

"C" SERIES

CONTRACT

PRINTING, BINDING, PACKAGING, AND DELIVERING THE
2006 IOWA ACTS AND THE 2007 CODE

Item #1: Acts (pp. 2-34) Item #2: Code (pp. 35-71)

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Legislative Services Agency
State Capitol
Des Moines, Iowa 50319

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CONTRACT

ITEM #2: CONTRACT FORM FOR THE CODE

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I. PARTIES

The parties to this contract are the Legislative Services Agency, herein referred to as the "Agency," an organization created under the jurisdiction of the Iowa General Assembly pursuant to § 2A.1 of the Iowa Code, and identified with the Federal Employer Identification Number 42-6022199, and Matthew Bender & Company, Inc., a member of the LexisNexis Group, herein referred to as "Contractor," a business located in Charlottesville, Virginia, and identified with Federal Identification Number 14-0499170.

II. DEFINITIONS

As used in this contract, unless the context otherwise requires:

- A. **"Book"** means any volume of the Code including any statutory volumes set or index volume.
- B. **"Code"** means the printed, finished, and bound edition of the 2007 edition of the Code of Iowa which includes both of the following:
 - 1. **Statutory Volumes Set.** A six volume set of statutes (Volumes I-VI) and miscellaneous materials including constitutions, compacts, and a skeleton index.
 - 2. **Index Volume.** A one volume main index and related tables for the statutory volumes set and miscellaneous materials including a skeleton index.
- C. **"Code of Iowa"** means the case bound books arranged as volumes of revised and compiled statutes, indexes, tables, and miscellaneous materials published by the Agency during each even-numbered year under the direction of the Iowa Code Editor, pursuant to chapter 2B of the 2005 edition of that publication.
- D. **"Contract Price"** means the total amount of money owed to the Contractor for the production and delivery of all books accepted by the Agency as described in Part X, Paragraph "A," and as provided in Part X, Paragraph "C."
- E. **"Delivery"** means a party's receipt of an item sent by the other party as provided in this contract.
- F. **"Production"** includes all necessary and customary work using production materials relating to the design, composition, creation, manufacture, or reproduction of (1) Production items such as sample covers including preliminary paper-proof covers or finished sample covers, sets of blue line pages including sample blue line pages or finished blue line pages, or sets of assembled pages or (2) Books (organized as Codes) including book pages, decoration of book covers, and the binding and the finishing of books.
- G. **"Production Item"** means a sample cover, a set of blue line pages, or a set of assembled pages which are produced by the Contractor for the Agency and delivered by the Contractor to the Agency as provided in this contract.
- H. **"Production Material"** includes but is not limited to any material such as paper, ink, fabric and binding, stitching, glue, casing, boards, dies, or stamps which is necessary to produce a production item or book as provided in this contract.
- I. **"Sample Cover"** means (1) A preliminary paper-proof cover (a paper sheet) with drawings which illustrates how each volume of the Code will appear when the books are bound, as



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produced by the Contractor for the Agency and delivered to the Agency during the trial performance period as provided in Part VI, Paragraph "A," or (2) A finished sample cover which is an exact replica of the covers for each volume of the Code as produced by the Contractor for the Agency and delivered to the Agency during the standard performance period as provided in Part VII, Paragraph "A."

- J. **"Set of Assembled Pages"** or set of "cut copy pages" as commonly referred to by book binderies, means each group of all loose book pages which are sequentially arranged by page number for a complete volume of the Code as produced by the Contractor for the Agency and delivered to the Agency during the standard performance period as provided in Part VII, Paragraph "C." "Blue line pages" may include conventional blue line pages or an equivalent proof page as approved by the Agency.
- K. **"Set of Blue Line Pages"** means (1) Sample blue line pages arranged in the same order as test composed pages delivered to the Contractor by the Agency and required to be produced by the Contractor for the Agency and delivered by the Contractor to the Agency during the trial performance period as provided in Part VI, Paragraph "B," or (2) Finished blue line pages that are sequentially arranged by page number to complete a book or part of a book as required to be produced by the Contractor for the Agency and delivered by the Contractor to the Agency during the standard performance period as provided in Part VII, Paragraph "B."
- L. **"Workmanship"** includes all aspects of labor and mechanical, chemical, or computer processes used to compose, create, or manufacture a production item or book using production materials. "Workmanship" includes but is not limited to the appearance, sturdiness, and durability of a book; the quality of a book's binding; the appearance and placement of impressions and foils on a book's cover; the alignment and cut of the book pages; the composition of text and artwork in producing sample pages, blue line pages, and book pages; and the quality of the printing on the sample pages, blue line pages, and book pages, including text and artwork; and any necessary arrangement of blue line pages or assembled pages into sets.

III. GENERAL PROVISIONS

- A. **Choice of Law and Forum.** This contract is governed by the laws of the State of Iowa. All disputes and controversies regarding this contract shall be heard in the District Court of Polk County, Iowa. However, if jurisdiction is not proper in the Polk County District Court, the action shall only be brought in the United States District Court for the Southern District of Iowa, Central Division, provided that jurisdiction is proper in that forum.
- B. **Compliance With Applicable Laws and Regulations.** During the duration of this contract and as a condition of the Contractor's duty to perform under the provisions of this contract, the Contractor shall comply with all applicable laws and regulations of the State of Iowa and the United States, including, but not limited to, Title VII of the Civil Rights Act of 1964 and the Civil Rights Act of 1991 (42 U.S.C. ch. 21), and the federal Occupational Safety and Health Act of 1970 (29 U.S.C. §§ 651-678).



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- C. Taxes; Certification --- Collection and Remission of Iowa Sales and Iowa Use Tax.** The Agency or the General Assembly is not responsible for paying any taxes incurred by Contractor in the performance of this Contract. The Agency and the General Assembly are exempt from the payment of State sales and other taxes. The Contractor certifies to the Department of Revenue, on any form required by the Department, that the Contractor agrees to collect and remit Iowa sales taxes and Iowa use taxes due under Iowa Code chapter 423 on the sales of tangible personal property and services as enumerated by statute, pursuant to §423.2 and §423.5 of the 2005 Code Supplement. However, the Contractor shall not collect or remit an Iowa sales tax or Iowa use tax on sales of tangible personal property or services for its performance under this contract.
- D. Estimations.** Whenever this contract uses an estimation for a number of pages (or signatures), or an estimation of a number of books required to be delivered to particular location, the estimation is an approximation.
- E. Agency's Interest in Production Items and Books.** Production items or books shall not be subject to copyright by the Contractor in the United States or in any other country. The Contractor shall not release text or data originating from print or electronic media transferred or delivered to the Contractor and containing any portion of the production items or books, without the prior written approval of the Agency. The Contractor shall not produce a print or electronic publication from such text or data without the prior written approval of the Agency. The Contractor shall not advertise itself as the official publisher of the Code of Iowa or any other publication produced by the Agency.
- F. Party in Litigation.** The Agency shall not act as a party in any lawsuit to protect or enforce a right or interest of the Contractor, unless the Agency consents in writing to become a party.
- G. Subcontracting.** The Contractor shall provide for subcontracting only as provided in this paragraph:
- 1. Authorized Persons.** The Contractor shall only subcontract with the following persons:
 - a. Production (Book Bindery).** R R Donnelley® who, acting under the direct supervision of the Contractor, shall be the book bindery, including by providing for the production of (1) Production items during the trial performance period as provided in Part VI, (2) Production items during the standard performance period as provided in Part VIII, and (3) Books as provided in Part VIII.
 - b. (1) Delivery of Production Items (Courier).** The FedEx® Corp., United Parcel Service, Inc. (UPS®), or another person who is a Midwestern or nationally recognized courier authorized by the Agency who, acting under the supervision of the Contractor, shall provide for delivery of production items during the trial performance period as provided in Part VI and the standard performance period as provided in Part VII.
 - (2) Delivery of Books (Freight Company).** Roadway® Express, Inc, Con-way® Freight, or another person who is a Midwestern or nationally recognized freight company authorized by the Agency who, acting under the supervision of the Contractor, shall provide for the delivery of books during the standard performance period as provided in Part VIII.



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2. **Payment Obligation.** The Contractor and not the Agency shall be liable for any payment to a subcontractor for performance rendered by the subcontractor under this contract.
 3. **Duty to Perform.** The Contractor shall not be relieved from a duty to perform under this contract because of a subcontractor's failure to perform the duty under this contract. All standards for production and delivery of production items and books as provided in this contract shall apply to the Contractor regardless of whether the Contractor renders performance directly or by using a subcontractor.
 4. **Agreements.** The Agency may obtain and review any agreement executed between the Contractor and a subcontractor.
- H. **No Pecuniary Gain or Conflict of Interest.** The Contractor agrees that to its knowledge, neither the staff of the Agency nor a member of the General Assembly of the State of Iowa has or will receive any direct economic benefit because of the selection of the Contractor as a party to this contract. The Contractor agrees that it has no interest and will not acquire any direct or indirect interest which would conflict in any manner with the performance of this contract, and that a person having such an interest will not knowingly be associated in the performance of this contract.
- I. **No Assignment or Transfer.** The Contractor shall not assign or transfer any interest in this contract to another person without the prior written consent of the Agency.
- J. **Fixed Price Contract.** This is a fixed price contract. Except as otherwise expressly provided in this contract, or expressly agreed to in writing by the parties, the total price paid to a Contractor is fixed as provided in this contract. Except as provided in this contract, no special fees or expenses shall be charged directly or indirectly to the Agency, including labor, production materials, equipment, insurance, packing, freight, travel, parking, or any other costs incurred in producing and delivering the production items or books.
- K. **Renewal.** The Agency reserves the right to execute a renewal contract to produce the 2009 Code of Iowa with the Contractor according to provisions agreed to by the parties which shall be substantially similar to the provisions of this contract.

