Total Cartons in First Shipment			
Week of FEBRUARY 8, 2019: SECOND/FINAL SHIPMENT	501,120	PMS 286 Blue	174	20 Boxes/Carton (2,880 pencils/box)	144 Pencils/Bundle	S.C. Education Lottery c/o Scientific Games International Attn: Dan Dyar (803) 237-9746 120 North Point Court Blythewood, SC 29016
	501,120	PMS 361 Green	174	20 Boxes/Carton (2,880 pencils/box)	144 Pencils/Bundle	
	1,002,240 Total Pencils in Final Shipment		348 Total Cartons in Final Shipment			
Total Quantity of Pencil Order (Shipments 1 and 2)	2,004,480					

For inventory purposes, all boxes going to Blythewood should contain the same number of items. These promotional items need to weigh no more than 33 lbs. per box. Please make sure all orders have packing slips detailing what and how many are being delivered in addition to the specifics as to how the order is bundled, grouped, and/or boxed.

Artwork: SCEL will provide final artwork to the winning Vendor in one of the following Adobe file formats based on the Vendor’s request: PDF, Illustrator, InDesign, Photoshop or EPS Vector.

Overruns/Underruns: SCEL will not pay for more than the number requested in the solicitation.

DELIVERY / PERFORMANCE LOCATION - SPECIFIED (JAN 2006)

After award, all deliveries shall be made and all services provided to the following address(es), unless otherwise specified. [03-3030-1]

Bid and Sample Delivery: Columbia Office Address

S.C. Education Lottery
Attn: SCEL FY18 Pencils IFB
Petrina F. Marsh, Senior Procurement
1333 Main Street, Suite 400
Columbia, SC 29201
Petrina.Marsh@sclot.com

Pre-Production Proof Samples (2 Actual Proofs): Columbia Office Address

S.C. Education Lottery
Attn: SCEL FY18 Pencils Proofs
Teresa Brock, Sales and Retailer Relations Department
1333 Main Street, Suite 400
Columbia, SC 29201
Teresa.Brock@sclot.com

Delivery for Final Production of 348 Cartons to: Blythewood Address

S.C. Education Lottery
c/o Scientific Games International
Attn: Dan Dyar (803) 237-9746
120 North Point Court
Blythewood, SC 29016

DELIVERY DATE - SPECIFIED (MODIFIED)

Delivery shall be made according to the **Implementation of Delivery Schedule on Page 12 of this Solicitation**. Two partial shipments are requested for delivery.

- **First Partial Shipment requires 50%** of order to be delivered no later than noon on Friday, March 30, 2018;
- **Second Partial and Final Shipment requires 50%** of order to be delivered no later than noon on Friday, February 8, 2019.

QUALITY – NEW (JAN 2006)

All items must be new. [03-3060-1]

IV. INFORMATION FOR OFFERORS TO SUBMIT

INFORMATION FOR OFFERORS TO SUBMIT – GENERAL (MODIFIED)

You shall submit a signed Cover Page and Page Two as part of Your Proposal. **If you submit your offer electronically, you must upload an image of the pages requested below.** Your Offer should include all other information and documents requested in this Part and in Parts II.B, Special Instructions; III. Scope of Work; V, Qualifications; VIII, Bidding Schedule/Price Proposal; and any appropriate attachments addressed in Part IX, Attachments to Solicitations.

If you submit your offer electronically, you must upload THE FOLLOWING.

- A. Cover Page (1) AND Cover Page (2);
- B. Cover Page Two (must include “Vendor Information and Acknowledgement of Amendments”);
- C. PAGE 14: Complete “Minority Participation” provided below;
- D. PAGES 23-26: SCEL Bidding Schedule/Pricing Information

MINORITY PARTICIPATION (DEC 2015)

Is the bidder a South Carolina Certified Minority Business? Yes No

Is the bidder a Minority Business certified by another governmental entity? Yes No

If so, please list the certifying governmental entity: _____

Will any of the work under this contract be performed by a SC certified Minority Business as a subcontractor? Yes No

If so, what percentage of the total value of the contract will be performed by a SC certified Minority Business as a subcontractor? _____

Will any of the work under this contract be performed by a minority business certified by another governmental entity as a subcontractor? Yes No

If so, what percentage of the total value of the contract will be performed by a minority business certified by another governmental entity as a subcontractor? _____

If a certified Minority Business is participating in this contract, please indicate all categories for which the Business is certified:

- Traditional minority
- Traditional minority, but female
- Women (Caucasian females)
- Hispanic minorities
- DOT referral (Traditional minority)
- DOT referral (Caucasian female)
- Temporary certification
- SBA 8 (a) certification referral
- Other minorities (Native American, Asian, etc.)

