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STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
 27 Hazen Dr., Concord, NH 03301
 Fax: 603-271-1516 TDD Access: 1-800-735-2964
 www.nh.gov/doit

Peter C. Hastings
 Commissioner

May 22, 2014

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

Sole Source

REQUESTED ACTION

Authorize the Department of Information Technology (DoIT), on behalf of the New Hampshire State Liquor Commission (NHSLC), to enter into a **SOLE SOURCE** contract amendment (PO #1000972) with ACR Systems, of Jacksonville, Florida (Vendor #171696), to continue support and maintenance of the NHSLC's point-of-sale (POS) application and increasing the amount of the contract by \$360,000 from \$4,978,570.03 to \$5,338,570.03, effective July 1, 2014 through June 30, 2017, upon Governor and Executive Council approval. **100% Other (Agency Class 27) funds: the Agency Class 27 funds used by NHSLC to reimburse DoIT for this work are 100% Liquor funds.**

Funding is available in the DoIT accounts below, pending budget approval, with the authority to adjust amounts, if needed and justified between State fiscal years.

FY	CAT#-DEPT#-AGENCY#-ACTIVITY#-ACCTG UNIT#- DEPT NAME-AGENCY NAME-ACCTG UNIT NAME	JOB #	AMOUNT
	CLASS CODE-ACCOUNT CODE -OBJ (ACCOUNT) DESC		
2015	01-03-03-030010-76770000- DoIT for Liquor 038-509038 - Software	03770014	\$120,000
2016	01-03-03-030010-76770000- DoIT for Liquor 038-509038 - Software	03770014	\$120,000
2017	01-03-03-030010-76770000- DoIT for Liquor 038-509038 - Software	03770014	\$120,000
		GRAND TOTAL	\$360,000

EXPLANATION

This **SOLE SOURCE** contract amendment (#6) extends the critical support and maintenance on the proprietary ACR application until June 30, 2017. This contract amendment is **sole source** since the intellectual property rights on the ACR software are owned by ACR alone. No other vendor may maintain this application for the State. The Liquor Commission needs to maintain current operation of this vital application until the next generation point of sale system with this needed functionality is launched.

The NHSLC is has received proposals for the Next Generation Point-of-Sale System to replace the ACR system. The modern technology will enhance the efficiency and customer service of the New Hampshire retail liquor sales operations. The expectation is that the new software will be installed and operational prior to the end date of this amendment, July 30, 2017.

On July 3, 2013, a Request for Proposal (RFP) was issued soliciting proposals for a replacement system for the ACR software. Proposals were returned on November 5, 2013. It is expected that a contract will be awarded and the new system will be launched the over the course of the next three years. Support and maintenance for the current ACR system is necessary to keep the system operational while the new system is built.

Originally, the New Hampshire State Liquor Commission requested bids for point-of-sale software, retail store hardware, and software and hardware maintenance services in 1998, as the existing POS system was technologically obsolete. ACR Systems was awarded the original three-year contract providing a state of the art, proprietary solution. The original contract with this vendor was approved by Governor and Council on September 29, 1998 (Item # 67A) for the period July 1, 1999 through June 30, 2002.

Amendment # 1 was approved by Governor and Council on November 10, 1999 (Item # 55A). This amendment added additional requirements to the existing contract and raised the contract limitation from \$2,996,395.03 to \$3,084, 577.29, an increase of \$88,182.26.

Amendment # 2 was approved by Governor and Council on July 10, 2002 (Item # 39). It extended the contract termination date from June 30, 2002 to June 30, 2007, increased the price limitation by \$576,175.00 from \$2,996,395.03 to \$3,572,570.03 and provided an option to purchase the POS software source code.

Amendment # 3 was approved by Governor and Council on July 14, 2004 (Item #41) extending the end date to June 30, 2008. It increased the contract price limitation by \$706,000.00 from \$3,572,570.03 to \$4,278,570.03. This amendment extended the purchase option in the contract of the updated software source code (ACR5000) for the point of sale (POS) equipment which supported the Liquor Commission retail stores statewide. It allowed for continued software maintenance and certain software enhancements.

Amendment #4 was approved by Governor and Council on November 18, 2008 (Item #69) extending the end date to June 30, 2011. It increased the contract price limitation by \$340,000.00 from \$4,278,570.03 to \$4,618,570.03. It allowed for continued software maintenance and certain software enhancements.

Amendment #5 was approved by Governor and Council on March 30, 2011 (Item #9) extending the end date to June 30, 2014. It increased the contract price limitation by \$360,000.00 from \$4,618,570.03 to \$4,978,570.03. It allowed for continued software maintenance and certain software enhancements.

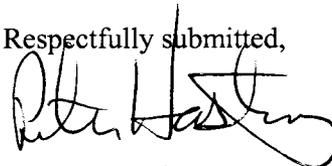
It is not feasible to delay the purchase of this essential maintenance coverage as this software is the heart of the State's retail liquor sales operations. Downtime could result in fewer operational check-out lanes or entire stores having to revert to a disruptive manual process to transact business. In addition to the risk of business interruption, many vendors charge additional fees to resume discontinued maintenance coverage on a system.

Her Excellency, Governor Margaret Wood Hassan
And the Honorable Executive Council
May 22, 2014
Page 3

This project has been reviewed and approved by the Department of Information Technology. This amendment has been approved by the Attorney General's Office as to form, substance, and execution. The New Hampshire State Liquor Commission estimates that the 100% Other Funds will be 100% Liquor Funds out of their Class 027 appropriation.

It is respectfully requested that authority be given to enter into this contract amendment as outlined above.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Peter Hastings", written over the typed name below.

Peter C. Hastings
Commissioner

PCH/ltn
Contract #2008-084
A&E RID #15760



**STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY**

27 Hazen Dr., Concord, NH 03301
Fax: 603-271-1516 TDD Access: 1-800-735-2964
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Peter C. Hastings
Commissioner

May 15, 2014

Joseph W. Mollica, Chairman
New Hampshire State Liquor Commission
Storrs Street, PO Box 503
Concord, NH 03302-0503

Dear Chairman Mollica:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your request to amend existing contract for Point of Sale Software Contract with ACR Systems, 122 North Jefferson Street, Jacksonville, FL 32204 as described below and referenced as DoIT No. 2008-084 Amendment #6.

This is a request for approval to amend this proprietary contract to allow on-going support and maintenance for the point of sale systems operating at the State liquor stores. The amendment will be effective July 1, 2014 through June 30, 2017, upon Governor and Executive Council approval. The amount of this amendment is \$360,000.00, increasing the total not to exceed contract amount from \$4,978,570.03 to \$5,338,570.03. This project is set forth in the New Hampshire State Liquor Commission's Strategic Information Technology Plan, dated October 21, 2005, Project No.138.

A copy of this letter will accompany the submission to Governor and Executive Council for approval.

Sincerely,

A handwritten signature in black ink that reads "Peter C. Hastings".

Peter C. Hastings
Commissioner

PCH/ltn
Contract 2008-084-Amendment 6
RID # 15760

STATE OF NEW HAMPSHIRE
New Hampshire Department of Information Technology
2008-084 NHSLC Point-of-Sale Software (ACR) Contract

AMENDMENT #6 TO AGREEMENT

This Amendment is between the New Hampshire Department of Information Technology (hereinafter the "State"), on behalf of the State Liquor Commission, and ACR Systems, 122 North Jefferson Street, Jacksonville, Florida 32204, (hereinafter the "Contractor").

WHEREAS, the State and Contractor originally entered into an Agreement dated September 22, 1998 and having been approved by Governor and Council on September 29, 1998, Item # 67A and

WHEREAS, the Agreement was further amended on November 10, 1999 (Item 55A), July 10, 2002 (Item 39), July 14, 2004 (Item 41), November 19, 2008 (Item #69), and March 30, 2011 (Item #9).

WHEREAS, the Contractor was originally engaged to provide point-of-sale software and software maintenance for the New Hampshire State Liquor Commission, and

WHEREAS, the Agreement continues in force and identifies the Department as the contracting agency/officer in the General Provisions of the Contract (Form P-37); and

WHEREAS, the State and Contractor desire to amend the contract in accordance with Section 17, Amendment, of the General Provisions of the Agreement,

NOW THEREFORE, the State and Contractor mutually agree to amend their existing Agreement as follows:

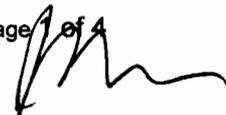
1. General Provisions of the Agreement (Form P-37) is hereby amended as follows:
 - a. Amend Section 1.6 of the General Provisions of the Agreement to reflect a new completion date of June 30, 2017.
 - b. Block 1.8 Price Limitation shall be amended by increasing the price limitation by \$360,000.00 increasing the amount from \$4,978,570.03 to \$5,338,570.03.

2. Exhibit A: Contract Services is hereby amended as follows:

- a. Delete Section 2. 4.4: Schedule, and replace with:

Starting Date	Ending Date	Event
October 1, 1998	November 30, 1998	Delivery of notebooks
October 12, 1998	December 31, 1998	Pilot
Within 60 days of pilot acceptance	Within 240 days of pilot acceptance	Implementation of remaining stores
January 2, 1999	February 28, 1999	Formal training
May 1, 1999	June 30 1999	Post implementation evaluation
July 1, 1999	June 30, 2011	Annual Maintenance
July 1, 2011	June 30, 2014	Annual Maintenance
July 1, 2014	June 30, 2017	Annual Maintenance

3. Exhibit B: Contract Price is hereby amended as follows:



a. Add Maintenance Payment Table to Section 4 Payment Schedule:

Maintenance Payment Table		
Event	Due Date	Amount
Annual Maintenance FY2009	July 2008	\$100,000
Annual Maintenance FY2010	July 2009	\$110,000
Customer enhancement requests (CERs) during FY10*	During FY10	\$10,000
Annual Maintenance FY2011	July 2010	\$110,000
Customer enhancement requests (CERs) during FY11*	During FY11	\$10,000
Annual Maintenance FY2012	July 2011	\$110,000
Customer enhancement requests (CERs) during FY12*	During FY12	\$10,000
Annual Maintenance FY2013	July 2012	\$110,000
Customer enhancement requests (CERs) during FY13*	During FY13	\$10,000
Annual Maintenance FY2014	July 2013	\$110,000
Customer enhancement requests (CERs) during FY14*	During FY14	\$10,000
Annual Maintenance FY2015	July 2014	\$110,000
Customer enhancement requests (CERs) during FY15*	During FY15	\$10,000
Annual Maintenance FY2016	July 2015	\$110,000
Customer enhancement requests (CERs) during FY16*	During FY16	\$10,000
Annual Maintenance FY2017	July 2016	\$110,000
Customer enhancement requests (CERs) during FY17*	During FY17	\$10,000

All other provisions of the Agreement dated September 22, 1998 and subsequent amendments shall remain in full force and effect.

5. Contract History

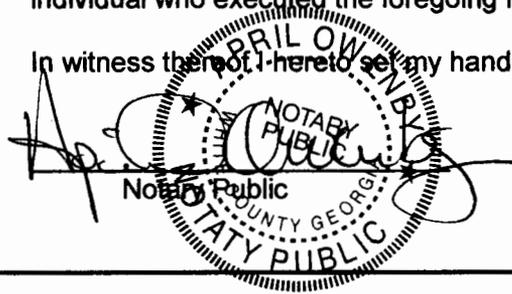


STATE OF GA

COUNTY OF White

On this 9 day of May 2014, before me, personally appeared John Huffman, who acknowledged himself/herself to be the individual who executed the foregoing instrument for the purposes therein contained.

In witness thereof, I hereunto set my hand and official seal.


Notary Public

My Commission Expires: 8/2015

APPROVAL BY THE ATTORNEY GENERAL (FORM, SUBSTANCE, & EXECUTION)

By: Amanda C. Godlewski
Assistant Attorney General

Date: 5/20/14

APPROVAL BY THE GOVERNOR AND COUNCIL

By: _____

Date: _____

ACR Systems

I, Bryan R. Huffman, do hereby certify that:

1. I am the Chief Operating Officer of ACR Systems, Inc., the Corporation.
2. The Corporation is authorized to do business in the State of New Hampshire.
3. The Corporation entered into a contract with the State of New Hampshire, acting through its Liquor Commission, for the provision of ACR POS systems, and that this contract is now in effect.
4. John R. Huffman is the President and CEO of the Corporation.
5. The President has been authorized, since March 25, 2014, on behalf of this Corporation to enter into Contracts with the State of New Hampshire, and to execute any and all documents, agreements and other instruments, and any amendments, revisions or modifications thereto, as the President may deem necessary, desirable or appropriate, and as of this date, that authorization is still in full force and effect.



Signature of the Chief Operating Officer of ACR Systems, Inc.,
Bryan R. Huffman

State of Florida
County of Duval

Before me personally appeared Bryan R. Huffman known to me to be the person described herein, and who executed the foregoing instrument, and acknowledged to and before me that Bryan R. Huffman executed said instrument for the purposes therein expressed.

Witness my hand and official seal this 8th day of May, 2014.

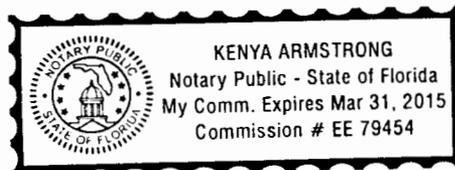
Subscribed and sworn before me, this 8th
day of May 2014 a Notary Public
in and for Duval County,
State of Florida



(Signature)

NOTARY PUBLIC

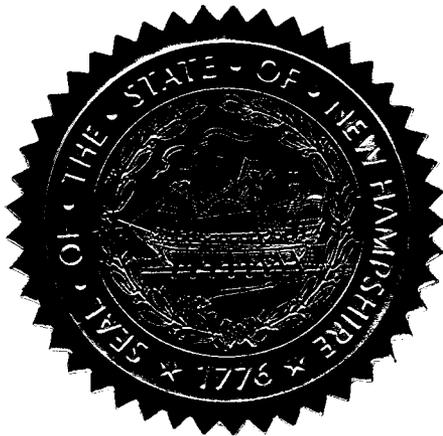
My Commission expires 3/31, 15



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 ACR SYSTEMS, INC. doing business in New Hampshire as TOTAL STORE SOLUTIONS, a(n) Florida corporation, is authorized to transact business in New Hampshire and qualified on September 23, 1998. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 8th day of May, A.D. 2014

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
5/1/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. 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).

