

28A *DM*



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
OFFICE OF THE COMMISSIONER
25 Capitol Street – Room 120
Concord, New Hampshire 03301

LINDA M. HODGDON
Commissioner
(603) 271-3201

JOSEPH B. BOUCHARD
Assistant Commissioner
(603) 271-3204

August 15, 2013

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Administrative Services, Bureau of Purchase and Property, to enter into a contract for vehicle leasing with maintenance services with Merchants Automotive Group Inc., 1278 Hooksett Road, Hooksett NH (Vendor No. 154468), for an amount not to exceed \$855,696.00 upon Governor and Council approval, for the period effective September 4, 2013 through September 30, 2015.

Funding shall be provided through individual agency expenditures, none of which shall be permitted unless there are sufficient appropriated funds to cover the expenditure.

EXPLANATION

This contract seeks to reduce the costs associated with in-state travel reimbursements, or recompense made in accordance with IRS regulations for business use of an employee's personal vehicle. In Fiscal Year 2012 the State of New Hampshire spent \$3.6 million to reimburse state employees for 6.7 million miles of travel. The Department of Administrative Services, in conjunction with the Vehicle Utilization Committee, has identified a group of state employees who would best be served by being issued a state vehicle rather than being reimbursed for business use of their personal vehicle. These employees average over 12,000 miles per year, and therefore exceed the annual break-even mileage standard. The most cost effective method is to purchase vehicles outright; however agencies do not have access to the capital necessary for this type of procurement. Additionally, the return on investment for this expenditure would take over 3 years. The second most cost effective method is to lease vehicles via a "municipal tax lease" program. The first twenty-two employees identified for receipt of these vehicles will save their agencies approximately \$106,000 over the five year lease term. The state will own the vehicles at the end of the lease term and, assuming resale values remain constant, each will have a residual value of approximately \$7,500. Under this contract, the state can lease up to a total of 40 vehicles.

On January 25, 2013, the Bureau issued a request for bid for the above referenced services. On February 19, 2013, three compliant bids were received. Bids were evaluated on the basis of the bidders' lowest cost for a five year term per vehicle that includes full maintenance with a nominal payout at the end of term for the vehicle to be transferred to the State's ownership; attached are copies of the bid tab evaluation of the compliant bids. Merchants Automotive Group Inc. submitted the lowest qualified bid. The bid was advertised in a statewide newspaper and the bid was also posted on the Purchase & Property web site.

Based on the foregoing, I am respectfully recommending approval of the contract with Merchants Automotive Group Inc.

Respectfully submitted,

Linda M. Hodgdon
Commissioner

STATE OF NEW HAMPSHIRE
 Bureau of Purchase and Property
BID #1516-13
2/19/2013 @ 1:30 PM
 Statewide Contract for
Vehicle Leasing with Maintenanc Svc

Responding Vendor	Year 1 Total Cost for Lease Terms	Year 2 Total Cost for Lease Terms	Total Cost for Lease Terms
Marple Fleet Leasing	\$778,860.00	\$668,040.00	\$1,446,900.00
Acme Auto Leasing	\$1,073,328.00	\$884,477.40	\$1,957,805.40
Merchants Leasing	\$658,121.40	\$565,192.50	\$1,223,313.90

No Bid _____
 Wood's CRW Corp

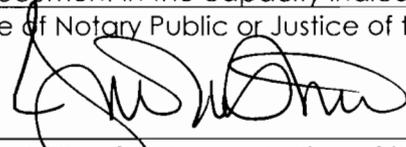
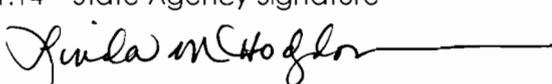
Subject: Vehicle Leasing with Maintenance Services

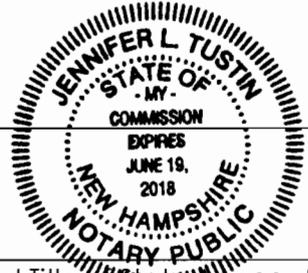
AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name State of New Hampshire Administrative Services		1.2 State Agency Address State House Annex, Room 102 25 Capitol Street Concord, NH 03301	
1.3 Contractor Name Merchants Leasing / <i>MERCHANTS AUTOMOTIVE GROUP INC.</i>		1.4 Contractor Address 1278 Hooksett Road, Hooksett NH 03106 VC 154468	
1.5 Contractor Phone # 877-870-4999	1.6 Account Number	1.7 Completion Date September 30, 2015	1.8 Price Limitation \$855,696
1.9 Contracting Officer for State Agency Tara J. Merrifield, Senior Management Analyst		1.10 State Agency Telephone Number 603-271-7411	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory GARY SINGER, CHAIRMAN OF THE BOARD	
1.13 Acknowledgement: State of <i>New Hampshire</i> County of <i>Merrimack</i> On <i>August 5th</i> , before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.			
1.13.1 Signature of Notary Public or Justice of the Peace  [Seal]			
1.13.2 Name and Title of Notary or Justice of the Peace <i>Jennifer Tustin Client Services Representative</i>			
1.14 State Agency Signature 		1.15 Name and Title of State Agency Signatory Linda M. Hodgdon, Commissioner	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) By: <i>M.K. Brun</i> On: <i>8/24/13</i>			
1.18 Approval by the Governor and Executive Council By: _____ On: _____			