IV. STANDARDS (PRODUCTION)

- A. **Contractor's Duty of Performance.** The Contractor shall acquire all production materials, furnish all workmanship, and oversee all aspects of delivery of production items and books to the Agency either directly or by the use of a book bindery as provided in Part III, Paragraph "G."
- B. **General Standards.** A detailed standard for a production material or workmanship as required in this contract, including as specified in Paragraph "C," shall be the standard for a production material or workmanship used to produce a production item or book. However, if a standard is not specified in this contract or there is a question regarding the Contractor's compliance with a standard for a production material or workmanship, regardless of detailed standards provided in this contract, including Paragraph "C," all of the following apply:



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1. **Production Materials.** If the Agency has approved without qualification a production item that includes a production material to be used in book production during the trial performance period as provided in Part VI or standard performance period as provided in Part VII, that same production material shall be used by the Contractor in the production of sets of assembled pages during the standard performance period as provided in Part VII and in the production of books as provided in Part VIII. The production material approved by the Agency without qualification shall supersede any possible conflicting standard for the production material as specified in this contract. In all other cases, the standard for production materials shall be the same or equivalent as used in the production of the 2005 edition of the Code of Iowa.
 2. **Workmanship.** If the Agency has approved the workmanship of a production item without qualification during the trial performance period as provided in Part VI or standard performance period as provided in Part VII, that same workmanship shall be used by the Contractor in the production of sets of assembled pages during the standard performance period as provided in Part VII and in the production of books as provided in Part VIII. The standard of workmanship used to produce a production item approved by the Agency without qualification shall supersede any possible conflicting standard for workmanship specified in this contract. In all other cases, the standard for workmanship for the production item or a book shall be the same or equivalent as used in the production of the statutory volumes sets of the 2005 edition of the Code of Iowa and the index volumes of the 2003 edition of Code of Iowa.
- C. Detailed Standards --- Appendices Incorporated by Reference.** The detailed standards for production items and books as provided in the Appendices, Appendix A, are incorporated in this contract by reference, and shall control, except as provided in Paragraph "B," or as expressly modified by this Part or another provision of this contract which makes an exception to this Part.
1. **Book Size.** For the size of each book, Table A-1.
 2. **Paper Stock.** For production materials associated with the paper stock used to produce ordinary page paper, Table A-2. These include standards for the manufacturer's brand, size, color, finish, brightness, opacity, basis weight, pages in an inch of paper of a specified thickness or caliper per sheet of paper (PPI), duration of archival quality, and recycled content.
 3. **Page Composition and Printing.** For production materials and workmanship used in page composition and printing on ordinary page paper, Table A-3. These include standards for the image area for type, font, artwork, ink (involving both the ratio and the soy oil content), and the use of bleed bars.
 4. **Binding and Finishing the Book.** For production materials and workmanship associated with binding and finishing the book, the following shall apply:
 - a. **Book Block.** For producing the book block (or text block), Table A-4a. These include standards for the construction of materials such as the assembly of signatures, cambric, end pages, head bands, and foot bands.



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- b. **Casing.** For producing the casing and attaching the book block to the casing, Table A-4b. These include standards for the construction of materials such as the assembly of the casing's inlay which uses a hard spine binding with a heavy Kraft back line, sturdy binders' boards, heavy white end sheets, and a fabric having a tan color with a Buckram grain finish.
- c. **Decoration.** For producing the decoration, Table A-4c. These include decoration on the front and back covers and on the spine. On the front and back covers, the decoration must include blind stamping. On the spine the decoration must include black impressions and foils with gold impressions.

V. STANDARDS (DELIVERY)

- A. **Production Items.** The Contractor is required to pick up and deliver production items. The Contractor must deliver production items personally or by a courier as provided in Part III, Paragraph "G."
- B. **Blue Line Pages.** The Agency shall determine the format to be used for blue line pages. The Agency shall furnish to the Contractor fully composed pages (e.g., in a postscript format). The Agency may deliver files used in production by electronic transfer directly to the Contractor by file transfer protocol (FTP), electronic mail, or to the Contractor's Internet website, or by delivery of files stored on electronic media (e.g., CD-ROM). The Agency may also deliver paper copies of composed pages to the Contractor in a manner determined reasonable by the Agency.
- C. **Computing Book Pages.** When counting book pages, one sheet of paper includes two pages, a front and reverse side.
- D. **Computing Sets of Blue Line Pages.** When counting sets of finished blue line pages for the statutory volumes sets delivered to the Agency during the standard performance period as provided in Part VII, Paragraph "B," the failure to deliver a complete satisfactory set of blue line pages shall be deemed to be a failure to deliver all sets of blue line pages for the statutory volumes sets. When counting sets of finished blue line pages for the index volumes delivered to the Agency during the standard performance period as provided in Part VII, Paragraph "B," the failure to deliver a complete satisfactory set of blue line pages shall be deemed to be a failure to deliver all sets of blue line pages for the index volumes.
- E. **Computing Time.** For purposes of computing delivery requirements of a schedule provided as part of a trial performance period as provided in Part VI or as part of a standard performance period as provided in Part VII or VIII, all of the following apply:
 - 1. **Calendar Day.** A calendar day begins at 8:00 a.m. and ends at 4:30 p.m. central time. In computing time, the first day is excluded and the last day is included unless the last day falls on a Sunday or a legal public holiday as defined in Iowa Code § 1C.1, in which case the time prescribed is extended to include the next succeeding calendar day. Any reference in



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this contract to "day" means a calendar day unless otherwise provided. In computing time, the first calendar day is excluded and the last business day is included.

- 2. Business Day.** A business day begins at 8:00 a.m. and ends at 4:30 p.m. central time. A business day is a calendar day other than a Saturday or Sunday or a day recognized as a legal holiday by the State of Iowa (see Iowa Code § 1C.1). In computing time, the first business day is excluded and the last business day is included.

F. Terms and Conditions of Delivery. In determining whether a production item is delivered during a trial performance period as provided in Part VI, a production item is delivered during a standard performance period as provided in Part VII, or a book is delivered during a standard performance period as provided in Part VIII, all of the following shall apply:

- 1. Delivery by the Subcontractor (Book Bindery).** The Agency may require that a subcontractor who is the book bindery simultaneously deliver production items to the Agency and the Contractor during the trial performance period as provided in Part VI and the standard performance period as provided in Part VII.
- 2. Delivery on Business Days.** The Contractor must make a delivery of a production item or book on a business day. If the last day that a delivery can be made under this contract occurs on a Saturday or Sunday or a day recognized as a legal holiday by the State of Iowa, the last day shall be deemed to be the first subsequent business day.
- 3. Delivery to Agency.** A requirement that the Contractor deliver a production item to the "Agency" means that the Contractor is required to deliver the production item to the Office of the Code Editor as provided in Part VII. A requirement that the Contractor deliver a book to the "Agency" means that the Contractor is required to deliver the book to a destination as part of Normal Delivery or Special Delivery as provided in Part VIII.
- 4. Receipt Is Not Approval or Acceptance.** An Agency's receipt of a production item, other than a set of assembled pages, is not an approval of the production item by the Agency. The Agency's receipt of a set of assembled pages or book delivered by the Contractor to the Agency is not acceptance of the book by the Agency.
- 5. Agency Approval or Acceptance.** Only the Agency is authorized to provide approval or acceptance of a production item or book, even though another person may be authorized to receive the production item or book.
- 6. Excusable Failure to Deliver.** The Contractor is excused from making delivery on a business day or to a specific destination if the destination does not accept delivery and the Contractor notifies the Agency of the refusal as provided in Part IX. However, the Contractor must make delivery on the next business day to that destination, unless the failure is excused as provided in this subparagraph or the Agency provides otherwise.

G. Determination Period for Production Items and Books. The Agency shall have a period of time referred to as a "determination period" to deliver its decision to approve a production item, other than a set of assembled pages during the trial performance period as provided in Part VI or during the standard performance period as provided in Part VII; accept one or more sets of assembled pages during the standard performance period as provided in Part VII; or accept one or more books during the standard performance period as provided in Part VIII.



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The Agency's determination period begins on the final date required for the delivery of the production item or book or the actual date that the production item or book is delivered, which is later.

- H. **Detailed Production Standards and Production and Delivery Schedules --- Appendices Incorporated by Reference.** The schedules for the production and delivery of production items and books as provided in the Appendices, Appendix B are incorporated in this contract by reference, and shall control, except as expressly modified by this Part or another provision of this contract which makes an exception to this Part, including Parts VI through VIII.

VI. SCHEDULE --- TRIAL PERFORMANCE PERIOD (PRODUCTION AND DELIVERY OF PRODUCTION ITEMS)

Upon execution of this contract, the Contractor shall produce and deliver the production items for Agency approval during a trial performance period. The Contractor shall produce the production items according to the production standards in Appendix A and produce and deliver the production items according to the production and delivery schedules provided in Appendix B.

- A. **Preliminary Paper-Proof Cover.** The Contractor shall delivery a preliminary paper-proof cover to the Agency.
1. **Standards.** The preliminary paper-proof cover shall illustrate how the covers for each volume of the Code will appear when the books are bound, including all lettering and numbering, and the location of the required impressions and foil stamping. A preliminary paper-proof cover must be trimmed to size or marked to illustrate the trim size. The lettering and numbering and the location of the impressions and foil stamping must be identical to that used in the production of the books.
 2. **Approval.** The Agency shall (1) Approve the preliminary paper-proof cover without qualification, (2) Approve the preliminary paper-proof cover with qualification, or (3) Disapprove the preliminary paper-proof cover, all within a determination period as provided in Part V, Paragraph "G". If the Agency approves the preliminary paper-proof cover with qualification or disapproves the preliminary paper-proof cover, the Agency shall deliver to the Contractor a notice specifying the reasons for the qualified approval or disapproval, which may include a marked-up copy of the preliminary paper-proof cover showing corrections, and the Contractor shall make the corrections. If the Agency disapproves the preliminary paper-proof cover, the Contractor shall deliver a corrected replacement preliminary paper-proof cover to the Agency within a determination period as provided in Part V, Paragraph "G". The Agency may require that the Contractor produce and deliver to the Agency any number of subsequent corrected replacement preliminary paper-proof covers for its approval or seek remedies as provided in and according to procedures set forth in Parts XI through XIV.