PRODUCER Demetree Insurance Services 3740 Beach Blvd, Ste 102 P O Box 5788 Jacksonville FL 32247-5788		CONTACT NAME: Betty Buschmeyer PHONE (AC No. Ext): (904) 398-5656 FAX (AC No.): (904) 398-2915 E-MAIL ADDRESS: betty@dlbins.com	
INSURED ACR Systems Inc 122 N Jefferson Street Jacksonville FL 32204		INSURER(S) AFFORDING COVERAGE INSURER A: Sentinel Insurance Company 19356 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

COVERAGES CERTIFICATE NUMBER: CL145116239 REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

TYPE OF INSURANCE	PROD. CODE	INSUR. CODE	POLICY NUMBER	POLICY EFF. DATE (MM/DD/YYYY)	POLICY EXP. DATE (MM/DD/YYYY)	LIMITS
GENERAL LIABILITY <input type="checkbox"/> A COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC		X	21SBABW3206	05/01/2014	05/01/2015	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMPROP AGG \$ 4,000,000
AUTOMOBILES LIABILITY <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			21SBABW3206	05/01/2014	05/01/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		Y/N	N/A			WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
 Certificate Holder is Listed as Additional Insured with Respect to General Liability Only

CERTIFICATE HOLDER craig.bulkley@liquor.state Commissioner Department of Information Technology 27 Hazen Drive Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Rachel Moore/RACHEL <i>Rachel M Moore</i>
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 DEPARTMENT OF INFORMATION TECHNOLOGY
 27 Hazen Dr., Concord, NH 03301
 Fax: 603-271-1516 TDD Access: 1-800-735-2964
 www.nh.gov/doit

DOIT
 Amendment #5

Approved
 G+C March 30, 2011
 Item #9

S. William Rogers
 Acting Commissioner

March 10, 2011

His Excellency, Governor John H. Lynch
 And the Honorable Executive Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Information Technology (DoIT), on behalf of the New Hampshire State Liquor Commission (NHSLC), to enter into a **SOLE SOURCE** contract amendment with ACR Systems of Jacksonville, Florida (Vendor #171696), to continue support and maintenance of the NHSLC's point-of-sale (POS) application and to upgrade the software to the most current version, increasing the amount of the contract by \$360,000 from \$4,618,570.03 to \$4,978,570.03, effective July 1, 2011 through June 30, 2014, upon Governor and Executive Council approval. 100% Other (Agency Class 27) funds: the Agency Class 27 funds used by NHSLC to reimburse DoIT for this work are 100% Liquor funds.

Funding are available in DoIT Operations Division, pending budget approval, in the following accounts with the authority to adjust amounts, if needed and justified between State fiscal years.

FY	CAT#-DEPT#-AGENCY#-ACTIVITY#-ACCTG UNIT# DEPT NAME-AGENCY NAME-ACCTG UNIT NAME CLASS CODE-ACCOUNT CODE -OBJ (ACCOUNT) DESC	JOB #	AMOUNT
2012	01-03-03-030010-76770000- Liquor- IT 038-509038 - Software	03770014	\$120,000
2013	01-03-03-030010-76770000- Liquor- IT 038-509038 - Software	03770014	\$120,000
2014	01-03-03-030010-76770000- Liquor- IT 038-509038 - Software	03770014	\$120,000
		GRAND TOTAL	\$360,000

EXPLANATION

The current Sole Source contract amendment (#5) extends the critical support and maintenance on the proprietary ACR application until June 30, 2014. This contract amendment is sole source since the intellectual property rights on the ACR software are owned by ACR alone. No other vendor may maintain this application for the State. During the time of this amendment, the New Hampshire State Liquor Commission will be researching and implementing a more modern POS technology that will enhance the efficiency and customer service of the NH retail liquor sales operations with the goal of issuing an RFP for new POS software. The expectation is that the new software would be installed prior to the end date of this amendment.

His Excellency, Governor John H. Lynch

And the Honorable Executive Council

March 10, 2011

Page 2

Originally, the New Hampshire State Liquor Commission requested bids for point-of-sale software, retail store hardware, and software and hardware maintenance services in 1998, as the existing POS system was technologically obsolete. ACR Systems was awarded the original three-year contract providing a state of the art, proprietary solution. The original contract with this vendor was approved by Governor and Council on September 29, 1998 (Item # 67A) for the period July 1, 1999 through June 30, 2002.

Amendment # 1 was approved by Governor and Council on November 10, 1999 (Item # 55A). This amendment added additional requirements to the existing contract and raised the contract limitation from \$2,996,395.03 to \$3,084, 577.29, an increase of \$88,182.26.

Amendment # 2 was approved by Governor and Council on July 10, 2002 (Item # 39). It extended the contract termination date from June 30, 2002 to June 30, 2007, increased the price limitation by \$576,175.00 from \$2,996,395.03 to \$3,572,570.03 and provided an option to purchase the POS software source code.

Amendment # 3 was approved by Governor and Council on July 14, 2004 (Item #41) extending the end date to June 30, 2008. It increased the contract price limitation by \$706,000.00 from \$3,572,570.03 to \$4,278,570.03. This amendment extended the purchase option in the contract of the updated software source code (ACR5000) for the point of sale (POS) equipment which supported the Liquor Commission retail stores statewide. It allowed for continued software maintenance and certain software enhancements.

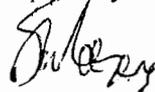
Amendment #4 was approved by Governor and Council on November 18, 2008 (Item #69) extending the end date to June 30, 2011. It increased the contract price limitation by \$340,000 from \$4,278,570.03 to \$4,618,570.03. It allowed for continued software maintenance and certain software enhancements.

It is not feasible to delay the purchase of this essential maintenance coverage as this software is the heart of the State's retail liquor sales operations. Downtime could result in fewer operational check-out lanes or entire stores having to revert to a disruptive manual process to transact business. In addition to the risk of business interruption, many vendors charge additional fees to resume discontinued maintenance coverage on a system.

This project has been reviewed and approved by the Department of Information Technology. This Amendment has been approved by the Attorney General's Office as to form, substance, and execution. The New Hampshire State Liquor Commission estimates that the 100% Other Funds will be 100% Liquor Funds out of their Class 027 appropriation.

It is respectfully requested that authority be given to enter into this contract amendment as outlined above.

Respectfully submitted,



S. William Rogers
Acting Commissioner

SWR/efg
Contract #2008-084
A&E RID #11149



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S. William Rogers
Acting Commissioner

March 10, 2011

Joseph W. Mollica, Chairman
New Hampshire State Liquor Commission
Storrs Street, PO Box 503
Concord, NH 03302-0503

Dear Chairman Mollica:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your request to amend existing contract for Point of Sale Software Contract with ACR Systems, 122 North Jefferson Street, Jacksonville, FL 32204 as described below and referenced as DoIT No. 2008-084 Amendment #5.

This is a request for approval to amend this proprietary contract to allow on-going support and maintenance for the point of sale systems operating at the State liquor stores. The amendment will be effective July 1, 2011 through June 30, 2014, upon Governor and Executive Council approval. The amount of this amendment is \$360,000.00, increasing the total not to exceed contract amount from \$4,618,570.03 to \$4,978,570.03. This project is set forth in the New Hampshire State Liquor Commission's Strategic Information Technology Plan, dated October 21, 2005, Project No.138.

A copy of this letter should accompany your submission to Governor and Executive Council for approval.

Sincerely,

S. William Rogers

SWR/efg
Contract 2008-084-Amendment 5
RID # 11149

cc: Deborah Milewski, IT Manager-Liquor, Department of Information Technology
Eileen Grimmer, IT Manager-Contracts, Department of Information Technology

STATE OF NEW HAMPSHIRE
New Hampshire State Liquor Commission
2008-084 NHSLC Point-of-Sale Software (ACR) Contract

AMENDMENT #5 TO AGREEMENT

This Amendment is made this 9th day of March, 2011, between the New Hampshire State Liquor Commission (hereinafter the "State") and ACR Systems, 122 North Jefferson Street, Jacksonville, Florida 32204, (hereinafter the "Contractor").

WHEREAS, the State and Contractor originally entered into an Agreement dated September 22, 1998 and having been approved by Governor and Council on September 29, 1998, Item # 67A and

WHEREAS, the Agreement was amended on November 10, 1999 (Item 55A), and July 10, 2002 (Item 39), and July 14, 2004 (Item 41), and November 19, 2008 (Item # 69);

WHEREAS, the Contractor was originally engaged to provide point-of-sale software and software maintenance for the New Hampshire State Liquor Commission, and

WHEREAS, the Agreement continues in force and identifies the Department as the contracting agency/officer in the General Provisions of the Contract (Form P-37); and

WHEREAS, the State and Contractor desire to amend the contract in accordance with Section 17, Amendment, of the General Provisions of the Agreement,

NOW THEREFORE, the State and Contractor mutually agree to amend their existing Agreement as follows:

1. General Provisions of the Agreement (Form P-37) is hereby amended as follows:
 - a. Amend Section 1.6 of the General Provisions of the Agreement to reflect a new completion date of June 30, 2014
 - b. Block 1.8 Price Limitation shall be amended by increasing the price limitation by \$360,000 increasing the amount from \$4,618,570.03 to \$4,978,570.03.
2. Exhibit A: Contract Services is hereby amended as follows:
 - a. Delete Section 2. 4.4: Schedule, and replace with:

Starting Date	Ending Date	Event
October 1, 1998	November 30, 1998	Delivery of notebooks
October 12, 1998	December 31, 1998	Pilot
Within 60 days of pilot acceptance	Within 240 days of pilot acceptance	Implementation of remaining stores
January 2, 1999	February 28, 1999	Formal training
May 1, 1999	June 30 1999	Post implementation evaluation
July 1, 1999	June 30, 2011	Annual Maintenance
July 1, 2011	June 30, 2014	Annual Maintenance

3. Exhibit B: Contract Price is hereby amended as follows:

a. Add Amendment B Payment Table to Section 4 Payment Schedule:

Amendment B Payment Table		
Event	Due Date	Amount
Software Maintenance	July 15, 2008	\$100,000.00
Software Maintenance	July 15, 2009	\$110,000.00
Customer enhancement requests (CERs) during FY10*	During FY10	\$10,000.00
Software Maintenance	July 15, 2010	\$110,000.00
Customer enhancement requests (CERs) during FY11*	During FY11	\$10,000.00
Annual Maintenance FY2012	July 2011	\$110,000.00
Customer enhancement requests (CERs) during FY12*	During FY12	\$10,000.00
Annual Maintenance FY2013	July 2012	\$110,000.00
Customer enhancement requests (CERs) during FY13*	During FY13	\$10,000.00
Annual Maintenance FY2014	July 2013	\$110,000.00
Customer enhancement requests (CERs) during FY14*	During FY14	\$10,000.00

*Payment Terms: State of New Hampshire will define which and if any CERs are required. Payments for CERs will be as follows: Half the cost for each software enhancement shall be paid upon acceptance of the Work Order and the balance shall be paid when the enhancement is delivered and Accepted by the State. If the State does not request any CERs then these payments become null and void.

All other provisions of the Agreement dated September 22, 1998 and subsequent amendments shall remain in full force and effect.

4. Contract History

Type	Number	Funding	Dates	G&C
Contract	1999-079	\$2,996,395.03	9/29/1998- 6/30/2002	9/29/1998 Item # 67A
Amendment 1	1999-087-01	+ \$88,182.26 to \$3,084,577.29	9/29/1998 - 6/30/2002	11/10/1999 Item #55A
Amendment 2	N/A	+ \$576,175.00 to \$3,572,570.03	6/30/2002 - 6/30/2007	7/10/2002 Item # 39
Amendment 3	2003-001	+ \$706,000.00 to \$4,278,570.03	6/30/2007 - 6/30/2008	7/14/2004 Item #41
Amendment 4	2008-084	+ \$340,000.00 to \$4,618,570.03	6/30/2008 - 6/30/2011	11-19-2008 Item #69
Amendment 5	2008-084	+ \$360,000 to \$4,978,570.03	7/1/2011- 6/30/2014	G&C

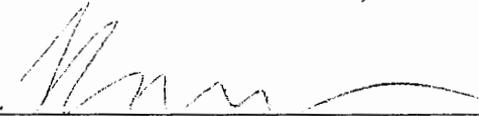


I, John R. Huffman, do hereby certify that:

1. I am Chief Executive Officer of ACR Systems Incorporated (the "Corporation").
2. The Corporation no longer has a Board of Directors.

Resolved: That this Corporation entered into a contract with the State of New Hampshire, acting through its Liquor Commission for the Provision of ACR POS systems.

3. Bryan R. Huffman is the Treasurer and Administrator of the Corporation.
4. The Treasurer is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments and any amendments, revisions or modifications thereto, as he may deem necessary, desirable, or appropriate.



 Signature of Chief Executive Office of the Corporation
 John R. Huffman

State of Florida
County of Duval

Before me personally appeared John R. Huffman to me well known and known to me to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that John R. Huffman executed said instrument for the purposes therein expressed.

Witness my hand and official seal this 9 day of MARCH A.D. 2011.



 Notary Public
 State of Florida

My Commission expires 4/28/14



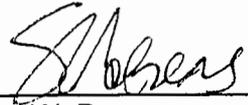
CONTRACTING OFFICER FOR STATE AGENCY:

By:



Joseph W. Mollica
Chairman
NH Liquor Commission

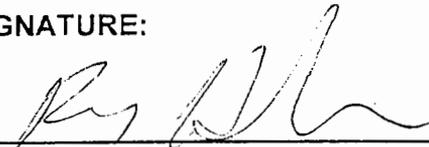
By:



Stanley W. Rogers
Acting Commissioner
Department of Information Technology

ACR SIGNATURE:

By:



Bryan Huffman
Treasurer and Administrator
ACR Systems, Inc.

STATE OF Florida

COUNTY OF Duval

On this 9 day of March 2011, before me, personally appeared John Huffman, who acknowledged himself/herself to be the individual who executed the foregoing instrument for the purposes therein contained.

In witness thereof I hereto set my hand and official seal.

[Signature]
Notary Public

My Commission Expires: 4/28/14



APPROVAL BY THE ATTORNEY GENERAL (FORM, SUBSTANCE, & EXECUTION)

Lisa M. English
By: [Signature]
~~Assistant Attorney General~~

Date: 3/15/2011

APPROVAL BY THE GOVERNOR AND COUNCIL

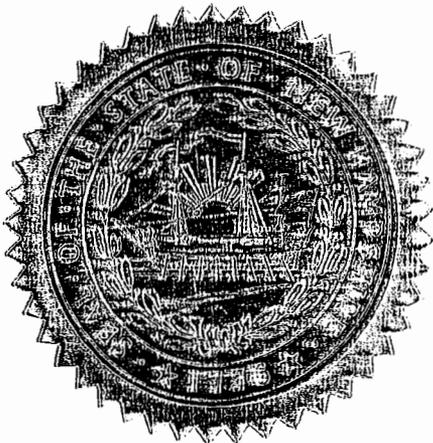
By: _____

Date: _____

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 ACR SYSTEMS, INC. doing business in New Hampshire as TOTAL STORE SOLUTIONS, a(n) Florida corporation, is authorized to transact business in New Hampshire and qualified on September 23, 1998. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 11th day of March, A.D. 2011

A handwritten signature in cursive script, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
3/8/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. 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).

PRODUCER Demetree Insurance Services Inc 3740 Beach Blvd, Ste 102 P O Box 5788 Jacksonville FL 32247-5788	CONTACT NAME: Tammy Mitchko PHONE (A/C No. Ext): (904) 398-5656 E-MAIL ADDRESS: tammy@dilbins.com PRODUCER CUSTOMER ID#: 00014060	FAX (A/C No.): (904) 398-2915
	INSURER(S) AFFORDING COVERAGE	
INSURED ACR SYSTEMS INC 122 N JEFFERSON ST JACKSONVILLE FL 32204	INSURER A: Maryland Casualty Company	NAIC# 19356
	INSURER B: Assurance Co of America	NAIC# 19305
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** CL113810393 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR			PPS001841925	8/14/2010	8/14/2011	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COM/CP AGG \$ 2,000,000
	GENL AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC						
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DEDUCTIBLE \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WCO01841941	8/14/2010	8/14/2011	VC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/> EL EACH ACCIDENT \$ 1,000,000 EL DISEASE - EA EMPLOYEE \$ 1,000,000 EL DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER State of New Hampshire Liquor Commission 30 Starns St. Concord, NH 03301	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE Tammy Mitchko/TAMMY <i>Tammy Mitchko</i>
--	--



John H. Lynch
Governor

State of New Hampshire LIQUOR COMMISSION

50 Storrs Street
P.O. Box 503
Concord, N.H. 03302-0503

Mark M. Bodi
Chairman
(603) 271-3132

Patricia T. Russell
Commissioner
(603) 271-3131

Richard E. Simard
Commissioner
(603) 271-3133

October 27, 2008

*Amendment #4
G+C
11-19-2008*

Item #69

His Excellency, Governor John H. Lynch
And the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the New Hampshire State Liquor Commission (NHSLC) to enter into **retroactive, sole source** Amendment # 4 to a contract with ACR Systems of Jacksonville, Florida for the purpose of increasing the contract price limitation by \$340,000 from \$4,278,570.03 to \$4,618,570.03.

