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William F. Dwyer
STATE TREASURER

Thomas P. McAnespie
DIRECTOR

**THE STATE OF NEW HAMPSHIRE
STATE TREASURY
ABANDONED PROPERTY DIVISION**

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CONCORD, N.H. 03301-6312
603 271-2619
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October 24, 2016

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

REQUESTED ACTION

Authorize the Treasury ("Treasury") to enter into a contract with Xerox State & Local Solutions, Inc of Quincy, MA, for a contingent fee of between 10.25 % and 12% of the gross amount identified and remitted to the state from audits/examinations of the records of any holder or person to determine compliance with RSA Chapter 471-C, *Custody and Escheat of Unclaimed and Abandoned Property* from November 16, 2016 to June 30, 2019. **100% Agency Income (Abandoned Property)**

Funding is available in account titled, Abandoned Property, as follows (pending budget approval for Fiscal Years, 2018 and 2019):

	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>
01-38-38-380510-8021-020-500254 Audit Fees	\$1,100,000	\$1,210,000	\$1,331,000

EXPLANATION

RSA 471-C, New Hampshire's *Unclaimed and Abandoned Property Law*, provides that the Treasurer may contract with other entities to identify, recover, and remit unclaimed or abandoned assets (e.g. cash, securities) through audit or examination of records. Such examinations are conducted largely with out-of-state holders of such property. Treasury, upon report and remittance, endeavors to contact the rightful owner who may then claim the property. Amounts not claimed shall be escheated and deposited in the General Fund.

Treasury will contract with any reputable provider of audit/examination services that offers a competitive fee arrangement. The fee structure is consistent with the existing rate level throughout this industry.

Respectfully requested,

William F. Dwyer
State Treasurer

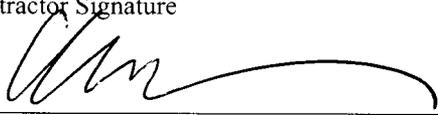
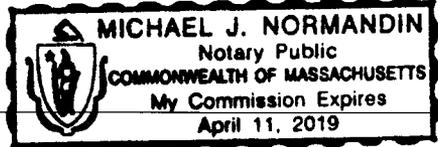
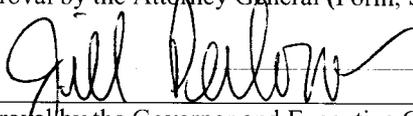
Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

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

GENERAL PROVISIONS

1. IDENTIFICATION.

1.1 State Agency Name TREASURY		1.2 State Agency Address 25 CAPITOL STREET, RM 121, CONCORD, NH 03301	
1.3 Contractor Name XEROX STATE & LOCAL SOLUTIONS, INC.		1.4 Contractor Address 100 HANCOCK STREET, QUINCY MA 02171	
1.5 Contractor Phone Number 617 722 9673	1.6 Account Number 010-038-8021-020-0254	1.7 Completion Date JUNE 30, 2019	1.8 Price Limitation SEE FEE SCHEDULE
1.9 Contracting Officer for State Agency WILLIAM F. DWYER, STATE TREASURER		1.10 State Agency Telephone Number 603 271 2621	
1.11 Contractor Signature 		1.12 Name and Title of Contractor Signatory DAVID LEMOINE, VICE PRESIDENT	
1.13 Acknowledgement: State of Massachusetts County of Worcester Norfolk On <u>September 27, 2016</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 and Title of Notary or Justice of the Peace Michael Normandin, AJP			
1.14 State Agency Signature  Date: <u>10-26-16</u>		1.15 Name and Title of State Agency Signatory STATE TREASURER WILLIAM F. DWYER	
1.16 Approval by the N.H. Department of Administration, Division of Personnel (if applicable) By: _____ Director, On: _____			
1.17 Approval by the Attorney General (Form, Substance and Execution) (if applicable) By:  On: <u>10/28/16</u>			
1.18 Approval by the Governor and Executive Council (if applicable) By: _____ On: _____			

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

3. EFFECTIVE DATE/COMPLETION OF SERVICES.

3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 (“Effective Date”).

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

4. CONDITIONAL NATURE OF AGREEMENT.

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

5. CONTRACT PRICE/PRICE LIMITATION/PAYMENT.

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

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

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

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

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

6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.

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

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

7. PERSONNEL.

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

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

Agreement. This provision shall survive termination of this Agreement.

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

8. EVENT OF DEFAULT/REMEDIES.

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

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

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

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION.

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

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

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

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

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

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

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

14. INSURANCE.

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

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

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

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

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

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

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

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

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no

such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS.

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

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

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

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

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

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

EXHIBIT A: SERVICES TO BE PERFORMED

I. IDENTIFICATION AND COLLECTION OF ABANDONED PROPERTY

1.1 The Contractor shall, upon written authorization from the State, carry-out an audit/examination of books and records of persons, firms and entities (hereinafter called "holders") to determine whether the holder is in possession of unclaimed property subject to report and remittance/delivery under New Hampshire RSA 471-C:1 et seq. ("State's Unclaimed Property Law") and to identify and collect said property from the holder. In conjunction with the identification and collection of unclaimed property, the Contractor shall:

- (a) Examine records of holders of unclaimed property and/or their parent company, subsidiaries or agents;
- (b) Prepare reports of unclaimed property in accordance with the requirement of the State's unclaimed property law;
- (c) Demand from holders and/or their agents delivery to ACS of the property deemed owing under the State's unclaimed property law; and
- (d) Forward the unclaimed property to the State or its designee.

1.2 The Contractor may undertake to identify and collect from persons, firms and entities (hereinafter called "holders") which are holding or in possession of unclaimed property subject to report and remittance/delivery under New Hampshire RSA 471-C:1 et seq. ("State's Unclaimed Property Law"). In conjunction with the identification and collection of unclaimed property, the Contractor shall:

- (a) Process records of unclaimed property obtained from holders and/or their agents;
- (b) Prepare reports of unclaimed property in accordance with the requirement of the State's unclaimed property law;
- (c) Demand from holders and/or their agents delivery to ACS of the property deemed owing under the State's unclaimed property law; and
- (d) Forward the unclaimed property to the State or its designee.

II. HOLDER REFUSAL:

2.1 If a holder under audit, examination or review by the Contractor fails or refuses to report and deliver abandoned property, the Contractor shall advise the State of the holder's refusal.

III. NON-EXCLUSIVITY

3.1 The State hereby acknowledges that the services contemplated herein may be undertaken concurrently with other states having similar requirements in connection with their respective unclaimed property laws.

Contractor Initials DL
Date 9/27/16

IV. EXAMINATION PROCEDURES

4.1 The processing of the records of holders of unclaimed property, the findings in connection with the review of such records, and the demands for payment of the abandoned property shall be made pursuant to Attachment 1 hereto.

V. WORK IN PROGRESS REPORT

5.1 The Contractor shall provide the State on a semi-monthly basis with an Agreed to Participate List, which sets forth all new record processing to be commenced pursuant to paragraph 1.2 hereinabove.

5.2 The Contractor shall provide the State on a monthly basis with a Work In Progress report, which sets forth all audits/examinations and record processing, pursuant to paragraphs 1.1 and 1.2 hereinabove not yet completed, including reports in process, property requested, property in reconciliation, and property pending delivery.

5.3 The State may direct the Contractor not to process records on behalf of the State for a particular holder, prior to the Contractor's commencement of record processing.

VI. DISCLOSURE OF FINDINGS

6.1 The Contractor may disclose non owner-specific information it acquires hereunder to the other states, which have entered into a similar agreement with the Contractor, pursuant to a plan whereby the State similarly benefits from such reciprocal disclosures. Except as expressly allowed in this Agreement, the Contractor shall not disclose any information it may obtain hereunder and all such information is acknowledged to be held confidentially for the State.

VII. DUE DILIGENCE AND SUBSEQUENT REPORTING

7.1 The Contractor shall advise the holder regarding the provisions of the State's law, if any, for notifying owners of their unclaimed property. Upon conclusion of the services provided herein, the Contractor shall advise the holder of its continuing obligation to report unclaimed property directly to the State.

VIII. APPOINTMENT OF CONTRACTOR AS TEMPORARY CUSTODIAN

8.1 Contractor will engage a participating member of the Depository Trust Company who shall act as custodian for the safekeeping of securities and cash received on behalf of the State from holders of abandoned property and agrees that Contractor shall retain all physical securities and cash received on behalf of the State at said custodian.

IX. TEMPORARY CUSTODIAL DUTIES

9.1 The Contractor shall:

(a) Receive delivery of certificates registered in the name of the State or its nominee for

Contractor Initials DL
Date 9/27/16

safekeeping at the Contractor's premises; or in a registered clearing agency or other book-entry system for the central handling of securities.

(b) Maintain in hard copy form for a period of not less than one (1) year records of all receipts, deliveries and locations of securities, together with a current inventory hereof.