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- B. Sets of Sample Blue Line Pages.** In preparation for the Contractor's production and delivery of sets of finished blue line pages during the standard performance period as provided in Part VII, Paragraph "B," the Agency shall deliver test-composed pages to the Contractor as provided in Part VI, Paragraph "B," and the Contractor shall use the test-composed pages to produce two sets of sample blue line pages in a printed format which shall be delivered to the Agency for its approval.
- 1. Standards.** The test-composed pages delivered by the Agency to the Contractor shall be substantially equivalent to composed pages required for the production of sets of finished blue lines pages. If the test-composed pages include red-green-blue (RGB) colored text, the Contractor shall convert the text color to black as directed by the Agency. The Contractor shall use the test-composed pages to produce two sets of sample blue line pages.
 - 2. Delivery and Approval.** The Agency will deliver test-composed pages to the Contractor in an electronic format in the same manner as the Agency expects to deliver composed pages to the Contractor for the production of sets of finished blue line pages. The sample blue line pages shall conform to standards established by the Agency.
 - 3. Approval.** The Agency shall (1) Approve the sets of sample blue line pages without qualification, (2) Approve the sets of sample blue line pages with qualification, or (3) Disapprove the sets of sample blue line pages, all within a determination period as provided in Part V, Paragraph "G". The approval or disapproval of one set of sample blue line pages shall be deemed as the approval or disapproval of both sets of sample blue line pages. If the Agency approves the sets of sample blue line pages with qualification or disapproves an entire set of sample blue line pages, the Agency shall deliver to the Contractor a notice identifying the deficiencies (problems or errors) in the sets of sample blue line pages, and return one or more sets of sample blue line pages, or any part of the sets of sample blue line pages, to the Contractor with markings indicating where any deficiencies were found, and the Contractor shall correct the deficiencies. If the Agency disapproves an entire set of sample blue line pages, the Contractor shall deliver two sets of corrected replacement sets of sample blue line pages, or any part of the corrected replacement sets of sample blue line pages, to the Agency as approved by the Agency within a determination period as provided in Part V, Paragraph "G". The Agency may (1) Require that the Contractor produce and deliver to the Agency any number of subsequent corrected replacement sets of sample blue line pages, or parts of corrected replacement sets of sample blue line pages, for its approval, or (2) Seek remedies as provided in and according to procedures set forth in Parts XI through XIV.

VII. SCHEDULE --- STANDARD PERFORMANCE PERIOD (PRODUCTION AND DELIVERY OF PRODUCTION ITEMS)

Following the Agency's final approval of the sets of sample blue line pages during the trial performance period as provided in Part VI, Paragraph "B," the Contractor shall produce production items and deliver them to the Agency for its approval or acceptance. The Contractor shall produce



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the production items according to the production standards in Appendix A and produce and deliver the production items according to the production and delivery schedules provided in Appendix B.

- A. *Finished sample cover.*** The Contractor shall deliver a finished sample cover to the Agency. The finished sample cover shall be an exact replica of the books' covers.
- 1. *Standards.*** For purposes of detailing the types of material and workmanship required for the finished sample cover, it shall include the same fabric, blanking, stamping of impressions, and attachment of foils that are to be used in the production of the books. The finished sample cover shall be produced using the same dyes that will be used in the production of the books unless otherwise provided by the Agency. Its inside corners shall be mitered in the same manner as the books. The finished sample cover must be trimmed to size. The lettering and numbering and the location of the impressions and foil stampings must be identical to those used in the production of the book, unless otherwise provided by the Agency.
 - 2. *Approval.*** The Agency shall (1) Approve the finished sample cover without qualification, (2) Approve the finished sample cover with qualification, or (3) Disapprove the finished sample cover, all within a determination period as provided in Part V, Paragraph "G". If the Agency approves the finished sample cover with qualification or disapproves the finished sample cover, the Agency shall deliver to the Contractor a notice specifying the reasons for the qualified approval or disapproval, which may include a marked-up copy of the finished sample cover showing corrections, and the Contractor shall make the corrections. If the Agency disapproves the finished sample cover, the Contractor shall deliver a corrected replacement finished sample cover to the Agency. The Agency may require that the Contractor produce and deliver to the Agency any number of subsequent corrected replacement finished sample covers for its approval or seek remedies as provided in and according to procedures set forth in Parts XI through XIV.
- B. *Sets of Finished Blue Line Pages.*** The Agency shall deliver composed pages and the Contractor shall produce and deliver two sets of finished blue line pages to the Agency for its approval.
- 1. *Standards.*** The Agency shall deliver composed pages in an electronic format to the Contractor for purposes of producing finished blue line pages.
 - a. *Transmission.*** The Agency will deliver the composed pages by using the same system for the reliable transfer of test-composed pages established during the trial performance period as provided in Part VI.
 - b. *Text Conversion.*** The Contractor shall convert the text color from red-green-blue (RGB), to black in the same manner as the Agency approved for sets of sample blue line pages as provided in Part VI, Paragraph "B," Subparagraph 1.
 - 2. *Schedule by Volume.*** The Contractor shall provide for the production of sets of finished blue line pages for each volume of the Code for delivery to the Agency, and upon delivery of the sets of finished blue line pages, the Agency shall deliver its approval of the sets of blue line pages for that volume to the Contractor. All of the following shall apply:



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- a. **Volume Order.** The Contractor shall provide for the production and delivery of sets of blue line pages in volume order for (1) The statutory volumes sets beginning with Volume I and ending with Volume VI and (2) the index volumes. There may be a break in the schedule between the Agency's final approval of the blue line pages for Volume VI and the Agency's delivery of composed pages for the production and delivery of blue line pages for the Index Volume.
- b. **Incremental Delivery of Composed Pages and Sets of Finished Blue Line Pages.** For each volume of the Code, the Agency may deliver composed pages to the Contractor in installments by signature or split signature. The Contractor shall produce the sets of finished blue line pages by volume or part of volume for delivery to the Agency as the Agency delivers the composed pages to the Contractor.
- c. **Assembly and Delivery.** After the Contractor receives an installment of composed pages and produces the sets of finished blue line pages, the Contractor shall deliver those sets of finished blue line pages to the Agency. The Contractor shall arrange each set of finished blue line pages in sequential order by page number and by signature, or by split signature as approved by the Agency.
- d. **Sets Delivered Together.** The Contractor shall deliver both sets of finished blue line pages to the Agency. However, the Agency may waive this requirement and authorize the Contractor to deliver both sets of finished blue line pages produced from multiple installments of composed pages to the Agency on a later calendar day.
3. **Approval.** The Agency shall (1) Approve the sets of finished blue line pages without qualification, (2) Approve the sets of finished blue line pages with qualification, or (3) Disapprove the sets of finished blue line pages, all within a determination period as provided in Part V, Paragraph "G". The approval or disapproval of one set of finished blue line pages shall be deemed as the approval or disapproval of both sets of finished blue line pages. If the Agency approves the sets of finished blue line pages with qualification or disapproves an entire set of finished blue line pages, the Agency shall deliver to the Contractor a notice identifying the deficiencies (problems or errors) in the sets of finished blue line pages, and return one or more sets of finished blue line pages, or any part of one or more sets of finished blue line pages, to the Contractor with markings indicating where any deficiencies were found, and the Contractor shall correct the deficiencies. If the Agency disapproves an entire set of finished blue line pages, the Contractor shall deliver two sets of corrected replacement sets of finished blue line pages, or any part of the corrected replacement sets of finished blue line pages, to the Agency as approved by the Agency according to the production and delivery schedule specified in the Appendices, Table B-1a. The Agency may (1) Require that the Contractor produce and deliver to the Agency any number of subsequent corrected replacement sets of finished blue line pages, or parts of sets of finished blue line pages, for its approval, or (2) Seek remedies as provided in and according to procedures set forth in Parts XI through XIV.
- C. **Sets of Assembled Pages.** Following the Agency's final approval of the sets of finished blue line pages as provided in Paragraph "B," the Contractor shall produce and deliver 12 sets of assembled pages to the Agency for its acceptance.



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1. **Standards.** The sets of assembled pages are not used to determine that the pages meet the standards for this contract and for the Agency's use. Each set of assembled pages must be printed and folded, signatures trimmed to book page size, three-hole punched, and sorted prior to delivery to the Agency. The Contractor shall produce each set of assembled pages as book pages that conform to the standards for production materials and workmanship provided in Part IV.
2. **Volume Order.** The Contractor shall provide for the production and delivery of sets of assembled pages in Code volume order beginning with Volume I through Volume VI and ending with the Index Volume. The Contractor shall deliver the set of assembled pages for each volume in sequential order.
3. **Damaged Sets of Assembled Pages.** A set of assembled pages which is damaged prior to receipt by the Agency shall be deemed undelivered.
4. **Acceptance.** The Agency may (1) Accept one or more sets of assembled pages or (2) Reject one or more sets of assembled pages, all within a determination period as provided in Part V, Paragraph "G". If the Agency rejects a set of assembled pages, it may seek remedies as provided in and according to procedures set forth in Parts XI through XIV.

VIII. SCHEDULE --- STANDARD PERFORMANCE PERIOD (PRODUCTION AND DELIVERY OF BOOKS)

- A. **General.** After the Agency's final approval of sets of finished blue line pages during the standard performance period as provided in Part VII, Paragraph "B," the Contractor shall produce and deliver the finished books to the Agency in compliance with the requirements of this contract, including the standards provided in Part IV. The Contractor shall produce the books according to the production standards in Appendix A and produce and deliver the books according to the production and delivery schedules provided in the Appendix B.
- B. **Production Requirements.** The Contractor shall produce books in sequential order beginning with Volume I and ending with Volume VI as sets of blue line pages for that volume are approved by the Agency. The Agency may authorize the Contractor to produce multiple volumes together.
- C. **Packaging Requirements.** The Contractor shall provide for the safe packaging of the books in cartons that meet all construction requirements of the applicable freight classifications. The weight of each bulk-packaged carton shall not exceed 35 pounds. The books must be packaged as follows:
 1. **Statutory Volume Sets.** For statutory volumes sets, each carton must include the six numbered volumes of the Code. One side of the carton must be printed to indicate its contents, including the volume numbers. The Contractor must place a notice as specified by the Agency within the carton informing recipients that it does not include the Index Volume and that the Index Volume will be delivered separately at a later date.