This contract is sole source since the intellectual property rights on the ACR5000 software are owned by ACR alone. No other vendor may maintain this application for the State. Due to lengthy contract negotiations with ACR regarding amendment deliverables and ACR's delay in providing the required legal certificates, this contract is retroactive.

This amendment extends the termination date of the contract by three (3) years, to June 30, 2011. The purpose of the extension is to continue the support and maintenance ACR provides on the NHSLC's point-of-sale (POS) application. It will also enable the State to upgrade to the most current version of the software. Any failure in this system will result in a loss of revenue at the New Hampshire State Liquor Stores. 100% Other (Agency Class 27) funds: the Agency Class 27 used by the NHSLC is 100% General Funds.

Funding is available in DoIT Operations Division, pending budget approval, in the following accounts with the authority to adjust encumbrances in each of the State fiscal years through the Budget Office if needed and justified.

Funding Source	Job#	FY09	FY10	FY11	Total
010 - 003 - 1670 - 0300 - 024 - 0230 - 7130400	03770012	\$100,000	\$120,000	\$120,000	\$340,000

EXPLANATION

The New Hampshire State Liquor Commission requested bids for point-of-sale software, retail store hardware, and software and hardware maintenance services in 1998, as the existing POS system was technologically obsolete. ACR Systems was awarded the original three-year contract providing a state of the art, proprietary solution.

The original contract with this vendor was approved by Governor and Council on September 29, 1998 (Item # 67A) for the period July 1, 1999 through June 30, 2002.

Amendment # 1 was approved by Governor and Council on November 10, 1999 (Item # 55A). This amendment added additional requirements to the existing contract and raised the contract limitation from \$2,996,395.03 to \$3,084,577.29, an increase of \$88,182.26.

Amendment # 2 was approved by Governor and Council on July 10, 2002 (Item # 39). It extended the contract

termination date from June 30, 2002 to June 30, 2007, increased the price limitation by \$576,175.00 from \$2,996,395.03 to \$3,572,570.03 and provided an option to purchase the POS software source code.

Amendment # 3 was approved by Governor and Council on July 14, 2004 (Item #41) extending the end date to June 30, 2008. It increased the contract price limitation by \$706,000.00 from \$3,572,570.03 to \$4,278,570.03. This amendment extends the purchase option in the contract of the updated software source code (ACR5000) for the point of sale (POS) equipment which supports the Liquor Commission retail stores statewide. It allowed for continued software maintenance and certain software enhancements.

The current amendment (#4) further extends the critical support and maintenance on the proprietary ACR application until June 30, 2011. During this time the NHSLC will be researching modern POS technologies that will enhance the efficiency and customer service of the NH retail liquor sales operations with the goal of issuing an RFP for new POS software. The expectation is that the new software would be installed prior to the end of this final extension.

It is not feasible to delay the purchase of this essential maintenance coverage as this software is the heart of the State's retail liquor sales operations. Downtime could result in fewer operational check-out lanes or entire stores having to revert to a disruptive manual process to transact business. In addition to the risk of business interruption, many vendors charge additional fees to resume discontinued maintenance coverage on a system. Your favorable action on this request would be appreciated.

This project has been reviewed and approved by the Department of Information Technology. This Amendment has been approved by the Attorney General's Office as to form, substance, and execution. The New Hampshire State Liquor Commission estimates that the 100% Other Funds will be 100% General Funds out of their Class 027 appropriation.

Respectfully Submitted,
New Hampshire State Liquor Commission

Mark M. Bodi, Chairman

Patricia T. Russell, Commissioner

Richard E. Simard, Commissioner

cc: Leslie Mason, DOIT
Craig Bulkley, NHSLC
Doreen Wittenberg, DAS Business Supervisor

STATE OF NEW HAMPSHIRE
New Hampshire State Liquor Commission
2008-084 NHSLC Point-of-Sale Software (ACR) Contract

AMENDMENT #4 TO AGREEMENT

This Amendment is made this 8TH day of October, 2008, between the New Hampshire State Liquor Commission (hereinafter the "State") and ACR Systems, 122 North Jefferson Street, Jacksonville, Florida 32204, (hereinafter the "Contractor").

WHEREAS, the State and Contractor originally entered into an Agreement dated September 22, 1998 and having been approved by Governor and Council on September 29, 1998, Item # 67A and

WHEREAS, the Agreement was amended on November 10, 1999 (Item 55A), July 10, 2002 (Item 39), and July 14, 2004 (Item 41), and

WHEREAS, the Contractor was originally engaged to provide point-of-sale software and software maintenance for the New Hampshire State Liquor Commission, and

WHEREAS, the Agreement continues in force and identifies the Department as the contracting agency/officer in the General Provisions of the Contract (Form P-37); and

WHEREAS, the State and Contractor desire to amend the contract in accordance with Section 17, Amendment, of the General Provisions of the Agreement,

NOW THEREFORE, the State and Contractor mutually agree to amend their existing Agreement as follows:

1. General Provisions of the Agreement (Form P-37) is hereby amended as follows:
 - a. Amend Section 1.6 of the General Provisions of the Agreement to reflect a new completion date of June 30, 2011
 - b. Block 1.8 Price Limitation shall be amended by increasing the price limitation by \$340,000.00.

<u>Original Price Limitation</u>	<u>Revised Price Limitation</u>
\$ 4,278,570.03	\$4,618,570.03

- c. Delete Section 14.1.1 relating to insurance and bond requirements and replace with:

"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 \$1,000,000 per incident; and"

2. Exhibit A: Contract Services is hereby amended as follows:

a. Delete Section 2. 4.4: Schedule, and replace with:

Starting Date	Ending Date	Event
October 1, 1998	November 30, 1998	Delivery of notebooks
October 12, 1998	December 31, 1998	Pilot
Within 60 days of pilot acceptance	Within 240 days of pilot acceptance	Implementation of remaining stores
January 2, 1999	February 28, 1999	Formal training
May 1, 1999	June 30 1999	Post implementation evaluation
July 1, 1999	June 30, 2011	Annual Maintenance

3. Exhibit B: Contract Price is hereby amended as follows:

a. Add Amendment B Payment Table to Section 4 Payment Schedule:

Amendment B Payment Table		
Event	Due Date	Amount
Software Maintenance	July 15, 2008	\$100,000.00
Software Maintenance	July 15, 2009	\$110,000.00
Customer enhancement requests (CERs) during FY10*	During FY10	\$10,000.00
Software Maintenance	July 15, 2010	\$110,000.00
Customer enhancement requests (CERs) during FY11*	During FY11	\$10,000.00
*Payment Terms: State of New Hampshire will define which and if any CERs are required. Payments for CERs will be as follows: Half the cost for each software enhancement shall be paid upon acceptance of the Work Order and the balance shall be paid when the enhancement is delivered and Accepted by the State. If the State does not request any CERs then these payments become null and void.		

4. Exhibit H: Software Maintenance Agreement is hereby amended as follows:

- a. Delete all occurrences "ACR-2000" within the Software Maintenance Agreement and replace with "ACR-5000".
- b. Add the following definition to Article I: -Recitals and Definitions, Section 1.02 Definitions:
- c. "Application Source Code: All current system components, documentation and files necessary to maintain the software and create executable modules for in store execution of the most current ACR-5000 POS system (including Add-on modules and any State of New Hampshire CERs which have been approved, completed, and paid for.
- d. Amend ARTICLE V: PAYMENT by adding Section 5.06 – Purchase Option:

"Section 5.06 – Purchase Option: Since the State has made the maintenance payments totaling \$750,000.00 as specified in the Contract documents; the Contractor shall allow

the State to exercise a purchase option for the ACR-5000 Application Source Code, upon written request to the Contractor. The Contractor shall credit the State \$750,000.00 for the purchase of the ACR-5000 Application Source Code. This option shall remain in effect through June 30, 2011. The State reserves the option to extend the Agreement for additional years upon mutual agreement of the parties.

If the State exercises the purchase option and takes physical possession of the ACR-5000 Application Source Code, this Software Maintenance Agreement shall terminate and the State shall execute a Terms of Use Agreement with the Contractor.”

- e. Delete Article IV – Licensing, Section 4.05 and replace with:

“The Contractor agrees to provide the State a non-refundable credit equal to \$750,000.00 for the purchase of the ACR-5000 Application Source Code. under this Software Maintenance Agreement, towards the purchase of ACR-5000 Application Source Code, upon written request to the Contractor, any time on or before June 30, 2011. Further, the Contractor agrees that the fee for purchasing the Application Source Code is \$750,000.00, less the \$750,000.00 credit mentioned above it, provided the Application Source Code is purchased on or before June 30, 2011.”

- f. Delete Article V – Payment, Section 5.01a Extended Maintenance Fee and replace with:

“The State agrees to pay the Contractor a Maintenance Fee of \$400,000.00 in two installments. The first installment of \$200,000.00 is due July 1, 2002 and the second installment of \$200,000.00 is due July 1, 2003. Further, the State agrees to pay the fee if it should exercise its early termination or cancellation rights’ under Section 6.03 of the Contractor’s Software Maintenance Agreement.”

- g. Add the following language to Article V – Payment, Section 5.06

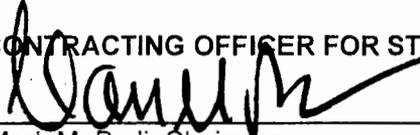
“The ACR-5000 Application Source Code or the current Application Source Code, if newer and desired by the State, shall be delivered to the State by the Contractor upon receipt of the payment for maintenance of \$350,000.00 due and payable on July 15, 2004 and receipt of a written notice from the State declaring the desire to exercise the purchase option.”

All other provisions of the Agreement dated September 22, 1998 and subsequent amendments shall remain in full force and effect.

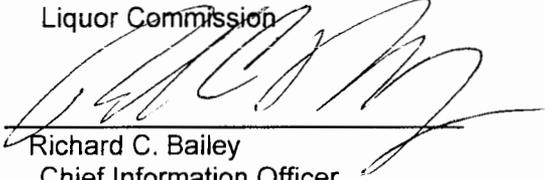
Contract History				
Type	Number	Funding	Dates	G&C
Contract	1999-079	\$2,996,395.03	9/29/1998- 6/30/2002	9/29/1998 Item # 67A
Amendment 1	1999-087-01	+ \$88,182.26 to \$3,084,577.29	9/29/1998 - 6/30/2002	11/10/1999 Item #55A
Amendment 2	N/A	+ \$576,175.00 to \$3,572,570.03	6/30/2002 – 6/30/2007	7/10/2002 Item # 39
Amendment 3	2003-001	+ \$706,000.00 to \$4,278,570.03	6/30/2007 – 6/30/2008	7/14/2004 Item #41
Amendment 4 (this amendment)	2008-084	+ \$340,000.00 to \$4,618,570.03	6/30/2008 – 6/30/2011	TBD

CONTRACTING OFFICER FOR STATE AGENCY:

By:

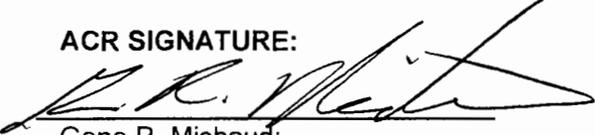

Mark M. Bodi, Chairman
Liquor Commission

By:


Richard C. Bailey
Chief Information Officer

ACR SIGNATURE:

By:


Gene R. Michaud:
Treasurer
ACR Systems, Inc.

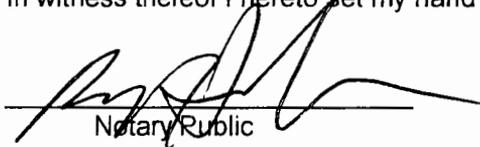
STATE OF FLORIDA

COUNTY OF DUVAL

On this 8TH day of OCTOBER 2008, before me, personally appeared

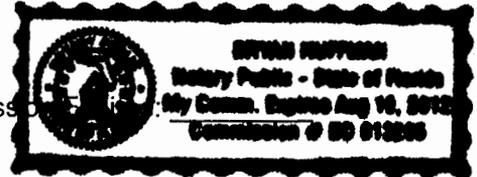
GENE R MICHAAS, who acknowledged himself/herself to be the individual who executed the foregoing instrument for the purposes therein contained.

In witness thereof I hereto set my hand and official seal.



Notary Public

My Commission



APPROVAL BY THE ATTORNEY GENERAL (FORM, SUBSTANCE, & EXECUTION)

By: 

Assistant Attorney General

Date: 10/20/08

APPROVAL BY THE GOVERNOR AND COUNCIL

By: _____

Date: _____

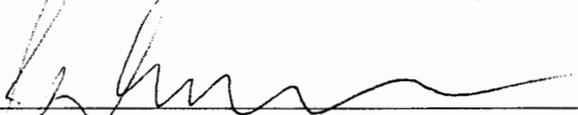


I, John R. Huffman, do hereby certify that:

1. I am Chief Executive Officer of ACR Systems Incorporated (the "Corporation").
2. The Corporation no longer has a Board of Directors.

Resolved: That this Corporation entered into a contract with the State of New Hampshire, acting through its Liquor Commission for the Provision of ACR POS systems.

3. Gene R. Michaud is the Treasurer and Chief Financial Officer of the Corporation.
4. The Treasurer is hereby authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments and any amendments, revisions or modifications thereto, as he may deem necessary, desirable, or appropriate.

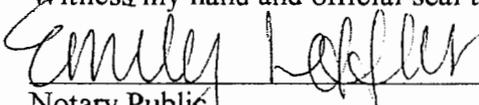


Signature of Chief Executive Office of the Corporation

State of Florida
County of Duval

Before me personally appeared John R. Huffman to me well known and known to me to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that John R. Huffman executed said instrument for the purposes therein expressed.

Witness my hand and official seal this 9th day of October A.D. 2008.



