

CITY OF CHICAGO
DEPARTMENT OF PROCUREMENT SERVICES
ROOM 403, CITY HALL, 121 N. LA SALLE ST.

S. S. R. B.

JNCP Form Rev _____

DATE 9/2/08

APPROVED... 4-0

JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT

~~CONDITIONALLY APPROVED...~~

~~RETURN TO DEPT.~~

~~DISAPPROVED~~

COMPLETE THIS SECTION IF NEW CONTRACT

For contract(s) in this request, answer applicable questions in each of the 4 major subject areas below in accordance with the instructions for Preparation of Non-Competitive Procurement Form on the reverse side.

Request that negotiations be conducted only with Q-Matic Corp. for the product and/or services described herein.
(Name of Person or Firm)

This is a request for _____ (One-Time Contractor Requisition # 39597, copy attached) or 60 months Term Agreement or _____ Delegate Agency (Check one). If Delegate Agency, this request is for "blanket approval" of all contracts within the _____ (Attach List) Pre-Assigned Specification No. _____
(Program Name) Pre-Assigned Contract No. _____

COMPLETE THIS SECTION IF AMENDMENT OR MODIFICATION TO CONTRACT

Describe in detail the change in terms of dollars, time period, scope of services, etc., its relationship to the original contract and the specific reasons for the change. Indicate both the original and the adjusted contract amount and/or expiration date with this change, as applicable. Attach copy of all supporting documents. Request approval for a contract amendment or modification to the following:

Contract #: _____ Company or Agency Name: _____
Specification #: _____ Contract or Program Description: _____
Mod. #: _____ (Attach List, if multiple)

Kenneth Jones 744-5467 Kenneth Jones Business Affairs 08/08/08
Originator Name Telephone Signature Department Date

Indicate SEE ATTACHED in each box below if additional space needed:

<p><input checked="" type="checkbox"/> PROCUREMENT HISTORY</p> <p>Q-Matic Corporation has been awarded PO#11804 for a customer flow management system that was installed in the Department of Business Affairs and Licensing in 2006.</p>
<p><input checked="" type="checkbox"/> ESTIMATED COST</p> <p>\$58,469.49</p>
<p><input checked="" type="checkbox"/> SCHEDULE REQUIREMENTS</p> <p>The Department of Business Affairs and Licensing is requesting that the kiosks and maintenance agreement be installed by October 1, 2008.</p>
<p><input checked="" type="checkbox"/> EXCLUSIVE OR UNIQUE CAPABILITY</p> <p>See Attached.</p>
<p><input type="checkbox"/> OTHER</p>

APPROVED BY: Mary Sue Eisenbeuer 8/22/08 Benjamin H 9/2/08
DEPARTMENT HEAD OR DESIGNEE DATE BOARD CHAIRPERSON DATE

Monica M. Doyle 9/27/08
CFO

A. Procurement History

Q-MATIC Corporation was awarded a blanket purchase order of \$76,444.20 on March 23, 2006 through the approval of the Sole Source Committee to procure a customer flow management system for the Department of Business Affairs and Licensing (DBA).

Q-MATIC's patented Queuing Management and Customer Flow Solution tools have been in use at DBA since 2006, and to have helped DBA manage over 40,000 customers annually. As part of our ongoing effort to improve efficiency, we are requesting sole source approval to purchase Q-MATIC's self-service touch screen kiosks (Q-MATIC Vision™) and the Extended Limited Warranty for the Q-MATIC software and hardware.

Q-MATIC Vision™ will provide additional convenience for our customers by allowing them to check-in via the touch screen or the barcode scanner, receive a service ticket and even use the card reader to be automatically identified without the aid of a DBA staff person. Q-MATIC Vision™ is a comprehensive self-service ticketing system solution.

B. Estimated Cost

Summary of Costs:

- Hardware Total = \$14,993.49 (3 kiosks w/ card readers, floor pedestals and signboards)
- Warranty Total = \$43,476 (5 years; covers Q-MATIC software and hardware)
- **Total Overall Cost = \$58,469.49**

Please see *Exhibit A: Q-MATIC Corporation Quote* for detailed pricing.

C. Schedule Requirements

The Department of Business Affairs and Licensing is requesting that the three (3) Q-MATIC Vision™ kiosks be procured by October 1, 2008.

D. Exclusive Capability

Q-MATIC Vision™ is a ticketing system compatible with our Q-MATIC Queuing Management and Customer Flow Solution. The touch-screen free-standing kiosk will be used to facilitate a self-service check-in process without the assistance from a Business Consultant. The included ticket printer is a network printer that can even print tickets in multiple languages. Q-MATIC Vision™ kiosks are an innovative solution to compliment our significant initial investment of Q-MATIC software.

The Q-MATIC Corporation Extended Limited Warranty covers service visits as necessary to maintain proper system functionality, replacement of faulty system parts/components, technical support, the labor and material necessary to repair or replace system parts as necessitated by normal usage, and for repairing existing system software should any bugs and/or glitches occur in the software.

The Q-MATIC Customer Flow Management Solution Vision Kiosk is a proprietary hardware manufactured by Q-MATIC Corporation to compliment the Q-MATIC Customer Flow Management software.

The Q-MATIC Vision Kiosk integrates seamlessly with the Q-MATIC Customer Flow Management software suite of software products including the Q-MATIC Public Appointment Scheduling Solution. Kiosks **not manufactured** by Q-MATIC **will not integrate into** the Q-MATIC Customer Flow Management suite of software products.