(c) Determine the value of securities at the closing price of any security traded on an exchange on the date the security is received by the Contractor or if traded in the over the counter market at the bid price as set forth in the pink sheets on the date the security is received by the Contractor or if traded in the over the counter market at the bid price as set forth in the pink sheets on the date the security is received. Other securities shall be valued in accordance with generally accepted valuation procedures.

(d) Promptly remit to the State, or to any other party the State may designate in writing, cash or securities held for the State within twenty (30) calendar days from receipt of such cash or securities; provided, that (i) the cash or securities have been received in full by the Contractor (ii) the Contractor has reconciled its books and records relative to the property to be delivered to the State; and (iii) the State has elected to receive deliveries on a daily basis.

(e) Provide delivery reports to the State containing such information as set forth in Attachment 2, attached hereto.

X. BANK ACCOUNT

10.1 The Contractor shall:

(a) Pending delivery to the State, retain cash of the State in a duly chartered federally insured bank in a separate account or accounts in the name of the Contractor for the Account of the State, subject only to draft or order by the Contractor acting pursuant to the terms of this Agreement.

(b) Collect, receive and deposit to the bank account maintained pursuant to Section 10.1(a), all cash with respect to the securities held hereunder.

(c) The Contractor reserves the right to reverse erroneous entries to the State's account and shall give notice thereof to the State within seven (7) days.

XI. CREDITING OF INTEREST

11.1 On February 15 and August 15 of each year, the Contractor shall provide to the State a statement of interest credit earned on the State's funds during the preceding six month period ending with the preceding December 31 and June 30, respectively.

11.2 The State shall receive an interest credit equal to the Contractor's actual investment earnings, on funds attributable to the State and held by the Contractor pending delivery. Where the actual amount of funds attributable to the State cannot be readily ascertained, the State shall be credited with a prorated portion of the investment earnings on such unattributed funds, based on the States pro rata share of the total value of all property deliveries made by the Contractor to all states during the preceding six (6) month period.

Contractor Initials DL
Date 9/57/16

11.3 The adjusted interest credit will be used to offset fees on the next ensuing property delivery made by the Contractor. Such offset against fees shall continue until the net interest credit is exhausted.

XII. INSTRUCTIONS

12.1 The Contractor shall be deemed to have received proper instructions upon receipt of written instructions signed by one or more persons as the State shall from time to time have authorized to give the particular instructions in question. Different persons may be authorized to give instructions for different purposes.

12.2 A certified copy of a resolution or action of the State may be received and accepted by the Contractor as conclusive evidence of the authority of any such person or persons to act and may be considered as in full force and effect until receipt of written notice to the contrary.

12.3 Instructions may be general or specific in terms, and unless specified to the contrary, the Contractor is authorized to act upon such instructions whether given in writing, via facsimile, or otherwise.

Contractor Initials DL
Date 9/27/16

EXHIBIT B: COMPENSATION

XIII. FEE SCHEDULE

The Contractor shall be paid a contingent fee, as follows:

13.1 **Audit Fees:** For property identified pursuant to Exhibit A paragraph 1.1 a sum equal to twelve percent (12.0%) of the value of the "net abandoned property" (a term hereinafter defined) actually paid or delivered to the Contractor on behalf of the State by an abandoned property holder in its initial report to the State.

13.1.1 **Life Insurance Audit Fees:** Notwithstanding the fee rate set forth in section 13.1 above, for property identified pursuant to Exhibit A paragraph 1.1 which results from the examination of a life insurance company in which death-matching is performed, specifically for IN03 and IN04 property codes, a sum equal to ten and one quarter percent (10.25%) of the value of the "net abandoned property" actually paid or delivered to the Contractor on behalf of the State by an abandoned property holder in its initial report to the State.

13.2 **Securities Initial Compliance Fees:** For securities property identified pursuant to Exhibit A paragraph 1.2, for which records are maintained by a transfer agent a sum equal to six percent (6%) of the value of the "net abandoned property" (a term hereinafter defined) actually paid or delivered to the Contractor on behalf of the State by an abandoned property holder in its initial report to the State.

13.2.1 **Annual Compliance Fees:** No fee shall be paid to the Contractor for the delivery of securities previously identified pursuant to Exhibit A paragraph 1.1 or paragraph 1.2.

13.3 No fee shall be paid to the Contractor for property from a holder or their agent, to be delivered pursuant to Exhibit A paragraph 1.2, where said holder is under notice of audit/examination by the State authorizing another contractor to carry out the audit/examination.

13.4 No fee shall be paid to the Contractor for any property from a holder or their agent, to be delivered pursuant to Exhibit A paragraph 1.2, without prior written authorization from the State.