Notary Public
State of Florida

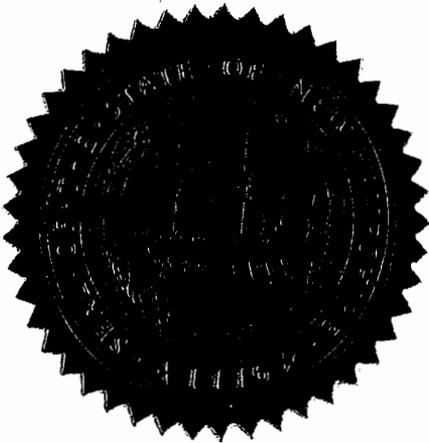
My Commission expires December 3, 2011



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 ACR SYSTEMS, INC. d/b/a TOTAL STORE SOLUTIONS in New Hampshire, a(n) Florida corporation, is authorized to transact business in New Hampshire and qualified on June 13, 2008. I further certify that all fees required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto
set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 13th day of June, A.D. 2008

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner
Secretary of State

ACORD™ CERTIFICATE OF LIABILITY INSURANCE DATE (MM/DD/YYYY)
10/7/2008

PRODUCER (904)398-5656 FAX: (904)398-2915
Demetree Insurance Services Inc
3740 Beach Blvd, Ste 102
P O Box 5788
Jacksonville FL 32247-5788

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED
ACR SYSTEMS INC
122 N JEFFERSON ST
JACKSONVILLE FL 32204

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Maryland Casualty Company	19356
INSURER B: Assurance Co of America	19305
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	PPS001841925	8/14/2008	8/14/2009	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000				
					MED EXP (Any one person) \$ 10,000
					PERSONAL & ADV INJURY \$
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$
					AGGREGATE \$
					\$
					\$
					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC001841941	8/14/2008	8/14/2009	<input type="checkbox"/> WC STATU-TORY LIMITS <input checked="" type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
	OTHER				

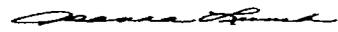
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER

State of New Hampshire
Liquor Commission
Attn: Leslie Mason, Info Technology Mgr.
Dept. of Info Technology
49 Donovan Street
Concord, NH 03110

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Joanna Lumb/JOANNA 



Craig R. Benson
Governor

**State of New Hampshire
LIQUOR COMMISSION**

Storrs Street
P.O. Box 503
Concord, N.H. 03302-0503

Craig W. Bulkley, Chief
Bureau of Administrative Services

Anthony C. Maiola
Chairman
(603) 271-3133

John W. Byrne
Commissioner
(603) 271-3132

Patricia T. Russell
Commissioner
(603) 271-3131

May xx, 2004

His Excellency, Governor Craig R. Benson
And the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the New Hampshire State Liquor Commission to enter into Amendment # 3 to a contract with ACR Systems of Jacksonville, Florida for the purpose of increasing the contract price limitation by \$706,000 from \$3,572,570.03 to \$4,278,570.03. This amendment exercises the purchase option in the contract of the software source code for the point of sale (POS) equipment which supports the Liquor Commission retail stores statewide. Additionally, it extends the life of the contract by one year to June 30, 2008 and allows for continued software maintenance and certain software enhancements. All other contract terms and conditions remain the same.

Funds for this contact amendment are available in the account entitled Store Operations as follow:

<u>Account</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
012-077-1030-024	\$386,000	\$110,000	\$110,000	\$100,000

(Maintenance Other than Buildings & Grounds)

EXPLANATION

The New Hampshire State Liquor Commission requested bids for point-of-sale software and software and hardware maintenance services in 1998, as our existing POS system was technologically obsolete. ACR Systems was awarded the original three-year contract to provide point-of-sale software, software maintenance support, store computer hardware and computer hardware maintenance support. ACR Systems is the sole provider of this software for maintenance and support, and as such, the NHSLC requested to amend the contract for up to another five-year period in July of 2002.

That contract amendment of July 2002 included an option to apply up to \$400,000 of payments toward the eventual selling price of \$750,000 for the point of sale source code, should the Liquor Commission wish to do so by June 30, 2004. The purchase of the source code will reduce our annual expenses by at least \$140,000 as we will no longer have to pay the annual licensing fee.

The original contract with this vendor was approved by Governor and Council on September 29, 1998 (Item # 67A) for the period July 1, 1999 through June 30, 2002.

Amendment # 1 was approved by Governor and Council on November 10, 1999 (Item # 55A). This

His Excellency, Governor Craig R. Benson
And the Honorable Executive Council
May XX, 2004
Page 2

amendment added additional requirements to the existing contract and raised the contract limitation from \$2,996,395.03 to \$3,084, 577.29, an increase of \$88,182.26.

Amendment # 2 to this contract was approved by Governor and Council on July 10, 2002 (Item # 39) for the period June 30, 2002 to June 30, 2007. It extended the contract termination date from June 30, 2002 to June 30, 2007, increased the price limitation by \$576,175.00 from \$2,996,395.03 to \$3,572,570.03 and provided an option to purchase the POS software source code.

This project has been reviewed and approved by the Office of Information Technology.

This Amendment has been approved by the Attorney General's Office as to form, substance, and execution.

Your favorable action on this request would be appreciated.

Respectfully submitted,
NH State Liquor Commission

Anthony C. Maiola, Chairman

John W. Byrne, Commissioner

Patricia T. Russell, Commissioner

Category: G&C
Agenda

July 14, 2004

GOVERNOR AND EXECUTIVE COUNCIL AGENDA

State House, Concord, New Hampshire

July 14, 2004 10:00 a.m.

LIQUOR COMMISSION

#41 Authorize to amend a sole source contract with ACR Systems of Jacksonville, FL, excluding purchase option of the contract of the software source code for the point of sale equipment at the Liquor Commission retail stores statewide, by increasing the contract price limitation to \$4,278,570.03 from \$3,572,570.03, and extending the contract by one year to June 30, 2005 for continued software maintenance and certain software enhancements. 100% General Fund

Amendment #3

7-14-2004

#41

NEW HAMPSHIRE STATE LIQUOR COMMISISON

AMENDMENT #3 TO AGREEMENT

This Amendment is made this _____ day of _____, 2004, between the State of New Hampshire, acting by and through its Liquor Commission (hereinafter the "State") and ACR Systems, 8226 Phillips Highway, Suite 102, Jacksonville, Florida 32256, (hereinafter the "Contractor").

WHEREAS, the State and Contractor originally entered into an Agreement dated September 22, 1998 and having been approved by Governor and Council on September 29, 1998, Item # 67A, for the period from September 29, 1998 through June 30, 2002, and

WHEREAS, the State and Contractor amended this agreement to extend through June 30, 2007, and

WHEREAS, the Contractor was originally engaged to provide point-of-sale software and software maintenance for the New Hampshire State Liquor Commission, and

WHEREAS, the State and Contractor desire to amend the contract in accordance with Section 17, Amendment, of the General Provisions of the Agreement,

NOW THEREFORE, the State and Contractor mutually agree to amend their existing Agreement as follows:

1. This amendment shall become effective July 1, 2004 or the date of Governor and Council approval, whichever is later, through June 30, 2008.
2. Block 1.8 Price Limitation, shall be amended by increasing the price limitation by \$706,000.00

Original Price Limitation
\$ 3,572,570.03

Revised Price Limitation
\$ 4,278,570.03

3. State wishes to extend the provisions of Article IV, Contractor's Software Maintenance Agreement until June 30, 2008
4. For consideration of the extension, in addition to providing the required services under terms of the current Software Maintenance Agreement, Contractor will:
 - A. Extend the current Source Code Purchase Option until June 30, 2008.
 - B. Provide the latest upgrade of ACR's current Application Source Code, ACR5000, in place of the current ACR2000.
 - C. Repair following current bugs in the software:

- When large volume of lines are involved in a global promotion, ACR2000 does not round dollar value of individual items properly.
- Verifone piggy back credit card issue: subsequent customer's purchases charged to previous customer's credit card
- Magnetic swipe reader on keyboard has buffering issues which creates piggy back credit card transactions. This is identical to the Verifone issue, only the keyboard is in play.
- Striking the semicolon key (;) will cause the system to freeze. Document 14.1591 describes this issue and a fix has been supplied. The fix deactivates the magnetic swipe reader in the keyboard as well as the semicolon key which is unacceptable.
- Export the daily sales report. Documents 14.1588, 43.674 describe the issue. The "save report" function should leave this report file intact until such time another report is executed to the "viewer/file" output.

D. Correct current deficiencies in the software such that original contract compliance is met:

- Capture the original invoice number on a "licensee payment on account" transaction in the journal file. Documented in 37.919.
- Business check limit by customer. This is separate from credit limit.
- Daily reports to show price changes, overrides and rain checks issued. We have defined what is needed in this area in document # 14.1598.

E. Modify the ACR5000 with all current functionality unique to State's ACR2000 version of the Application before the State upgrades to ACR5000 but no later than December 31, 2004. Modifications include:

- Legal Age DOB dll port
- Tender restriction to not allow lottery purchases to be paid for credit card.
- Licensee Invoice form trigger slip station
- Rita interface port

F. Provide for the following Customer Enhancement Request ("CER") for the costs indicated:

- Gift card product restriction CER 65.154/65.558 (\$ 9,000.00)
- 12 digit PIN CER 65.596 (\$2,500.00)
- Ability to override declined credit response and handle "call center" response. This has been described in Document 51.825, "force post" with voice authorization on RiTA. When authorization returns declined or call center, we want to be able to call and get a voice authorization and force the posting through RiTA.. (\$ 7,500.00)

- "Post Order Void" feature does NOT automatically generate a credit when a credit card has been used. We want to do a "return" without having to re-key the line items. Documented in 51.492. (\$ 9,000.00)
- All in-store credit issued with stored value cards. (\$ 12,000.00)
- Stand-alone "forced post" method on credit cards. (\$ 12,000.00)
- Inter-store rain checks. Can we locate the table at HQ and share with all stores. (\$ 12,000.00)
- Host Order processing (LOIS Orders). The current method is cumbersome as it requires connection to HQ to add an order and download it to the store. Quoted pricing does not include any register based promotional changes. We would like to see an ACR based order entry/quote method that will allow an order to be keyed in the office while on the phone with a customer. These orders should be able to be brought to the register and finalized or re-saved. An external method to add orders to this repository from HQ to allow web based orders is desired. (\$ 12,000.00)
- Hand Held line buster. Utilize the HHP Dolphins for taking orders and storing them for subsequent retrieval at the register for finalization. (\$ 30,000.00)

State has the right to prioritize the CER list in any order

5. Payment for this Amendment is as follows:

\$350,000.00 due and payable July 15, 2004 for extension of Application Source Code Purchase and Software Maintenance

\$75,000.00 due and payable July 15, 2005, \$75,000.00 applied for Software Maintenance.

\$75,000.00 due and payable by July 15, 2006. \$75,000.00 applied for Software Maintenance.

\$75,000.00 due and payable by July 15, 2007. \$75,000.00 applied for Software Maintenance.

\$106,000.00 for software changes/enhancements currently requested by the State in paragraph 4F above, with \$36,000.00 due and payable July 15, 2004, \$ 35,000.00 due and payable July 15, 2005 and \$35,000.00 due and payable July 15, 2006.

\$25,000.00 for additional software changes/enhancements requested over the life of the contract, due and payable July 15, 2007.

6. ACR5000 Application Source Code, or the current ACR Application Source Code if newer and desired by State, will be delivered to the State by the Contractor upon receipt of final payment under the extension of the Software Maintenance Agreement.

7. If Contractor ceases operations (goes out of business) prior to June 30, 2008, the ACR5000 Application Source Code or current Application Source Code will be delivered immediately to the State.

8. All other provisions of the Agreement dated September 22, 1998 and subsequent amendments shall remain in full force and effect.

CONTRACTING OFFICER FOR STATE AGENCY:

By: Anthony C. Maiola
Anthony C. Maiola, Chairman
Liquor Commission

By: John W. Byrne
John W. Byrne, Commissioner
Liquor Commission

By: Patricia T. Russell
Patricia T. Russell, Commissioner
Liquor Commission

CONTRACTOR SIGNATURE:

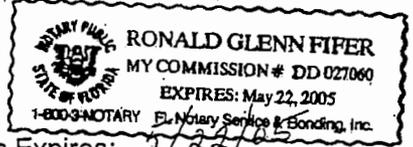
By: Gene R. Michaud
Gene R. Michaud:
Treasurer
ACR Systems, Inc.

STATE OF Florida
COUNTY OF DUVAL

On this 21st day of April, 2004, before me, personally appeared Gene R. Michaud, who acknowledged himself/herself to be the individual who executed the foregoing instrument for the purposes therein contained.

In witness thereof I hereto set my hand and official seal.

Ronald Glenn Fifer
Notary Public



My Commission Expires: 5/22/05

APPROVAL BY THE ATTORNEY GENERAL (FORM, SUBSTANCE, & EXECUTION)

By: _____

[Signature]
Assistant Attorney General

Date: _____

5/19/04

APPROVAL BY THE GOVERNOR AND COUNCIL

By: _____

Date: _____

[Signature]

7/28/04



STATE OF NEW HAMPSHIRE
 OFFICE OF INFORMATION TECHNOLOGY
 Office of the Governor
 27 Hazen Dr., Concord, NH 03301
 603-271-4208 1-800-852-3345 x4208
 Fax: 603-271-1516 TDD Access: 1-800-735-2964

Richard C. Bailey, Jr.
 Interim Chief Information Officer

May 24, 2004

John W. Byrne, Commissioner
 Patricia T. Russell, Commissioner
 State of New Hampshire Liquor Commission
 Storrs Street
 PO Box 503
 Concord, NH 03302-0503

APPROVED BY	
GOVERNOR AND EXECUTIVE COUNCIL	
DATE:	<u>7/14/04</u>
ITEM #:	<u>41</u>

Dear Commissioners Byrne and Russell:

This letter represents formal notification that the Office of Information Technology (OIT) has reviewed your request. Accordingly, your agency's requested action, to enter into Amendment C of RFP ITS07 2003-001, *Point of Sale System*, with ACR Systems of Jacksonville, Florida, as described below and referenced as OIT 2002-259C, is hereby approved.

The purpose of this amendment is to update the software source code for the point of sale (POS) equipment that supports the Liquor Commission's retail stores statewide. Additionally, it extends the life of the contract by one year to June 30, 2008, and allows for continued software maintenance and certain software enhancements. This amendment will increase the contract price limitation by \$706,000.00 from \$3,572,570.03 to \$4,278,570.03.

Please inform this office of upcoming events associated with this RFP so that we may stay involved.

Sincerely,

Richard C. Bailey Jr.

RCB/cjw

cc: Craig Bulkley, Chief, Administrative Services, State Liquor Commission
 ✓ Leslie Mason, Logistics, Office of Information Technology



Craig R. Benson
Governor

LIQUOR COMMISSION

Storrs Street
P.O. Box 503
Concord, N.H. 03302-0503

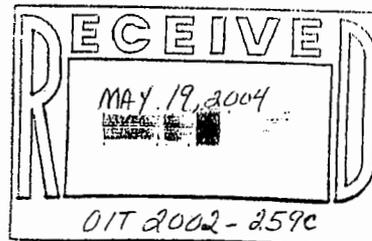
(603) 271-3133

John W. Byrne
Commissioner
(603) 271-3132

Patricia T. Russell
Commissioner
(603) 271-3131

April 20, 2004

Mr. Rick Bailey, CIO
Office of Information Technology
27 Hazen Drive
Concord, NH 03301



Requested Action and Explanation

Authorize the New Hampshire State Liquor Commission to enter into Amendment #3 to a contract with ACR Systems of Jacksonville, Florida for the purpose of increasing the contract price limitation by \$706,000.00 from \$3,572,570.03 to \$4,278,570.03. This amendment exercises the purchase option in the contract of the updated software source code (ACR5000) for the point of sale (POS) equipment which supports the Liquor Commission retail stores statewide. Additionally, it extends the life of the contract by one year to June 30, 2008 and allows for continued software maintenance and certain software enhancements. All other contract terms and conditions remain the same. Source of funding: 100%General Funds.

Mission-Critical Justification

This POS system supports our retail store sales capability which last year grossed over \$246 million in retail sales. The Commission wants to insure that it has the necessary and appropriate POS software to maintain retail store operations in an efficient and cost-effective manner and to carry on operations in such a manner as to maximize revenue for the general fund.