The Q-MATIC Corporation does not allow third parties to maintain the Q-MATIC hardware or software solutions.

The Q-MATIC Corporation Service is unique because of the following features:

Exhibit A. Q-MATIC Corporation Quote

Exhibit B. Q-MATIC Corporation Sole Source

Please see attached.



July 28, 2008

Joy Adelizzi
Deputy Director
City of Chicago Dept of Bus Affairs & Licensing
121 North LaSalle Street
Chicago, IL 60602

Dear Ms. Adelizzi:

Pursuant to FAR Clause 6.303-2, the following information is provided as justification for a sole source contract with Q-MATIC Corporation for the Q-MATIC Customer Flow Management Solution Vision Kiosk and Maintenance Agreement.

The Q-MATIC Vision Self Service Kiosk offers the following benefits:

- The Q-MATIC Vision Kiosk is a proprietary hardware manufactured by Q-MATIC to compliment the Q-MATIC Customer Flow Management™ software.
- The Q-MATIC Vision Kiosk integrates seamlessly with the Q-MATIC Customer Flow Management™ software suite of software products including the Q-MATIC Public Appointment Scheduling Solution. Kiosks not manufactured by Q-MATIC will not integrate into the Q-MATIC Customer Flow Management™ suite of software products.
- The Q-MATIC Vision Kiosk is the only kiosk that Q-MATIC supports with a manufacturers warranty.

Q-MATIC Corporation service benefits:

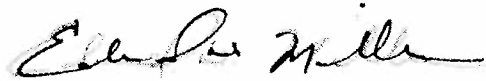
- Q-MATIC Corporation is the only Customer Flow Management™ Solution provider with a field presence within 300 miles of the top 25 metropolitan areas (by population).
- Q-MATIC Corporation has a large U.S. Support Organization that provides 24-hour Helpdesk support 7 days a week.
- Q-MATIC Corporation has highly trained Technicians located throughout the country to provide timely onsite support.
- Q-MATIC Corporation has a Support Team that supports a customer base of 3,700 located throughout the United States and Canada, and a Support team that supports 35,000 installations world wide. Q-MATIC Corporation does not allow third parties to maintain the Q-MATIC hardware or software solutions.
- Q-MATIC Corporation has a skilled Project Management Team to coordinate all installation activity.
- Q-MATIC Corporation offers a number of training alternatives including onsite visits, webinars, and videos.

Q-MATIC

The Q-MATIC Customer Flow Management™ Solution is the only product on the market that delivers these capabilities.

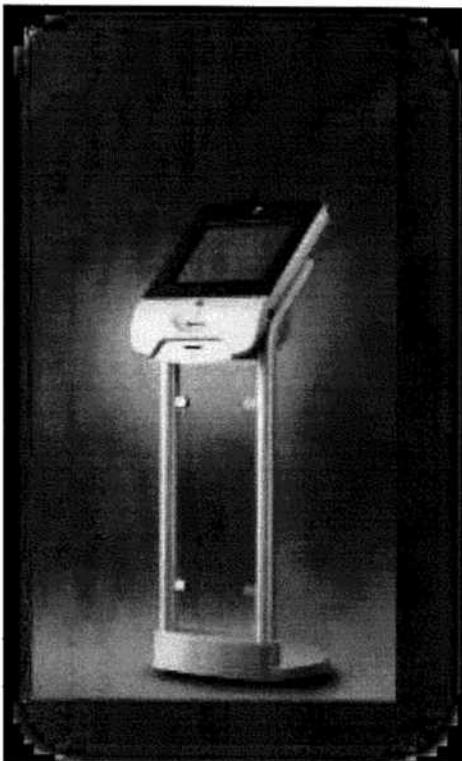
If I can be of further assistance, please call me direct at 828-209-1000.

Sincerely,



Edward W. Miller
Executive Vice President
Q-MATIC Corporation


Vision Kiosk/Ticketing solution





DEPARTMENT OF BUSINESS AFFAIRS & LICENSING
MEMORANDUM

To: Montel M. Gayles
Chief Procurement Officer

From: 
Mary Lou Eisenhauer
Acting Director of the Department of Business Affairs & Licensing

Date: August 22, 2008

Subject: Request for New Contract for Q-MATIC Corporation
Requisition #39597
Specification #68044

The Department of Business Affairs and Licensing is requesting a new contract for Q-MATIC Corporation for the customer flow management kiosk hardware and a 60 months system support and maintenance service.

I have attached all of the following:

- 1) DPS Project Checklist
- 2) FMPS Requisition
- 3) Detailed Scope of Services
- 4) Justification for Non-Competitive Procurement
- 5) Q-MATIC Sole Source
- 6) Q-MATIC Kiosk Hardware Quote
- 7) Q-MATIC Extended Limited Warranty Quote
- 8) Economic Disclosure Statement
- 9) Q-MATIC Waiver Request
- 10) Schedule C-1
- 11) Schedule D-1

If you have any questions or require any additional information, please contact Mr. Kenneth Jones at 744-5467. Your assistance in this matter is greatly appreciated.