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2. **Index Volumes.** For index volumes, the weight of each bulk-packaged carton shall not exceed 35 pounds. The index volumes must be packaged in bulk. However, at least five percent of the total quantity ordered, excluding overruns, must be placed in individual cartons. One side of each carton must be printed to indicate its contents and the quantity of books contained in the carton.
- D. **Shipping Requirements.** The Contractor shall provide for the shipment of books, including by providing the loading, transportation, and unloading of the books.
1. **F.O.B.** The Contractor shall deliver the books F.O.B. Destination, Door, Freight Prepaid and Allowed.
2. **Specifications.** The Contractor shall make shipments in a manner that meets all requirements for the applicable freight classification. A shipment of less than 800 pounds may be made by the Contractor, a courier, or a freight company, and a shipment of 800 or more pounds shall only be made by a freight company, all as provided in Part III, Paragraph "G." For shipments delivered by a freight company, each carton shall be packed and delivered on skids which shall be strapped to skids by polyethylene wrap. Each package must fit on a 3'4" x 5' pallet without overhang. A pallet shall not be double stacked.
- E. **Delivery Requirements.** The Contractor shall provide for both Normal Delivery and Special Delivery of the Codes (both the statutory volumes sets and later the index volumes) to all destinations required in this Paragraph "E."
1. **Normal Delivery.** The Contractor shall provide for the Normal Delivery to the Agency for General Distribution and State Capitol Complex Distribution as provided in this Subparagraph.
- a. **Destination.** The Contractor shall ship the Codes directly to the following destination:
- Grimes State Office Building
400 E. 14th St.
Des Moines, Iowa 50319
- b. **Unloading Instructions.** The Contractor shall ensure that a delivery truck is able to unload the Codes at the destination's dock. The dock is inside the building, and there are no accommodations to unload by forklift. All pallets must be unloaded by pallet jacks located at the dock. The maximum clearance for the dock is 13'4". If the Contractor makes the delivery to the dock by a truck that exceeds the 13'4" clearance, the books shall be deemed undelivered without notice by the Contractor to the Agency.
- c. **General Distribution and State Capitol Complex Distribution.** The Contractor shall provide for the Normal Delivery of 4,350 Codes as follows:
- (1) **Statutory Volumes Sets.** The Contractor shall deliver an estimated 3,000 statutory volumes sets for General Distribution, and an estimated 1,350 statutory volumes sets for State Capitol Complex Distribution. If the statutory volumes sets for State



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Capitol Complex Distribution are shipped with the balance of the other statutory volumes sets for General Distribution, the Contractor shall segregate and set aside the statutory volumes sets for State Capitol Complex Distribution which shall be fit on one or more separate pallets as otherwise required under Paragraph "D" in order to accommodate their separate unloading, warehousing, and distribution.

- (2) **Index Volumes.** The Contractor shall deliver the same number of index volumes as statutory volumes sets which shall be divided between General Distribution and State Capitol Complex Distribution in the same manner as provided for the statutory volumes sets pursuant to Subparagraph Subdivision (1).
- 2. a. Special Delivery (Legislative Distribution).** The Contractor shall provide for the Special Delivery of 420 Codes to the Agency for Legislative Distribution as follows:

 - (1) **Destination.** The Contractor shall ship the Codes directly to the same destination as provided for the Normal Delivery of the Codes pursuant to Subparagraph 1, Subdivision "a."
 - (2) **Unloading Instructions.** The Contractor shall ensure that a delivery truck is able to unload the Codes at the destination's dock in the same manner and according to the same procedures as provided for the Normal Delivery of the Codes pursuant to Subparagraph 1, Subdivision "b."
 - (3) (a) **Statutory Volumes Sets.** The Contractor shall provide for the Special Delivery of 420 statutory volumes sets. If the statutory volumes sets for Legislative Distribution are shipped with the other statutory volumes sets as part of Normal Delivery (for General Distribution or State Capitol Complex Distribution), the Contractor shall segregate and set aside the statutory volumes sets for Legislative Distribution which shall be fit on one or more separate pallets as otherwise required under Paragraph "D" in order to accommodate their separate unloading, warehousing, and distribution.

(b) **Index Volumes.** The Contractor shall deliver the same number of index volumes as provided for statutory volumes sets pursuant to Subpart (a). If the index volumes for Legislative Distribution are shipped with the balance of the other index volumes as part of Normal Delivery for General Distribution or State Capitol Complex Distribution pursuant to Subparagraph 1, the Contractor shall segregate and set aside the index volumes for Legislative Distribution which shall be fit on one or more separate pallets as otherwise required under Paragraph "D" in order to accommodate their separate unloading, warehousing, and distribution.
- b. Special Delivery (Judicial Distribution).** The Contractor shall provide for the Special Delivery of 980 Codes to various locations in the state for Judicial Distribution as follows:

 - (1) **Destinations.** The Contractor shall drop ship the Codes directly to Iowa's eight judicial districts as follows:



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Table A
Judicial Districts

District	City	Zip Code	District	City	Zip Code
1 st District	Waterloo	50703	5 th District	Des Moines	50309
2 nd District	Fort Dodge	50501	6 th District	Cedar Rapids	52401
3 rd District	Sioux City	51101	7 th District	Davenport	52801
4 th District	Council Bluffs	51501	8 th District	Ottumwa	52501

- (2) **Unloading Instructions.** The Agency shall deliver instructions to the Contractor which shall include: (1) Addresses of delivery locations and (2) Requirements for redelivery notice procedures.
- (3) (a) **Statutory Volumes Sets.** The Contractor shall provide for the Special Delivery of 980 statutory volumes sets by the deadline for statutory volumes sets which are delivered as part of the Normal Delivery of statutory volumes sets for General Distribution pursuant to Subparagraph 1.
- (b) **Index Volumes.** The Contractor shall deliver the same number of index volumes as provided for statutory volumes sets pursuant to Subpart (a). The Contractor shall deliver the index volumes by the deadline for index volumes which are delivered as part of the Normal Delivery of index volumes for General Distribution pursuant to Subparagraph 1.

F. Damaged Books. A book which is damaged prior to acceptance of delivery by the Agency shall be deemed undelivered.

G. Acceptance. The Agency may accept or reject one or more statutory volumes sets or accept or reject one or more books as follows:

- 1. **Statutory Volumes Set.** For the statutory volumes sets, the Agency may (1) Accept one or more statutory volumes sets or (2) Reject one or more statutory volumes sets, all within a determination period of 42 calendar days as provided in Part V, Paragraph "G." If three or more books (volumes) which are part of a statutory volumes set are rejected or missing, the Agency may reject the entire statutory volumes set within the determination period. However, if the Agency finds that it has cause, it may notify the Contractor within the 42-calendar-day period that it reserves 28 additional calendar days, which equals a determination period of 70 calendar days. If the Agency rejects a statutory volumes set, it may seek remedies as provided in and according to procedures set forth in Parts XI through XIV.
- 2. **Books.** For books which are part of a statutory volumes set or an index volume the Agency may (1) Accept one or more books or (2) Reject one or more books, all within a determination period of 42 calendar days as provided in Part V, Paragraph "G." However, if the Agency finds that it has cause, it may notify the Contractor within the 42-calendar-day



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period that it reserves 28 additional calendar days which equals a determination period of 70 calendar days. If the Agency rejects a book, it may seek remedies as provided in and according to procedures set forth in Parts XI through XIV.

IX. SCHEDULE --- COMMUNICATION

A. Communication to the Agency. If the Contractor communicates with the Agency regarding any issue regarding this contract, the communication must be addressed to one or both of the Agency's contact persons who are Ms. Leslie Hickey and Ms. Joanne Page.

Table B.1
Agency Contact Information

Ms. Leslie Hickey	Ms. Joanne Page
Iowa Code Editor	Deputy Code Editor
Legislative Services Agency	Legislative Services Agency
Address: Ola Babcock Miller Building	Address: Ola Babcock Miller Building
1112 E. Grand Ave.	1112 E. Grand Ave.
3rd Floor (Iowa Code Office)	3rd Floor (Iowa Code Office)
Des Moines, Iowa 50319	Des Moines, Iowa 50319
Telephone: (515) 281-8871	Telephone: (515) 242-6464
Fax: (515) 281-5534	Fax: (515) 281-5534
E-mail: leslie.hickey@legis.state.ia.us	E-mail: joanne.page@legis.state.ia.us

1. **Authorization.** Ms. Hickey and Ms. Page are authorized to discuss any issue relating to this contract. If the Contractor cannot directly make contact with one person, the Contractor shall make every reasonable effort to make direct contact with the other person. The Contractor shall address electronic messages to both persons.
 2. **Alternatives.** Ms. Hickey or Ms. Page may designate alternate persons to communicate regarding any issue which arises under this contract. Nothing in this contract prevents another person authorized by the Agency from initiating communication with the Contractor.
- B. Contractor Contact Persons and Responses.** All communications to the Contractor regarding the production of the books shall be made to the Contractor's primary contact person, Ms. Kimberly Agee, or the alternative contact person, Mr. Donald Churms.
1. **Contact Information.** The contact information for Ms. Agee and Mr. Churms is as follows:



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Table B.2
Contractor Contact Information

Ms. Kimberly Agee, Manager Manufacturing Services	Mr. Donald Churms, Director Print Plant & Manufacturing Services
Matthew Bender & Co. (LexisNexis)	Matthew Bender & Co. (LexisNexis)
Address: 1317 Carlton Avenue	Address: 1317 Carlton Avenue
Charlottesville, Virginia 22902	Charlottesville, Virginia 22902
Telephone: (434) 972-7641	Telephone: (434) 972-7665
E-mail: kimberly.agee@lexisnexis.com	E-mail: donald.churms@lexisnexis.com
Pager: (None)	Pager: (None)

- 2. Availability.** One of the Contractor's contact persons shall be available on all days during which the books are being produced for or delivered to the Agency. During the standard performance periods as provided in Parts VII and VIII, one of the contact persons shall be available on Saturday. If the Contractor replaces a contact person, the Contractor shall immediately notify the Agency of the contact information for the new contact person as specified in Subparagraph 1.
- 3. a. Message and Response.** If Ms. Hickey or Ms. Page delivers a message to the Contractor's primary contact person regarding the production or delivery of production items or books as provided in this contract, one of the contact persons shall respond to Ms. Hickey or Ms. Page as provided in this subparagraph. If the primary contact person is not available, Ms. Hickey or Ms. Page shall deliver the message to the Contractor's alternate contact person. Ms. Hickey or Ms. Page shall deliver the message by using telephone voice mail, pager, or electronic mail as specified in Subparagraph 1. If Ms. Hickey or Ms. Page does not use electronic mail to deliver the message, they may also confirm the delivery of the message by using electronic mail. One of the Contractor's contact persons shall respond to Ms. Hickey or Ms. Page as soon as possible but no later than as follows:
- (1) For Blue Line Pages.** If Ms. Hickey or Ms. Page delivers a message regarding the production or delivery of blue line pages, the contact person shall respond no later than four hours after Ms. Hickey or Ms. Page delivers the message. However, if the four-hour period will expire after 4:30 p.m. central time of the business day on which the message is delivered, the Contractor shall respond by no later than 8:30 a.m. on the next business day.
 - (2) Not for Blue Line Pages.** If Ms. Hickey or Ms. Page delivers a message, other than a message regarding the production or delivery of blue line pages, the contact person shall respond by no later than noon on the next business day.
- b. Limitation.** Nothing in this subparagraph requires the Contractor to provide an immediate answer or deliver production items or books to the Agency in response to the communication.