(If more than one minority contractor will be utilized in the performance of this contract, please provide the information above for each minority business.) The Department of Administration, Division of Small and Minority Business Contracting and Certification, publishes a list of certified minority firms. The Minority Business Directory is available at the following URL: <http://osmba.sc.gov/directory.html> [04-4015-3]

V. QUALIFICATIONS

QUALIFICATION OF OFFEROR (MARCH 2015)

(1) To be eligible for award, you must have the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance. We may also consider a documented commitment from a satisfactory source that will provide you with a capability. We may consider information from any source at any time prior to award. We may elect to consider (i) key personnel, any predecessor business, and any key personnel of any predecessor business, including any facts arising prior to the date a business was established, and/or (ii) any subcontractor you identify. (2) You must promptly furnish satisfactory evidence of responsibility upon request. Unreasonable failure to supply requested information is grounds for rejection. (3) Corporate subsidiaries are cautioned that the financial capability of an affiliated or parent company will not be considered in determining financial capability; however, we may elect to consider any security, e.g., letter of credit, performance bond, parent-company corporate guaranty, that you offer to provide Instructions and forms to help assure acceptability are posted on procurement.sc.gov, link to "Standard Clauses & Provisions." [05-5005-2]

VI. AWARD CRITERIA-BIDS

AWARD CRITERIA – BIDS (JAN 2006)

Award will be made to the lowest responsible and responsive bidder(s). [06-6020-1]

AWARD TO ONE OFFEROR (JAN 2006)

Award will be made to one Offeror. [06-6040-1]

CALCULATING THE LOW BID

The Low Bid will be determined as follows:

1. Multiplying the estimated quantity for each item by the Offeror's unit price to determine each line's extended price. Then,
2. Adding the extended prices for items 1-2 to determine the total of the Offeror's bid (or Bid Amount).

[06-6050-1]

UNIT PRICE GOVERNS (JAN 2006)

In determining award, unit prices will govern over extended prices unless otherwise stated. [06-6075-1]

VI. TERMS AND CONDITIONS - A. GENERAL

ASSIGNMENT, NOVATION, AND CHANGE OF NAME, IDENTITY, OR STRUCTURE (FEB 2015)

(a) Contractor shall not assign this contract, or its rights, obligations, or any other interest arising from this contract, or delegate any of its performance obligations, without the express written consent of the responsible procurement officer. The foregoing restriction does not apply to a transfer that occurs by operation of law (e.g., bankruptcy; corporate reorganizations and consolidations, but not including partial asset sales). Notwithstanding the foregoing, contractor may assign monies receivable under the contract provided that the state shall have no obligation to make payment to an assignee until thirty days after contractor (not the assignee) has provided the responsible procurement officer with (i) proof of the assignment, (ii) the identity (by contract number) of the specific state contract to which the assignment applies, and (iii) the name of the assignee and the exact address or account information to which assigned payments should be made. (b) If contractor amends, modifies, or otherwise changes its name, its identity (including its trade name), or its corporate, partnership or other structure, or its FEIN, contractor shall provide the procurement officer prompt written notice of such change. (c) Any name change, transfer, assignment, or novation is subject to the conditions and approval required by Regulation 19-445.2180, which does not restrict transfers by operation of law. [07-7A004-2]

AUDIT

Upon reasonable notice, SCEL may audit financial records related to payroll HRIS services of the Contractor to resolve any discrepancy between SCEL HR's records and Contractor's records.

SCEL reserves the right to inquire through a questionnaire, documents request or other form, for information relevant to any aspect of the Contractor's management of SCEL PII, data integrity and security. Contractor agrees to comply with the above stated requirement and provide, in a timely manner, the information requested by SCEL as part of its audit duties pertinent to this Contract.

BANKRUPTCY - GENERAL (FEB 2015)

(a) Notice. In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Using Governmental Unit. This notification shall be furnished within two (2) days of the initiation of the proceedings relating to the bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all State contracts against which final payment has not been made. This obligation remains in effect until final payment under this Contract. (b) Termination. This contract is voidable and subject to immediate termination by the State upon the contractor's insolvency, including the filing of proceedings in bankruptcy. [07-7A005-2]

CHOICE-OF-LAW

The Contract, any dispute, claim, or controversy relating to the Contract, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules. As used in this paragraph, the term "Contract" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation.

CONTRACT DOCUMENTS and ORDER OF PRECEDENCE

SCEL understands that an Offeror may expect SCEL to agree to a contract it uses. SCEL will entertain and may execute that document if it does not materially alter the documents referenced below.

(a) Any Contract resulting from this solicitation shall consist of the following documents that define the elements of the contractual relationship between SCEL and the successful Offeror:

(1)a Record of Negotiations, if any, executed by you and the Procurement Officer, (2)the solicitation, as amended, (3)documentation of clarifications [11-35-1520(8)] or discussions [11-35-1530(6)] of an Offer, if applicable, (4)your Offer, (5)any statement reflecting the state's final acceptance (a/k/a "award"), and (6)purchase orders. These documents shall be read to be consistent and complimentary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.

(b) The terms and conditions of documents (1) through (5) above shall apply notwithstanding any

(c) additional or different terms and conditions in any other document, including without limitation, (i) a purchase order or other instrument submitted by the State, (ii) any invoice or other document submitted by Contractor, or (iii) any privacy policy, terms of use, or end user agreement. Except as otherwise allowed herein, the terms and conditions of all such documents shall be void and of no effect.