2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, this Agreement, and all obligations of the parties hereunder, shall not become effective until the date the Governor and Executive Council approve this Agreement ("Effective Date").

3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.

5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.

5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.

5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.

7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.

7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

- 8.1.1 failure to perform the Services satisfactorily or on schedule;
- 8.1.2 failure to submit any report required hereunder; and/or
- 8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

- 8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;
- 8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;
- 8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or
- 8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the N.H. Department of Administrative Services. None of the Services shall be subcontracted by the Contractor without the prior written consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$250,000 per claim and \$2,000,000 per occurrence; and

14.1.2 fire and extended coverage insurance covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to endeavor to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A ("*Workers' Compensation*").

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

EXHIBIT A

PURPOSE

Merchants Leasing (hereinafter referred to as the "Contractor") hereby agrees to provide the State of New Hampshire, Department of Administrative Services and other State of New Hampshire Agencies (the "State"), with Vehicle Leasing and Associated Maintenance services in accordance with NH State Bid #1516-13 and as described herein.

CONTRACT TERM

This Contract shall take effect upon Governor and Executive Council's approval (the "Effective Date") and shall terminate approximately two (2) years later, unless terminated earlier in accordance with its terms.

MUNICIPAL TAX LEASE TERM(S)

During the term, the State shall place orders for vehicle leases, each with sixty (60) month duration, via the Department of Administrative Services, Division of Plant and Property Management. In the context of each order, the State will specify the State Agency to which the vehicle will be assigned (the "Lessee of Record"). When the term is completed, the State shall not place any orders for new leases under this Contract. At the end of each vehicle's sixty (60) month lease the Lessee of Record will own the vehicle. Any orders issued during the effective term of the Contract and not completed during that term shall be completed by the Contractor within the time specified in the order. The fee in effect at the time each order is placed shall remain in effect for the duration of the corresponding vehicle lease.

Vehicles shall be delivered by the Contractor to the State within ninety (90) days of the order date. Adjustments to the delivery timeframe must be due to extenuating circumstances and must be agreed upon by the State. The lease term shall not initiate until delivery is accepted by the State.

VEHICLE TRANSFERS

The State reserves the right to reassign a leased vehicle to another agency if it is deemed to be in the best interest of the State. The State shall give the Contractor advance written notice prior to a transfer so that the receiving agency can be established as the new Lessee of Record. There shall be no additional fee associated with the State's ability to transfer vehicles in this manner.

AVAILABILITY OF FUNDS:

The State's obligation to pay the Contractor is contingent upon the availability of appropriated funds from which payment for contract purposes is made. No legal liability on the part of the State for payment of any amount for any service shall arise unless funds are available each fiscal year to the participating agency. The State shall have the right to terminate any leases under this Contract immediately upon giving the Contractor notice of such termination without liability for residual value or wear and tear on the vehicle.

VEHICLE QUANTITIES

This is an indefinite delivery, indefinite quantity contract and shall have no minimum order quantities. There shall be no maximum vehicle quantities; however, the aggregate total of payments for vehicle leases under this Contract shall not exceed \$855,696. These orders shall be placed as needed in year 1 and year 2 of this contract.

VEHICLE REQUIREMENTS

All vehicles must be new when delivered (max 200 miles). Exterior color shall be the State's choice of the manufacturer's standard colors. Interior color and materials shall be coordinated with the exterior color. Interior materials will be fabric or vinyl per the State's discretion. Model, type, engine size, transmission, battery and suspension shall be as specified in the table below.

Item Description	Model Type*	Engine	Transmission	Battery	Suspension
Mid Size 4 Door Sedan	Dodge Avenger	V-4 minimum (E85 capable if available)	Automatic	Heaviest duty available	Standard

*Similar make/model may be substituted if mutually agreed to by the parties.

At a minimum, each vehicle must include the manufacturer's standard options in addition to the features shown in the table below.

Feature	Mid Size 4D SDN
Driver and passenger front airbags	X
Air conditioning	X
AM and FM stereo radio	X
Clock	X
Rear window defogger	X
Intermittent windshield wipers	X
Anti-lock brakes	X
Power assisted brakes	X
Steel belted radial all season tires	X
Cruise control	X
Anti-theft system	X
Power steering	X
Spare tire with jack	X
Front and rear floor mats	X

TITLE, REGISTRATION AND INSPECTION

The Contractor shall retain title to the vehicles until the residual value of \$1.00 payout is completed. The State shall be responsible for registering and inspecting each vehicle during the lease term.

MAINTENANCE SERVICES

The Contractor shall provide all maintenance and repairs on vehicles leased via this Contract. Said services shall be in accordance with the parameters set forth in Exhibit D. In addition, upon providing a vehicle under this Agreement, the Contractor shall provide a maintenance plan/coupon booklet outlining the provisions of maintenance and repair. This maintenance plan/coupon booklet shall be approved of in advance by the State.

The cost for all maintenance and repair, exclusive of accident repair, is included within the vehicle/fee rates specified within Exhibit B. Maintenance services shall be performed at facilities located no further than five (5) miles outside of the city where the vehicle is garaged. The Contractor shall maintain and, upon request, provide a list of authorized facilities for performing said services. Note that the use of a subcontracted maintenance company is allowed.

Contractor shall provide the State with quarterly maintenance reports. At minimum said reports shall include:
Vehicles which have pending maintenance within the upcoming quarter;
Vehicles which have missed required maintenance intervals; and
An updated maintenance vendor list

The Contractor shall have the ability to provide the State contracting officer with additional reports/information as requested. All such reports/information shall become the property of the State and made available, in a mutually agreeable electronic manner, upon the request of the State.

ROADSIDE ASSISTANCE

The Contractor shall provide the State with a roadside assistance toll free telephone number that is in operation 24 hours per day, 7 days per week. In addition, the Contractor shall be responsible for arranging for roadside assistance for dead batteries, flat tires, mechanically inoperable vehicles, and towing. With the sole exception of towing expenses related to an accident, the Contractor shall be responsible for all costs associated with providing roadside assistance. In the event that the Contractor incurs expenses related to towing a vehicle involved in an accident, the Contractor may request reimbursement from the State for the actual towing costs incurred. Note that the use of a subcontracted towing company is allowed.

ACCIDENT DAMAGE

Repair of all accident damage shall be the responsibility of the State including but not limited to arranging for repair estimates, appraisals and coordinating all claims.

OTHER CONDITIONS

The Contractor shall provide a replacement vehicle of equal size and style for any automobile leased hereunder that requires maintenance or repairs for which the Contractor is responsible when such maintenance or repairs cannot be completed within forty-eight (48) hours. The replacement vehicles shall be provided at no additional charge to the State; however, the Contractor shall not be required to provide a replacement for a vehicle out of service less than forty-eight (48) hours or for the first forty-eight (48) hours of a longer out of service period. The State may provide the Contractor forty-eight (48) hour advance notice of any requirement for a replacement vehicle.

If repairs are needed and the Contractor is not able to perform repairs at an authorized facility due to time, distance, emergency, or other constraints, the State reserves the right to have the repairs performed at a facility of its choosing. In such instances, the State shall contact the Contractor for approval prior to the use of an alternate facility, with said approval not being unreasonably withheld. The Contractor shall reimburse the State in full for their cost and shall be responsible for the payment of highway road service and towing fees.

The State may install specialized radios or other safety equipment into the vehicles. All installation of such equipment shall be considered normal wear and tear.

EXHIBIT B

CONTRACT PRICE

The Contractor hereby agrees to provide Vehicle Leasing and associated Maintenance Services in complete compliance with the terms and conditions specified herein for an amount up to and not to exceed price of \$855,696; this figure shall not be considered a guaranteed or minimum figure, but shall be considered a maximum figure for obligated payments incurred during the term.

The Contractor will provide the specified services according to the rate table below on a per-vehicle basis, with an unlimited mileage allowance, and with no adjustment for variation in actual depreciation.

Vehicle Type	Make and Model*	Monthly Base Price Per Vehicle	Monthly Maint. Fee Per Vehicle	Total Monthly Fee Per Vehicle	Yearly Cost Per Vehicle
				(Base Price + Maint. Fee + Other Fees)	
Mid Size 4 Door Sedan	Dodge Avenger	\$299.54	\$57.00	\$356.54	\$4278.48

*Similar make/model may be substituted if mutually agreed to by the parties.

INVOICE

Contractor shall be paid within 30 days after receipt of properly documented invoice and acceptance of the work to the State's satisfaction.

The invoice shall be sent to the address of the Lessee (Agency) of Record.

The responsibility of the State to the Contractor includes the payment of a firm, fixed monthly lease charge as set forth in Exhibit B in the Contract Price Section, for each vehicle, with an unlimited mileage allowance, and with no adjustment for variation in actual depreciation.

EXHIBIT C

SPECIAL PROVISIONS

There are no other special provisions of this contract.

Category	Description
Preventative Maintenance	Contractor shall provide for all preventative maintenance recommended by the manufacturer.
Warranty/Post - Warranty	Contractor shall provide for service on all warranty covered components through the life of the lease term including but not limited to: window regulators, wiper motors, wiper arms, starter motors, ignition, A/C service, sensors, brakes, exhaust, shocks, struts, pumps, transmission, drive train, engine, radios, etc.
Mechanical Failures	All major and minor mechanical failures are covered including but not limited to: transmission, engine re-builds, power steering racks, a/c components, HVAC, etc. NOTE: this does NOT include any items related to accident damage or negligence.
Tires	Tires shall be replaced during the term; standard replacement measurement is 3/32".
Excluded Items	Body work or glass repair/replacement due to accident damage are not covered under the maintenance plan. In addition, mechanical failures which are due to neglect by the Lessee of Record are not covered.

EXHIBIT E

RFB 1516-13 is incorporated herewith.

State of New Hampshire Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Merchants Automotive Group, Inc. is a New Hampshire corporation duly incorporated under the laws of the State of New Hampshire on January 26, 1967. I further certify that all fees and annual reports required by the Secretary of State's office have been received and that articles of dissolution have not been filed.

In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 1st day of August, A.D. 2013



A handwritten signature in black ink, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

**CONSENT RESOLUTIONS
OF THE BOARD OF DIRECTORS
OF
MERCHANTS AUTOMOTIVE GROUP, INC.**

The undersigned, being all of the Directors of Merchants Automotive Group, Inc., a corporation duly incorporated in the State of New Hampshire (the "Corporation"), do hereby waive all notice of the time, place and purposes of meetings of the Board of Directors of the Corporation and consent, pursuant to Section 293-A:8.21 of the New Hampshire Business Corporation Act (the "Act"), to the adoption of the following resolutions with the same force and effect as if adopted at duly convened meetings of the Board of Directors of the Corporation and hereby direct that this written consent be filed with the minutes of the proceedings of the Board of Directors of the Corporation:

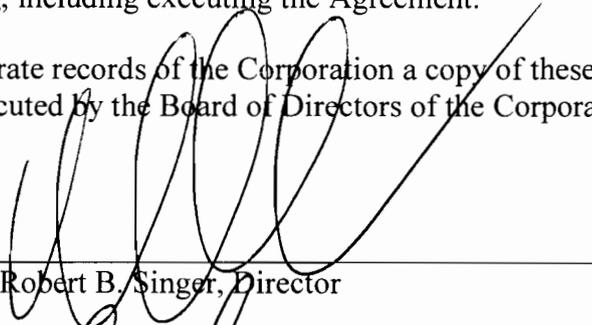
RESOLVED: That these Consent Resolutions shall take the place of a special meeting of the Board of Directors.

RESOLVED: To enter into an Agreement for Vehicle Leasing and Maintenance Services with the State of New Hampshire (the "Agreement") as shown on Exhibit A hereto.

RESOLVED: To authorize the President, CEO or such other officer of the Corporation as the President or CEO may designate to take all necessary action and to negotiate, execute and deliver such necessary documents in order to effectuate the foregoing, including executing the Agreement.

RESOLVED: To enter with the corporate records of the Corporation a copy of these consent resolutions executed by the Board of Directors of the Corporation.

Dated August 1, 2013



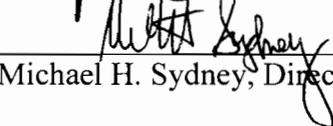
Robert B. Singer, Director



Gary J. Singer, Director



Jeffrey D. Singer, Director



Michael H. Sydney, Director

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ADDITIONAL REMARKS SCHEDULE

AGENCY Zurich - Account Service Center		NAMED INSURED MERCHANTS AUTOMOTIVE GROUP, INC. 1278 HOOKSETT ROAD HOOKSETT, NH 03106	
POLICY NUMBER 304363		EFFECTIVE DATE: 05/01/2013	
CARRIER Universal Underwriters Insurance Company	NAIC CODE 41181		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

Products - Completed Operations Aggregate of \$900,000 applies to the Garage Liability.