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C. Subcontractor's Contact Person. The Agency reserves the right to communicate with a contact person for the book bindery as provided in Part III, Paragraph "G" during the trial performance period as provided in Part VI, or during the standard performance period as provided in Part VIII. The contact person for the book bindery must be involved in the day-to-day operations of producing the production items and books. The Contractor shall deliver the same contact information for the book bindery's contact person to the Agency as provided for the primary contact person for the Contractor (Table B.2). The Contractor shall deliver the contact information for the book bindery's contact person within five days after the execution of this contract. The Agency shall communicate with the contact person for the book bindery only for the following purposes:

- 1. Faxed Production Items.** If the Agency faxes a production item which it has approved with qualification or disapproved, the Agency may fax a copy to both the contact person for the book bindery and the primary contact person for the Contractor.
- 2. Electronic Mail.** If the Agency delivers an electronic mail message to a contact person for the Contractor, the Agency may deliver a copy of an electronic mail message to the contact person for the book bindery.
- 3. Immediate Issue.** If, after diligent effort, the Agency cannot communicate with the contact persons for the Contractor, and an issue must be resolved without delay, the Agency may communicate with the contact person for the book bindery.
- 4. Unresolved Issue.** If there is an outstanding issue regarding production, including production materials or workmanship, the Agency may demand a conference telephone call with the Contractor's primary contact person and the book bindery's contact person in order to resolve the outstanding issue.

X. SCHEDULE PAYMENT

A. General. The Agency is liable to the Contractor as provided in this contract only for amounts paid in consideration under this contract, and subject to the following:

- 1. Contract Price.** Unless this contract is terminated as provided in Part XII, payment shall be made by the Agency to the Contractor in accordance with the contract price, which shall be based on the production and the delivery of production items and books to the Agency according to the terms and conditions of this contract, including the approval of production items during the trial performance period as provided in Part VI, the approval of production items other than sets of assembled pages during the standard performance period as provided in Part VII, Paragraphs "A" and "B," the acceptance of sets of assembled pages during the standard performance period as provided in Part VII, Paragraph "C," and the acceptance of books during the standard performance period as provided in Part VIII, Paragraph "G."



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- 2. Invoice Required.** The Contractor shall provide the Agency with an invoice or invoices for payment of the contract price. The Agency's payment to the Contractor of the amount stated in an invoice shall be deemed conclusive evidence of satisfaction by the Agency of any payment obligation for the items invoiced, and each party waives its right to later contest the invoice amount based on error. The Contractor shall identify the final invoice, specifying the amount of the last payment owed by the Agency. The Agency's payment of the specified amount is the final amount of the contract price owed to the Contractor, regardless of any error by the parties.
- B. Payment Schedule.** Upon delivery of an invoice as provided in Paragraph "A," Subparagraph 2, the Agency shall pay the Contractor the contract price.
- 1. a. Conventional Payment Schedule.** Except as otherwise provided in Subdivision "b," the Agency will pay the Contractor according to a conventional payment schedule. The Agency will may make one payment to the Contractor at the end of the determination period for the acceptance of index volumes as provided in Part VIII, Paragraph "G," upon the Agency's receipt of the Contractor's final invoice. The Agency shall pay the Contractor 100 percent of the amount of the contract price.
- b. Negotiated Payment Schedule.** The Agency and the Contractor may agree to a negotiated payment schedule. Under this schedule the Agency shall make two payments of the total amount of the contract price to the Contractor as follows:
- (1) Initial Payment.** The Agency shall first pay the Contractor 20 percent of the estimated amount of the contract price of the ordinary order (\$61,001.57) without adjustment, as provided in Paragraph "C." The Agency shall make the initial payment after execution of this contract by the parties and upon the Agency's receipt of the Contractor's invoice.
- (2) Final Payment.** The Agency shall pay the Contractor the balance of the contract price after the estimated amount is adjusted as provided in Paragraph "C." The Agency shall pay the balance of the contract price in the same manner as the Agency would have paid the total amount of the contract price under the conventional payment schedule pursuant to Subdivision "a."
- 2. Early Payment.** The Agency upon request by the Contractor or upon its own initiative may pay the Contractor the contract price or a portion of the contract price earlier than required under Subparagraph 1. In order to pay an amount earlier than required under Subparagraph 1, the Contractor must verify that the Contractor has incurred all production costs associated with performance under this contract. The decision of the Agency to pay an amount earlier than required under Subparagraph 1 shall not be construed as an amendment of this contract, shall not obligate the Agency to pay the Contractor an amount other than as provided in this contract, shall not constitute a waiver of any requirement of the Contractor, and shall not relieve the Contractor of its duty of performance under this contract.
- C. Amount of the Contract Price.** The Agency shall pay the Contractor an estimated amount of \$305,007.87 for the production and delivery of the ordinary order of 5,750 Codes by assuming that each Code has 9,040 pages with 282 1/2 signatures (each full signature containing 32-



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pages and each half signature containing 16-pages). The estimated amount of the contract price shall be adjusted to account for all of the following:

1. a. **Incidental Work.** Subject to Subdivision "b," the Agency shall pay the Contractor for incidental work such as copy preparation and rework as required by the Agency.
- b. **Limitations.** The prices charged by the Contractor for incidental work shall not exceed those customarily charged by the Contractor to its customers for similar incidental work. The Contractor shall provide the Agency with proof of customary charges. The Contractor shall not charge the Agency for the first \$300 for incidental work performed by the Contractor as required by the Agency.

Table C.1
Charges for Incidental Work

Type of Work	Amount Per Hour
Correcting Electronic Files	\$50.00
Making Minor Copy Corrections	\$50.00
Replating	\$186.47

2. **Actual Number of Codes (Overrun).** The Agency shall adjust the estimated amount to pay the Contractor for any number of up to 100 additional Codes of an overrun which the Contractor produces and delivers to the Agency during the standard performance period as provided in Part VIII. The Agency shall adjust the estimated amount to pay for the actual number of signatures of each book of the overrun as provided in Subparagraph 3.
3. **Actual Number of Signatures.** The Agency shall adjust the estimated amount to pay the Contractor for the actual number of signatures of each Code which the Contractor is required to produce and deliver to the Agency during the standard performance period as provided in Part VIII.

Table C.2
Contract Price (Bid Amount Estimated and Adjusted for Ordinary Order and Overrun)

Signature Calculation	Signatures Per Code		Amount Per Signature	
	Form Full (32-page) Half (16-page)	Count	All Codes Ordinary Order	Each Additional Code Overrun
Estimated Signature Count	Full	282 1/2	\$1,063.32	\$0.19
Estimated Signature Count Adjusted	Each Additional Full		\$5.31	\$0.01
	Each Additional Half		\$0.53	\$0.00
	Each Fewer Full		\$(5.40)	\$(0.01)
	Each Fewer Half		\$(5.40)	\$(0.01)



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XI. PROCEDURES AND REMEDIES FOR NONCOMPLIANCE --- GENERAL

- A. *All Legal Remedies Available.*** Remedies available as provided in this contract for breach of contract are in addition to every other remedy available to the parties at law or in equity. The Agency may utilize a procedure and remedy for noncompliance as provided in this contract in addition to another procedure and remedy also provided in this contract, including but not limited to a demand for specific performance as provided in Part XIII and the assessment of liquidated damages as provided in Part XIV or both for the same breach of contract as provided for in those parts.
- B. *Notice and Response Requirements.*** The Agency shall notify the Contractor in writing of any Contractor's noncompliance with the terms and conditions of this contract that terminates the contract as provided in Part XII, that demands a remedy for breach by specific performance as provided in Part XIII, or the assessment of liquidated damages as provided in Part XIV. Except as provided in Part XII, the Agency shall deliver the notice of noncompliance within the determination period for the acceptance of statutory volumes sets or books as provided in Part VIII, Paragraph "G." The notice demanding a remedy for a breach of contract as provided in Part XIII or XIV shall document each breach of contract and the remedy demanded or imposed for the breach of contract. A notice of breach of contract which demands a remedy shall suspend any obligation by the Agency to carry out the provisions of this contract until the Agency accepts the remedy. The Contractor may dispute the Agency's determination of a breach by delivering a notice of dispute to the Agency within 30 calendar days after the Agency delivers its notice to the Contractor. The dispute shall be resolved by the parties in good faith.
- C. *Indemnification.*** Except as provided in this contract, the Contractor shall jointly and severally indemnify and hold the Agency, the Iowa General Assembly, and the State of Iowa harmless from and against all liability, loss, damage, or expense, including reasonable attorney fees, by reason of a breach of contract by the Contractor.
- D. *Performance Bond.*** The Contractor shall post a performance bond with the Agency as follows:
- 1. *Amount.*** The performance bond shall be in the amount of \$228,755.90 (75 percent of the estimated amount of the ordinary order of Codes, without adjustment, as provided in Part X, Paragraph "C").
 - 2. *Substitution.*** The Agency may accept a certified check, cashier's check, or money order in lieu of a bond, which must be kept on file with the Agency.
 - 3. *Retention.*** The Agency may retain the performance bond until the end of the determination period for the acceptance of statutory volumes sets or books as provided in Part VIII, Paragraph "G," unless the Contractor disputes the Agency's determination as provided in Paragraph "B." In that case, the Agency may retain the performance bond until the dispute has been resolved.