Cc: James Bracewell (DPS)
Nathan Norasith (DBA)
Kenneth Jones (DBA)



DPS PROJECT CHECKLIST

For DPS Use Only	
Date Received	_____
Date Returned	_____
Date Accepted	_____
CA/CN's Name	_____

IMPORTANT: PLEASE READ AND FOLLOW THE INSTRUCTIONS FOR COMPLETING THE PROJECT CHECKLIST AND CONTACT THE APPROPRIATE UNIT MANAGER IF YOU HAVE ANY FURTHER QUESTIONS. ALL INFORMATION SHOULD BE COMPLETED, ATTACH ALL REQUIRED MATERIALS AND SUBMIT FOR HANDLING TO THE DEPARTMENT OF PROCUREMENT SERVICES, ROOM 403, CITY HALL, 121 N. LASALLE STREET, CHICAGO, ILLINOIS 60602.

GENERAL INFORMATION:

Date: 8/8/08
REQ No.: 39597

Contact Person: KENNETH JONES
Tel: 744-5467 Fax: 744-0254 E-mail:kenneth.jones@cityofchicago.org

Specification No.: (if known): 68044
PO No.: (if known):

Project Manager:KENNETH JONES
Tel: 744-5467 Fax: 744-0254 E-mail:kenneth.jones@cityofchicago.org

Modification No.: (if known):

Previous PO No.: (if known):

Project Description: Q-Matic Corporation: New Requirement to purchase 3 kiosks & 5 years system maintenance service.

FUNDING:

City: Corporate Bond Enterprise Grant* Other
 State: IDOT/Transit IDOT/Highway Grant* Other
 Federal: FHWA FTA FAA Grant* Other

LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	OBJT	PROJECT	RPTG	\$ DOLLAR AMOUNT
001	008	0100	076	2005	0140		220140			58469

Estimated Value \$58,469.49

*IF GRANT FUNDED, A COPY OF THE APPROVED GRANT AND APPLICATION ARE REQUIRED and any other Terms and Conditions that may apply.

SCOPE STATEMENT:

Attached is a Detailed Scope of Services and/or Specification

IMPORTANT: THIS IS A CRITICAL PORTION OF YOUR SUBMITTAL. IN ORDER FOR DPS TO ACCEPT YOUR SUBMITTAL YOU MUST COMPLETE THE SPECIFIC SCOPE REQUIREMENTS AS SET FORTH IN THE SUPPLEMENTAL CHECKLIST FOR THAT UNIT.

The following is a general description of what should be included in a Scope of Services or Specification:

A clear description of all anticipated services and products, including: time frame for completion, special qualifications of prospective vendors, special requirements or needs of the project, locations, anticipated participating user departments, citation of any applicable City ordinance or state/federal regulation or statute.

TYPE OF PROCUREMENT REQUESTED (check all that apply):

NEW REQUEST

Blanket Agreement
 Standard Agreement
 Small Orders

MOD/AMENDMENT

Time Extension
 Vendor Limit Increase
 Scope Change/Price Increase/Additional Line Item(s)
 Other (specify):

FORMS: Requisition Special Approvals Non-Competitive Review Board (NCRB)

CONTRACT TERM: 5yr Requested Term (number of months): 60 months

DPS PROJECT CHECKLIST

PRE BID/SUBMITTAL REQUIREMENTS:

Requesting Pre Bid/Submittal Conference? Yes No Requesting Site Visit? Yes No

ARCHITECTURAL/ENGINEERING SUPPLEMENTAL CHECKLIST

Required Attachments: Scope of Services, including location, description of project, services required, deliverables, and other information as required

Risk Management

Will services be performed within 50 feet of CTA train or other railroad property? Yes No

Will services be performed on or near a waterway? Yes No

If applicable, Pre-Qualification Category No. Category Description:

For Pre-Qualification Program, attach list of suggested firms to be solicited

Other Agency Concurrence Required: None State Federal Other (fill in)

AVIATION CONSTRUCTION SUPPLEMENTAL CHECKLIST

DOA sign-off for final design documents: Yes No

Required Attachments:

Copy of Draft Contract Documents and Detailed Specifications.

Risk Management:

Current Insurance Requirements prepared/approved by Risk Management: Yes No

Will work be performed within 50 feet of CTA or ATS structure or property? Yes No

Will work be performed airside? Yes No

***NOTE:** Any non-construction Aviation request, complete the applicable section.

COMMODITIES SUPPLEMENTAL CHECKLIST

Required Attachments: Detailed Specifications (Scope of Services) including detailed description of the product, delivery location, user department contact, price escalation considerations, Bidder's qualification, contract term and extension options, Contractor's qualifications, citation of any applicable City/State/Federal statutes or regulations, citation of any applicable technical standards and Price Lists/Catalogs, technical drawings and other exhibits and attachments as appropriate.

If Modification request, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

CONSTRUCTION SUPPLEMENTAL CHECKLIST

Required attachments:

Copy of Draft (80% Completion), Contract Documents and Detailed Specifications

Risk Management

Will services be performed within 50 feet of CTA train or other railroad property? Yes No

Will services be performed on or near a waterway? Yes No

DPS PROJECT CHECKLIST

VEHICLES/HEAVY EQUIPMENT SUPPLEMENTAL CHECKLIST

Required Attachments:

- Detailed Specifications including detailed description of the vehicle(s) or equipment, mounted equipment, if any, and options/accessories.
- Special Provisions (Delivery, Warranty, Manuals, Training, Additional Unit Purchase Options, Bid Submittal Information, etc.)
- Delivery Location(s)
- Technical Literature
- Drawings, if any
- Part Number List (Manufacturer; or Dealer; or Other Source:)
- Current Price List(s)/Catalog(s)
- Special Approval Form
- Exhibits and Attachments

If Modification request, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

PROFESSIONAL SERVICES SUPPLEMENTAL CHECKLIST

- Detailed description of project listing obligations of each party.
- The Schedule of Compensation
- Deliverables
- Request for individual contract services (if applicable)
- The appropriate EPS form
- ITSC (approved by BIS)
- OBM (approved by Budget form/memo)
- Grant document attached

Attach any documentation indicating any previous purchase activity to assist in the procurement process

TELECOMMUNICATIONS AND UTILITIES SUPPLEMENTAL CHECKLIST

Required Attachments: Detailed Scope of Services/Specification which sets forth all of the anticipated services and products the user department wants provided, including time frame for completion, special qualifications of prospective vendors, special requirements or needs of the project, locations, anticipated participating user departments, citation of any applicable City ordinance or state/federal regulation or statute.

Has the project been reviewed by BIS? Yes No

Attach copy of BIS Recommendation; Reservation(s); or participate under current contract.

Does the project include software? Yes No

If yes, is signed ITSC form attached? Yes No

Does the location involve:

A public way? Yes No

Any concession in the City's facilities? Yes No

Is it anticipated City Council approval of the project or contract will be required? Yes No

DPS PROJECT CHECKLIST

WORK SERVICES/FACILITY MAINTENANCE SUPPLEMENTAL CHECKLIST

Required Attachments: Detailed Specifications (Scope of Services) including detailed description of the work, locations (with supporting detail), user department contacts, work hours/days, laborer/supervisor mix, compensation and price escalation considerations, Bidder's qualification, contract term and extension options, Contractor's qualifications, citation of any applicable City/State/Federal statutes or regulations, citation of any applicable technical standards and Price Lists/Catalogs, technical drawings and other exhibits and attachments as appropriate.

Risk Management:

Will services be performed within 50 feet (50') of CTA train or other railroad property? Yes No

Will services be performed on or near a waterway? Yes No

Will services require the handling of hazardous/bio-waste material? Yes No

Will services require the blocking of streets or sidewalks which may affect public safety? Yes No

If Modification or Amendment request, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

SCOPE: Q-MATIC Corporation

Q-MATIC Corporation's proposals include the customer flow management kiosk hardware and a 60 months system support and maintenance service agreement.

The Q-MATIC Corporation will include but is not limited to installing or providing all of the following.

Hardware

The Q-MATIC Corporation will install (3) Q-MATIC VISION KIOSK, (3) CARD READER KIT VISION, (3) FLOOR PEDESTAL VISION AND (3) VISION SIGNBOARD GLASS.

Maintenance

Q-MATIC Corporation will provide service visits as necessary to maintain proper system functionality.

Q-MATIC Corporation will be responsible for the replacement of faulty system parts/components via overnight delivery within the continental United States. Due to special handling requirements, shipment of kiosks may take up to four (4) days. The City must return faulty units to Q-MATIC Corporation within thirty (30) days.

Q-MATIC Corporation's technical support personnel are available to the City via phone, fax and e-mail, Monday through Friday, 8:30 a.m. to 8:00 p.m. Eastern Time. Q-MATIC Corporation will offer unlimited telephone consultation and trouble shooting during these hours plus pager service for emergencies outside the specified time.

Q-MATIC Corporation agrees to provide both the labor and the material necessary to repair or replace system parts as necessitated by normal usage.

Q-MATIC Corporation's liability under this agreement is limited to the repair or replacement of the Q-MATIC product, whichever is appropriate.

Q-MATIC Corporation

95 Underwood Road
Fletcher, NC 28732

Q-MATIC

QUOTE

Organization: City of Chicago Department of Business Affairs and Licensing
Customer Name: Joy Adelizzi
Address: 121 North LaSalle Street

City/State/Zip: Chicago, IL
Phone: 312-744-5471
Fax:
Email: joy.adelizzi@city.of.chicago.org

Date: August 21, 2008
Rep: Ed Miller
Phone: 828-209-1000
Fax: 828-209-1100
Email: ed.miller@q-matic.com

Quote #: EWMGP-001-071608-V3

RE: Q-MATIC Customer Flow Management System Upgrade to Q-MATIC Suite and Internet Appointment Scheduling Solution

QTY	PART #	DESCRIPTION	LIST	PER UNIT	PRICE
KIOSKS					
3	VISION	Q-MATIC VISION KIOSK	\$9,144	\$4,572.00	\$13,716.00
3	CARD	CARD READER KIT VISION	\$1,092	\$387.73	\$1,163.19
3	PED	FLOOR PEDESTAL VISION	\$914	\$0.00	\$0.00
3	SIGN	VISION SIGNBOARD GLASS	\$76	\$38.10	\$114.30
SOFTWARE SUBTOTAL					\$0.00
HARDWARE SUBTOTAL					\$14,993.49
SERVICES SUBTOTAL					\$0.00
GRAND TOTAL					\$14,993.49

Items for credit must be returned within 30 days of receipt and are subject to prior approval and a 25% restocking fee.
All purchase orders should be faxed to 828-209-1100

Terms: Net thirty (30) days, 1% Discount 20 days
Quote valid for sixty (60) days
Quote Number: EWMGP-001-071608-V3
Warranty Period: 6 Months



F.O.B. Origin - Place of Origin Fletcher, NC
Tax ID: 36-3545811
CAGE Code: 03PV1
DUNS: 18-915-8629

Any applicable sales or use tax will be added to the invoice. If you are exempt, please mail exemption certificate with your purchase order.
Quote Form: 24.4



**Q-MATIC CORPORATION
EXTENDED LIMITED WARRANTY**

Ms. Joy Adelizzi
City of Chicago - Department of Business Affairs
121 North LaSalle Street
Room 805
Chicago, IL 60602

For the period indicated, Q-MATIC Corporation will provide the following:

Service visits as necessary to maintain proper system functionality. This assumes that Customer personnel, prior to requesting a service call, have checked all power plugs and system connections and attempted repair with guidance from phone support.

Q-MATIC will be responsible for the replacement of faulty system parts/components via overnight delivery within the continental United States. Due to special handling requirement, shipment of kiosks may take up to four (4) days. All shipments to Alaska and Hawaii may require extra time. Customer must return faulty units to Q-MATIC Corporation within thirty (30) days. Q-MATIC Corporation will pay for the return shipping cost of the faulty parts/components returned within thirty (30) days, by providing an authorized return label. The Customer is to attach the label to the equipment being returned. Outside of the thirty (30) day return period, the Customer will be billed for the return of said faulty parts/components. Q-MATIC Corporation does not provide any additional warranties, other than the original manufacturers warranty, for televisions and/or plasma displays. Q-MATIC reserves the right to change the list of third party equipment eligible for coverage at any time.

Q-MATIC Corporation's technical support personnel are available to the Customer via phone, fax, and e-mail, Monday through Friday 8:30 a.m. to 8:00 p.m. Eastern time. We offer unlimited telephone consultation and trouble-shooting during these hours plus pager service for emergencies outside the specified time. When submitting problems or questions to Q-MATIC's technical support team, we ask that the Customer provides company name, site number, contact name, telephone number and e-mail address. This information assists the Q-MATIC technician in providing the high-quality technical support to which our customers are accustomed.

During the term of this Extended Warranty, Q-MATIC Corporation agrees to provide both the labor and the material necessary to repair or replace system parts as necessitated by normal usage. Incidents of damage or loss resulting from misuse or perils such as fire, theft, water damage, lightning acts, earthquakes, damage resulting from improper use, or other events outside the control of Q-MATIC Corporation are not covered. Any damage or malfunction caused by the use of non-Q-MATIC supplies, unauthorized or incompatible parts, components, or modifications to the system will cause this Extended Warranty to be null and void.

Q-MATIC Corporation will be responsible for repairing existing system software should any bugs and/or glitches occur in the software. Operating system upgrades, software upgrades or modifications (see Appendix A) are not included in the Extended Warranty but may be purchased for an additional charge. Q-MATIC must be notified before any changes/upgrades are made to the operating system. Upgrades are: a change of software version, adding additional users and/or adding additional features.

Q-MATIC's liability under this agreement is limited to the repair or replacement of the Q-MATIC product, whichever is appropriate. Q-MATIC is not responsible for any loss of profits, loss of use, interruption of business, nor for indirect, special, incidental or consequential damages of any kind whether under this agreement or otherwise.

Service calls under this Extended Warranty will be made during normal business hours. A verbal purchase order number must be provided by the Customer prior to dispatching service for the above-stated incidents not covered by the Extended Warranty. Service provided for incidents not covered by this Extended Warranty will be billed at the rate of \$100 per hour (hours billed = hours spent on site plus travel time) and any additional expenses incurred. Service provided for incidents not covered by this Extended Warranty and outside normal business hours will be billed at the rate of \$150 per hour, plus any additional expenses incurred. All service repairs performed under this Extended Warranty will be guaranteed for a period of thirty (30) days.



**Q-MATIC CORPORATION
EXTENDED LIMITED WARRANTY**

This Extended Warranty shall be offered prior to the expiration date and effective for one (1) year (365 consecutive days). However, either party may terminate this agreement, effective upon the delivery of written notice of such termination to the other party. If the other party becomes insolvent or is generally not paying its debts as such debts come due, then Q-MATIC reserves the right to terminate the agreement. Termination of the agreement must be delivered to the other party no less than sixty (60) days prior to the effective date of such termination. In the event of termination of this agreement, Q-MATIC will continue to make available to the Customer, at the going price rate, parts/components, supplies and other materials to keep the Q-MATIC queuing system operational and functioning.

The price in effect for renewals of your Extended Warranty may not be equal to the preceding year's warranty and may be adjusted to reflect current labor and material costs. By authorizing the purchase of a maintenance agreement, either through a purchase order or a credit card payment, you acknowledge that you have read and agree to be bound by its terms and conditions. You also confirm that the equipment covered by the warranty is presently in use, or could be in use, and is in good working order.


Please note that where your previous period of Warranty or Extended Warranty coverage has been allowed to lapse you will be required to pay an additional 15% discontinuity fee or you may choose to have your new agreement backdated to the expiration date of your previous coverage.

**APPENDIX A
MODIFICATIONS**

- * Category and button name changes
- * Priority changes
- * Management screen changes
- * Report design changes
- * Work station script changes
- * Script changes to include:

Ticket Text	Calendar Text	Q-NET Script
Display Text	Web Text	Card Reader Script
E-Mail Text	Staff Text	System Database Script
Pager Text	Alarm Text	Category Script
Video Text	Voice Text	Multi-Interface Script
Information Display Text	Button Script	

City of Chicago
 By: _____
 Title: _____

Q-MATIC Corporation
 By: 
 Title: Executive Vice President, Sales

Site # : **52695**
 COSTS: Five Years \$ 43,476

Warranty Period: 9/1/2008 - 8/31/2013
 * This Extended Limited Warranty is subject to change without notice.
 Q-MATIC is a registered trademark of Q-MATIC Corporation.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT**

SECTION I -- GENERAL INFORMATION

A. Legal name of Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Q-MATIC Corporation

Check ONE of the following three boxes:

Indicate whether Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which Disclosing Party holds an interest: _____

OR

3. a specified legal entity with a right of control (see Section II.B.1.b.) State the legal name of the entity in which Disclosing Party holds a right of control: _____

B. Business address of Disclosing Party:

95 Underwood Road
Fletcher, NC 28732

C. Telephone: 828-209-1000 Fax: 828-209-1100 Email: Sales@q-matic.com

D. Name of contact person: Edward Miller

E. Federal Employer Identification No. (if you have one): 36-3545811

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Addition of self service kiosk to Q-MATIC customer flow solution

G. Which City agency or department is requesting this EDS? City of Chicago Dept

of Business Affairs & Licensing

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- | | |
|--|--|
| <input type="checkbox"/> Person | <input type="checkbox"/> Limited liability company* |
| <input checked="" type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership* |
| <input type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture* |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership* | (Is the not-for-profit corporation also a 501(c)(3))? |
| <input type="checkbox"/> Limited partnership* | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | <input type="checkbox"/> Other (please specify) |

* Note B.1.b below.

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1.a. List below the full names and titles of all executive officers and all directors of the entity. For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

Name	Title
<u>Michael Klincke</u>	<u>CEO</u>
<u>Edward Miller</u>	<u>Exe. VP</u>
<u>Matthew DeBacker</u>	<u>CFO</u>
<u>Ake Straberg</u>	<u>Director</u>

1.b. If you checked "General partnership," "Limited partnership," "Limited liability company," "Limited liability partnership" or "Joint venture" in response to Item A.1. above (Nature of Disclosing Party), list below the name and title of each general partner, managing member, manager or

any other person or entity that controls the day-to-day management of the Disclosing Party. **NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) in excess of 7.5% of the Disclosing Party. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." **NOTE:** Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
3i	16 Palace St, London SW1E 5JD, UK	34%
Litorina Kapital AB	Bieger Jarlsq 26, SE-114 34 Stockholm	34%
Prozincia AB	Stavhoppareg, 5B - SE 41659 Lökberg	15%
Salina Invest	Gottskäs AB, N. Gasekilsvä 1, SE 43993 Onsala	15%

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

Yes

No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total

amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

“Lobbyist” means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. “Lobbyist” also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated)
---	---------------------	---	--

(Add sheets if necessary)

Check here if the Disclosing party has not retained, nor expects to retain, any such persons or entities.

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the term of the contract.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person owns 10% or more of the Disclosing Party.

If “Yes,” has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

1. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in clause B.1.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

2. The certifications in subparts 2, 3 and 4 concern:

- the Disclosing Party;
- any "Applicable Party" (meaning any party participating in the performance of the Matter, including but not limited to any persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Applicable Parties, the term Affiliated Entity means a person or entity that directly or indirectly controls the Applicable Party, is controlled by it, or, with the Applicable Party, is under common control of another person or entity;

- any responsible official of the Disclosing Party, any Applicable Party or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Applicable Party or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Applicable Party or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Applicable Party, nor any Affiliated Entity of either the Disclosing Party or any Applicable Party nor any Agents have, during the five years before the date this EDS is signed, or, with respect to an Applicable Party, an Affiliated Entity, or an Affiliated Entity of an Applicable Party during the five years before the date of such Applicable Party's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

3. Neither the Disclosing Party, Affiliated Entity or Applicable Party, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

4. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

5. The Disclosing Party understands and shall comply with (1) the applicable requirements of the Governmental Ethics Ordinance of the City, Title 2, Chapter 2-156 of the Municipal Code; and (2) all the applicable provisions of Chapter 2-56 of the Municipal Code (Office of the Inspector General).

6. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

NONE

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

For purposes of this Part C, under Municipal Code Section 2-32-455(b), the term "financial institution" means a bank, savings and loan association, thrift, credit union, mortgage banker, mortgage broker, trust company, savings bank, investment bank, securities broker, municipal securities broker, securities dealer, municipal securities dealer, securities underwriter, municipal securities underwriter, investment trust, venture capital company, bank holding company, financial services holding company, or any licensee under the Consumer Installment Loan Act, the Sales Finance Agency Act, or the Residential Mortgage Licensing Act. However, "financial institution" specifically shall not include any entity whose predominant business is the providing of tax deferred, defined contribution, pension plans to public employees in accordance with Sections 403(b) and 457 of the Internal Revenue Code. (Additional definitions may be found in Municipal Code Section 2-32-455(b).)

1. CERTIFICATION

The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter

2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
<hr/>		
<hr/>		
<hr/>		

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

The Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies from the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves) and has disclosed in this EDS any and all such records to the City. In addition, the Disclosing Party must disclose the names of any and all slaves or slaveholders described in those records. Failure to comply with these disclosure requirements may make the Matter to which this EDS pertains voidable by the City.

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all requisite information as set forth in that paragraph 2.

1. The Disclosing Party verifies that (a) the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities for records of investments or profits from slavery, the slave industry, or slaveholder insurance policies, and (b) the Disclosing Party has found no records of investments or profits from slavery, the slave industry, or slaveholder insurance policies and no records of names of any slaves or slaveholders.

2. The Disclosing Party verifies that, as a result of conducting the search in step 1(a) above, the Disclosing Party has found records relating to investments or profits from slavery, the slave industry, or slaveholder insurance policies and/or the names of any slaves or slaveholders. The Disclosing Party verifies that the following constitutes full disclosure of all such records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Begin list here, add sheets as necessary):

NONE

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

If the Matter is federally funded and any funds other than federally appropriated funds have been or will be paid to any person or entity for influencing or attempting to influence an officer or employee of any agency (as defined by applicable federal law), a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the Matter, the Disclosing Party must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. The form may be obtained online from the federal Office of Management and Budget (OMB) web site at <http://www.whitehouse.gov/omb/grants/sfillin.pdf>, linked on the page http://www.whitehouse.gov/omb/grants/grants_forms.html.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question 1. or 2. above, please provide an explanation:

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

A. By completing and filing this EDS, the Disclosing Party acknowledges and agrees, on behalf of itself and the persons or entities named in this EDS, that the City may investigate the creditworthiness of some or all of the persons or entities named in this EDS.

B. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

C. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

D. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded, void or voidable), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

E. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

F. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires.

The Disclosing Party represents and warrants that:

G. The Disclosing Party has not withheld or reserved any disclosures as to economic interests in the Disclosing Party, or as to the Matter, or any information, data or plan as to the intended use or purpose for which the Applicant seeks City Council or other City agency action.

For purposes of the certifications in H.1. and H.2. below, the term "affiliate" means any person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with the federal government or a state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity.

H.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its affiliates delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

H.2. If the Disclosing Party is the Applicant, the Disclosing Party and its affiliates will not use, nor permit their subcontractors to use, any facility on the U.S. EPA's List of Violating Facilities in connection with the Matter for the duration of time that such facility remains on the list.

H.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in H.1. and H.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

NOTE: If the Disclosing Party cannot certify as to any of the items in H.1., H.2. or H.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

Q-MATIC Corporation
(Print or type name of Disclosing Party)

Date: July 28, 2008

By:

Edward W. Miller
(sign here)

EDWARD W. MILLER
(Print or type name of person signing)

EXECUTIVE VICE PRESIDENT
(Print or type title of person signing)

Signed and sworn to before me on (date) 28th day of July, 2008 By: Edward Miller
at Sancombe County, N.C. (state).

Brenda D. McFee Notary Public.

Commission expires: 2-23-2010

Q-MATIC

August 11, 2008

Kenneth Jones
Director of Administration II
Department of Business Affairs & Licensing
City Hall, Room 805
121 N. LaSalle Street
Chicago, IL 60602

RE: Response to Request for Information to Schedule D
Q-MATIC Vision Self Service Kiosk

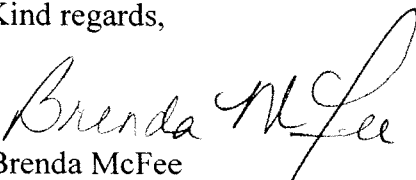
Mr. Jones:

In responding to Schedule D of the Economic Disclosure Statement and Affidavit, Q-MATIC Corporation respectfully requests a "Waiver". We were unsuccessful in locating a MBE/WBE for the Vision Self Service.Kiosk system. The Q-MATIC Vision Self Service Kiosk is a proprietary hardware manufactured by Q-MATIC to compliment the Q-MATIC Customer Flow Management software. (Please see the attached Sole Source letter addressed to Joy Adelizzi).

Q-MATIC Corporation realizes the importance of utilizing and MBE/WBE type of contractor but has not been able to secure one that would best fit City of Chicago's and Q-MATIC's interests.

Q-MATIC would take pleasure in the prospect to provide a Q-MATIC Vision Self Service Kiosk solution for the City of Chicago. Attached is our Sole Source letter from our Executive VP of Sales, Edward Miller.

Kind regards,


Brenda McFee
Human Resource Manager

Enclosures

SCHEDULE C-1
Letter of Intent from MBE/WBE to Perform
as Subcontractor, Supplier and/or Consultant

Name of Project/Contract: _____
Specification Number: _____

From: _____
(Name of MBE/WBE Firm)

MBE: Yes _____ No _____
WBE: Yes _____ No _____

To: _____ and the City of Chicago:
(Name of Prime Contractor - Bidder/Proposer)

The undersigned intends to perform work in connection with the above projects as a:

_____ Sole Proprietor _____ Corporation
_____ Partnership _____ Joint Venture

The MBE/WBE status of the undersigned is confirmed by the attached letter of Certification from the City of Chicago effective date of _____ to _____ for a period of five years.

The undersigned is prepared to provide the following described services or supply the following described goods in connection with the above named project/contract:

The above described performance is offered for the following price and described terms of payment:

If more space is needed to fully describe the MBE/WBE firm's proposed scope of work and/or payment schedule, attach additional sheets.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, and will do so within (3) three working days of receipt of a signed contract from the City of Chicago.

(Signature of Owner or Authorized Agent)

Name /Title (Print)

Date

Phone

SCHEDULE D-1
Affidavit of MBE/WBE Goal Implementation Plan

Contract Name _____
Specification No. _____

State of _____

County (City) of _____

I HEREBY DECLARE AND AFFIRM that I am duly authorized representative of:

Name of Bidder/Proposer
and that I have personally reviewed the material and facts set forth herein describing our proposed plan to achieve the MBE/WBE goals of this contract.

All MBE/WBE firms included in this plan have been certified as such by the City of Chicago (Letters of Certification Attached).

I. Direct Participation of MBE/WBE Firms

(Note: The bidder/proposer shall, in determining the manner of MBE/WBE participation, first consider involvement with MBE/WBE firms as joint venture partners, subcontractors, and suppliers of goods and services directly related to the performance of this contract.)

- A. If bidder/proposer is a certified MBE or WBE firm, attach copy of City of Chicago Letter of Certification. (Certification of the bidder/proposer as a MBE satisfies the MBE goal only. Certification of the bidder/proposer as a WBE satisfies the WBE goal only.)
- B. If bidder/proposer is a joint venture and one or more joint venture partners are certified MBEs or WBEs, attach copies of Letters of Certification and a copy of Joint Venture Agreement clearly describing the role of the MBE/WBE firm(s) and its ownership interest in the joint venture.
- C. MBE/WBE Subcontractors/Suppliers/Consultants:

- 1. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *

*(see next page)

SCHEDULE D-1
Affidavit of MBE/WBE Goal Implementation Plan

2. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *
3. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *
4. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *
5. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *
6. Attach additional sheets as needed.

* All Schedule C-1s and Letters of Certification not submitted with bid/proposal must be submitted so as to assure receipt by the Contract Administrator within three (3) business days after bid opening (or proposal due date.)

SCHEDULE D-1
Affidavit of MBE/WBE Goal Implementation Plan

II. Indirect Participation of MBE/WBE Firms

(Note: This section need not be completed if the MBE/WBE goals have been met through the direct participation outlined in Section I. If the MBE/WBE goals have not been met through direct participation, contractor will be expected to demonstrate that the proposed MBE/WBE direct participation represents the maximum achievable under the circumstances. Only after such a demonstration will indirect participation be considered.)

MBE/WBE Subcontractors/Suppliers/Consultants proposed to perform work or supply goods or services where such performance does not directly relate to the performance of this contract:

A. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *

B. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *

C. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *

D. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation \$ _____
Percent Amount of Participation: _____ %
Schedule C-1 attached? Yes _____ No _____ *

E. Attach additional sheets as needed.

* All Schedule C-1s and Letters of Certification not submitted with bid/proposal must be submitted so as to assure receipt by the Contract Administrator within three (3) business days after bid opening (or proposal due date).

SCHEDULE D-1
Affidavit of MBE/WBE Goal Implementation Plan

III. Summary of MBE/WBE Proposal:

A. *MBE Proposal*

1. MBE Direct Participation (from Section I.)

MBE Firm Name	Dollar Amount	Percent Amount
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Direct MBE Participation	\$ _____	_____ %

2. MBE Indirect Participation (from Section II.)

MBE Firm Name	Dollar Amount	Percent Amount
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Indirect MBE Participation	\$ _____	_____ %

B. *WBE Proposal*

1. WBE Direct Participation (from Section I.)

WBE Firm Name	Dollar Amount	Percent Amount
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Direct WBE Participation	\$ _____	_____ %

2. WBE Indirect Participation (from Section II)

WBE Firm Name	Dollar Amount	Percent Amount
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Indirect WBE Participation	\$ _____	_____ %

SCHEDULE D-1
Affidavit of MBE/WBE Goal Implementation Plan

To the best of my knowledge , information and belief, the facts and representations contained in this Schedule are true, and no material facts have been omitted.

The contractor designates the following person as their MBE/WBE Liaison Officer:

Name: _____ Phone Number: _____

I do solemnly declare and affirm under penalties of perjury that the contents of the foregoing document are true and correct, and that I am authorized, on behalf of the contractor, to make this affidavit.

Signature of Affiant (Date)

State of _____

County of _____

This instrument was acknowledged before me on _____ (date)

by _____ (name /s of person/s)

as _____ (type of authority, e.g., officer, trustee, etc.)

of _____ (name of party on behalf of whom instrument was executed).

Signature of Notary Public

(Seal)

SCHEDULE D-1
Affidavit of MBE/WBE Goal Implementation Plan

**CITY OF CHICAGO
 PURCHASE REQUISITION**

Copy (Department)

DELIVER TO: 076- BUS AFF & LIC 121 N LASALLE CITY HALL ROOM 805 Chicago, IL 60602	REQUISITION: 39597 PAGE: 1 DEPARTMENT: 76 - DEPARTMENT OF BUSINESS AFFAIRS PREPARER: Kenneth L Jones NEEDED: APPROVED: 8/7/2008
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REQUISITION DESCRIPTION

NEW REQUIREMENT FOR 5 YEAR BLANKET PURCHASE ORDER TO PURCHASE 3 KIOSKS AND 5 YEARS MAINTENANCE BEGINING 10/1/08 AND ENDING ON 9/30/13.
 SPECIFICATION NUMBER: 68044

COMMODITY INFORMATION

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST							
1	55080 (3) KIOSKS	14,993.49	USD	0.00	0.00							
SUGGESTED VENDOR: Q-MATIC CORPORATION			REQUESTED BY: Kenneth L Jones									
DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.	
1	008	0100	0762005	0140	220140	0000	00000000	000000	00000	0000	0.00	
LINE TOTAL:											0.00	
2	93921 5 YEARS MAINTENANCE FOR KIOSKS	43,476.00	USD	0.00	0.00							
SUGGESTED VENDOR: Q-MATIC CORPORATION			REQUESTED BY: Kenneth L Jones									
DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.	
1	008	0100	0762005	0140	220140	0000	00000000	000000	00000	0000	0.00	
LINE TOTAL:											0.00	
REQUISITION TOTAL:											0.00	