13.5 No fee shall be paid to the Contractor for any property from the Contractor as holder, or its parent company, subsidiary, affiliate, or any agent, servant or employee thereof.

13.6 "Net abandoned property" shall be determined as the gross value of all abandoned property received by the Contractor during the term of the audit/examination reduced by the total of the following:

(a) The value of all abandoned property delivered by the holder, if any, which otherwise would have been delivered pursuant to the reporting practices of the holder as they existed prior to the execution of the Agreement;

(b) The value of any property reported by a holder domiciled in the State unless the records

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of such property are maintained in a location not within the State.

(c) In the event the State elects, in writing to, to receive property through the Contractor which would otherwise be excluded from the definition of "net abandoned property" the State shall pay the Contractor a sum equal to six percent (6%) of the value of such property as a cost reimbursement to the Contractor for its identification, processing and collection services provided.

13.7 The Contractor shall waive any and all fees otherwise deemed owing hereunder in the event that:

- (a) The total property value for any single delivery batch is less than five hundred dollars (\$500.00), or
- (b) Any amount of "net abandoned property" for any report does not exceed \$100.00 in total value, or
- (c) Any report is a succeeding or supplemental report to a previously reported/delivered property for a holder.

13.8 The value of abandoned property, if other than cash, shall be the closing price on any security traded on an exchange on the date the property is delivered to the custodial bank. If the property is a security traded over-the-counter it shall be the bid price as set forth in the pink sheets on the date the property is received by the custodial bank. For any other property the value shall be determined according to generally accepted valuation procedures.

13.9 The Contractor shall submit to the State a statement of the fees calculated pursuant to this Exhibit B.

13.10 In the event a holder fails, neglects or refuses to remit the subject property after receipt of report of examination by Contractor, and after State's written, thirty (30) day, demand has been made for payment and the State is thereafter required take any additional measures to recover the property identified, Contractor's fee shall be based on the net recovery of the value of the subject property after reduction to account for the cost off any and all actions by the State to effect said recovery.

13.11 If an examination, authorized pursuant to Exhibit A, paragraph I, 1.1 as described hereinabove, is commenced during the term of this contract, and extends beyond the term of this contract, then the Contractor shall be compensated according to the terms and conditions of this Agreement.

13.12 Nothing in this agreement shall be construed to authorize the Contractor to institute legal action on behalf of the Division.

Contractor Initials DL
Date 9-27-16

EXHIBIT C: SPECIAL PROVISIONS

XIV. LIABILITY

14.1 The State shall be kept indemnified by Contractor from any liability incurred by it by reason of Contractor's negligence or willful misconduct in carrying out this Agreement, including reasonable attorney's fees; provided that, Contractor is given prompt notice of any claims and an opportunity to defend, including the employment of counsel reasonably satisfactory to the State.

14.2 In performing the services the Contractor shall rely upon the accuracy, timeliness, and authenticity of any and all records, information and input media provided to the Contractor. Reports and services shall be deemed to have been accepted by the State as correct unless the Contractor is notified in writing by the State of any errors, omissions, or irregularities within thirty (30) days of the receipt of such reports and services.

14.3 The parties further agree that the provisions of contract FORM NUMBER P-37 above shall be amended by modifying paragraph 14 INSURANCE as follows:

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

14.1.1 commercial general liability insurance against all claims of bodily injury, death or property damage, in combined single limit amounts of not less than \$1,000,000 per occurrence and \$2,000,000 general aggregate; and

14.1.2 If applicable, fire and extended coverage insurance covering all of the State's business personal property equipment subject to subparagraph 9.2 herein while such equipment is in the Contractor's care, custody, and control, in an amount not less than 80% of the whole replacement value of the property

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

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

XV. SECURITY

15.1 The Contractor may not pledge, assign, hypothecate or otherwise encumber securities or cash of the State without the prior written consent of the State.

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XVI. FORCE MAJEURE

16.1 The Contractor shall not be responsible for delays or failure in performance resulting from acts beyond its control. Such acts shall include but not be limited to acts of God, work stoppage, riots, acts of war, governmental action, fire, communication disruption, computer virus, power or other mechanical failure or other disasters.

XVII. MISCELLANEOUS

17.1 This Agreement shall be effective with respect to all records and processing set forth in the Work In Progress report for the month preceding the execution of this Agreement.