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XII. PROCEDURES AND REMEDIES FOR NONCOMPLIANCE --- TERMINATION

- A. *Justifiable Termination.*** Any of the following shall be just cause for terminating this contract, without breach of contract:
- 1. *Insufficient Moneys.*** If moneys necessary to satisfy the contract price are at any time not forthcoming or insufficient through the failure of the State of Iowa to make sufficient moneys available as a result of legally binding action, then the Agency may terminate this contract by giving not less than 20 calendar days' written notice to the Contractor documenting the lack of funding. Upon termination, the Agency agrees to pay all costs incurred by the Contractor up and until the date of termination. If moneys necessary to satisfy the contract price become available within 40 calendar days subsequent to the termination, the Agency agrees to reexecute a contract with the Contractor under the same provisions of this contract and any amendments as agreed to by the parties.
 - 2. *Force Majeure.*** If the performance of any provision of this contract is prevented by an event which is an act of God, civil tumult, war, epidemic, interruption of transportation or communication, or any other cause beyond the control of a party, as determined by the Agency, that party is relieved of the performance of that provision of this contract. However, if the Contractor is prevented from performance, the Contractor shall provide the Agency with written notice within 10 calendar days describing the preventing event, the possible duration of the preventing event, the Contractor's efforts to remedy the situation caused by the preventing event, and the expected effect of the preventing event upon the schedules contained in this contract. It shall be the Contractor's responsibility to show that the cause of the preventing event was beyond the Contractor's control, that the preventing event reasonably caused nonperformance, and that the Contractor was not reasonably able to anticipate the preventing event in order to avoid the nonperformance.
- B. *Nonjustifiable Termination.*** Either party may terminate this contract if the other party breaches this contract by failing to substantially comply with a provision of this contract. The party terminating this contract shall deliver written notice to the other party within 20 calendar days following the breach. The written notice shall document the breach of contract. If the Contractor breaches this contract by failing to satisfy such provision, the Contractor shall forfeit the performance bond provided in Part XI, Paragraph "D," and the Agency may withhold all or a portion of unexpended moneys of the contract price, retaining such moneys as liquidated damages. The Agency may also continue this contract, and retain such moneys as liquidated damages. The Agency shall deliver notice to the Contractor in writing of its decision to retain an amount in liquidated damages not later than 20 calendar days following the delivery of its notice documenting the breach of contract.
- C. *Unilateral Termination.*** The Agency may unilaterally terminate this contract for the committing of an egregious breach of this contract as specified in this paragraph. The Agency shall deliver a written notice to the Contractor within 30 calendar days following the Agency's discovery of the egregious breach, but within the determination period for the acceptance of statutory volumes sets or books as provided in Part VIII, Paragraph "G." The written notice shall document each cause of the egregious breach.



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1. **Egregious Breach.** As used in this Paragraph "C," an egregious breach is limited to any of the following:
 - a. **Unauthorized Copyright.** The Contractor obtains or attempts to obtain a copyright in text or data produced in a book or originating from electronic media transferred or delivered to the Contractor by the Agency as provided in this contract.
 - b. **Unauthorized Release.** The Contractor releases text or data delivered by the Agency to the Contractor under this contract to any person, including but not limited to a related entity of the Contractor, the text or data is produced in a book or originates from electronic media transferred or delivered to the Contractor by the Agency, and the release is not expressly approved in writing by the Agency.
 - c. **Unauthorized Publishing.** The Contractor uses text or data delivered by the Agency to the Contractor under this contract for purposes of publishing without the express written approval of the Agency.
 - d. **Unwarranted Delay.** The Contractor fails to deliver any of the following:
 - (1) **Production Item.** A production item required to be delivered to the Agency during the trial performance period as provided in Part VI, or the standard performance period as provided in Part VII, within 10 calendar days after due.
 - (2) **Books.** A book required to be delivered to the Agency as part of a statutory volumes set or an index volume during the standard performance period as provided in Part VIII, within 20 calendar days after due.
 - e. **Disapproved or Rejected Production Items (Grossly Unsatisfactory).** The Contractor delivers a production item during the trial performance period which the Agency disapproves as provided in Part VI, the Contractor delivers a production item, other than a set of assembled pages, which the Agency disapproves during the standard performance period as provided in Part VII, or the Contractor delivers a set of assembled pages that the Agency rejects as provided in Part VII. The Agency must disapprove or reject the production item because the Agency determines that the production item is grossly unsatisfactory. A set of blue line pages is deemed grossly unsatisfactory if its text is corrupted or does not otherwise match the composed pages delivered by the Agency to the Contractor for production of the set of blue line pages. This Subdivision "e" does not apply to a production item that is unsatisfactory because the Agency used technology or procedures to produce or transmit information to the Contractor for the production of the production item.
 - f. **Rejected Books (15 Percent Rejection Rate).** The Contractor delivers 15 percent or more of an ordinary order of the statutory volumes sets or the index volumes, not counting an overrun as provided in Part X, Paragraph "C," which the Agency rejects because the statutory volumes sets or index volumes are unsatisfactory. A statutory volumes set or index volume is unsatisfactory if the Agency determines that the books (volumes) which are part of a statutory volumes set or the index volume does not comply with the standards for materials or workmanship provided in Part IV. The Agency may determine that 15 percent of all books which are part of the same volume



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are unsatisfactory or the Agency may determine that 15 percent or more of all statutory volumes sets are unsatisfactory because one or more of the books in each of the statutory volumes sets are unsatisfactory. In determining the rejection rate, the Agency may take a statistical sampling of five percent of the books delivered as part of Normal Delivery as provided in Part VIII, Paragraph "E," Subparagraph 1. The Agency shall notify the Contractor that the statutory volumes sets or index volumes have been rejected as soon as practicable, within the determination period for the acceptance of books as provided in Part VIII, Paragraph "G."

- g. Failure to Comply With a Notice for Specific Performance.** The Contractor fails to comply with a demand for specific performance within the period for compliance as provided in Part XIII, Paragraph "B."
- 2. Remedies.** The Contractor shall forfeit the performance bond as provided for in Part XI, Paragraph "D"; the Agency may withhold all or a portion of unexpended moneys of the contract price, retaining such moneys as liquidated damages, and the Agency shall be entitled to \$228,755.90 (75 percent of the estimated amount for the ordinary order, without adjustment, as provided in Part X, Paragraph "C") in additional liquidated damages, based on potential lost sales to the Agency, damage to the Agency's reputation, and delays caused by selecting another vendor to complete the production and delivery of the Codes.

XIII. PROCEDURES AND REMEDIES FOR NONCOMPLIANCE --- SPECIFIC PERFORMANCE

A. Cause. The Agency may demand specific performance for cause as follows:

- 1. Rejected Set of Assembled Pages or Book.** The Contractor delivers a set of assembled pages or a book which the Agency rejects because the Agency determines that the set of assembled pages or the book is unsatisfactory. A set of assembled pages or book is unsatisfactory if it does not comply with the standards for materials or workmanship as provided in Parts IV. The Agency may determine that books which are part of the same volume are unsatisfactory or the Agency may determine that a statutory volumes set is unsatisfactory because one or more books (volumes) which are part of the same statutory volumes set is unsatisfactory. In determining whether a percentage of books are unsatisfactory, the Agency may take a statistical sampling of five percent of the books delivered as part of Normal Delivery as provided in Part VIII, Paragraph "E," Subparagraph 1.
- 2. Delivery Requirement.** The Contractor fails to comply with a requirement for the delivery of a production item during the trial performance period as provided in Part VI or during the standard performance period as provided in Part VII or the Contractor fails to comply with a requirement for the delivery of a Code, including a statutory volumes set or an index volume during the standard performance period as provided in Part VIII.
- 3. Underrun.** If the Contractor produces an underrun of Codes, including statutory volumes sets or index volumes, the Agency may require the Contractor to deliver the number of



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books to complete an ordinary order of Codes as required by Part X, Paragraph "C".

4. **Unauthorized Copyright.** If the Contractor obtains or attempts to obtain a copyright in text or data, the Contractor shall immediately withdraw any application for the copyright and renounce any such copyright that the Contractor has obtained.
 5. **Unauthorized Release.** If the Contractor releases text or data to an unauthorized person, the Contractor shall take all actions necessary to recover the text or data from that person. The Contractor shall return the text or data to the Agency or destroy the text or data in a manner specified by the Agency.
 6. **Unauthorized Publishing.** If the Contractor uses text or data for purposes of unauthorized publishing, the Contractor shall destroy any publication which uses such text or data upon demand by the Agency.
- B. Compliance Period.** Unless the Contractor disputes the Agency's demand for specific performance as provided in Part XI, Paragraph "B," the Contractor shall provide specific performance as demanded in the Agency's notice within 10 calendar days following the delivery of the notice to the Contractor. However, if the Agency's demand is for the production and delivery of a book to correct and replace a book that the Agency rejected, the Contractor shall deliver the corrected replacement book to the Agency as provided in Paragraph "C" within 20 calendar days following the delivery of the Agency's notice to the Contractor.
- C. Replacement.** If the Agency does not accept a set of assembled pages or book as provided in Paragraph "A," the Agency may demand that the Contractor correct and replace the set of assembled pages or book at the Contractor's expense. If three or more volumes of a statutory volumes set are rejected, the Agency may require the Contractor to correct and replace the entire statutory volumes set. If there is an underrun of statutory volumes sets because of three or more missing books (volumes), the Agency may require the Contractor replace all entire statutory volumes sets which have the missing books. The Agency shall instruct the Contractor to deliver the corrected replacement book or statutory volumes set to the Agency's customer or reimburse the Agency for the costs for directly delivering the corrected replacement book or statutory volumes set to its customer. The Agency may deduct the amount for reimbursement from the contract price. The Agency is not required to return the set of assembled pages and the Agency or the Agency's customer is not required to return a book or statutory volumes set to the Contractor.

**XIV. PROCEDURES AND REMEDIES FOR NONCOMPLIANCE ---
LIQUIDATED DAMAGES**

- A. Liquidated Damages for the Late Delivery of Statutory Volume Sets and Books.** The Agency may assess liquidated damages which shall be imposed on the Contractor for the Contractor's unwarranted delay in the delivery of statutory volumes sets, including books which are part of statutory volumes sets, or index volumes that are required to be delivered during the standard performance period as provided in Part VIII. This includes the late Normal Delivery of statutory volumes sets or books as provided in Part VIII, Paragraph "E," Subparagraph 1 (as



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part of General Distribution or State Capitol Complex Distribution), or the late Special Delivery of statutory volumes sets or books (as part of Legislative Distribution or Judicial Distribution) as provided in Part VIII, Paragraph "E," Subparagraph 2.

1. **Assumptions.** Any unwarranted delay in the Contractor's delivery of books will cause the Agency damages, including a loss in future sales of the Code and an accompanying loss of goodwill and diminished reputation which will affect the sales of other Agency publications, including future sales of the Code of Iowa, based on the following assumptions:
 - a. **Normal Delivery.** The late Normal Delivery of the statutory volumes sets or books will reduce the effectiveness and efficiency of all of the following:
 - (1) **General Distribution.** For General Distribution, members of the public and Iowa's legal community who depend upon the Code to research legal provisions and provide legal advice to clients.
 - (2) **Capitol Complex Distribution.** For State Capitol Complex Distribution, officials and employees of the Capitol Complex who depend upon the Code to carry out executive or judicial branch functions.
 - b. **Special Delivery.** The late Special Delivery of statutory volumes sets or books will reduce the effectiveness and efficiency of all of the following:
 - (1) **Legislative Distribution.** For Legislative Distribution, members of the Iowa General Assembly, Agency staff, and other legislative employees who rely upon the Code to carry out legislative branch functions.
 - (2) **Judicial Distribution.** For Judicial Distribution, judges and judicial branch employees who depend upon the Code to carry out judicial branch functions throughout the state.
2. a. **Calculation.** For each calendar day delay in the delivery of an item the Agency shall assess liquidated damages which shall be imposed upon the Contractor based on the following formula:

Formula
Liquidated Damages for the Late Delivery of
Statutory Volumes Sets (Sets) or Books

$$\begin{aligned} &\text{One Set or Book That Is Delivered One Calendar Day Late} \\ &\times \text{Assessment Rate} \\ &= \text{Base Amount of Liquidated Damages} \end{aligned}$$

$$\begin{aligned} &\text{Base Amount of Liquidated Damages} \\ &\times \text{Number of Calendar Days Late} \\ &= \text{Per Set or Book Total} \\ &\text{(For One Set or Book Delivered One or More Calendar Days Late)} \end{aligned}$$

$$\begin{aligned} &\text{Per Set or Book Total} \\ &\times \text{Number of Sets or Books That Are Delivered Late} \\ &= \text{Total Amount of Liquidated Damages} \\ &\text{(For All Sets or Books That Are Delivered One or More Calendar Day Late)} \end{aligned}$$



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b. Assessment Rate. The assessment rate is as follows:

- (1) **Statutory Volumes Set.** For the Normal Delivery of a statutory volumes set as part of General Distribution the assessment rate is \$.15, and as part of State Capitol Complex Distribution the assessment rate is \$.30. For the Special Delivery of a statutory volumes set as part of Legislative Distribution the assessment rate is \$3.00, and as part of Judicial Distribution the assessment rate is \$.30. If the Agency accepts delivery of an incomplete statutory volumes set upon condition that one or more missing books (volumes) are delivered to its destination, the assessment rate for all books which are part of a statutory volumes set delivered late shall not exceed the assessment rate that would have applied if the statutory volumes set had been delivered late.
- (2) **Books.** For the Normal Delivery of a book which is part of a statutory volumes set or an index volume as part of General Distribution the assessment rate is \$.05, and as part of State Capitol Complex Distribution the assessment rate is \$.10. For the Special Delivery of book which is part of a statutory volumes set or an index volume as part of Legislative Distribution the assessment rate is \$1.00, and as part of Judicial Distribution the assessment rate is \$.10.

Table D
Liquidated Damages for the Late Delivery of Statutory Volume Sets (Sets)or Books

Type of Delivery Per Set or Book		Calculation Formula Per Set or Book			
Delivery	Distribution	Base Amount Assessment Rate x One Set or Book		Number of Days Set or Book Delivered Late	Per Set or Book Total
		Set	Book		
Normal	General	\$.15	\$.05	x _____	= \$ _____
	State Capitol Complex	\$.30	\$.10	x _____	= \$ _____
Special	Legislative	\$3.00	\$1.00	x _____	= \$ _____
	Judicial	\$.30	\$.10	x _____	= \$ _____

TOTAL AMOUNT OF LIQUIDATED DAMAGES

PER SET OR BOOK TOTAL	x	ALL SETS OR BOOKS DELIVERED LATE	=	\$ _____
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B. Liquidated Damages for the Late Delivery of Response or Production Item. The Agency may assess liquidated damages for the Contractor's (1) Late delivery to the Agency of a response to an Agency message and (2) Late delivery of a production item.



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1. **Late Delivery of Responses or Production Items (Other Than Sets of Assembled Pages).** The Agency may assess the Contractor liquidated damages for the late delivery of responses or production items, other than sets of assembled pages, due to the Agency's loss of time required to review and approve production items.
 - a. **Calculation.** The liquidated damages shall be assessed for each business day that a response is delivered late or each calendar day that a production item, other than a set of assembled pages, is delivered late based on the formula used to calculate liquidated damages for the Contractor's late delivery of statutory volumes sets or books which are part of Normal Delivery at the assessment rate for General Distribution as provided in Paragraph "A," Subparagraph 2, Subdivision "b" in order to obtain a per response total or per item total. As used in this subparagraph subdivision "a" the response total or per item total is the product of the base amount (the assessment rate for one response or production item multiplied by all statutory volumes sets or index volumes which are part of an ordinary order of Codes, without adjustment, as provided in Part X, Paragraph "C," multiplied by an assumed equivalent percentile of a one-calendar-day delay in the delivery of those statutory volumes sets or index volumes to all destinations, as provided in Paragraph "A," Subparagraph 2, multiplied by the actual number of either business or calendar days that the Contractor delivers the response or production item late. The total amount of liquidated damage due is the per response total or per item total multiplied by the total number of responses or production items delivered late.
 - b. **Application.** The Agency's assessment of liquidated damages applies regardless of whether a production item or statutory volumes set or index volume is or is not actually delivered late because it is assumed that any delay in the Contractor's delivery of the response or production item will be rectified by the Agency taking extraordinary measures to restore the schedule for production during the trial performance period as provided in Part VI or during the standard performance periods as provided in Parts VII and Part VIII, if possible.

Table E.1
Liquidated Damages for the Late Delivery of Responses

Type of Response	Calculation Formula Per Response									
	Base Amount					No. of Days Response Delivered Late	Per Response Total			
	Code Set or Index	Assess. Rate x One Response	All Sets or Indexes		Equivalent No. of Days That All Sets or Indexes Delivered Late					
Not Blue Line Pages	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
	Index	.05	x	5,750	x	.25	x	_____	=	\$ _____
Blue Line Pages	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
	Index	.05	x	5,750	x	.25	x	_____	=	\$ _____



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TOTAL AMOUNT OF LIQUIDATED DAMAGES

PER RESPONSE TOTAL	X	NUMBER OF RESPONSES DELIVERED LATE	=	\$ _____
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Table E.2
Liquidated Damages for the Late Delivery of Production Items (Items)
Other than Assembled Pages

Type of Item		Calculation Formula Per Item									
		Base Amount				No. of Days Item Delivered Late	Per Item Total				
		Code Set or Index	Assess. Rate x One Item	All Sets or Indexes	Equivalent No. of Days All Sets or Indexes Delivered Late						
Cover	Paper-Proof	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____
	Finished Sample	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____
Set of Blue Line Pages	Sample	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____
	Finished	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____

TOTAL AMOUNT OF LIQUIDATED DAMAGES

PER ITEM TOTAL	X	NUMBER OF ITEMS DELIVERED LATE	=	\$ _____
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2. Liquidated Damages for the Late Delivery of Sets of Assembled Pages. The Agency may assess the Contractor liquidated damages for the late delivery of sets of assembled pages, due to the Agency's loss of the use of the assembled pages which will reduce the efficiency and effectiveness of the Agency in performing critical legislative functions. The liquidated damages shall be assessed for each business day that a set of assembled pages is delivered late, based on the formula used to calculate liquidated damages for the Contractor's late delivery of statutory volumes sets or books during Normal Delivery at the assessment rate for General Distribution as provided in Paragraph "A," Subparagraph 2, Subdivision "b" in order to obtain a per item total. As used in this subparagraph, the per item total is the product of the base amount (the assessment rate multiplied by a single set of assembled pages), multiplied by the actual number of calendar days that the Contractor delivers the set of assembled pages late. The total amount of liquidated damage due is the per item total multiplied by all sets of assembled pages delivered late.



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Table F
Liquidated Damages for the Late Delivery of Production Items (Items)
Sets of Assembled Pages

Type of Item	Calculation Formula Per Item		
	Base Amount Assessment Rate x One Item	Number of Days Item Delivered Late	Per Item Total
Set of Assembled Pages	\$10	x _____	= \$ _____

TOTAL AMOUNT OF LIQUIDATED DAMAGES DUE

PER ITEM TOTAL	x	NUMBER OF ITEMS DELIVERED LATE	=	\$ _____
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C. Improper Shipment of Codes Delivered as Part of Normal Delivery or Special Delivery.

The Agency may assess the Contractor liquidated damages for the improper shipment of Codes, including statutory volumes sets and index volumes, as part of Normal Delivery or Special Delivery as required in Part VIII, Paragraphs "B" through "E". For Normal Delivery, this includes the segregation of statutory volumes sets and later index volumes for General Distribution and State Capitol Complex Distribution as required in Part VIII, Paragraph "E," Subparagraph 1. For Special Delivery, this includes the segregation of statutory volumes sets and later index volumes for Legislative Distribution as required in Part VIII, Paragraph "E," Subparagraph 2.