Amendment # 3 to this contract provides for some essential updating of the software to enhance our retail-environment capabilities to include 12-digit PIN capture to accommodate new pinpads being adopted by the banking and retail industries for higher levels of security, limiting all in-store credit issued only to gift or stored-value cards, and other enhancements intended to make the software more responsive to our needs in the retail store environment.

Failure to extend this contract will ultimately jeopardize the commission's ability to service our customers, and that would have a direct and immediate impact on our revenue-producing capability.

Failure to extend this contract could also place existing software at an unreasonable level of risk of failure.

Failure to extend this contract would not allow us to upgrade to the current software release (ACR5000).

Prior Related Actions

The original contract with this vendor was approved by Governor and Council on September 29, 1998 (Item # 67A) for the period July 1, 1999 through June 30, 2002.

Amendment # 1 was approved by Governor and Council on November 10, 1999 (Item # 55A). This amendment added additional requirements to the existing contract and raised the contract limitation from \$2,996,395.03 to \$3,084, 577.29, an increase of \$88,182.26.

Amendment # 2 to this contract was approved by Governor and Council on July 10, 2002 (Item # 39) for the period June 30, 2002 to June 30, 2007. It extended the contract termination date from June 30, 2002 to June 30, 2007, increased the price limitation by \$576,175.00 from \$2,996,395.03 to \$3,572,570.03 and provided an option to purchase the POS software source code.

Alternatives and Benefits

The ACR 2000/5000 POS software is not available from any other vendor. The Liquor Commission made a commitment to use this software in 1998 with the expectation that the software would be compatible with our needs for at least ten years (as was the case with the last POS software we purchased and used for our previous retail store POS system). The current ACR software is functioning well, we maintain an excellent rapport with the software company, and our stores are operating very efficiently and are responsive to our wholesale and retail customers. The POS system run by the commission is one of the most sophisticated systems in the control state system here in the United States.

Changing to another vendor's software at this point in time would not be cost effective and, in fact, would be a waste of taxpayer's money already spent. We would expect a comparable off-the-shelf software package to cost above \$5 million. The package would require modifications to conform to our current business model, and these modifications would add to the purchase price. Additionally, training and travel expenses would be incurred in implementing a new state-wide system in all our retail stores.

The Liquor Commission is unlike most other state agencies in that it operates a retail operation that generates profits for the state. In reviewing the return on investment (ROI) in this case and given a ten-year useful life on the software, the state will have spent \$4.3 million over ten years for this software and realized net profits from liquor operations in excess of \$760,000,000 through FY08.

The commission has already negotiated pricing for the services in Amendment #3 and successfully reduced initial pricing requested by ACR.

Impact on Other State Agencies and Municipalities

No impact

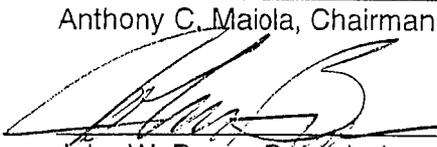
Mr. Rick Bailey
April 20, 2004
Page 3

Supporting Documentation

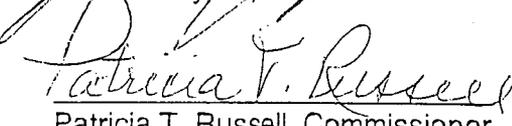
Original contract
Amendment #1
Amendment #2
Proposed Amendment #3

Your favorable action on this request would be appreciated.

Respectfully submitted,
NH State Liquor Commission


Anthony C. Maiola, Chairman


John W. Byrne, Commissioner


Patricia T. Russell, Commissioner

Attachment

Summary of Requested Action

Date of most recently approved SITP: October 30, 2001	
SITP Initiative / Project Name: POS Enhancements	
SITP Initiative / Project Number: 3.6	
Project Beginning Date: July 1, 1999	Project Ending Date: June 30, 2008

Requisition Information:

Vendor Name	Requisition Number	State Contract (Y or N)
ACR Systems		N

Funding Chart for ACR Contract

Fiscal Year	General Fund Code *	Amount
1999	030-077-9676-0310-090	\$1,212,664.50
	030-077-9676-0312-090	533,090.00
	030-077-9676-0230-090	269,329.90
	012-077-1030-0230-024	108,336.88
2000	012-077-1030-0230-024	277,273.75
2000	030-077-9676-0310-090	7,432.26
2000	030-077-9676-0312-090	65,750.00
2000	012-077-1030-0230-024	15,000.00
2001	012-077-1030-0230-024	297,850.00
2002	012-077-1030-0230-024	297,850.00
2003	012-077-1030-0230-024	200,000.00 ✓
2004	012-077-1030-0230-024	200,000.00 ✓
2005	012-077-1030-0230-024	350,000.00 ✓
	012-077-1030-0230-024	36,000.00
2006	012-077-1030-0230-024	75,000.00
	012-077-1030-0230-024	35,000.00
2007	012-077-1030-0230-024	75,000.00
	012-077-1030-0230-024	35,000.00
2008	012-077-1030-0230-024	75,000.00
	012-077-1030-0230-024	25,000.00
Total		\$4,190,557.29

* All expenses above are from the General Fund



State of New Hampshire
LIQUOR COMMISSION

Storrs Street
P.O. Box 503
Concord, N.H. 03302-0503

John W. Byrne
Chairman
(603) 271-3132

Anthony C. Maiola
Commissioner
(603) 271-3133

Patricia T. Russell
Commissioner
(603) 271-3131

Jeanne Shaheen
Governor

June 26, 2002

Her Excellency, Governor Jeanne Shaheen
And the Honorable Executive Council
State House
Concord, New Hampshire 03301

Amendment #2
G+C 7-10-2002
Item #39

REQUESTED ACTION

Authorize the New Hampshire State Liquor Commission to enter into an Amendment # 2 to a contract with ACR Systems of Jacksonville, Florida for the purpose of adding additional requirements to the existing contract to continue providing point-of-sale (POS) software licensing and software maintenance. Amendment # 1 extends the contract termination date from June 30, 2002 to June 30, 2007 and increases the price limitation by \$576,175.00 from \$2,996,395.03 to \$3,572,570.03,

Funds for this contract are available as follows

Store Operations

	<u>FY 2003</u>	<u>FY2004</u>	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
012-077-1030-024	200,000	200,000	58,725	58,725	58,725

(Maintenance Other Than Buildings & Grounds)

EXPLANATION

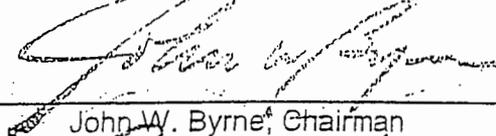
The New Hampshire State Liquor Commission requested bids for point-of-sale software and software and hardware maintenance services in 1998 as our existing POS system was technologically obsolete. ACR Systems was awarded the original three-year contract to provide point-of-sale software, software maintenance support, store computer hardware and computer hardware maintenance support. ACR Systems is the sole provider of this software for maintenance and support, and as such, the NHSLC requests to amend the contract for up to another five-year period.

The original contract with this vendor was approved by Governor and Council on September 29, 1998 (Item # 67A) for the period July 1, 1999 through June 30, 2002.

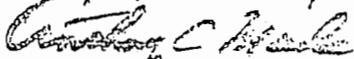
The retroactive status of this request was due to difficulty in obtaining required documentation from the vendor that prevented the NHSLC from meeting the deadline for the June 26, 2002 Governor & Council meeting.

This Amendment has been approved by the Attorney General's Office as to form, substance, and execution. Your favorable action on this request would be appreciated.

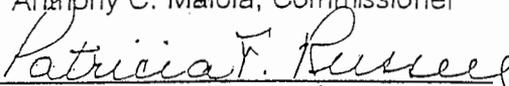
NEW HAMPSHIRE STATE LIQUOR COMMISSION



John W. Byrne, Chairman



Anthony C. Maiola, Commissioner



Patricia T. Russell, Commissioner

NEW HAMPSHIRE STATE
LIQUOR COMMISISON

AMENDMENT TO AGREEMENT

This Amendment is made this xxth day of June 2002, between the State of New Hampshire, acting by and through its Liquor Commission (hereinafter the "State") and ACR Systems, 8226 Phillips Highway, Suite 102, Jacksonville, Florida 32256, (hereinafter the "Contractor").

WHEREAS, the State and Contractor originally entered into an Agreement dated September 22, 1998 and having been approved by Governor and Council on September 29, 1998, Item # 67A, for the period from September 29, 1998 through June 30, 2002, and

WHEREAS, the Contractor was originally engaged to provide point-of-sale software and software maintenance for the New Hampshire State Liquor Commission, and

WHEREAS, the State and Contractor desire to amend the contract in accordance with Section 17, Amendment, of the General Provisions of the Agreement,

NOW THEREFORE, the State and Contractor mutually agree to amend their existing Agreement as follows;

1. This amendment shall become effective July 1, 2002 or the date of Governor and Council approval, whichever is later, through June 30, 2007.
2. Block 1.8 Price Limitation, shall be amended by increasing the price limitation by \$576,175.00

Original Price Limitation
\$ 2,996,395.03

Revised Price Limitation
\$ 3,572,570.03

3. Amend Exhibit H, Article III, Support Services, Contractor's Software Maintenance Agreement, by adding the following:

Article III – Support Services, Section 3.07 Development Credit For consideration of the extended Contractor's Software Maintenance Agreement Maintenance Term, Vendor agrees that if the State purchases the ACR2000 Source Code on or before June 30, 2004, it will provide State with a \$25,000.00 ACR development credit towards work on the ACR2000 side of an interface to a third-party payment provider of the State's choice. The third-party payment provider's offering must be ISO 8586 industry compliant. Vendor also agrees at no cost to the State, if State purchases the ACR2000 Source Code, to modify the ACR2000 Application to meet the requirements as outlined in the attached "NHSLC-ACR2000 Application Modification Agreement" document dated June 30, 2002 and herein attached.

4. Amend Exhibit H, Contractor's Software Maintenance Agreement, by adding the following:

Article IV – Licensing, Section 4.05 Purchase of ACR2000 Source Code For consideration of the extended Contractor's Software Maintenance Agreement Maintenance Term, Vendor agrees to provide State a non-refundable credit equal to the fees paid for consideration of the Agreement's extension or \$400,000.00, whichever is less, towards the purchase of the ACR2000 Application Source Code and all its currently related Add-on modules any time on or before June 30, 2004. Further, Vendor agrees to establish the fee for purchasing the ACR2000 Application Source Code at \$750,000.00 less the appropriate credit, provided the Source Code is purchased on or before June 30, 2004.

5. Amend Exhibit H, Contractor's Software Maintenance Agreement, by adding the following:

Article V – Payment, Section 5.01a Extended Maintenance Fee For consideration of the extended Contractor's Software Maintenance Agreement Maintenance Term, State agrees to pay Vendor a fee of \$400,000.00 in two installments, the first installment of \$200,000.00 is due July 1, 2002 and the second installment of \$200,000.00 is due July 1, 2003. Further, State agrees to pay the fee if it should exercise its early termination or cancellation rights under Section 6.03 of the Contractor's Software Maintenance Agreement.

6. Delete Exhibit H, Article VI, Termination, Section 6.02, Term & Renewal, and replace with the following:

Article VI – Termination, Section 6.02 Term & Renewal. The initial Maintenance Term ending date will change from June 30, 2002 to June 30, 2004.

7. Amend Exhibit H, Contractor's Software Maintenance Agreement, by adding the following:

Article VI – Termination, Section 6.02a Software Maintenance for State-Owned ACR2000 Source Code Vendor agrees that if the State purchases the ACR2000 Source Code on or before June 30, 2004, that vendor will provide software maintenance for a fee of \$58,725 per year from July 1, 2004 through June 30, 2007, payable on July 1, 2004, July 1, 2005 and July 1, 2006 respectively.

8. Delete Exhibit I, Section 4, Term & Termination, and replace with the following:

Section 4 Term & Termination. POS hardware maintenance shall be the sole responsibility of the State as of July 1, 2002.

9. If the State chooses not to purchase the ACR2000 Source Code on or before June 30, 2004, this contract is terminated effective June 30, 2004 and no further fees of any kind will be paid to Vendor.

10. All other provisions of the Agreement dated September 22, 1998 shall remain in full force and effect.

11. Paragraph numbers 3, 4 and 7 of this amendment shall survive the termination of this agreement.

CONTRACTING OFFICER FOR STATE AGENCY:

By: [Signature]
John W. Byrne, Chairman
Liquor Commission

By: [Signature]
Anthony C. Maiola, Commissioner
Liquor Commission

By: [Signature]
Patricia T. Russell, Commissioner
Liquor Commission

CONTRACTOR SIGNATURE:

By: [Signature]
Gene R. Michaud:
Treasurer
ACR Systems, Inc.

STATE OF FLORIDA

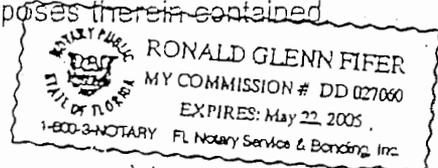
COUNTY OF DUVAL

On this 18 day of JUNE 2002, before me, personally appeared
Gene R. Michaud, who acknowledged himself/herself to be the
individual who executed the foregoing instrument for the purposes therein contained

In witness thereof I hereto set my hand and official seal.

[Signature]
Notary Public

My Commission Expires: May 22, 2005



APPROVAL BY THE ATTORNEY GENERAL (FORM SUBSTANCE, & EXECUTION)

By: *A. M. Allen*
Assistant Attorney General

Date: *April 25, 2002*

APPROVAL BY THE GOVERNOR AND COUNCIL

By: _____

Date: _____



CERTIFICATE OF VOTE

I, Gene R. Michaud, do hereby certify that:

1. I am duly elected Clerk of ACR Systems Incorporated (the "Corporation").
2. The following are true copies of two resolutions duly adopted at a meeting of the Board of Directors of the Corporation duly held on June 17, 2002.

RESOLVED: That this Corporation enter into a contract with the State of New Hampshire, acting through its Liquor Commission for the provision ACR POS systems.

RESOLVED: That the Treasurer hereby is authorized on behalf of this Corporation to enter into the said contract with the State and to execute any and all documents, agreements and other instruments, and any amendments, revisions or modifications thereto, as he may deem necessary, desirable, or appropriate.

3. The foregoing resolutions have not been amended or revoked and remain in full force and effect as of June 17, 2002.
4. Gene R. Michaud is the duly elected Treasurer of the corporation.

Signature of Clerk of the Corporation

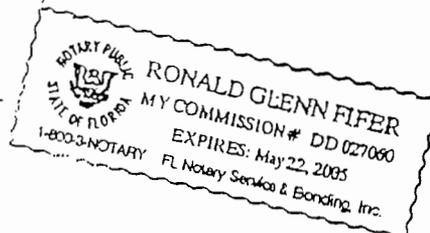
State of Florida
County of Duval

Before me personally appeared Gene R. Michaud to me well known and known to me to be the person described in and who executed the foregoing instrument, and acknowledged to and before me that Gene R. Michaud executed said instrument for the purposes therein expressed.

Witness my hand and official seal this 18th day of June A.D., 2002.

Notary Public
State of Florida

My Commission expires May 22, 2005.



