



American Association of Motor Vehicle Administrators

REQUEST FOR PROPOSAL

No. 16-059

Learning Management System (LMS)

Software as a Service (SaaS)

Pilot Project

American Association of Motor Vehicle Administrators

REQUEST FOR PROPOSAL

RFP #16-059

This RFP is accessible via the American Association of Motor Vehicle Administrators (AAMVA) website at www.aamva.org. If you download this RFP from the website, you are responsible for sending your name, address, e-mail address, and telephone number to the RFP Coordinator in order for your organization to receive any RFP amendments or bidder questions/agency answers.

PROJECT TITLE:

LMS SaaS Pilot Project

PROPOSAL DUE DATE

May 19, 2017 5PM EST

EXPECTED TIME PERIOD FOR CONTRACT:

3 month pilot, with option to renew for enterprise-wide LMS solution

VENDOR ELIGIBILITY:

This procurement is open to those vendors that satisfy the minimum qualifications stated herein.

CONTENTS OF THE REQUEST FOR PROPOSAL:

Recognizing AAMVA's vision, mission, and core values, the Proposal should include any volume pricing and discount percentages.

1. Introduction
2. General Information for Vendors
3. Proposal Sheet
4. Evaluation and Award
5. RFP Exhibits

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1. INTRODUCTION

1.1. PURPOSE AND BACKGROUND

American Association of Motor Vehicle Administrators, hereafter “AAMVA,” is initiating this Request for Proposal (RFP) to solicit Proposal from qualified firms interested in participating in the bidding process.

1.2. OBJECTIVE

It is intended that this RFP will allow AAMVA to select the most qualified vendor with the most competitive price.

1.3. MINIMUM QUALIFICATIONS

The vendor must have minimum of five (5) years demonstrated experience in the commodities or services listed in the RFP.

1.4. PERIOD OF PERFORMANCE

Start	End
July 1, 2017	September 30, 2017 (pilot phase)

2. GENERAL INFORMATION

2.1 RFP COORDINATOR

The RFP Coordinator is the sole point of contact in AAMVA for this procurement. All communication between the Offeror and AAMVA upon receipt of this RFP shall be with the RFP Coordinator, as follows:

Name / Title	Wesley Day, Sr. Manager Procurement
Address	4401 Wilson Boulevard, Suite 700
City, State, Zip Code	Arlington, Virginia 22203
Phone Number	703-908-5877
E-Mail Address	wrday@aamva.org

Any other communication will be considered unofficial and non-binding on AAMVA. Communication directed to parties other than the RFP Coordinator may result in disqualification of the Proposal.

2.2 ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

Issue RFP	April 28, 2017
Questions Due	May 5, 2017
Proposal Due	May 19, 2017
Evaluate Proposal	ASAP
Announce “Apparent Successful Contractor”	ASAP
Issue Purchase Order/Sign Contract	ASAP

AAMVA reserves the right to revise the schedule above and request Oral presentations for further evaluation. All questions must be submitted via email to the RFP coordinator. AAMVA will gather all questions from vendors and provide our answers as quickly as possible.

2.3 SUBMISSION OF PROPOSAL

Proposal must be submitted in soft copy as set forth below.

The Proposal is to be sent to the RFP Coordinator at the email address noted in Section 2.1. The email should be clearly marked with the RFP Number to the attention of the RFP Coordinator: Wesley Day.

Any modifications to a Proposal will be subject to these same conditions. The Proposal must respond to the procurement requirements. Do not respond by referring to material presented elsewhere. The Proposal must be complete and must stand on its own merits. Failure to respond to any portion of the procurement document may result in rejection of the Proposal as non-responsive. All Proposal and any accompanying documentation become the property of AAMVA and will not be returned.

Proposals must be submitted as two (2) separate files in your response as follows:

File 1) Technical proposal response labeled “technical proposal response for RFP XX-XXX by company name.pdf”

File 2) Cost proposal response labeled “Cost proposal response for RFP XX-XXX by company name.pdf”

2.4 ACCEPTANCE PERIOD

Proposal must provide 120 days for acceptance by AAMVA from the date submission.

2.5 RESPONSIVENESS

All Proposal will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. The contractor is specifically notified that failure to comply with any part of the RFP may result in rejection of the Proposal as non-responsive.

AAMVA also reserves the right, however, at its sole discretion to waive minor administrative irregularities.

2.6 MOST FAVORABLE TERMS

AAMVA reserves the right to make an award without further discussion of the Proposal submitted. Therefore, the Proposal should be submitted initially with the most favorable terms which the contractor can propose. AAMVA does reserve the right to contact a contractor for clarification of its Proposal and request a face to face meeting.

The contractor should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. It is understood that the Proposal will become a part of the procurement file on this matter without obligation to AAMVA.

2.7 GENERAL TERMS AND CONDITIONS

The apparent successful contractor will be expected to enter into a contract or purchase order with general terms and conditions attached as **Exhibit D**. In no event is a contractor to submit its own standard contract terms and conditions in response to this solicitation. The contractor may submit exceptions as allowed in the "Certifications and Assurances" attached as **Exhibit A** to this solicitation. AAMVA will review requested exceptions and accept or reject the same at its sole discretion.

2.8 COSTS TO PROPOSE

AAMVA will not be liable for any costs incurred by the Offeror in preparing a Proposal submitted in response to this RFP, or in performing any other activities related to responding to this RFP.

2.9 NO OBLIGATION TO CONTRACT

This RFP does not obligate AAMVA to contract for the commodities specified herein.

2.10 REJECTION OF PROPOSAL

AAMVA reserves the right at its sole discretion, and without penalty, to reject any and all proposals received and not to issue a contract as a result of this RFP.

3. SCOPE OF SERVICES/STATEMENT OF WORK

A project was established in late 2015 to gather requirements for a potential enterprise-wide LMS implementation. Conceptually, an LMS would provide AAMVA the opportunity to offer web-based electronic training and support resources to employees as well as jurisdiction member students. Requirements gathering now complete, AAMVA is seeking proposals for a 3 month pilot (July 1, 2017- September 30, 2017) running limited LMS-ready courseware, and once complete and evaluated, there is potential for a follow-on contract to implement and provide services for an ongoing enterprise-wide LMS SaaS solution.

AAMVA's requirements for LMS performance lie somewhat outside those typically found in other businesses and associations. Businesses generally offer LMS-hosted training to employees only, while associations offer training to a "known" list of individual members directly, or to non-members via e-commerce functionalities. AAMVA's operations for an LMS will require characteristics of both types of approaches (as well as unique features) because:

- AAMVA employees will be assigned to required training directly by a number of internal managers
- AAMVA employees will have access to elective trainings in which they can self-enroll
- Reporting of AAMVA employee activities may be distributed to a number of internal managers
- External student identities are not entirely known. For this reason, the LMS must be capable of registering users based on a pre-determined list of acceptable member email domains, then use the email address to complete the credentialing process.
- Jurisdiction training/business "coordinators" have important roles in both communicating training requirements to their students AND processing LMS reporting
- LMS administrative access and responsibilities will vary based on any training course's target student, parent program requirements, level of jurisdiction or federal involvement, and subject matter sensitivity
- A number of high-level business issues have determined that in order to ensure that the utilization of an LMS will remain successful:
 - AAMVA requires the LMS to have efficient "sub-instance" or "enterprise" capability
 - AAMVA encourages the LMS to import/export bulk data from/to the limited number of members utilizing native LMSs. Stakeholders wishing to bulk load AAMVA completion data to their LMSs should be invited to obtain standard reports from the AAMVA LMS in

Excel or CSV formats. It will be the member's responsibility to integrate the data with his/her LMS.

- AAMVA would like the option for the LMS to interact with NetForum. AAMVA requests vendors to describe any experience with NetForum integration and must demonstrate a robust Application Program Interfaces (API) architecture as this will be important for potential integrations with other business systems, collective reporting applications, etc.

SCOPE:

The LMS will function as an AAMVA-controlled application, meaning that only AAMVA personnel would have the ability to install, maintain, and update courseware. All Bidders must provide at least three (3) references where they have successfully implemented LMS SaaS within the last 3 years.

All LMS SaaS proposals must provide fairly consistent basic functionalities, to include:

BASELINE FEATURES

General

- Software-as-a-Service implementation
- Web-based, compatible with popular browsers including IE, Edge, Firefox, Chrome
- HTML5 and Flash compatible
- SCORM 1.2, SCORM 2004, AICC compliant
- "Sub-instance" or "enterprise" architecture
- Comprehensive HELP resources, including introductory instructions and live chat
- HELP line (availability and response time requirements to be defined in Service Level Agreement)
- Provide ability to customize themes, colors, logos, welcome messages, etc.
- Ecommerce capabilities

Content

- Support most popular eLearning software such as Articulate, Captivate, etc.
- Automated installation of imported SCORM packages and any embedded quizzes (including enforcement of pass/fail thresholds)
- Include a native content creator that includes easy importing of text, images, video, audio, documents, slide presentations, screen recordings, etc. in commonly-used formats
- Augment courses with downloadable resources
- Provide native quiz creation tool with pass/fail threshold enforcement
- Simple activation/deactivation of courses
- Ability to create downloadable completion certificates
- Use of voluntary or required forums, whiteboards, feedback must be options for all courses

Course Cataloging

- Must have the ability to present/hold multiple course catalogs/training paths to students depending on their common demographics/email domain
- Automated and manual deadline assignment
- Enforce pre-requisite, required, and elective course rules
- Centralized training calendar

Registration, Enrollment, and Administration

- Students must be able to self-register using email addresses as username. Only entries from a pre-approved list of domains will be allowed to register
- Registration process must use an email confirmation sent to the registration email address used
- Upon registration, the email domain will determine training groups, paths, and required course assignments
- Self-enrollment (for select courses) that does not require codes or other authorizations
- Ability to automatically re-assign courses for varying timeframes
- Notifications must be sent to external registration email addresses. These notifications include (but are not limited to):
 - Registration and assignment confirmations
 - Approaching deadlines (frequency set by administrator) for required courses
 - New posts to forums, feedback
- Provide a user and authorization structure that will allow for anticipated role responsibilities
 - AAMVA LMS Administrator
 - AAMVA program manager
 - AAMVA course instructor
 - LMS stakeholder
 - Pre-determined courseware creation, activation, management authorities
 - Pre-determined reporting access limits

DETAILED FEATURES

The basic functionalities listed above must exist in order to provide the more detailed features listed below.

Functionality/Features	Required	Optional	Not Required
General			
Software-as-a-Service (SaaS) model	X		
Web-based, popular browser compatibility	X		
HTML5 and Flash compatible	X		
SCORM 1.2, 2004, AICC compliant	X		
Customizable themes, colors, logos, welcomes, etc	X		
Comprehensive HELP resources	X		
Acceptable redundancy and backup practices	X		
Guaranteed uptime +99.9%	X		
Access			
Registration/enrollment restricted to pre-approved email domains	X		
Secure authentication process	X		
2-step registration requiring email confirmation	X		
Automated password retrieval using 2-step email confirmation	X		
Platform			
Support for LMS sub-instances at the "enterprise", business unit, student, course or other defined levels ("Enterprise" architecture)	X		
Allow/revoke authority for sub- instances to load courseware	X		
Easily distribute courseware and all attributes from host to all sub-instances (batch and individually)	X		
Sub-instances can activate/deactivate and assign users to enterprise-furnished courseware	X		
Level of netForum integration		X	
Demonstrated API capabilities	X		
Ability to import/export to other LMSs	X		
Intuitive administrator interface	X		
Intuitive student interface	X		
Integration with virtual meeting/classroom tools	X		
User Management			
Self-registration and self-enrollment capabilities (no codes req'd)	X		
Automated assignment of learning activities (single or bundle), training paths, user groups, available courses based on email domain (self-registration)	X		
Clear and robust ability to assign stakeholder authorities and reporting access across all levels of LMS structure	X		
Ability for administrator to toggle between role types	X		
Ability for administrator to reset completion statuses	X		
Create and manage user groups	X		
Ability to update/adjust/create learning paths	X		
Create, change and view users and their information/profiles	X		
Create custom fields in user profiles	X		
Advanced search and reporting using custom fields		X	

Ability to create and manage user groups	X		
Ability to create and manage training/career paths	X		
User can belong to multiple user groups/training paths	X		
Email domain can determine multiple groups/training paths	X		
Ability to create (or batch upload) new users	X		
Set/change user status (i.e. active/inactive/deleted)	X		
Define student to supervisor relationship	X		
Content Management			
Ability to enforce or waive a prerequisite	X		
Support for online training, instructor-led training, and informational learning objects	X		
Ability to integrate courses from any source given they follow AICC or SCORM standards	X		
Manage course properties (CEUs, duration, test required, etc.)	X		
Can disable a course without removing it from the LMS	X		
Ability to manage deadlines and expirations	X		
Manage completions manually	X		
Delayed assignment capabilities	X		
Access online resources	X		
Set auto-reminder emails for students / instructors / managers / administrators	X		
Require courses to be completed in a defined order	X		
Ability to manage certificate distributions including multi download	X		
Auto-reassignment capability	X		
Optional whiteboard		X	
Optional feedback - ability to make feedback required		X	
Optional forum		X	
Survey creation tool	X		
Native course content creator that can import content of popular formats including test, image, audio, video, slides	X		
Native quiz creator with pass/fail enforcement	X		
Ability to copy courses across LMS instances	X		
Ability to require passing scores to complete the course	X		
Student notes feature (per course)	X		
Downloadable resources	X		
Robust and agile course/training path cataloging	X		
Cataloging			
General business rules for how users will access the catalog and enroll in courses	X		
Course catalog content dependent upon email domain	X		
Multiple catalogs can be used or stored simultaneously	X		
Searchable course catalog	X		
Add external courses to the main catalog	X		
Allow hyperlinks in catalog course descriptions	X		
Reporting			
Real-time reporting and exporting (minimum .xls and .csv) of industry standard reports	X		
Limit sub-instance stakeholders to sub-instance reporting	X		
Robust report filtering capabilities	X		
Dashboard reporting, summaries, and analytics all stakeholders	X		

LMS administrator access to sub-instance reporting	X		
Review / print a transcript (student accessible)	X		
Communication			
Automated reminder and confirmation notices via email	X		
Automated email notification of whiteboard, feedback, forum activity with opt-in/out feature (if features implemented)	X		
Automated email to administrator of failed manual registration/assignment attempts	X		
Automated email notification of updated course material	X		
Ability to turn on or off notification events	X		
Ability to send emails to batch and/or selected users	X		
E-Commerce			
Integrated e-commerce capability	X		
Ability to bundle courses and offer as a single training package	X		
Discount features	X		
Promotional code features	X		

Proposals should also include any features above-and-beyond the baseline and detailed features listed above.

TECHNICAL & SECURITY

The pilot must support potentially 3000-5000 students, but the LMS SaaS must be scalable to support up to 50,000-60,000 students. The SaaS must:

- Utilize an industry-accepted LMS application
- Be hosted on secure web servers
- Utilize industry standards dictating
 - o Encrypted storage and processing
 - o Backup and redundancy
 - o Continuity requirements
- Employ user access controls and authentication as defined above
- Apply security architecture, controls and practices for the LMS application and data center(s)

SERVICE LEVEL AGREEMENTS (SLAS)

Service Level Agreement(s), or SaaS SLA(s), must be submitted with proposals. They must include, at a minimum:

- Availability for each/all components of services (i.e., LMS, email notifications, e-commerce, etc.)
- Definitions of downtime and performance degradation, and associated penalties for each
- Maintenance schedules

- Security breach reporting
- Incident response plans that include:
 - o Definitions of issue severity levels
 - o Mean time to repair
 - o Mean time to respond
 - o Escalation path

PRICING

Pricing should be separated into two (2) sections. Section one (1) will be for the 3 month pilot of the LMS application including scalability for large number of users. Section two (2) should be for a possible long term contract. Please include any and all tiered pricing including unlimited students and course content, volume discounts, yearly support cost.

COURSE CONVERSION NEEDS ASSESSMENT (optional)

In addition to the LMS SaaS, AAMVA seeks services to evaluate and analyze existing training courses in order to determine resources (man-hours, software, etc.) required to convert the legacy trainings to LMS-compatible eLearning courses. If a vendor is willing/able to bid on this section, we require a minimum of three references for similar work successfully completed, details regarding the approach and time-frames to complete, as well as pricing (separate from LMS SaaS).

4. EVALUATION AND CONTRACT AWARD

All Proposals will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions specified in this RFP. Only responsive proposals which meet the minimum requirements will be forwarded to the evaluation team for further review.

4.1. EVALUATION PROCEDURE

Responsive Proposal will be evaluated in accordance with the specifications stated in this solicitation and any addendum issued. AAMVA will make an award to the vendor that provides the best overall value.

Technical Proposal Evaluation			
Eval No.	Description	Possible Points	Score
1.1	Corporate qualifications and references	5	
1.2	Ability to meet baseline LMS requirements	15	
1.3	Ability to meet required feature LMS requirements	15	
1.4	Ability to meet optional feature LMS requirements	5	
1.5	Additional features listed	5	
1.6	Service Level Agreements	10	
	Total Possible Technical Points	55	
Cost Proposal Evaluation			
2.1	Overall Price	35	
2.2	Payment Terms (Net 30 or better)	5	
2.3	Favorable terms and conditions	5	
	Total Possible Price Points	45	
	Grand Total Possible Points	100	

5. RFP EXHIBITS

Exhibit A – Certifications and Assurances

Exhibit B – Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Exhibit C – AAMVA Information

Exhibit D- Terms & Conditions

EXHIBIT A - CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the proposal to which this Exhibit A is attached, understanding that the truthfulness of the facts affirmed herein and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract(s):

1. I/we declare that all answers and statements made in the proposal are true and correct.
2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
3. The attached proposal is a firm offer for a period of 90 days following the due date for receipt of proposals, and it may be accepted by AAMVA without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 60-day period.
4. In preparing this proposal, I/we have not been assisted by any current or former employee of AAMVA whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official capacity. Any exceptions to these assurances are described in full detail on a separate page and attached to this document.
5. I/we understand that AAMVA will not reimburse any costs incurred in the preparation of this proposal. All proposals become the property of AAMVA and I/we claim no proprietary right to the ideas, writings, items, or samples presented in the proposal, unless so stated in the proposal.
6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the consultant and will not knowingly be disclosed by him/her prior to opening, directly or indirectly, to any other consultant or to any competitor.
7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.
8. No attempt has been made or will be made by the consultant to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

Signature of Offeror

Printed Name, Title and Date

EXHIBIT B - CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS

The prospective vendor certifies to the best of its knowledge and belief that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any department or agency of the Commonwealth of Virginia or any of the jurisdictions comprising the membership of the American Association of Motor Vehicle Administrators (AAMVA);
3. Have not within a three year period preceding this date been convicted of or had a civil judgment rendered against them for commission of fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
4. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated above of this certification; and
5. Have not within a three-year period preceding this date had one or more public transactions (Federal, State or local) terminated for cause or default.

Vendor understands that a false statement on this certification may be grounds for rejection of any submitted proposal or quotation or termination of any award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both if federal funds are being used to support the procurement.

Printed Name of Vendor

Printed Name and Title of Authorized Representative

Signature of Authorized Representative

EXHIBIT C - AAMVA INFORMATION

The American Association of Motor Vehicle Administrators (AAMVA) is a tax-exempt, nonprofit organization developing model programs in motor vehicle administration, law enforcement and highway safety. The association also serves as an information clearinghouse in these areas, and acts as the international spokesman for these interests.

Founded in 1933, AAMVA represents the state and provincial and territorial officials in the United States and Canada who administer and enforce motor vehicle laws. AAMVA's programs encourage uniformity and reciprocity among the states and provinces. The association also serves as a liaison with other levels of government and the private sector. Its development and research activities provide guidelines for more effective public service. AAMVA's membership includes associations, organizations and businesses that share an interest in the association's goals.

EXHIBIT D – TERMS & CONDITIONS

- 1. Agreement.** This Purchase Order ("Order") is The AAMVA 's ("Buyer") offer to purchase from Seller the goods and/or services which are described on the face of this Order. By acknowledging receipt of this Order or by shipping the goods or by beginning to perform the services, Seller agrees to the terms and conditions of sale contained in this Order although Seller's agreement to such terms and conditions is not limited to the foregoing methods . Any terms proposed in Seller's acceptance of this Order which add to, vary from, or conflict with the terms in this Order, are hereby rejected. Any such proposed terms shall be void and the terms in this Order shall constitute the complete and exclusive statement of the terms and conditions of the contract between the Seller and Buyer. If this Order has been issued by Buyer in response to an offer to sell by Seller and if any of the terms herein are additional to or different from any terms of the Seller's offer, then the issuance of this Order by Buyer shall constitute a counteroffer to Seller's offer subject to Seller assenting to such additional and different terms and acknowledging that this Order constitutes the entire agreement between Seller and Buyer. Seller shall be deemed to have assented to these terms and conditions and acknowledged that this Order constitutes the entire agreement between Seller and Buyer by shipping the goods or beginning to perform the services or unless Seller notifies Buyer to the contrary in writing within five (5) days of receipt of this Order.
- 2. Prices and Travel.** This Order must not be filled at a price higher than shown on the face of this Order. Any change to the purchase price or any other term or condition of this Order must be authorized in writing by Buyer. All prices are FOB Buyer's designated delivery location and include all custom duties and sales, use, excise and property taxes and similar charges. All travel shall be in accordance with the GSA per diem rates and shall be invoiced at actual cost. AAMVA does not pay for first class travel and all travel receipts over \$25.00 must be provided.
- 3. Delivery.** Time is of the essence. If delivery of the goods is not made in the quantities and on the delivery date or dates specified or the rendering of the services is not completed by the date or dates specified, Buyer shall have the right, in addition to its other rights and remedies provided by law or in equity, to take either or both of the following actions: (i) direct expedited routings of the goods with the Seller paying the difference in cost between the expedited routing and the Order routing cost; (ii) cancel this Order by written notice effective when received by Seller as to goods not yet shipped or services not yet rendered and to purchase substitute goods or services elsewhere and charge Seller with any loss incurred.
- 4. Packaging.** All goods must be packaged in the manner as specified by Buyer and shipped in the manner and by the route and carrier designated by Buyer. If Buyer does not specify the manner in which the goods must be packaged, Seller shall package the goods so as to avoid any damage in transit. If Buyer does not specify the manner of shipment, route or carrier, Seller shall ship the goods at the lowest possible transportation rates, consistent with Seller's obligation to meet the delivery schedule set forth in this Order.
- 5. Risk of Loss.** Title and risk of loss in transit shall not pass to Buyer until delivery of the goods to the location designated on the face of this Order and acceptance by Buyer. If Buyer rightfully rejects the goods, receives a non-conforming tender, or revokes its acceptance, risk of loss and title shall be deemed to have remained with Seller.
- 6. Inspection.** Buyer's payment for the goods shall not constitute its acceptance of the goods. Buyer shall have the right, but not the obligation, to inspect the goods and to reject any of the goods which are in Buyer's judgment defective. Goods so rejected and goods supplied in excess of quantities ordered may be returned to

the Seller at its expense. Payment, if any, made for any good rejected hereunder shall be promptly refunded by Seller. The fact that Buyer fails to inspect or test any goods shall not affect any of the Buyer's rights.

7. **Invoices and Payment.** Invoices shall be rendered in duplicate and shall contain the **PURCHASE ORDER NUMBER**, item number, description of goods or services, quantities, unit prices, and total purchase price.
8. **Changes.** No modification of this Order shall be effective without Buyer's prior written consent. Buyer reserves the right to change (i) specifications and drawings where the goods are being specifically manufactured for Buyer, (ii) the place of delivery, (iii) the time of delivery, or (iv) the quantity purchased.
9. **Cancellation.** Buyer may cancel this Order or any part thereof if Seller breaches any provision of this Order. This Order will terminate automatically, without notice, if Seller becomes insolvent or the subject of any proceeding under the law relating to bankruptcy or the relief of debtors. Buyer may also terminate this Order or any part thereof for the sole convenience of Buyer.
10. **Warranty.** Seller warrants to Buyer that all goods covered by this Order shall conform to the specifications, drawings, samples or other descriptions specified by Buyer or if none are specified, to Seller's standard specifications for such goods. Seller also warrants to Buyer that all goods shall be fit and sufficient for the purpose intended, merchantable, of good material and workmanship and free from defect. Buyer's inspection, test, acceptance or use of the goods shall not affect Seller's obligations under these warranties. Seller shall replace or correct, at Buyer's option and at Seller's cost, defects of any goods not conforming to these warranties. If Seller fails to correct defects in or replace nonconforming goods within ten (10) days from the date the Buyer notifies Seller of the defect or defects, Buyer may, upon ten (10) days prior written notice to Seller, either (i) make such corrections or replace such goods and charge Seller for all costs incurred by Buyer, or (ii) revoke its acceptance of the goods in which event Seller shall be obligated to refund the purchase price and make all necessary arrangements, at Seller's costs, for the return of the goods to Seller. All warranties of Seller herein or which are implied by law shall survive any inspection, delivery, acceptance or payment by Buyer.
11. **Patent Indemnification.** Seller shall defend, at its own expense with counsel reasonably satisfactory to Buyer, any action against Buyer for any alleged infringement of patent, invention or copyright rights arising from the sales or use of the goods. Seller shall indemnify Buyer from any damages, liabilities, claims, losses and expenses (including attorneys' fees) paid or incurred by Buyer in connection with any such action. Buyer, at its expense, may participate in the defense of any such action, but shall not be obligated to so participate.
12. **Indemnification.** Seller shall indemnify and hold Buyer and its affiliates harmless and, upon request, shall defend each of them from and against any or all claims, demands, litigation or proceedings of whatever kind, whether based upon negligence, breach of express or implied warranty, strict liability or any other theory, and from and against all direct, indirect, special, exemplary, incidental or consequential damages of every kind whatsoever, arising out of, by reason of, or in any way connected with the goods and/or services, the design, manner of preparation, manufacture, construction, completion, or delivery or non-delivery of any goods and/or services by Seller, any breach by Seller of any of its obligations hereunder, or any other act, omission or negligence of Seller or any of Seller's employees, workers, servants, agents, subcontractors or suppliers. Seller shall, upon request, pay or reimburse Buyer or any other party entitled to indemnification hereunder for all costs and expenses, including attorneys' fees, as incurred by Buyer or such other party in connection with any

such claim, demand, litigation, proceeding, loss or damage. **BUYER'S AGGREGATE LIABILITY ARISING FROM OR RELATING TO THIS ORDER IS LIMITED TO THE AMOUNT PAID BY BUYER FOR THE GOODS AND/OR SERVICES. TO THE MAXIMUM EXTENT ALLOWABLE UNDER APPLICABLE LAW, BUYER SHALL NOT BE LIABLE UNDER THIS ORDER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, INDIRECT OR PUNITIVE DAMAGES INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR REVENUES EVEN IF BUYER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

13. **Confidentiality.** All specifications, documents, and prototype goods delivered by Buyer to Seller are the property of Buyer. They are delivered solely for the purpose of Seller's performance of this Order and on the express condition that the information contained therein shall not be disclosed to others nor used for any purpose other than in connection with this Order except with Buyer's prior written consent. If Buyer gives written consent, Seller will strictly comply with the terms and conditions of any consent and, even after such consent, will not use Buyer's name or any of its trademarks, service marks, trade names, or logos except with the express prior written consent of Buyer to the specific use. Seller shall promptly return to Buyer all such specifications, documents and prototype goods upon Buyer's written request. Seller's obligations under this Paragraph shall survive the cancellation, termination or completion of this Order.
14. **Force Majeure.** Buyer may delay delivery and/or acceptance occasioned by causes beyond its control.
15. **Remedies.** Each of the rights and remedies reserved to Buyer in this Order shall be cumulative and additional to any other remedies provided in law or equity. No delay or failure by Buyer in the exercise of any right or remedy shall affect any such right or remedy and no action taken or omitted by Buyer shall be deemed to be a waiver of any such right or remedy.
16. **Assignment.** This Order may not be assigned by Seller except with Buyer's prior written approval.
17. **Compliance with Laws.** Seller warrants to Buyer that all goods supplied hereunder will have been produced in compliance with all applicable foreign, federal, state and local laws, orders, rules and regulations. Seller shall furnish Buyer, no later than the date the goods are delivered, with a Material Safety Data Sheet for any goods which are covered by the Occupational Safety and Health Act Hazard Communications Standard as contained in 29 C.F.R. § 1910.1200. Seller also warrants to Buyer that Seller is an affirmative action/equal opportunity employer, and Seller hereby certifies that it is in compliance with all applicable foreign, federal, state and local employment laws, orders, rules and regulations. Further, the Seller agrees to comply, as appropriate, with the Small Business Act and the Small Business Regulatory Enforcement Fairness Act of 1996 and the regulations thereunder, as each may be amended and in effect. Seller shall indemnify Buyer from any damages, liabilities, claims, losses, penalties and expenses (including attorneys' fees) paid or incurred by Buyer as a result of any breach by Seller of these warranties. Seller shall be required to obtain and pay for any license, permit, inspection or listing by any public body or certification organization required in connection with the manufacture, performance, completion or delivery of any good and/or service.
18. **Government Contracts.** If this Order bears a government contract number on the face of this Order, Seller shall comply with all pertinent provisions of said government contract and pertinent executive orders and directives to the extent that they apply to the subject matter of this Order and all such pertinent contract provisions, orders and directives are hereby incorporated by reference into this Order.

19. **The Anti-Kickback Act of 1986** (41 U.S.C. 51-58) (the Act) prohibits any person from:
- a) Providing or attempting to provide or offering to provide any kickback;
 - b) Soliciting, accepting or attempting to accept any kickback; or
 - c) Including directly or indirectly, the amount of any kickback in the contract price.

The Anti-Kickback Act of 1986 as referenced in FAR 52.203-7 is hereby incorporated into this (insert purchase order/subcontract/RFP) as a condition of acceptance. If you have reasonable grounds to believe that a violation, as described in paragraph (b) of FAR 52.203-7, may have occurred, you should report this suspected violation to the AAMVA ethics officer (855) 231-7509. You may report a suspected violation anonymously.

20. **Notices.** All notices, consents, waivers and other communications required or permitted to be given pursuant to this Order, shall be in writing and shall be deemed to have been delivered either (i) on the delivery date, if personally delivered, or if delivered by confirmed facsimile or e-mail, (ii) one (1) business day after delivery to any national overnight courier directing delivery on the next business day, receipt requested, or (iii) three (3) business days after deposit in the United States mail, registered or certified mail, return receipt requested, with adequate postage affixed thereto. All notices to Buyer shall be sent to AAMVA at 4301 Wilson Blvd. Suite 400, Arlington, VA 22203, to the attention of Procurement Office, and to Seller at its address as set forth in this Order, or at such other address as either party may designate in writing to the other party.
21. **Severability.** If any provision of this Order shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, this provision shall not affect any other provision or provisions contained in this Order.
22. **Paragraph Titles.** The paragraph titles are solely for convenience of reference and shall not affect the meaning or construction of any provision of this Order.
23. **Jury Trial Waiver.** The Seller and Buyer hereby waive trial by jury in any action, proceeding, claim or counterclaim, whether in contract or tort, at law or in equity, arising out of or in any way related to this Order.
24. **Applicable Law.** This Order shall be governed and construed in accordance with the laws of the Commonwealth of Virginia without regard to its conflict of law principles.
25. **Dispute Resolution.** All causes of action arising hereunder or related in any way hereto shall be brought only in the federal and state courts in the Commonwealth of Virginia and Seller hereby submits to the jurisdiction of such courts and waives any claim that such courts are an inconvenient forum. An action by Seller arising out of or related to this Order shall be commenced within one (1) year from the date the right, claim, demand or cause of action shall first occur or be barred forever.
26. **Survival.** In addition to those terms that survive the expiration or termination of this Order by their express terms, the provisions of Sections 11, 12, 13, 14, 18, 23 and 25 shall survive the expiration or termination of this Order for any reason. Seller acknowledges that any breach of the terms, conditions, or covenants set forth in Sections 14 or 18 may cause irreparable damage to Buyer and that a recovery of damages at law would not be an adequate remedy. Accordingly, in the event that Seller breaches the terms, covenants or conditions of Sections 14 or 18, Seller hereby consents to a restraining order and/or injunctive relief against Seller, without the posting of bond, in addition to any other legal or equitable rights or remedies Buyer may have.