- 1. Assumption.** The Agency may assess liquidated damages due to multiple-day delay in the delivery of statutory volumes sets or index volumes resulting from the estimated time expended by the Agency in notifying the Contractor, and the Contractor to package and ship the statutory volumes sets or index volumes to the Agency.
- 2. Calculation.** The liquidated damages shall be based on the formula used to calculate liquidated damages for the Contractor's late delivery of statutory volumes sets or index volumes as part of Normal Delivery for General Distribution or State Capitol Complex Distribution) or as part of Special Delivery for Legislative Distribution or Judicial Distribution b" in order to obtain a per set or per index total. As used in this Paragraph "C", the per set or per index total is the product of the base amount (the assessment rate for one statutory volumes set or index volume improperly shipped), multiplied by the number of days that the properly shipped statutory volumes set or index volume would have been delivered late, if the Agency had demanded specific performance alone as provided in Part XIII. The total amount of liquidated damage due is the per set or per index total multiplied by all statutory volumes sets or index volumes improperly shipped.



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Table G
Liquidated Damages for the Improper Shipment of
Statutory Volumes Sets (Sets) or Index Volumes (Indexes)

Type of Delivery and Distribution Per Set or Index		Calculation Formula Per Set or Index				
		Base Amount Assess. Rate x Per Set or Index		Assumed No. of Days Properly Shipped Set or Index Delivered Late		Per Set or Index Total
Normal	General	Set	.15	x	3	= \$ _____
		Index	.05	x	3	= \$ _____
	State Capitol Complex	Set	\$.30	x	3	= \$ _____
		Index	\$.10	x	3	= \$ _____
Special	Legislative	Set	\$3.00	x	3	= \$ _____
		Index	\$1.00	x	3	= \$ _____
	Judicial	Set	.30	x	3	= \$ _____
		Index	.10	x	3	= \$ _____

TOTAL AMOUNT OF LIQUIDATED DAMAGES DUE

PER SET OR INDEX TOTAL	X	NUMBER OF SETS OR INDEXES IMPROPERLY SHIPPED	=	\$ _____
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D. Liquidated Damages for Unsatisfactory Production Materials or Workmanship. The Agency may disapprove a production item other than a set of assembled pages, or reject a set of assembled pages or book due to the use of production materials or workmanship which does not satisfy the standards provided in Part IV, but decline to unilaterally terminate the contract as provided in Part XII, Paragraph "C," if the Agency concludes that the timeliness of delivery is more important than requiring specific performance alone as provided in Part XIII.

1. a. Production Items Other Than Sets of Assembled Pages. The assessment of liquidated damages for production items other than sets of assembled pages is calculated as follows:

(1) Assumption. It is assumed that if the Agency disapproves one or more production items other than a set of assembled pages because it is unsatisfactory as provided in Part XIII, Paragraph "A," the Agency is entitled to receive damages for losses that it would have incurred by demanding specific performance alone which would have caused the late delivery of one or more corrected replacement production items as provided in Part XIII, Paragraph "C," and an assumed equivalent percentile of a one-calendar-day delay in the delivery of all books to all destinations, as provided in Paragraph "A," Subparagraph 2.



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(2) **Calculation.** The amount of liquidated damages shall be based on the same formula used to calculate liquidated damages for the late delivery of one or more production items as provided in Paragraph "B," Subparagraph 1. However in lieu of multiplying the base amount by the actual number of days that a production item is delivered late, the base amount is multiplied by the number of days that a corrected replacement production item would have been delivered late to the Agency, if the Agency had demanded specific performance alone as provided in Part XIII.

Table H
Liquidated Damages for Unsatisfactory Production Items (Items)
Other Than Assembled Pages

Type Item		Calculation Formula Per Production Item (Item)									
		Base Amount					Assumed No. of Days Replacement Item Delivered Late		Per Item Total		
		Code Set or Index	Assess. Rate x One Item	All Sets or Indexes	Equivalent No. of Days All Sets or Indexes Delivered Late						
Cover	Paper-Proof	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____
	Finished Sample	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____
Set of Blue Line Pages	Sample	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____
	Finished	Set	.15	x	5,750	x	.50	x	_____	=	\$ _____
		Index	.05	x	5,750	x	.25	x	_____	=	\$ _____

TOTAL AMOUNT OF LIQUIDATED DAMAGES

PER ITEM TOTAL	x	NUMBER OF ITEMS DELIVERED LATE	=	\$ _____
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b. Sets of Assembled Pages. The assessment of liquidated damages for a set of assembled pages is calculated as follows:

(1) **Assumption.** It is assumed that the Agency may accept one or more sets of assembled pages with qualification, and that the Agency is entitled to receive damages for losses that it would have incurred by demanding specific performance alone which would have caused an unwarranted delay in the delivery of a corrected replacement set of assembled pages as provided in Part XIII, Paragraph "C," and an assumed day-for-day equivalent consequential loss of the use of the assembled pages by the Agency's staff.



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(2) **Calculation.** The amount of liquidated damages shall be based on the same formula used to calculate liquidated damages for the late delivery of one or more sets of assembled pages as provided in Paragraph "B," Subparagraph 2. However in lieu of multiplying the base amount by the actual number of days that a set of assembled pages is delivered late to the Agency, the base amount is multiplied by the number of days that a corrected replacement set of assembled pages would have been delivered late to the Agency if the Agency had demanded specific performance alone as provided in Part XIII.

Table I
Liquidated Damages for the Unsatisfactory Sets of Assembled Pages

Production Item (Item)	Per Production Item Calculation Formula		
	Base Amount Assessment Rate x One Item	Assumed No. of Days Replacement Item Delivered Late	Per Item Total
Set of Assembled Pages	\$10	x 5	= \$ _____

TOTAL AMOUNT OF LIQUIDATED DAMAGES DUE

PER ITEM TOTAL	X	NUMBER OF ITEMS DELIVERED LATE	= \$ _____
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2. Statutory Volumes Sets or Books. The assessment of liquidated damages for a statutory volumes set or book is calculated as follows:

- a. **Assumption.** It is assumed that if the Agency rejects one or more statutory volumes sets or books which are part of a statutory volumes set or which is an index volume because the statutory volumes set or book is unsatisfactory as provided in Part XIII, Paragraph "A," the Agency is entitled to receive damages for losses that it would have incurred by demanding specific performance alone which would have caused an unwarranted delay in the delivery of a corrected replacement statutory volumes set or book as provided in Part XIII, Paragraph "C" which is calculated as an assumed equivalent multiple-calendar-day delay in the delivery of all statutory volumes sets or books to all destinations, as provided in Paragraph "A," Subparagraph 2.
- b. **Calculation.** The amount of liquidated damages shall be based on the same formula used to calculate liquidated damages for the late delivery of one or more statutory volumes sets or books as provided in Paragraph "A," Subparagraph 2. However, in lieu of multiplying the base amount by the actual number of days that a corrected replacement statutory volumes set or book is delivered late, the base amount is multiplied by the number of days that a corrected replacement statutory volumes set or book would have been delivered late to the Agency, if the Agency had demanded specific performance alone as provided in Part XIII.



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Table J
Liquidated Damages for Unsatisfactory Statutory Volumes Sets (Sets) or Books

Type of Delivery and Distribution Per Set or Index		Calculation Formula				
		Assess. Rate		Assumed No. of Days Replacement Set or Index Delivered Late	Per Set or Book Total	
		Per Set	Per Book			
Normal	General	\$.15	\$.05	x 20	= \$ ____	
	State Capitol Complex	\$.30	\$.10	x 20	= \$ ____	
Special	Legislative	\$3.00	\$1.00	x 20	= \$ ____	
	Judicial	\$.30	.10	x 20	= \$ ____	

TOTAL

PER SET OR BOOK TOTAL	x	NUMBER OF UNSATISFACTORY BOOKS	=	\$ ____
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XV. WAIVERS AND AMENDMENTS

- A. Writing Requirement.** A waiver or amendment of a provision of this contract shall not be valid unless in writing.
- B. Waiver Restriction.** No person representing the Agency may waive a requirement or amend this contract, except Mr. Dennis Prouty, Director; Mr. Richard Johnson, Legal Services Division Director; or Ms. Leslie Hickey, Iowa Code Editor.
- C. Failure to Act Is Not a Waiver.** The failure of a party at any time to enforce a provision of this contract is not a waiver of the provision, and does not affect the validity of any provision of this contract or the right of either party to subsequently enforce a provision of this contract. A decision by the Agency to ignore a breach of this contract by the Contractor is not a waiver of a subsequent breach of this contract by the Contractor.

XVI. EXECUTION AND EFFECT OF EXECUTION

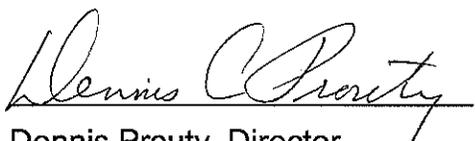
- A. Integration.** Except as provided in this Paragraph "A," this contract contains the entire agreement between the Agency and the Contractor, and representations made before the signing of this contract shall not be binding, and neither party shall rely upon conflicting prior representations in entering into this contract. However, if the parties disagree regarding an



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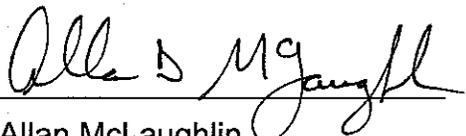
issue which is not expressly addressed in this contract, or regarding the interpretation of a provision in this contract, which is expressly addressed in a provision contained in the Contractor's Proposal Form for the Code as selected by the Agency, the provision contained in the proposal form shall be deemed as part of this contract. Otherwise this contract supersedes the provisions of any Request for Proposals or agreements made prior to the execution of this contract.

- B. Effective and Termination Dates.** This contract takes effect upon being signed by authorized representatives of the Agency and the Contractor and continues until the provisions of this contract are satisfactorily performed, or until this contract is otherwise terminated under its provisions.
- C. Signatures.** The duly recognized representatives of the Agency and the Contractor have on the date noted signed their names to and executed this contract:



Dennis Prouty, Director
 Legislative Services Agency

1/17/07
 Date



Allan McLaughlin
 Senior Vice President, Research Solutions
 Matthew Bender & Company, Inc.
 (a member of the LexisNexis Group)

1/10/2007
 Date

ADDRESS: c/o Legislative Services Agency
 State Capitol
 Des Moines, Iowa 50319
 Phone: 515/281-3566

MATTHEW BENDER LEGAL DEPT.
 REVIEWED BY: RAE
 DATE: 1/07

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