Department of State

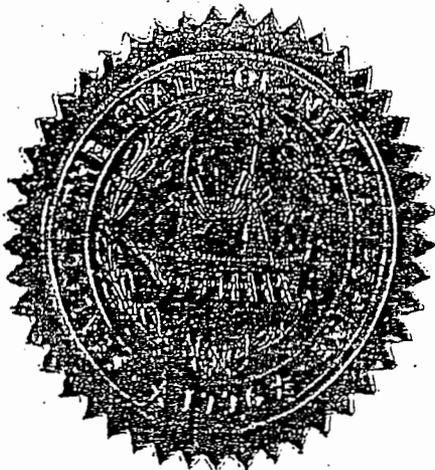
CERTIFICATE OF AUTHORIZATION

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that a certificate of authority to do business in this state was issued to ACR SYSTEMS INC. dba in N.H. as TOTAL STORE SOLUTIONS, a(n) Florida corporation, on September 23, 1998. I further certify that all fees and annual reports required by the Secretary of State's office have been received.

IN TESTIMONY WHEREOF, I hereto set
my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 18th day of June, A.D. 2002



William M. Gardner
Secretary of State



ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
5/31/02

PRODUCER
Palmer & Cay of Florida, Inc.
76 South Laura St, Suite 1400
P. O. Box 1257
Jacksonville, FL 32201-1257
904-633-9400

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW

INSURED
ACR Systems, Inc.
8226 Phillips Highway, #102
Jacksonville FL 32256

COMPANIES AFFORDING COVERAGE	
COMPANY A	St Paul Fire & Marine Ins Co
COMPANY B	Everest National Ins Co
COMPANY C	
COMPANY D	

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	TE05800167	12/31/01	12/31/02	GENERAL AGGREGATE \$ 1000000
					PRODUCTS - COMP/OP AGG \$ 2000000
					PERSONAL & ADV INJURY \$ 2000000
					EACH OCCURRENCE \$ 2000000
					FIRE DAMAGE (Any one fire) \$ 250000
					MED EXP (Any one person) \$ 10000
					COMBINED SINGLE LIMIT \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY: \$
					EACH ACCIDENT \$
A	EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	TE05800167	12/31/01	12/31/02	EACH OCCURRENCE \$ 5000000
					AGGREGATE \$ 5000000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL	WC7000407299	1/01/02	1/01/03	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER \$
					EL EACH ACCIDENT \$ 500000
					EL DISEASE - POLICY LIMIT \$ 500000
					EL DISEASE - EA EMPLOYEE \$ 500000
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

CERTIFICATE HOLDER
State of New Hampshire
Liquor Commission
P O Box 503
Concord, NH 03302-0503

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

[Signature]



State of New Hampshire
LIQUOR COMMISSION

Storrs Street
P.O. Box 503
Concord, N.H. 03302-0503

John W. Byrne
Chairman
(603) 271-3132

Anthony C. Maiola
Commissioner
(603) 271-3133

Patricia T. Russell
Commissioner
(603) 271-3131

Jeanne Shaheen
Governor
November 1, 1999

Her Excellency, Governor Jeanne Shaheen
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

Amendment #1
G+C 11-10-1999
Item # 55A

Requested Action

1. Authorize that the State of New Hampshire Liquor Commission to enter into an Amendment #1, to a contract with ACR Systems Inc, 7751 Belfort Parkway, Suite 200, Jacksonville Florida 32256, (Vendor #: 100637), for the sole purpose of adding additional requirements to the existing contract. Amendment #1 raises the contract limitation from \$ 2,996,395.03 to \$ 3,084,577.29, an increase of \$ 88,182.26.

The original contract with this vendor was approved by Governor and Council action on September 29, 1998, Item #: 67A with a price limitation of \$ 2,996,395.03.

2. Further authorize the Director, Bureau of Accounting Services to encumber funds for this purpose, as follows,

Fiscal Year 2000:	030-077-9676-0310-090	\$ 7,432.26
Fiscal Year 2000:	030-077-9676-0312-090	\$ 65,750.00
Fiscal Year 2000:	012-077-1030-0230-024	\$ 15,000.00

Explanation

The New Hampshire State Liquor Commission has been investigating ways to implement high-speed credit authorization through the store network. Based on our review, it appears that the best solution is to implement WinEPS software that directs transactions through our network to First Data Management Systems' network. The additional amounts requested allow for the purchase and installation of the WinEPS software, and HS1250 scanners for high volume scanning. This software will provide additional routing capability, allowing the Liquor Commission to implement network based credit authorization, which will change the 20-25 second authorization waiting period to 5-7 seconds. As a result, customer service and satisfaction will be significantly improved and the anticipated reliability will reduce the cost of doing business.

This amendment has been approved by the Attorney General's Office as to form, substance and execution. Your favorable action on this request will be appreciated.

Respectfully submitted,
NEW HAMPSHIRE STATE LIQUOR COMMISSION

John W. Byrne, Chairman

Anthony C. Maiola, Commissioner

STATE OF NEW HAMPSHIRE
LIQUOR COMMISSION

AMENDMENT TO AGREEMENT

This Amendment is made this 26th day of October, 1999, between the State of New Hampshire, acting by and through its Liquor Commission (hereinafter the "State") and ACR Systems Inc., 7751 Belfort Parkway, Suite 200, Jacksonville Florida 32256 (Vendor # 100637), (hereinafter the "Contractor").

WHEREAS, the State and Contractor originally entered into an Agreement dated September 22, 1998, and having been approved by Governor and Council on September 29, 1998, (Item # 67A), (CE 330808, Line 01, 02, 03 & 04) for the period September 29, 1998 through June 30, 2002, and

WHEREAS, the Contractor has been engaged to provide Point of Sale service to all 73 liquor Stores, and

WHEREAS, the State continues to replace the communication services installed in 1989, and to improve access to the credit card authorizations network, and

WHEREAS, the State and Contractor desire to amend their existing agreement in accordance with Section 17, Amendment, of the General Provisions of the Agreement,

NOW THEREFORE, the State and the Contractor mutually agree to amend their existing Agreement as follows:

1. This amendment shall become effective November 10, 1999 , or the date of the Governor and Council approval, whichever is later, through June 30, 2002.
2. Exhibit A: Scope of Services shall be amended by adding,
 - (a) the contractor shall provide additional software (Micro Trax - WinEPS) to be added to each store; in order to provide direct connection to the credit authorization service, and to allow for the completion of the Point of Sale project, and
 - (b) the contractor shall replace original contracted equipment scanners, (SP Duet) with more efficient scanners, (SP HS1250), in 13 stores, for a total of 66 scanners.
3. Exhibit B: Contract Price, Section 4: Payment Schedule, shall be amended by adding,
 - (a) \$ 88,182.26 for additional software and equipment, thereby increasing the total amount of the contract to \$ 3,084,577.29 , as detailed below.

Event	Estimated Completion Date	Amount
Swap of Scanners	12/10/99	7,432.26
Certification	12/10/99	6,000.00
Training	12/10/99	7,500.00
Installation WinEPS	12/10/99	30,000.00
Support 1/1/00 - 6/30/01	1/1/00	4,702.50
Maintenance 1/1/00 - 6/30/01	1/1/00	10,297.50
8.05 Upgrade of WinEPS	5/15/00	22,250.00
	Total:	88,182.26

4. Block 1.8 Price Limitation, shall be amended by increasing the price limitation by \$ 88,182.26, (CE 330808. Line 01- Class 090 - Object 0310 = \$ 7,432.26, Line 02 - Class 090 - Object 0312 = \$ 65,750, Line 04 Class 024, Object 0230 = \$ 15,000.)

Original Price Limitation
\$ 2,996,395.03

Revised Price Limitation
\$ 3,084,577.29

5. All other provisions of the Agreement dated September 22, 1998 shall remain in full force and effect.

CONTRACTING OFFICER(S) FOR STATE AGENCY:

By: [Signature]
John W. Byrne, Chairman
Liquor Commission

By: [Signature]
Anthony G. Maiola, Commissioner
Liquor Commission

By: [Signature]
Patricia T. Russell, Commissioner
Liquor Commission

CONTRACTOR SIGNATURE:

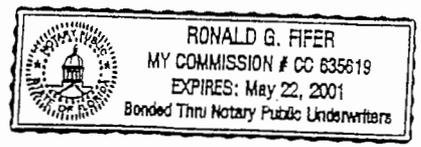
By: [Signature]
Gene Michaud,
Treasurer
ACR Systems, Inc.

STATE OF FLORIDA
COUNTY OF DUVAL

On this the 1st day of Nov., 1999, before me personally appeared Gene Michaud, to me well known and known to me (or satisfactorily proven) to be the person whose name is signed in Block 1.11, and acknowledged that he/she executed this document in the capacity indicated above.

Witness my hand and official seal this 1st day of Nov., 1999

[Signature]
Notary Public
State of Florida



My Commission Expires: 5/22/2001

Approval by the Attorney General (Form, Substance, & Execution)

By: Ret V. C. G.
Assistant Attorney General

Date: 14/3/99

Approval by the Governor and Council

By: _____

Date: _____



Jeanne Shaheen
Governor

State of New Hampshire LIQUOR COMMISSION

Storrs Street
P.O. Box 503
Concord, N.H. 03302-0503

John W. Byrne
Chairman
(603) 271-3132

Anthony C. Maiola
Commissioner
(603) 271-3133

Miriam F. Luce
Commissioner
(603) 271-3131

September 23, 1998

ORIGINAL

G+C

9-29-1998

ITEM # 67A

Her Excellency, Governor Jeanne Shaheen
and the Honorable Executive Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1. Authorize the New Hampshire State Liquor Commission to enter into a contract with ACR Systems, Jacksonville, Florida for Point of Sale (POS) service for all of our 73 stores in the amount of \$2,996,395.03. Service will begin upon Governor and Council approval with an estimated completion date of June 1999.
2. Further resolve that the Commissioner of Administrative Services be authorized to encumber funds for this purpose as follows:

Fiscal Year 1999:	030-077-9676-0310-090	\$1,212,664.50
	030-077-9676-0312-090	\$ 533,090.00
	030-077-9676-0230-090	\$ 269,329.90
	012-077-1030-0230-024	\$ 108,336.88
Fiscal Year 2000	012-077-1030-0230-024	\$ 277,273.75
Fiscal Year 2001	012-077-1030-0230-024	\$ 297,850.00
Fiscal Year 2002	012-077-1030-0230-024	\$ 297,850.00

The above expenditures are subject to the availability of funds.

EXPLANATION

The current POS system in place was installed in 1989 and is technologically obsolete. Through the capital budget process for Fiscal Year 1998 - 1999, funds were allocated to purchase state-of-the-art POS service system. The NH State Liquor Commission released an RFP in March 1998 via the Internet and notified technology vendors in this field through written correspondence. The Division of Information Technology Management provided advice, assistance and guidance throughout this process. Their letter of approval is attached.

The bidders who responded to the POS Request for Proposal are as follows:

Her Excellency, Governor Jeanne Shaheen
and the Honorable Executive Council

September 23, 1998

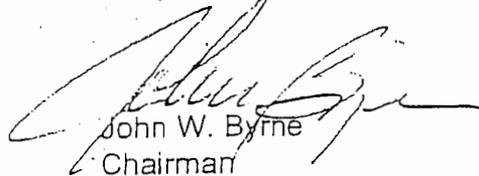
Page 2

<u>Vendor</u>	<u>Original Price</u>	<u>Negotiated Price</u>
ABM	\$3,213,788.00	n/a
ACR Systems	\$2,119,951.00	\$2,015,034.40
Atlantic Systems	\$2,454,018.20	n/a
Century Data Systems	\$4,645,265.00	n/a
GERS Retail Systems	\$3,109,664.00	\$1,981,708.00
Sierra National	\$2,063,782.00	n/a

ACR Systems and GERS Retail Systems were selected by the Technical Evaluation Team as the two bidders who best addressed the technical requirements of the bid. These two bidders were selected as finalists to submit negotiated bids. ACR Systems, while not the low bidder, was selected because the Technical Evaluation Team felt that ACR offered a better solution than GERS. The ACR solution was far more user friendly for our store clerks, and it included better on-line assistance for them as well. ACR Systems also had greater capability to offer creative marketing strategies aimed at our customers.

This contract has been approved by the Attorney General's Office as to form, execution, and substance. Your favorable action on this request will be appreciated.

Respectfully submitted,



John W. Byrne
Chairman

Enclosures



State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES
INFORMATION TECHNOLOGY MANAGEMENT
4 Hazen Drive
Concord, New Hampshire 03301-6506

DONALD S. HILL
Commissioner
(603) 271-3201

THOMAS N. TOWLE
Director
(603) 271-3764

September 23, 1998

Anthony C. Maiola, Commissioner
Liquor Commission
50 Storrs Street, P.O. Box 503
Concord, NH 03301-0503

Dear Commissioner Maiola:

This letter represents formal notification that your request has been reviewed by the Division of Information Technology Management. Accordingly, your agency's requested action to expend funds, as defined below and referenced as DITM No. 99-079, is hereby approved. This expenditure is approved in accordance with your Information Technology Plan (SITP) dated May, 1998.

To provide services for a complete point-of-sale (POS) system which covers installation of hardware, software, and associated wide area network, plus three years of maintenance services; with a contract expiration date of June 30, 2002 for both contracts: (1) statewide data and voice communications - \$476,144.00; (2) point-of-sale system - \$2,996,395.03. These contracts are issued to meet the Liquor Commission's need for a new POS system as set forth in the Department's Information Technology Plan, of May 1998, Section 7.13.

This letter is to be included with the New Hampshire State Liquor Commission's submissions to the Governor and Council or the Division of Plant and Property Management for purchase of data processing equipment, software or services exceeding \$5,000.00.

Sincerely,

Thomas N. Towle
Director

TNT/WRA/ib

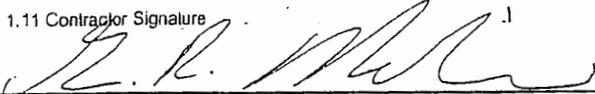
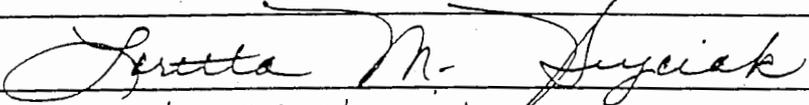
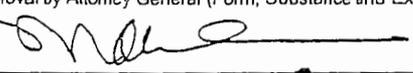
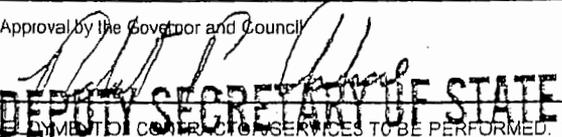
Cc: Howard Roundy, Director, Liquor Commission

Subject: Point of Sale (POS) - Installation of POS system, purchase of equipment, software license and three year's service

AGREEMENT

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

GENERAL PROVISIONS

1. Identification and Definitions. 1.1 State Agency Name New Hampshire State Liquor Commission		1.2 State Agency Address PO Box 503 Concord NH 03302-0503	
1.3 Contractor Name ACR Systems, Inc. d/b/a Total Store Solutions		1.4 Contractor Address 7751 Belfort Parkway, Suite 200 Jacksonville FL 32256	
1.5 Account No.	1.6 Completion Date June 30, 2002	1.7 Audit Date	1.8 Price Limitation \$2,996,395.03
1.9 Contracting Officer for State Agency John W. Byrne, Chairman		1.10 State Agency Telephone Number 603-271-3132	
1.11 Contractor Signature 		1.12 Name & Title of Contractor Signor Gene Michaud, treasurer	
1.13 Acknowledgment: State of <u>Florida</u> , County of <u>Duval</u> on <u>9-22-98</u> , 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 & Title of Notary or Justice of the Peace LORETTA M. HRYCIAK COMMISSION # CC 481407 EXPIRES SEPTEMBER 03, 1999		Loretta M. Hryciak Notary, State of Florida	
 Agency Signature THRU ATLANTIC BOARDING CO., INC.		1.15 Name/Title of State Agency Signor(s) John W. Byrne, Chairman Anthony C. Maiola, Commissioner Miriam F. Luce, Commissioner	
1.16 Approval by Department of Personnel (Rate of Compensation for Individual Consultants)			
By: _____		Director, On: _____	
1.17 Approval by Attorney General (Form, Substance and Execution)			
By: 		Assistant Attorney General, On: <u>9/24/98</u>	
1.18 Approval by the Governor and Council			
By: 		On: <u>9/29/98</u>	
2. ENGAGEMENT OF CONTRACTOR TO SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("the State"), engages contractor identified in block 1.3 ("the Contractor") to perform, and the Contractor shall perform, that work or sale of goods, or both, identified and more particularly described in EXHIBIT A incorporated herein ("the Services").			
3. EFFECTIVE DATE: COMPLETION OF SERVICES.			
3.1 This agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Council of the State of New Hampshire approve this agreement, ("the Effective Date").			
3.2 If the date for commencement in Exhibit A precedes the Effective Date all services performed by Contractor between the commencement date and 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 be under no obligation to pay the contractor for any costs incurred or services performed; however that if this Agreement becomes effective all costs incurred prior to the effective date shall be paid under the terms of this Agreement. All services must be completed by the date specified in block 1.6.			
4. CONDITIONAL NATURE OF AGREEMENT. Notwithstanding anything in 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 those 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 1.5 in the event funds in that account are reduced or unavailable.			

and more particularly described in Exhibit B, incorporated herein.