DISPUTES AND JURISDICTION

(a) Choice-of-Forum. All disputes, claims, or controversies relating to the Contract shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by the Government regarding the Contract is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United States Constitution. As used in this paragraph, the term "Contract" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation.

(b) Service of Process. Contractor consents that any papers, notices, or process necessary or proper for the initiation or continuation of any disputes, claims, or controversies relating to the Contract; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided as the Notice Address on Page Two or by personal service or by any other manner that is permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail. [07-7A025-1]

EQUAL OPPORTUNITY (JAN 2006)

Contractor is referred to and shall comply with all applicable provisions, if any, of Title 41, Part 60 of the Code of Federal Regulations, including but not limited to Sections 60-1.4, 60-4.2, 60-4.3, 60-250.5(a), and 60-741.5(a), which are hereby incorporated by reference. [07-7A030-1]

FIXED PRICING REQUIRED (JAN 2006)

Any pricing provided by contractor shall include all costs for performing the work associated with that price. Except as otherwise provided in this solicitation, contractor's price shall be fixed for the duration of this contract, including any optional terms. This clause does not prohibit contractor from offering lower pricing after award. [07-7A040-1]

NO INDEMNITY OR DEFENSE

SCEL is prohibited from indemnifying a private party by state law. Any term or condition is void to the extent it requires SCEL to indemnify, defend, or pay attorney's fees to anyone for any reason. The Offeror shall defend and indemnify SCEL, its officers and employees and the State against any action or remedy arising out of the Offeror's negligent or intentional acts relating to its performance. The Contractor, as part of its duty of indemnification, is required to defend and hold harmless SCEL from any costs arising out of the prosecution or defense of any action arising out of the Offeror's performance.

NOTICE

(a) After award, any notices shall be in writing and shall be deemed duly given (1) upon actual delivery, if delivery is by hand, (2) upon receipt by the transmitting party of automated confirmation or answer back from the recipient's device if delivery is by facsimile, or electronic mail, or (3) upon deposit into the United States mail, if postage is prepaid, a return receipt is requested, and either registered or certified mail is used. (4) upon actual delivery by reputable courier (e.g., FedEx, UPS, DHL, etc), as confirmed by the courier's verifiable proof of delivery. (b) Notice to Contractor shall be to the address identified as the Notice Address on Page Two. Notice to the State shall be to the Procurement Officer's address on the Cover Page. Either party may designate a different address for notice by giving notice in accordance with this paragraph.

OPEN TRADE (JUN 2015)

During the contract term, including any renewals or extensions, Contractor will not engage in the boycott of a person or an entity based in or doing business with a jurisdiction with whom South Carolina can enjoy open trade, as defined in SC Code Section 11-35-5300. [07-7A053-1]

PAYMENT & INTEREST (FEB 2015)

(a) The State shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless otherwise provided herein, including the purchase order, payment will be made by check mailed to the payment address on "Page Two." (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, or Chapter 6 of Title 29 (real property improvements) when applicable, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, the State shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to the State shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended, unless otherwise required by Section 29-6-30. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding. (f) The State shall have all of its common law, equitable and statutory rights of set-off. [07-7A055-3]

PUBLICITY (JAN 2006)

Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer. [07-7A060- 1]

PURCHASE ORDERS (JAN 2006)

Contractor shall not perform any work prior to the receipt of a purchase order from the using governmental unit. The using governmental unit shall order any supplies or services to be furnished under this contract by issuing a purchase order. Purchase orders may be used to elect any options available under this contract, e.g., quantity, item, delivery date, payment method, but are subject to all terms and conditions of this contract. Purchase orders may be electronic. No particular form is required. An order placed pursuant to the purchasing card provision qualifies as a purchase order. [07-7A065-1]

IRAN DIVESTMENT ACT - ONGOING OBLIGATIONS (JAN 2015)

(a) You must notify the procurement officer immediately if, at any time during the contract term, you are added to the Iran Divestment Act List. (b) Consistent with Section 11-57-330(B), you shall not contract with any person to perform a part of the Work, if, at the time you enter into the subcontract, that person is on the then-current version of the Iran Divestment Act List. [07-7A072-1]

SURVIVAL OF OBLIGATIONS (JAN 2006)

The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this contract shall survive such termination, cancellation, rejection, or expiration,

including, but not limited to, the rights and obligations created by the following clauses: Indemnification - Third Party Claims, Intellectual Property Indemnification, and any provisions regarding warranty or audit. [07-7A075-1] Mandatory. The implications of this clause are illustrated by the following example. If the state buys a widget and a warranty for the widget, the warranty does not end simply because the remainder of the contract is terminated for convenience. 7A080-1

TAXES (JAN 2006)