17.2 This Agreement may not be assigned without the prior written consent of the other party.

17.3 Either party may terminate this Agreement by notice in writing delivered or mailed to the other party hereto not less than thirty (30) days prior to the date on which such termination shall take place and thereupon this Agreement shall terminate in accordance with such notice and all property then held shall be delivered to the State or upon its order to its successor. Such termination shall not affect any action taken prior thereto. Upon termination the Contractor shall be entitled to the fees provided for in the Fee Schedule for all property subsequently delivered pursuant to reports prepared by the Contractor or subsequently filed by a holder with the State as a result of Contractor's performance of its obligations hereunder.

17.4 Notwithstanding the provisions of Section 17.3, should any dispute arise with respect to the delivery, ownership, right of possession, and/or disposition of the property, or should any claims be made upon such property by a third party, the Contractor, upon receipt of written notice of such dispute or claim by the State or by a third party, is authorized and directed to retain in its possession without liability to anyone, or shall be entitled to the return of, all or any of said property until such dispute shall have been settled either by the mutual agreement of the parties involved or by a final order, decree or judgment of a court in the United States of America, the time for perfection of an appeal of such order, decree or judgment of a court in the United States of America, the time for perfection of an appeal of such order, decree or judgment having expired. The Contractor may, but shall be under no duty whatsoever to, institute or defend any legal proceedings which relate to the property.

17.5 It is acknowledged and agreed that the Contractor on its behalf may enter into agreements with persons, firms and entities to assist in the performance of this Agreement. The payment for all such services shall be the sole responsibility of the Contractor and nothing contained herein shall obligate or otherwise make the State responsible for the payment of any such expenses.

17.6 Contractor its agents, servants or employees shall not solicit, accept, contract for, pay or receive compensation, in any form or manner, from any holder for whom Contractor has received the State's authorization to conduct an audit/examination. This paragraph shall apply during any general ledger audit/examination, securities audit/examination, performed pursuant to this agreement, within the one (1) year immediately following the conclusion of the audit/examination, and for the three (3) years immediately preceding the date of New Hampshire's authorization.

17.7 Any and all notices, requests, demands or other communications required or permitted

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to be given hereunder shall be deemed to have been duly given when personally delivered or mailed by first class, certified or registered mail, return receipt requested, addressed to the parties at the addresses set forth below:

- (a) If to Contractor, to:
 - Xerox Unclaimed Property Clearinghouse
 - 100 Hancock Street ~10th Floor
 - Quincy, MA 02171
 - Attention: David Lemoine, Managing Director

- (b) If to the State, to:
 - New Hampshire State Treasury
 - 25 Capitol Street, Room 205
 - Concord, NH 03301
 - Attention: Administrator, Abandoned Property

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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 XEROX STATE & LOCAL SOLUTIONS, INC. a(n) New York corporation, is authorized to transact business in New Hampshire and qualified on January 28, 1991. 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 21st day of September, A.D. 2016

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)
11/02/2016

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 MARSH USA, INC. 1166 AVENUE OF THE AMERICAS NEW YORK, NY 10036 Attn: ACS.CertRequest@marsh.com	CONTACT NAME:	
	PHONE (A/C, No, Ext):	FAX (A/C, No):
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A : ACE American Insurance Company		22667
INSURER B : N/A		N/A
INSURER C : Indemnity Ins Co Of North America		43575
INSURER D : ACE Fire Underwriters Ins. Co.		20702
INSURER E :		
INSURER F :		

COVERAGES	CERTIFICATE NUMBER: NYC-007893011-21	REVISION NUMBER: 6
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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 INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<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 OTHER:		HDO G27403359	01/01/2016	01/01/2017	EACH OCCURRENCE	\$ 2,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 2,000,000
						MED EXP (Any one person)	\$ N/A
						PERSONAL & ADV INJURY	\$ 2,000,000
						GENERAL AGGREGATE	\$ 10,000,000
						PRODUCTS - COMP/OP AGG	\$ INCLUDED
							\$
	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)	\$
							\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
C	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	WLR C48597208 (AOS) WLR C48597166 (AZ, CA and MA) SCF C48597245 (WI)	01/01/2016 01/01/2016 01/01/2016	01/01/2017 01/01/2017 01/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	\$ 1,000,000 \$ 1,000,000 \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
RE: NEW HAMPSHIRE UNCLAIMED PROPERTY AUDIT CONTRACT. XEROX BUSINESS ENTITY: XEROX STATE & LOCAL SOLUTIONS, INC.

CERTIFICATE HOLDER THE STATE OF NEW HAMPSHIRE TREASURY DEPARTMENT ABANDONED PROPERTY DIVISION 25 CAPITOL STREET, ROOM 205 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 of Marsh USA Inc. Daniel Rivera <i>Daniel P. Rivera</i>
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