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 RSA 80:7 through 7-C or any other provision of law.

5.4 Notwithstanding anything 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 of these general provisions.

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 laws, regulations, and orders of federal, state, county or municipal authority which impose any obligation or duty upon the Contractor, including, but not limited to civil rights and equal opportunity 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 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 or accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants and conditions of this Agreement.

7. PERSONNEL

7.1 The performance of the Services shall be carried out by employees of the Contractor. 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 The Contractor shall not hire, and shall permit no 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 has a contractual relationship with the State, or who is a State officer or employee, elected or appointed.

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.

8. EVENT OF DEFAULT, REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule; or

8.1.2 failure to submit any report required hereunder; or

8.1.3 failure to perform any other covenant 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; and

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; and

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

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 in 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 On and after the Effective Date, all data and any property which has been

State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by RSA 91-A or other existing law. Disclosure pursuant to a right to know request shall require 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 to the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("the Termination Report") describing in detail all Services performed, and the Contract Price earned, to and including the date of termination. To the extent possible, the form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in 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, worker's compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT, DELEGATION AND SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written consent of the State. None of the Services shall be delegated or 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 on 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 shall survive the termination of this Agreement.

14. INSURANCE AND BOND.

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, both for the benefit of the State, 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 incident; and

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

14.2 The policies described in subparagraph 14.1 of this paragraph shall be the standard form employed in the State of New Hampshire, issued by underwriters acceptable to the State, and authorized to do business in the State of New Hampshire. Each policy shall contain a clause prohibiting cancellation or modifications of the policy earlier than 10 days after written notice thereof has been received by the State.

15. 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, or any subsequent Event. No express failure of 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 default on the part of the Contractor.

16. 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, above.

17. 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 Council of the State of New Hampshire.

18. 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.

19. 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.

20. SPECIAL PROVISIONS. The additional provisions set forth in EXHIBIT C hereto are incorporated as part of this Agreement.

21. 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.

Exhibit A - Contract Services

Contractor shall install and maintain, on behalf of the New Hampshire State Liquor Commission (NHSLC), a Point of Sale system (POS) in all State run liquor stores to replace the existing POS system. Installation services shall include but not be limited to: providing and installing all required hardware and software, training of personnel, providing technical documentation, maintaining hardware and supporting software.

Contractor agrees to provide a range of specialized services to NHSLC as a part of this proposal, which include:

- Procurement and Integration
- Installation service
- Customized training on the POS products
- Maintenance and support of installed products

1. Basis of Services

This contract is based on RFP NHSLC 98-01 for Point-of-Sale System excluding section 3.3 (Exhibit E) and Contractor's response to this RFP (Exhibit F). Except as noted below, Contractor will provide all services and product as proposed in their response.

2. Implementation

2.1 Installation

2.1.1 Configuration

Contractor will consult with the NHSLC to determine the configuration of the POS system based on section 3.2 "Bill of Materials".

2.1.2 Procurement, Integration and Installation

Contractor will manage the procurement and shipping process for all components of this project. Once the components have been received at the designated integration center, Contractor's Program Manager will unpack, inventory, integrate, and kit the components for deployment to the designated installation location. Contractor will install all components per the manufacturer specifications at the pre assigned location. Contractor will also run all self-tests as specified by the manufacturer. All configuration files will be provided to NHSLC.

2.1.3 Pilot Acceptance

For the pilot to be accepted the following must be met for the four pilot stores:

- all agreed to specifications of the RFP
- all conditions set within this document
- transfer of data between the POS systems and the headquarters host via the network (this will be excused if the network is not operational)
- data transferred must be usable by the receiving system
- pilot acceptance will be documented in writing signed by both parties

2.2 Training Center

Contractor will stage two four lane systems at an NHSLC location. These systems will be used for training and configuration testing and will ultimately be used for the last store installations. These systems will be delivered to the NHSLC location by November 30, 1998.

2.3 Training

Contractor will provide a minimum of 32 hours of technical training at their Jacksonville, Florida facility for each of two NHSLC Application Support personnel and two NHSLC Technical Support personnel. All training, travel, lodging and meal expenses are to be covered by the Contractor.

Contractor will provide minimum of 30 hours of "Train the Trainer" and "Help Desk" training at a NHSLC facility.

Contractor will provide 12 hours of supplemental training during installation at a NHSLC location.

2.4 Implementation Plan

There will be three phases to the implementation: Pilot, POS Installation and Post Installation.

2.4.1 Pilot

The pilot will setup a headquarters lab and four stores to be specified by the NHSLC. Training will be started during this phase. This phase will commence as soon as possible and run until December 31, 1998. This phase must be successful before any other phase can be implemented. An unsuccessful pilot will result in contract termination.

2.4.2 POS Installation

All remaining store installations are to be implemented during this phase.

2.4.3 Post Installation

This is a sixty day evaluation period starting when all stores covered by the "Bill of Materials" are installed and operational to insure that all products are performing at a satisfactory level based on the configuration established and accepted at the conclusion of the successful pilot program.

2.4.4 Schedule

Starting Date	Ending Date	Event
October 1, 1998	November 31, 1998	Delivery of notebooks
October 12, 1998	December 31, 1998	Pilot
Within 60 days of pilot acceptance	Within 240 days of pilot acceptance	Implementation of remaining stores
January 2, 1999	February 28, 1999	Formal training
May 1, 1999	June 30, 1999	Post implementation evaluation
July 1, 1999	June 30, 2002	Maintenance

This schedule may be expedited upon agreement by both parties.

3. Products

3.1 Architecture

This solution consists of an In-Store-Server (ISS) and registers appropriate for each store. Larger stores will also include a backup ISS. All computers are based on PC technology with specific retail store enhancements and peripheral. All computers will operate with Windows NT operating system and Contractor's POS software.

3.2 Bill of Materials

Product	Quantity
IBM Netfinity 3000 PII 266 MHz, 32 MB, 4.51GB disk	90
IBM Netfinity 3000 32MB Memory Upgrade	90
IBM PCI 10/100 NIC (RJ45)	90
PowerVar 600VA Low Impedance UPS	90
HP 6Pxi Laser Printer	75
Printer Cable (Parallel)	75
Mobiltec workstation - TowerTec	75
IBM PC 300 GL 166Mhz 32MB 1.2GB	200
PowerVar 400VA Low Impedance UPS	60

SMC Elite 16C Ultra Combo		200
IBM 15" 1024 X 768 .28 SVGA Monitor		290
Monitor Cable Power Extension 6 Ft.		290
Monitor DATA Extension Cable 6 Ft.		290
Lava 2 Port Serial Card		215
Preh keyboard with glide point		215
APG Cash Drawer with 2 tills, 2 locking covers & media slot		215
Axiohm 7156 Printer, Knife and PS (No MICR)		215
320 MultiPro Cable for Axiohm Printer		215
Cable DB9 F-F 7156 Printer 6 Ft. (DB9ff)		215
Spectra Physics Duet Scanner RS232	SSSP070A	215
Everest Payment Terminal 4683/RS232		215
Veriphone Edge Mount Stands		215
Cables Multidrop and Omni/Everest to RS232		215
Acer / TI notebook computer 166Mhz 32MB 2.1GB 20X CD 12" TFT display carrying case with Windows 95		45
Microsoft Windows NT Server		90
Open NT		90
Windows NT Client		200
ACR 2000 Base Server Software (1-5 users)	ZACR-BASE1A	60
ACR 2000 POS Application Module (1-5 users)	ZACR-APOSA	60
ACR 2000 Credit Authorization Module (1-5 users)	ZACR-CREDA	60
ACR 2000 Check Authorization Module (1-5 users)	ZACR-CHEKA	60
ACR 2000 Base Server Software (6-8 users)	ZACR-BASE1A	15
ACR 2000 POS Application Module (6-8 user)	ZACR-APOSA	15
ACR 2000 Credit Authorization Module (6-8 user)	ZACR-CREDA	15
ACR 2000 Check Authorization Module (6-8 user)	ZACR-CHEKA	15
ACR 2000 Graphical Merchandizing Module	ZACR-GMMA	75
ACR WinTerm Terminal Software (per user)	ZACR-WINA	200
ACR 2000 Stand Alone POS Module	ZACR-STAND	200
ACR 2000 Open Pay Front End Module	ZACR-PAYA	200

Product substitutions may occur upon agreement of both parties providing the total cost does not exceed the contract

price in 1.8 of the General Provisions of this Agreement.

3.3 Software License Agreement

NHSLC agrees to the terms of the Contractor's Software License Agreement (Exhibit G).

4. Deliverables

Contractor will provide NHSLC with the following deliverables:

Implementation Plan: Contractor and NHSLC will develop an Implementation Plan consistent with the configuration to define the scope of the implementation and ensure that all prerequisites are met to guarantee a successful POS implementation.

Implementation Report: Contractor will provide a report detailing the equipment and software that was installed. The report will include information such as device type, serial number, location, product name, product version, and license number, if appropriate. This report will also contain the warranty or service obligation for the installed product(s), as applicable.

Program Management: Contractor will provide a Program Manager to provide high quality planning and coordination of the implementation.

Equipment Procurement/Acquisition: Contractor will procure all required hardware and software components.

Product Integration: Contractor will unpack, inspect, install, power-up, connect, configure, and test all products as specified within this document. NHSLC will assist the Contractor in setting up the parameters for applicable installed products based on the NHSLC needs.

Product Installation: Contractor will remove all existing POS equipment to a designated area in the back room of each store. Contractor will install all new POS equipment in proper location, test operation of POS system and communications and assist store personnel with initial transactions.

Training: Contractor will provide the designated customer representatives with training on the operations of all elements of the POS system.

5. Maintenance Services

Maintenance services will be as agreed to in the response to the RFP.

5.1 Software Maintenance Agreement

NHSLC agrees to the terms of the Contractor's Software Maintenance Agreement (Exhibit H).

5.2 Hardware Maintenance Agreement

NHSLC agrees to the terms of the Contractor's Hardware Maintenance Agreement (Exhibit I).

6. Responsibilities

6.1 NHSLC agrees to:

- Provide a single point of contact that will be available to assist the Contractor Consultant(s) in collecting information and coordinating the internal resources needed by the Contractor Program Manager.
- Ensure the timely review of all draft documents.
- Provide pre-assigned adequate space at each location.
- Provide adequate power and environmental requirements.

6.2 Contractor will:

- Assign a Program Manager to manage the procurement and installation of all equipment specified in this contract and the appropriate engineers to integrate the POS system outlined herein.
- Approach the project by scheduling activities concurrently and using multiple resources as required by the implementation plan established jointly with the NHSLC and ACR.
- Perform all activities during the normal business hours of 6:00 AM to 5:00 PM Monday through Friday.
- Use due diligence in installing POS system and use caution to minimize any disruption of service to users. Contractor will inform NHSLC's communications contractor activities to be performed and implement actions

necessary to minimize interruptions.

- Perform maintenance and support for the duration of the contract on products listed in 3.2 Bill of Materials.

7. RFP Clarifications

7.1 RFP Exclusions

The following RFP entries are to be disregarded and not considered part of the contract:

RFP Reference Number	RFP Reference Description
3.2.1.2.1.1.6	Paper journal
3.2.1.2.1.1.6.1	A continuous paper journal tape will be maintained for each register
3.2.1.2.1.1.6.2	Electronic journals may be used in conjunction with but not in replacement of paper journals
3.2.1.2.1.1.6.3	Journal tape must print as each line item of the transaction occurs
3.2.1.2.1.4.1.2	Ability to print recipient's name on certificate
3.2.1.2.2.2.2.4.1	NDC
3.2.1.2.2.2.2.4.3	ENVOY
3.2.1.2.2.2.2.18	Electronic signature capture function capable of storing signature to reprint receipt at a future date if necessary
3.2.1.2.2.2.4.4	Upon redemption of Credit memo, a transaction must immediately be issued to Headquarters to validate
3.2.1.2.2.2.5.3	Upon redemption of Store Credit, a transaction must immediately be issued to Headquarters to validate
3.2.1.2.2.2.6.3	Upon redemption of Gift Certificate, a transaction must immediately be issued to Headquarters to validate Store Credit
3.2.1.2.2.2.6.4	Ability to scan gift certificate bar codes to apply to sale without requiring the certificate number and dollar amount to be entered
3.2.1.2.2.2.11.5.1.3	Check (MICR) reader support and/or ability to key ABA number and checking account number to permit check validation with check authorization service
3.2.1.2.6.2.4.2	Scannable bar code on special request form to match to existing request
3.2.1.2.7.3	A manager paging function key to automatically contact beeper of the manager on duty when pressed by cashier
3.2.1.3.1.3	Personnel scheduling
3.2.1.3.1.3.1	Compute the following forecast data
3.2.1.3.1.3.1.1	Weekly sales and customer count
3.2.1.3.1.3.1.2	Daily sales and customer count
3.2.1.3.1.3.1.3	Hourly sales and customer count
3.2.1.3.1.3.2	Adjust forecasted daily or weekly sales by store and department
3.2.1.3.1.3.3	Ability to manually adjust employee schedule