Any tax the contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's

obligation, after payment to contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to contractor by the taxing authority. In the event that the contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to contractor, contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on Contractor's net income or assets shall be the sole responsibility of the contractor. [07-7A080-1]

THIRD PARTY BENEFICIARY (JAN 2006)

This Contract is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third party beneficiary or otherwise. [07-7A090-1]

WAIVER (JAN 2006)

The State does not waive any prior or subsequent breach of the terms of the Contract by making payments on the Contract, by failing to terminate the Contract for lack of performance, or by failing to strictly or promptly insist upon any term of the Contract. Only the Procurement Officer has actual authority to waive any of the State's rights under this Contract. Any waiver must be in writing. [07-7A095-1]

VII. TERMS AND CONDITIONS -- B. SPECIAL

CHANGES (JAN 2006)

(1) Contract Modification. By a written order, at any time, and without notice to any surety, the Procurement Officer may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following: (a) drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the [State] in accordance therewith; (b) method of shipment or packing; (c) place of delivery; (d) description of services to be performed; (e) time of performance (i.e., hours of the day, days of the week, etc.); or,

(f) place of performance of the services. Subparagraphs (a) to (c) apply only if supplies are furnished under this contract. Subparagraphs (d) to (f) apply only if services are performed under this contract.

(2) Adjustments of Price or Time for Performance. If any such change increases or decreases the contractor's cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made in the contract price, the delivery schedule, or both, and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract. Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the State promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written contract modification under Paragraph (1) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the State is prejudiced by the delay in notification.

(4) Claim Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

[07-7B025-1]

CONTRACT INTERPRETATION

In the event there are any disagreements between the parties regarding the application of this Contract or SCEL's requirements arising from any interpretation of the Request for Proposal, the Contract, or otherwise, Contractor agrees to defer to the reasonable interpretations of SCEL. This provision applies to all matters including, but not limited to, disputes concerning whether Contractor is required to provide some service or item including scope of work issues, whether particular items or services were included in the scope of work agreed to by the parties, change orders, contract modifications or other deviations. Failure to receive the prior written and express approval of SCEL prior to implementing any changes to the requirements provided for hereunder, for which requests for extra or additional compensation are thereafter submitted by the Contractor to SCEL, shall impose no liability for payment upon SCEL and may be rejected by SCEL without recourse. In summary, if both parties have a reasonable interpretation regarding application of the Contract, Contractor agrees to defer to SCEL's interpretation.

MATERIAL AND WORKMANSHIP (JAN 2006)

Unless otherwise specifically provided in this contract, all equipment, material, and articles incorporated in the work covered by this contract are to be new and of the most suitable grade for the purpose intended.

[07-7B120-1]

PRICE ADJUSTMENTS (JAN 2006)

(1) Method of Adjustment. Any adjustment in the contract price made pursuant to a clause in this contract shall be consistent with this Contract and shall be arrived at through whichever one of the following ways is the most valid approximation of the actual cost to the Contractor (including profit, if otherwise allowed):

(a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;

(b) by unit prices specified in the Contract or subsequently agreed upon;

(c) by the costs attributable to the event or situation covered by the relevant clause, including profit if otherwise allowed, all as specified in the Contract; or subsequently agreed upon;

(d) in such other manner as the parties may mutually agree; or,

(e) in the absence of agreement by the parties, through a unilateral initial written determination by the Procurement Officer of the costs attributable to the event or situation covered by the clause, including profit if otherwise allowed, all as computed by the Procurement Officer in accordance with generally accepted accounting principles, subject to the provisions of Title 11, Chapter 35, Article 17 of the S.C. Code of Laws.

(2) Submission of Price or Cost Data. Upon request of the Procurement Officer, the contractor shall provide reasonably available factual information to substantiate that the price or cost offered, for any price adjustments is reasonable, consistent with the provisions of Section 11-35-1830.

[07-7B160-1]

PRICE ADJUSTMENT - LIMITED -- AFTER INITIAL TERM ONLY (JAN 2006)

Upon approval of the Procurement Officer, prices may be adjusted for any renewal term. Prices shall not be increased during the initial term. Any request for a price increase must be received by the Procurement Officer at least one hundred twenty five (125) days prior to the expiration of the applicable term and must be accompanied by sufficient documentation to justify the increase. If approved, a price increase becomes effective starting with the term beginning after approval. A price increase must be executed as a change order. Contractor may terminate this contract at the end of the then current term if a price increase request is denied. Notice of termination pursuant to this paragraph must be received by the Procurement Officer no later than fifteen (15) days after the Procurement Officer sends contractor notice rejecting the requested price increase. [07-7B165-1]

PRICE ADJUSTMENTS – LIMITED BY PPI (JAN 2006)

Upon request and adequate justification, the Procurement Officer may grant a price increase up to, but not to exceed, the unadjusted percent change for the most recent 12 months for which data is available, that is not subject to revision, in the Producer Price Indexes (PPI) for the applicable commodity, as determined by the Procurement Officer. The Bureau of Labor and Statistics publishes this information on the web at www.bls.gov [07-7B180-1].

RELATIONSHIP OF THE PARTIES

Neither party is an employee, agent, partner, or joint venture of the other. **Neither party has the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party.** [07-7B205-1]

SHIPPING / RISK OF LOSS (JAN 2006)

F.O.B. Destination. Destination is the shipping dock of the Using Governmental Units' designated receiving site, or other location, as specified herein. (See Delivery clause) [07-7B220-1]

TERM OF CONTRACT -- EFFECTIVE DATE / INITIAL CONTRACT PERIOD (JAN 2006)

The effective date of this contract is the first day of the Maximum Contract Period as specified on the final statement of award. The initial term of this agreement is 1years, 0months, 0days from the effective date. Regardless, this contract expires no later than the last date stated on the final statement of award. [07-7B240-1]

TERM OF CONTRACT -- OPTION TO RENEW (JAN 2015)

(a) At the end of the initial term, and at the end of each renewal term, this contract shall automatically renew for a period of 1 year, unless contractor receives notice that the state elects not to renew the contract at least thirty (30) days prior to the date of renewal. Regardless, this contract expires no later than the last date stated on the final statement of award. (b) Contractor acknowledges that, unless excused by Section 11-57-320, if the contractor is on the then-current Iran Divestment Act List as of the date of any contract renewal, the renewal will be void ab initio. [07-7B245-2]

TERMINATION FOR CONVENIENCE (MODIFIED)

The Procurement Officer may terminate in whole or in part by giving ninety (90) days written notice to the Contractor. In the event that a Contract is terminated pursuant to this section, SCEL shall not be required to pay any termination costs to the Contractor.

(a) Termination. The Procurement Officer may terminate this Contract in whole or in part, for the convenience of the State. The Procurement Officer shall give written notice of the termination to the Contractor specifying the part of the Contract terminated and when termination becomes effective.

(b) Contractor's Obligations. The Contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the Contractor will stop work to the extent specified. The Contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The Contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The Procurement Officer may direct the Contractor to assign the Contractor's right, title, and interest under terminated orders or subcontracts to the State. The Contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(c) The State shall pay the Contractor's fixed fee up to the date of termination.

(d) Contractor's failure to include an appropriate termination for convenience clause in any subcontract shall not affect the state's right to require the termination of a subcontract, or increase the obligation of the state beyond what it would have been if the subcontract had contained an appropriate clause.


VIII. BIDDING SCHEDULE / PRICE-BUSINESS PROPOSAL

PRICE PROPOSAL

Notwithstanding any other instructions herein, you shall submit the following price information as a separate document: [08-8015-1].

BIDDING SCHEDULE (NOV 2007)

In preparing a bid for return to the South Carolina Education Lottery, SCEL requests that each vendor provide the following price information: 1) a price of production without tax; 2) any other charges, such as a set-up charge, a die charge, or an actual or electronic pre-production proof charge; 3) shipping/delivery charges; and 4) total charges without taxes.

Item	Quantity	Color	Unit of Measure	Unit Price	Extended Price
1	1,002,240	PMS 286 BLUE	each		
<p>ITEM DESCRIPTION: Pre-sharpened, Hex-shaped, Small "Golf-Style" Pencils Without Erasers. Pencils Must Feature a Bonded Lead Core. No Rainforest Wood to be used.</p> <p>COLOR: PMS 286 BLUE. Substitutions in colors WILL NOT BE ACCEPTED.</p> <p>IMPRINT: Text only. Font must be Sanserif (Helvetica, Arial, or Similar). Imprint Color: One color WHITE. Imprint is on one side: Line 1: SCEDUCATIONLOTTERY.COM Image area of Imprint should be 1 7/8" L x 1/8" H</p> <p>IMPLEMENTATION OF DELIVERY SCHEDULE First (1st) Partial Shipment must be delivered no later than MARCH 30, 2018: Total QTY-- 1st Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green). Second (2nd) Partial Shipment must be delivered no later than FEBRUARY 8, 2019: Total QTY-- 2nd Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).</p> <p>PACKAGING REQUIREMENTS: SAMPLE ILLUSTRATION OF REQUIRED PACKAGING PROVIDED BELOW Packaging Box Style: "Snap-Bottom" Lock Box also known as an "Auto-Bottom" Lock Box with a "Tuck-In Top" Packaging Box Material: Paperboard with a minimum 14 point thickness</p>  <p>OVERRUNS/UNDERRUNS: No Overruns or under/runs will be accepted.</p> <p>SETUP, SHIPPING/DELIVERY CHARGES: All setup shipping/delivery charges shall be included in the unit price.</p> <p>SAMPLE TO BE SUBMITTED WITH BID ON OR BEFORE DECEMBER 5, 2017 BY 2PM EST (1) ACTUAL /PHYSICAL SAMPLE OF PENCIL WITH ACTUAL SAMPLE LOGO REQUIRED (DOES NOT HAVE TO BE SCEL LOGO) -- ----- VIRTUAL SAMPLE OF EACH REQUIRED PMS COLOR IS ACCEPTABLE</p> <p>SAMPLE COLOR: <u>PMS 286 BLUE</u>. Substitutions in colors WILL NOT BE ACCEPTED. Color may be submitted as VIRTUAL/ELECTRONIC COPY IF ACTUAL COLOR IS NOT AVAILABLE TO SUBMIT WITH BID.</p>					

SAMPLE IMPRINT: SAMPLE Text Only
 SAMPLE Imprint Color: Any Color
 SAMPLE Imprint Logo: Any Logo
 Size of SAMPLE Imprint Area: Any Size

PRE-PRODUCTION PROOFS MUST BE SUBMITTED PRIOR TO START OF FINAL PRODUCTION: A pre-production ACTUAL/PHYSICAL proof is required prior to the order being processed for production. The cost for the proof will be included in the unit price. (1) ACTUAL /PHYSICAL SAMPLE OF PENCIL WITH ACTUAL PMS COLOR AND LOGO REQUIRED.

PRE-PRODUCTION PROOF COLOR: PMS 286 BLUE. Substitutions in colors WILL NOT BE ACCEPTED.

PRE-PRODUCTION PROOF IMPRINT: Text only. Font must be Sanserif (Helvetica, Arial, or Similar).
 Imprint Color: One color WHITE. Imprint is on one side:
Line 1: SCEDUCATIONLOTTERY.COM
 Image area of Imprint should be 1 7/8" L x 1/8" H

COMPLETE ALL THE FOLLOWING ON THE PRODUCT YOU ARE BIDDING

IMPLEMENTATION OF DELIVERY SCHEDULE

First (1st) Partial Shipment must be delivered no later than **MARCH 30, 2018:**

Total QTY-- 1st Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).

Meets Delivery Date of 1st Shipment (YES/NO): _____

DELIVERY DAYS ARO (After Receipt of Order): _____ days

Second (2nd) Partial Shipment must be delivered no later than **FEBRUARY 8, 2019:**

Total QTY-- 2nd Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).

Meets Delivery Date of 2nd Shipment (Yes/NO): _____

DELIVERY DAYS ARO (After Receipt of Order): _____ days

Due to limited space available in the physical warehouse facilities, items must be delivered in two separate shipments on the dates indicated above. The ability to implement the delivery schedule as required above may be a factor in the award process.

	Question	Mandatory / Optional	Multiple Responses Accepted?	Response
	Are you requesting the SC Resident Vendor Preference? See the SC Procurement Code, Section 11-35-1524(C)(1)(I)&(II) and Section IIB of this solicitation for more information. For a FAQ on these preferences, please see www.procurement.sc/preferences .	Mandatory	No	____ Yes ____ No
	SC End-Product Pref. Section 11-35-1524 (B)(2). Select SC End Product Preference if product is made, manufactured or grown in SC. Select No, if not claiming a preference.	Mandatory	No	____ Yes ____ No
	US End-Product Pref. Section 11-35-1524, (B)(1). Select US End Product if product is made, manufactured or grown in the US. Select No, if not claiming a preference.	Mandatory	No	____ Yes ____ No

Item	Quantity	Color	Unit of Measure	Unit Price	Extended Price
2	1,002,240	PMS 361 GREEN	each		

ITEM DESCRIPTION: Pre-sharpened, Hex-shaped, Small “Golf-Style” Pencils Without Erasers. Pencils Must Feature a Bonded Lead Core. No Rainforest Wood to be used.

COLOR: PMS 361 GREEN. Substitutions in colors WILL NOT BE ACCEPTED.

IMPRINT: Text only. Font must be Sanserif (Helvetica, Arial, or Similar).

Imprint Color: One color WHITE. Imprint is on one side:

Line 1: SCEDUCATIONLOTTERY.COM

Image area of Imprint should be 1 7/8” L x 1/8” H

PACKAGING REQUIREMENTS: SAMPLE ILLUSTRATION OF REQUIRED PACKAGING PROVIDED BELOW

Packaging Box Style: “Snap-Bottom” Lock Box also known as an “Auto-Bottom” Lock Box with a “Tuck-In Top”

Packaging Box Material: Paperboard with a minimum 14 point thickness



OVERRUNS/UNDERRUNS: No Overruns or under/runs will be accepted.

SETUP, SHIPPING/DELIVERY CHARGES: All setup shipping/delivery charges shall be included in the unit price.

SAMPLE TO BE SUBMITTED WITH BID ON OR BEFORE DECEMBER 5, 2017 BY 2PM EST

(1) ACTUAL /PHYSICAL SAMPLE OF PENCIL WITH ACTUAL SAMPLE LOGO REQUIRED (DOES NOT HAVE TO BE SCEL LOGO) --
 ----- VIRTUAL SAMPLE OF EACH REQUIRED PMS COLOR IS ACCEPTABLE

SAMPLE COLOR: PMS 361 GREEN. Substitutions in colors WILL NOT BE ACCEPTED. Color may be submitted as VIRTUAL/ELECTRONIC COPY IF ACTUAL COLOR IS NOT AVAILABLE TO SUBMIT WITH BID.

SAMPLE IMPRINT: SAMPLE Text Only

SAMPLE Imprint Color: Any Color

SAMPLE Imprint Logo: Any Logo

Size of SAMPLE Imprint Area: Any Size

PRE-PRODUCTION PROOFS MUST BE SUBMITTED PRIOR TO START OF FINAL PRODUCTION: A pre-production ACTUAL/PHYSICAL proof is required prior to the order being processed for production. The cost for the proof will be included in the unit price. (1) ACTUAL /PHYSICAL SAMPLE OF PENCIL WITH ACTUAL PMS COLOR AND LOGO REQUIRED.

PRE-PRODUCTION PROOF COLOR: PMS 361 GREEN. Substitutions in colors WILL NOT BE ACCEPTED.

PRE-PRODUCTION PROOF IMPRINT: Text only. Font must be Sanserif (Helvetica, Arial, or Similar).

Imprint Color: One color WHITE. Imprint is on one side:

Line 1: SCEDUCATIONLOTTERY.COM

Image area of Imprint should be 1 7/8” L x 1/8” H

COMPLETE ALL THE FOLLOWING ON THE PRODUCT YOU ARE BIDDING

IMPLEMENTATION OF DELIVERY SCHEDULE

First (1st) Partial Shipment must be delivered no later than **MARCH 30, 2018**:

Total QTY-- 1st Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).

Meets Delivery Date of 1st Shipment (YES/NO): _____

DELIVERY DAYS ARO (After Receipt of Order): _____ days

Second (2nd) Partial Shipment must be delivered no later than **FEBRUARY 8, 2019**:

Total QTY-- 2nd Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).

Meets Delivery Date of 2nd Shipment (Yes/NO): _____

DELIVERY DAYS ARO (After Receipt of Order): _____ days

Due to limited space available in the physical warehouse facilities, items must be delivered in two separate shipments on the dates indicated above. The ability to implement the delivery schedule as required above may be a factor in the award process.

	Question	Mandatory / Optional	Multiple Responses Accepted?	Response
	Are you requesting the SC Resident Vendor Preference? See the SC Procurement Code, Section 11-35-1524(C)(1)(I)&(II) and Section IIB of this solicitation for more information. For a FAQ on these preferences, please see www.procurement.sc/preferences .	Mandatory	No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	SC End-Product Pref. Section 11-35-1524 (B)(2). Select SC End Product Preference if product is made, manufactured or grown in SC. Select No, if not claiming a preference.	Mandatory	No	<input type="checkbox"/> Yes <input type="checkbox"/> No
	US End-Product Pref. Section 11-35-1524, (B)(1). Select US End Product if product is made, manufactured or grown in the US. Select No, if not claiming a preference.	Mandatory	No	<input type="checkbox"/> Yes <input type="checkbox"/> No

HISTORICAL PRICING INFORMATION :

FY17 Pencils Invitation for Bids for the South Carolina Education Lottery

Item Description: Pre-sharpened, Hex-shaped, Small “Golf-Style” Pencils Without Erasers. Pencils Must Feature a Bonded Lead Core. No Rainforest Wood to be used.

COLORS: PMS 286 BLUE and PMS 361 GREEN. Substitutions in colors WERE NOT BE ACCEPTED.

IMPRINT: Text only. Font must be Sanserif (Helvetica, Arial, or Similar).

Imprint Color: One color WHITE. Imprint is on one side:

Line 1: SCEDUCATIONLOTTERY.COM

Image area of Imprint should be 1 7/8” L x 1/8” H

QUANTITY*

Total Quantity: 1,002,240:

- o 501,120 pencils must be PMS 286 Blue; and
- o 501,120 pencils must be PMS 361 Green.

IMPLEMENTATION OF DELIVERY SCHEDULE

ONE (1) FULL Shipment WAS REQUIRED AND WAS DELIVERED no later than **MARCH 31, 2017**:

Total QTY—FULL Shipment: 1,002,240 and must include 501,120 pencils (PMS 286 blue) and 501,120 pencils (PMS 361 green).

PACKAGING REQUIREMENTS:

Packaging Box Style: “Snap-Bottom” Lock Box also known as an “Auto-Bottom” Lock Box with a “Tuck-In Top”

Packaging Box Material: Paperboard with a minimum 14 point thickness

Vendor: Product-Envy, Incorporated

Total Award: \$17,529.17*

Unit Price: \$0.01749 Each

Award Date: December 22, 2016

Preferences: Preferences did not apply towards award

Delivery: As requested

***Total Award Above based on the following Factors which DIFFER from the FY18 Pencils IFB**

1. QUANTITY

Total FY17 Pencils IFB Quantity: 1,002,240;

Total FY18 Pencils IFB Quantity: 2,004,480;

2. DELIVERY SCHEDULE

Total FY17 Pencils IFB DELIVERY SCHEDULE: (1) FULL SHIPMENT OF 1,002,240 PENCILS (501,120 @ PMS 286 BLUE AND 501,120 @ PMS 361 GREEN;

Total FY18 Pencils IFB DELIVERY SCHEDULE: (2) PARTIAL SHIPMENTS OF 2,004,480 PENCILS (1ST SHIPMENT: 501,120 @ PMS 286 BLUE AND 501,120 @ PMS 361 GREEN; AND 2ND SHIPMENT: 501,120 @ PMS 286 BLUE AND 501,120; AND

3. Production Price (which included shipping, but did not include sales/use tax).

IX. ATTACHMENTS TO SOLICITATION

ATTACHMENTS LIST

The following documents are attached to this solicitation:

- A. SCEL Logo As Text Imprint
- B. Important Tax Notice
- C. Offerors Checklist

SCEDUCATIONLOTTERY.COM

ATTACHMENT B | IMPORTANT TAX NOTICE - NONRESIDENTS ONLY

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed \$10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the Contract.

The withholding requirement applies to every governmental entity that uses a Contract ("Using Entity"). Nonresidents should submit a separate copy of the Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to every Using Entity that makes payment to the nonresident pursuant to this solicitation. Once submitted, an affidavit is valid for all contracts between the nonresident and the Using Entity, unless the Using Entity receives notice from the Department of Revenue that the exemption from withholding has been revoked.

Section 12-8-540 requires persons making payment to a nonresident taxpayer of rentals or royalties at a rate of \$1,200.00 or more a year for the use of or for the privilege of using property in South Carolina to withhold 7% of the total of each payment made to a nonresident taxpayer who is not a corporation and 5% if the payment is made to a corporation. Contact the Department of Revenue for any applicable exceptions.

For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department's website at: <https://dor.sc.gov>

This notice is for informational purposes only. This agency does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-896-1420.

PLEASE SEE THE "NONRESIDENT TAXPAYER REGISTRATION AFFIDAVIT INCOME TAX WITHHOLDING" FORM (FORM NUMBER I-312) LOCATED AT: <http://www.sctax.org/forms/withholding/i-312-form>
[09-9005-2]

ATTACHMENT C | OFFEROR'S CHECKLIST (AVOID COMMON MISTAKES)

The South Carolina Education Lottery understands that bid submission requirements pursuant to the S.C. Consolidated Procurement Code are comprehensive and complex. In an effort to simplify this process, SCEL has provided below an "Offerors Checklist" to assist Offerors in submitting the required information necessary to deem a bid responsive. Please **DO NOT** return this page with your offer. **NOTE: The Offerors Checklist is to be used as a guide. Offers must conform to the material requirements as provided in the Solicitation. Any Offer that fails to conform to the Solicitation's material requirements may be deemed nonresponsive.**

If you submit your offer electronically, you must upload THE FOLLOWING.

1. Cover Page (1) AND Cover Page (2);
2. Cover Page Two (must include "Vendor Information and Acknowledgement of Amendments");
3. PAGE 14: Complete "Minority Participation" provided below;
4. PAGES 23-26: SCEL Bidding Schedule/Pricing Information

SAMPLE TO BE SUBMITTED WITH BID ON OR BEFORE DECEMBER 5, 2017 BY 2PM EST

(1) ACTUAL /PHYSICAL SAMPLE OF PENCIL WITH ACTUAL SAMPLE LOGO REQUIRED (DOES NOT HAVE TO BE SCEL LOGO)
----- VIRTUAL SAMPLE OF EACH REQUIRED PMS COLOR IS ACCEPTABLE IF ACTUAL SAMPLE OF EACH REQUIRED PMS COLOR IS NOT AVAILABLE PRIOR TO BID OPENING.

SAMPLE COLORS: PMS 286 BLUE AND PMS 361 GREEN. Substitutions in colors WILL NOT BE ACCEPTED. Colors may be submitted as VIRTUAL/ELECTRONIC COPY IF ACTUAL COLOR IS NOT AVAILABLE TO SUBMIT WITH BID.

SAMPLE IMPRINT: SAMPLE Text Only

SAMPLE Imprint Color: Any Color

SAMPLE Imprint Logo: Any Logo

Size of SAMPLE Imprint Area: Any Size

NOTES:

Make sure you have properly marked all protected, confidential, or trade secret information in accordance with the heading entitled: bidding instructions, submitting confidential information. ***Do not mark your entire bid as confidential, trade secret, or protected! Do not include a legend on the cover stating that your entire response is not to be released!***

Reread your entire proposal to make sure your proposal does not take exception to any of the Solicitation's mandatory requirements. Check to ensure your proposal includes everything requested! If you have concerns about the solicitation, do not raise those concerns in your response! **After opening, it is too late! If this solicitation includes a question & answer period, raise your questions as a part of that process!** Please see Bidding instructions and any provisions regarding *Amendments to Solicitation* (pg. 2) and *Questions From Offerors* (pg. 6). All Questions and Correspondence must be sent via email to the Procurement Officer listed above.