- 3.2.1.3.1.3.4 Calculate labor hours required based on sales forecast
- 3.2.1.3.1.3.5 Calculate labor dollars spent or remaining in budget based on the employees' hours and salaries
- 3.2.1.3.1.3.7 Schedule sales related personnel based on forecasts
- 3.2.1.3.1.3.8 Schedule non-sales related personnel based on variables pertinent to their job (For example: unloading stocking, etc)
- 3.2.1.3.1.3.9 Ability to print labor schedule
- 3.2.1.3.1.3.10 Ability to retrieve prior weeks shifts and schedules to produce new schedules
- 3.2.1.3.1.3.11 Ability to automatically schedule employees taking into consideration individual availability or conflicts
- 3.2.1.3.1.3.12 Labor scheduling reporting
- 3.2.1.3.3.2.4.2.3 List created with hand held unit
- 3.2.1.3.3.2.7 Ability to print bottle bar codes for products lacking UPC/EAN codes
- 3.2.1.3.3.2.8 Ability to print PLU codes with or without shelf prices
- 3.2.1.3.4 Electronic shelf tags -RF changeable shelf tags controlled by the ISS
- 3.2.1.3.5.3.9 Ability to view sales data graphically in definable increments
- 3.2.1.3.6.1 Ability to generate mailing lists from data
- 3.2.2.1.2.10 Removable media drives must be lockable
- 3.2.2.1.3.7 Touch screen capability
- 3.2.2.3.3.2 All terminals to possess independent auxiliary power sources
- 3.2.2.3.6.1.7 A viewing window is necessary to permit cashier to monitor status of paper rolls
- 3.2.2.3.6.2 Journal Printer
- 3.2.2.3.6.2.1 Must be high-speed thermal printer
- 3.2.2.3.6.2.2 A paper journal is mandatory and may be used in conjunction with but not replaced by an electronic journal
- 3.2.2.3.6.2.3 Journal printer tape must contain all information necessary to recreate original transactions. Must print ALL transactions with no exceptions. Constant information such as headings and footings must be excluded
- 3.2.2.3.6.2.4 Journal tape must be of sufficient width with a minimum of twenty printed characters for reading ease
- 3.2.2.3.6.4.6 Ability to print scannable bar codes on documents
- 3.2.2.3.7.1.4.4 PDF417 (2 dimensional) bar codes
- 3.2.2.3.8.6 Ability to read and interpret tracks 1, 2, and 3 on driver's license magnetic stripes
- 3.2.2.3.8.7 Signature capture device
- 3.2.2.4.4 Full page scanner capable of scanning entire documents

- 3.2.2.4.5 In-Store Paging System including pagers
- 3.2.2.5 Portable Hand Held Terminal
 - 3.2.2.5.1 Data must be transferred rapidly to and from system
 - 3.2.2.5.2 Units must have the ability to scan bottles, cases, and documents to
 - 3.2.2.5.2.1 Record physical inventory
 - 3.2.2.5.2.2 Record shipments
 - 3.2.2.5.2.3 Record receiving
 - 3.2.2.5.3 Must be compact, lightweight, durable, and ergonomically designed
 - 3.2.2.5.4 Recognize standard codes
 - 3.2.2.5.4.1 UPC
 - 3.2.2.5.4.2 EAN
 - 3.2.2.5.4.3 LAW Warehouse label code - Interlace two of five
 - 3.2.2.5.4.4 SCC - Shipping container codes
 - 3.2.2.5.5 Must indicate on/off status
 - 3.2.2.5.6 Must provide audible or visual feedback on a successful decode or accept
 - 3.2.2.5.7 Device Batteries
 - 3.2.2.5.7.1 Must have rechargeable batteries
 - 3.2.2.5.7.2 Minimum power-on time of ten hours
 - 3.2.2.5.7.3 ALL batteries must be easily replaceable
 - 3.2.2.5.8 An alphanumeric keypad
 - 3.2.2.5.9 A minimum two line data display is required. Display line must be a minimum of 15 characters in length
 - 3.2.2.5.10 Optional built-in printer
 - 3.2.2.5.11 Radio Frequency technology is desirable
 - 3.2.2.5.11.1 Frequency range covering 2.4 to 2.5 Ghz
 - 3.2.2.5.11.2 Minimal data rate of 1 Mbps per channel
 - 3.2.2.5.11.3 Minimal range in a store setting of 180 feet
- 3.2.2.6.12 Windows NT 4.0 client or higher
- 3.2.2.7.4 Portable hand held terminals with software, battery chargers (Unit Quantity) 230
- 3.2.2.7.7 Alternative power supply for all registers (Unit Quantity) 150
- 3.2.2.7.8 Full page scanner (Unit Quantity) 80

- 3.2.2.7.9 Licensee identification card unit - Software and hardware to create identification cards in credit card shape and size containing printed and magnetically stored information. Licensee identification card unit
(Unit quantity)1 unit

3.2.2.7.10 Paging equipment (Unit Quantity) As warranted by need, price, and availability

7.2 RFP Option Inclusions

The following RFP entries are to be included in the contract as part of the base price:

RFP Reference Number	RFP Reference Description
3.2.1.2.2.2.2.2	Additional credit cards added by data base entry
3.2.1.2.2.2.2.4	Additional credit authorization networks such as:
3.2.1.2.2.2.2.4.2	CES
3.2.1.2.2.2.2.4.4	TRANSNET
3.2.1.2.2.2.2.4.5	VISANET
3.2.1.2.2.2.2.4.6	NABANCO
3.2.1.2.2.2.8.2	Ability to accept coupons by scanning bar code
3.2.1.2.3.3	Desired receipt options:
3.2.1.2.3.3.1	Bar coding that can be scanned to reference the original transaction
3.2.1.2.3.3.2	Register generated coupons triggered by product sale
3.2.1.2.3.3.3	Register generated rain checks
3.2.1.2.6.1.4	Ability to obtain licensee or order information by swiping a licensee identification card
3.2.1.3.5.2.3.8	Rain checks issued/redeemed
3.2.2.3.6.3.5	Ability to print scannable bar codes on receipts
3.2.2.3.7.1.4.3	SCC - Shipping container codes
3.2.2.3.7.1.11	Ability to scan frequent shopper cards
3.2.2.3.7.1.12	Ability to scan coupons

7.3 RFP Response Clarifications

The following points from the RFP are to be interpreted as follows:

RFP Reference Number	Interpretation
3.2.1.2.1.4.1.1	Ability to issue and print Gift certificate at the register containing the dollar amount in numeric format.
3.2.1.2.2.2.7.1	Ability to verify licensee number, credit limit, status, and receive authorization from Headquarters. This will be an additional cost unless existing ACR software can be adapted to perform the task. NHSLC will develop any host software necessary to facilitate this function.

- 3.2.1.2.2.2.1.3.3 A transaction must immediately be sent off to Headquarters to check approval and limits. This will be an additional cost unless existing ACR software can be adapted to perform the task. NHSLC will develop any host software necessary to facilitate this function.
- 3.2.1.2.5.4.1.11 Frequent buyer discount program. Discounts or special price given upon meeting specified criteria in a store. Customers transactions actions are not accessible chain wide.
- 3.2.2.3.6.1.5 A paper advance is needed for the receipt paper
- 3.2.2.3.7.1.8 Where the option to print bar codes on documents is provided, the scanner provided must read and interpret them.
- 3.2.1.2.4.2.15 Ability to run programmable advertising graphics when certain products purchased providing existing patents are not violated.
- 3.2.1.2.4.3.2 Programmable advertising or customer service graphics
- 3.2.1.2.4.2.3 Legal drinking age cut-off date (Currently 21 years ago but must be definable). Contractor has the option to provide or not provide this item.

Exhibit B - Contract Price

1. Notebook Computers

Billing for notebook computers and related products may be made upon ship date.

2. Unsuccessful Pilot

The contract will be terminated at this point with no payments to be made. At the Contractor's expense and direction, all equipment, except the notebook computers and related products providing payment for same has been made, will be returned and the Contractor's software and documentation will be returned.

3. Post Implementation Payment

This payment will be made 60 days after the last store is operational providing there are no outstanding problems with the obligations of this agreement.

4. Payment Schedule

Event	Estimated Due Date	Amount
Delivery of Notebooks	October 31, 1998	\$96,051.60
Successful completion of pilot	December 31, 1998	\$479,745.70
Pre-paid hardware maintenance for January 1, 1999 through June 30, 1999	January 31, 1999	\$78,136.88
Completion of training	February, 28 1999	\$479,745.70
Pre-paid software maintenance for April 1, 1999 through June 30, 1999	April 30, 1999	\$30,250.00
Installation of all stores	May 30, 1999	\$479,745.70
Successful post implementation (60 days after installation stores)	June 30, 1999	\$479,745.70
Pre-paid hardware maintenance for July 1, 1999 through June 30, 2000 due July 31, 1999	July 31, 2000	\$156,273.75
Pre-paid software maintenance for July 1, 1999 through June 30, 2000 due July 31, 1999	July 31, 2000	\$121,000.00
Pre-paid hardware maintenance for July 1, 2000 through June 30, 2001 due July 31, 2000	June 30, 2001	\$176,850.00
Pre-paid software maintenance for July 1, 2000 through June 30, 2001 due July 31, 2000	July 31, 2001	\$121,000.00
Pre-paid hardware maintenance for July 1, 2001 through June 30, 2002 due July 31, 2001	July 31, 2002	\$176,850.00
Pre-paid software maintenance for July 1, 2001 through June 30, 2002 due July 31, 2001	July 31, 2002	\$121,000.00

Exhibit C - Special Provisions

Exhibit C - Special Provisions

1. Sections 6.1, 6.2 and 6.3 are hereby deleted and the following is inserted in its place:

6.1 In the provision of Contract Services, Contractor shall comply with all applicable statutes, laws, and regulations required by local, state or federal law.

2. Section 13 is renumbered as Section 13.1. The following sentence is added to the end of Section 13.1:

The negligent acts or omissions of the State shall be excepted from Contractor's indemnification obligation.

3. The following provision is inserted as Section 13.2:

13.2 As to any claim against Contractor or the State for claimed violations of trade secrets, proprietary information, trademark, copyright or any patent rights resulting from use of the Product by the State, if a third party receives a judgment from a court of competent jurisdiction upholding any such claim in a dispute in which either the State or Contractor is a party, Contractor shall perform one or more of the following actions (as determined by Contractor) within one year of the date judgment in favor of such party's claim is rendered by a court of competent jurisdiction:

- 1) Replacement: Replace the Product with a non-infringing software product of equivalent functional and performance capability;
- 2) Modification: Modify the Product to avoid the infringement without eliminating the functional and performance capabilities of the Product;
- 3) Obtain Agreement: Obtain a license for use of the Product from the third party claiming infringement for use of the Product.

The State retains its right to pursue default remedies in the event the replaced or modified product does not perform to contract specifications.

13.3 **Limitation of Liability.** Contractor shall not be liable to the State for any lost profits or consequential, exemplary, incidental or punitive damages, regardless of whether Contractor has been advised of the

possibility of such damages in advance or whether such damages are reasonably foreseeable. Notwithstanding any provision to the contrary, the liability of Contractor for any reason and for any cause of action whatsoever in connection with this Agreement and the Product shall be limited to the Contract Price.

- 13.4 Force Majeure. Contractor shall not be liable for any failure to perform its obligations under this Agreement because of circumstances beyond its control, which circumstances shall include, without limitation, natural disaster, terrorism, riot, sabotage, labor disputes, war, or any breach of this Agreement by the State.

Exhibit D -Certificates

ACR Systems, Inc. of 7751 Belfort Parkway, Suite 200, Jacksonville, FL 32256 is doing business as Total Store Solutions in the State of New Hampshire and is known as ACR Systems, Inc. or ACR throughout this entire document.

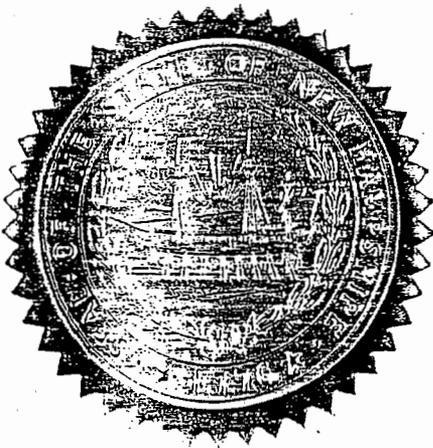
CERTIFICATE OF AUTHORIZATION

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that a certificate of authority to do business in this state was issued to ACR SYSTEMS, INC. d/b/a in New Hampshire as TOTAL STORE SOLUTIONS, a Florida corporation, on September 23, 1998. I further certify that all fees required by the Secretary of State's office have been paid.

IN TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 24th day of September, A.D. 1998



William M. Gardner
Secretary of State





ACR Systems, Inc.

7751 Belfort Parkway / Suite 200 / Jacksonville, FL 32256 / (904) 296-8554 / FAX: (904) 296-8771

Leading the
Counter Revolution

ACR SYSTEMS, INC. CERTIFICATE OF VOTE

I, Gene R. Michaud, hereby certify that I am the duly elected Secretary of ACR Systems, Inc.

I hereby certify the following is a true copy of a vote taken at a meeting of the Board of Directors of the corporation, duly called and held on Friday, August 14, 1998, at which a quorum of the Board was present and voting.

DULY VOTED: The Board of Directors voted to authorize Mr. Gene R. Michaud, Secretary, to represent ACR Systems, Inc. to enter into a specific contract or agreement with the state of New Hampshire and further authorize Mr. Michaud to execute any document which in their judgement be desirable or necessary to effect the purpose of this vote.

I hereby certify that said vote has not been amended or repealed, remains in full force and effect as of August 14, 1998, and that Gene R. Michaud is the duly elected Chief Financial Officer of this corporation.

Attest:

Date:

8-14-98

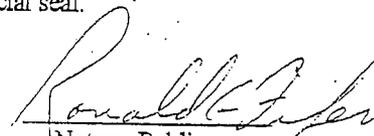

Secretary

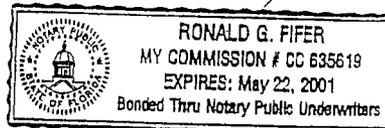
State of Florida

County of Duval

On this the 14TH day of August, 1998, before me, Ronald G. Fifer the undersigned officer, personally appeared Gene R. Michaud, who acknowledged himself to be the Secretary of ACR Systems, Inc. (the corporation), and that he, as such Secretary, being authorized so to do executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as Secretary.

In witness whereof I hereunto set my hand and official seal.


Notary Public



ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
08/14/98

PRODUCER

Palmer & Cay of Florida, Inc.
76 South Laura St, Suite 1400
P. O. Box 1257
Jacksonville, FL 32201-1257

904-633-9400

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

COMPANY A U S F & G
COMPANY B TIG Insurance Company
COMPANY C
COMPANY D

INSURED

ACR Systems, Inc.
Mr. Gene Michaud
7751 Belfort Pkwy #200
Jacksonville FL 32256

COVERAGES

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT	1MP30133724501	12/31/97	12/31/98	GENERAL AGGREGATE \$ 2000000 PRODUCTS - COMP/OP AGG \$ 2000000 PERSONAL & AOJ INJURY \$ 1000000 EACH OCCURRENCE \$ 1000000 FIRE DAMAGE (Any one fire) \$ 50000 MED EXP (Any one person) \$ 5000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	1MP30133724501	12/31/97	12/31/98	COMBINED SINGLE LIMIT \$ 1000000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: \$ EACH ACCIDENT \$ AGGREGATE \$
A	EXCESS LIABILITY <input checked="" type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	1MP30133724501	12/31/97	12/31/98	EACH OCCURRENCE \$ 5000000 AGGREGATE \$ 5000000
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL	WCP80679667	1/01/98	1/01/99	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ 500000 EL DISEASE - POLICY LIMIT \$ 500000 EL DISEASE - EA EMPLOYEE \$ 500000
A	OTHER Blanket Personal Property Coverage	1MP30133724501	12/31/97	12/31/98	\$9,425,000 Limit \$ 1,000 Deductible

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

CERTIFICATE HOLDER

State of New Hampshire
Liquor Commission
P O Box 503

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS, OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE