



DEPARTMENT OF PROCUREMENT SERVICES NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION

Complete this cover form and the **Non-Competitive Procurement Application Worksheet** in detail. Refer to the page entitled **"Instructions for Non-Competitive Procurement Application"** for completing this application in accordance with its policy regarding NCRB. Complete "other" subject area if additional information is needed. Subject areas must be fully completed and responses merely referencing attachments will not be accepted and will be immediately rejected.

Department Finance	Originator Name Richard Ponce	Telephone 744-8139	Date 10-31-2013	Signature of Application Author
Contract Liaison Steve Sakai	Email Contract Liaison steve.sakai@cityofchicago.org	Telephone 747-3753		

List Name of NCRB Attendees/Department	
Richard Ponce Steve Sakai	

Request NCRB review be conducted for the product(s) and/or service(s) described herein.		
Company: P-E Acquisition Holdings LLC (fka: "Pay-Ease, Inc.") [NOTE: currently undergoing a Contract Transfer]		
Contact Person: Mike Duffy	Phone: 312-287-2500	Email: mduffy@pay-ease.com
Project Description: Automated Collection Services		

<p>This is a request for:</p> <p><input type="checkbox"/> New Contract</p> <p>Contract Type</p> <p><input checked="" type="checkbox"/> Blanket Agreement Term: ____ (# of mo)</p> <p><input type="checkbox"/> Standard Agreement</p>	<p><input checked="" type="checkbox"/> Amendment / Modification</p> <p>Type of Modification</p> <p><input checked="" type="checkbox"/> Time Extension <input type="checkbox"/> Vendor Limit Increase <input type="checkbox"/> Scope Change</p> <p>Contract Number: 13777</p> <p>Specification Number: 39429</p> <p>Modification Number: 3</p>
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<p>Department Request Approval</p> <p></p> <p>DEPARTMENT HEAD OR DESIGNEE</p> <p>Erin Keane</p> <p>PRINT NAME</p>	<p>Recommended Approval</p> <p></p> <p>BOARD CHAIRPERSON</p> <p>Rich Butler</p> <p>PRINT NAME</p>
11/4/13 DATE	JAN 03 2014 DATE

(FOR NCRB USE ONLY)

Recommend Approval/Date: **1-3-14**

Return to Department/Date: _____

Rejected/Date: _____

SW

1/3/14

Approved Rejected

CHIEF PROCUREMENT OFFICER

1/7/13

DATE



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET**

All applicable information on this worksheet must be addressed using each question found on the "Instructions for Non-Competitive Procurement Application" in this application.

Justification for Non-Competitive Procurement Worksheet

<input checked="" type="checkbox"/> PROCUREMENT HISTORY 1. Contract was awarded on January 1, 2007, although the request was approved by the NCRB on December 1, 2004. Amendment #1 was for a change in scope (MPEA Airport Departure Tax Stamp dispensing) and vendor limit increase of \$880K, and decrease in unit price; Amendment #2 was for a 24-month extension and \$330K vendor limit increase. (Continued)
<input checked="" type="checkbox"/> ESTIMATED COST 1. \$180K per year. (Continued)
<input checked="" type="checkbox"/> SCHEDULE REQUIREMENTS 1. 18-month extension is to provide sufficient time to develop and implement a new technological solution involving expanded payment-portal services, while providing uninterrupted kiosk-payment service to the public. (Continued)
<input checked="" type="checkbox"/> EXCLUSIVE OR UNIQUE CAPABILITY 1. The current vendor has proprietary kiosk user interface software that is installed on their proprietary equipment to process payments today. The current vendor is the only one who could sustain self-pay kiosk transaction processing while an updated approach is pursued. Their continued involvement is needed to sustain the processing of over \$20 million dollars in annual revenue collections. (Continued)
<input checked="" type="checkbox"/> OTHER 1. Serves as a cash-payment portal for citizens who do not have a bank account or credit card payment option. (Continued)

PROCUREMENT HISTORY

1. Describe the requirement and how it evolved from initial planning to its present status.

(Continued) The current sole-source-approved contract with ¹P-E Acquisition Holdings LLC (fka: Pay-Ease, Inc.) (herein, "Vendor") (under PO# 13777) was awarded in January 1, 2007. This contract requires the Vendor to furnish and install, operate and maintain self-pay kiosk machines (all at no separate cost to the City) at strategic locations throughout the City of Chicago. The Vendor is also responsible for all kiosk application and customer user screens development. Through the City's cashiering system, the Vendor is provided real-time access to various other City systems, allowing them the ability to query customer debt balances and provide payment information. Over \$20 million of revenues are processed using self-pay kiosks annually. These kiosks provide the public convenient payment services for making payments due the City accepting credit, check and especially cash payments for the under-banked community. There are no additional supplemental steady-state, maintenance, or other monthly fees paid to the Vendor. The contract requires the City to pay the Vendor \$0.78 per kiosk-payment transaction.

In August 2010, a sole source request for a scope-change was approved, thereby allowing the Pay-Ease kiosk machines to dispense Metropolitan Pier and Exposition Authority Airport Departure Tax (MPEA ADT) Stamps. The concept installation at O'Hare Airport and Midway Airport was intended to essentially eliminate the City's need to have cashiers sell stamps 24 hours a day, seven days a week and, instead, enable commercial transport vehicle operators to purchase the stamps they need from a kiosk machine. Additionally, that sole source request included a cost reduction for check payments. The cost per transaction for check payments was reduced from \$0.90 to \$0.78, consistent with cash and credit per transaction costs.

During the five years since implementation, over 845,000 transactions have been processed using self-pay kiosks at a cost of \$663,000. Those transactions were provided at a cost savings of \$2,025,000, as compared to the personnel costs required to process that amount of transactions over that period of time.

Although there are no extension options remaining, the new RFP, which was being developed as the "replacement kiosk" RFP, was never completed because of a number of changes in technology. Currently the Vendor provides valuable and cost effective real-time debt lookup and payment posting services via self-pay kiosks. Unfortunately the implemented technology supporting this process is considered by DoIT to be outdated and deemed not to be pursued for future services. An updated technological approach has now been identified. The Department will use updated technology to pursue a similar approach, allowing the selected Vendor to access debt in City systems and post payments real-time. A new "Payment Portal" RFP concept will require the Vendor to provide multiple payment channels (walk-in, kiosk, phone, web, etc.) to process payments and will not be limited to a single payment channel, such as kiosks. Extensive technical analysis was needed to develop the new "Payment Portal" RFP concept. DoF has only recently, through continued DoIT participation and previously approved OBM funding from the Innovation Loan Fund, been positioned to pursue this concept.

The rendering of this updated replacement "Payment Portal" RFP is being finalized and should be completed for advertisement during the first quarter of 2014. Until such time this newly contemplated and refreshed RFP leads the City to a more global-working payment portal system, the current kiosk contract must be sustained and continue to be supported in order to provide valued revenue processing services. Over \$20 million of revenues are processed using self-pay kiosks annually. These kiosks provide the public convenient payment services for making payments due the City accepting credit, check and especially cash payments for the under-banked community.

This request is for an Amendment to extend the above-referenced contract for an additional 18-month period – through June 30, 2015. No additional money is required to be added into FMPS as a "Vendor Limit Increase" since there is a sufficient PO remaining balance of \$373,324.57 (as of 10-1-2013).

2. Is this a first time requirement or a continuation of previous procurement from the same source? If so, explain the procurement history.

This procurement is a continuation of a previous procurement from the same Vendor, Pay-Ease (now P-E Acquisition Holdings LLC. See footnote 1, below).

3. Explain attempts made to competitively bid the requirement. (Attach copy of sources contacted.)

An RFP advertisement is in the process of being drafted. The Department will use updated technology to pursue a similar approach, will be designed to enable the selected Vendor to access debt in City systems and post payments real-time. Additionally, the new "Payment Portal" RFP concept will require the Vendor to provide multiple payment channels (walk-in, kiosk, phone, web, etc.) to process payments and will not be limited to a single payment channel, such as kiosks. Extensive

¹ Currently, Pay-Ease, Inc. is in the process of requesting a Contract Transfer and assignment to what will be the new owner and Vendor: P-E Acquisition Holdings LLC,

technical analysis was needed to develop the new "Payment Portal" RFP concept. The Department of Finance has only recently, through continued DoIT participation and previously approved OBM funding from the Innovation Loan Fund, been positioned to pursue this concept.

4. Describe in detail all research done to find other sources list other cities, companies in the industry, professional organizations contacted. List periodicals and other publications used as references.

Other kiosk products are available in the marketplace today, so other kiosks could probably be used to perform the same functions required by the City. However, the current Vendor has proprietary kiosk user interface software that is installed on their proprietary equipment to process payments today. Accordingly the current Vendor is the only one capable of continuing to process transactions while an updated approach is pursued.

5. Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?

This request to continue self-pay kiosk services for an 18 month period, is a one-time request to allow the Department the ability to continue providing these valued services to the public, while obtaining a replacement contract with updated technology and expanded services. Self-pay kiosk payment services have consistently grown in acceptance with the public, and account for over \$20 million dollars in annual revenue collections for the City. The Department estimates, since program implementation, a cost savings of \$2,025,000 resulting from 845,000 transactions processed using self-pay kiosks, as compared to the cost for other City provided walk-in payment services.

6. Explain whether or not future competitive bidding is possible. If not, explain in detail

Competitive bidding in the future is possible and currently being pursued. The rendering of the updated replacement "Payment Portal" RFP is being finalized and should be completed for advertisement during the first quarter of 2014. Until such time that this newly contemplated and refreshed RFP leads the City to a more global-working payment portal system, the current kiosk contract must be sustained and continue to be supported in order to enable uninterrupted access by the public citizenry who enjoy what they have become accustomed to: the self-pay kiosk convenience factor – for making payments due the City. Additionally, over \$20 million of revenues are realized through the use of self-pay kiosks annually.

ESTIMATED COST

1. What is the estimated cost for this requirement or for each contract, if multiple awards contemplated?

(Continued) The Vendor is willing and able to sustain support of the current contract pricing (\$0.78 per transaction), terms, and conditions. No additional money is required to be added into FMPS as a "Vendor Limit Increase" since there is a sufficient PO remaining balance of \$373,324.57 (as of 10-1-2013). **What is the funding source?** 13-100-27-2020-0140-0140

2. What is the estimated cost by fiscal year?

The estimated cost is \$180,000 per year.

3. Explain the basis for estimating the cost and what assumptions were made and/or data used (i.e., budgeted amount, previous contract price, current catalog or cost proposal from firms solicited, engineering or in-house estimate, etc.).

Cost estimates were based on actual historic usage figures.

4. Explain whether the proposed Contractor or the City has a substantial dollar investment in original design, tooling or other factors which would be duplicated at City expense if another source was considered.

The implementation of the kiosk operations, at the time, was a new venture, and required a substantial amount of Vendor investment, time and human resources in order to obtain the equipment, develop the kiosk logic, design the customer interaction screens, and develop the transaction interface and ultimately go-live. None of this development work nor equipment purchases were done at the expense of the City. Additionally, albeit a cost of doing business, the Vendor must sustain compliance with PCI DSS requirements.

Installation coordination (with the Department of Fleet & Facilities Management), interface and testing of the kiosk links into the City's existing cashiering system at the time, and the coordination of processes involving the City's ACH check processing Vendor, etc., required a substantial investment of time and effort. It is not advised to seek another source to reproduce the existing solution at this time.

Describe cost savings or other measurable benefits to the City which may be achieved.

Self-pay kiosk payment services have consistently grown in acceptance with the public, and account for over \$20 million dollars in annual revenue collections. The Department estimates, since program implementation, a cost savings of

\$2,025,000 resulting from 845,000 transactions processed using self-pay kiosks, as compared to the cost for other City provided walk-in payment services. The City expects kiosk self-pay transaction volumes to increase, and cost savings to continue.

5. Explain what negotiations of price has occurred or will occur.

Other price negotiations were not pursued at this time because the City was not able to achieve the minimum number of transactions-per-month-requirements as was originally set forth in the Agreement. Because of this on-going deficiency, the Vendor never did realized the projected level of income that was expected. Because of this apparent loss incurred by the Vendor, the Department did not consider it to be in the best interest to pursue a price reduction at this time.

Detail why the estimated cost is deemed reasonable.

The estimated cost is based on the original contract unit price of \$0.78 per cash, credit and debit kiosk-transactions, and the reduced cost of \$0.78 for check kiosk-transactions. This cost has resulted in significant cost savings.

SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and at what point the specific dates were known.

(Continued) This request to continue self-pay kiosk services for an 18 month period, is a one-time request to allow the Department the ability to continue providing these valued services to the public, while obtaining a replacement contract with updated technology and expanded services.

2. Is lack of drawings and/or specifications a constraining factor to competitive bidding? Not applicable.

If so, why is the proposed Contractor the only person or firm able to perform under these circumstances? Drawings and/or specifications are not an issue.

Why are the drawings and specifications lacking? Drawings and/or specifications are not an issue.

What is the lead-time required to get drawings and specifications suitable for competition? Drawings and/or specifications are not an issue.

If lack of drawings and specifications is not a constraining factor to competitive bidding, explain why only one person or firm can meet the required schedule. Only the current kiosk Vendor has the existing contract to perform the kiosk-related operations as proposed in this extension request. Proprietary equipment and customized software development and integrations into the City systems required for the kiosk-payment portal operations, currently only exist with this Vendor.

3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.

Not applicable.

4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs and budgeted funds.

Delays in competitive bidding would potentially result in lost opportunities to process additional payments through multiple payment channels, beyond kiosks, for reduced costs. Additionally, the new broader services contract would provide the City the potential opportunity to reduce City provided payment services and related costs.

EXCLUSIVE OR UNIQUE CAPABILITY

1. If contemplating hiring a person or firm as a Professional Service Consultant, explain in detail what professional skills, expertise, qualifications, and/or other factors make this person or firm exclusively or uniquely qualified for the project.

(Continued) The current Vendor is the only one who can sustain self-pay kiosk transaction processing while an updated approach is pursued. The current Vendor has proprietary kiosk user interface software that is installed on their proprietary equipment to process payments today. Their continued involvement is needed to sustain the processing of over \$20 million dollars in annual revenue collections.

Attach a copy of the cost proposal, scope of services, and Temporary Consulting Services Form. The Temporary Consulting Services form is not applicable. This extension request is of the current/attached scope and as per Amendments 1 and 2. Please see attached excerpts of original and amended scope and current compensation schedule labeled and signed as follows: "No Change in Original Contract Scope;" "No Change in Amendment #1 Scope;" and "No Change in Amendment #2 Scope".

2. Does the proposed firm have personnel considered unquestionably predominant in the particular field?

No.

3. What prior experiences of a highly specialized nature does the person or firm exclusively possess that is vital to the job, project or program?

The current Vendor has proprietary kiosk user interface software that is installed on their proprietary equipment to process payments today. The current Vendor is the only one who could sustain self-pay kiosk transaction processing while an updated approach is pursued. Their continued involvement is needed to sustain the processing of over \$20 million dollars in annual revenue collections.

4. What technical facilities or test equipment does the person or firm exclusively possess of a highly specialized nature which is vital to the job?

The current Vendor has proprietary kiosk user interface software that is installed on their proprietary equipment to process payments today. The current Vendor is the only one who could sustain self-pay kiosk transaction processing while an updated approach is pursued. Their continued involvement is needed to sustain the processing of over \$20 million dollars in annual revenue collections.

5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project or program which makes them the only source who can perform the work within the required time schedule without unreasonable costs to the City?

The current Vendor has proprietary kiosk user interface software that is installed on their proprietary equipment to process payments today. The current Vendor is the only one who could sustain self-pay kiosk transaction processing while an updated approach is pursued. Their continued involvement is needed to sustain the processing of over \$20 million dollars in annual revenue collections.

6. If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features and/or functions the items have which no other brands or models, possess. Not applicable.

Is compatibility with existing equipment critical from an operational standpoint? Yes.

If so, provide detailed explanation? Compatibility with the City's existing payment network is essential. The interface of all kiosk stations to the Department's cashiering system is a critical requirement as are the links to the City's ACH check processor, payment card processor and designated depositories.

7. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data (attach documentation verifying such)?

Not applicable.

8. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources. Although maintenance and parts are provided by the Vendor under the terms of the contract, no separate costs for parts or maintenance are a part of the current contract. All costs are included in the per-transaction cost.

If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? Not applicable.

If so, attach letter from manufacturer. Not applicable.

MBE/WBE COMPLIANCE PLAN

- * All submissions must contain detailed information about how the proposed firm will comply with the requirements of the City's Minority and Women Owned Business program. All submissions must include a completed C-1 and D-1 form, which is available on the Procurement Services page on the City's intranet site. The City Department must submit a Compliance Plan, including details about direct and indirect compliance.**

Vendor (as Pay-Ease, Inc.) exceeded their 25% MBE goal with *PCG International, Inc.*, and states their intention to continue to fully utilize PCG's expertise and services. However, they are now requesting a 5% waiver from their originally proposed WBE (*Advotek, Inc.*). At the time *Advotek* was their WBE from whom Pay-Ease committed to purchase computer equipment from. However, (a) *Advotek* is no longer certified as a "Seller of Computer Systems" (*Advotek* is now certified to only provide "Other Computer Related Services, Computer and Office Machine Repair and Maintenance), and (b) Pay-Ease purchased computer equipment from *Advotek* during the initial contract period only, and, apparently, no additional computer equipment was planned subsequent to that initial purchase, nor are any additional purchases foreseen to be made during this extension period. For those reasons, a WBE waiver is being requested (under separate cover). Vendor has contacted an Assist Agency, ruled-out WBE direct and indirect compliance, and has provided a new set of Schedule C-1s and D-1s.

The Department concurs with Vendor's revised MBE/WBE plan: to sustain use of PCG International as their MBE in the amount of 25% of the DUR contract value; discontinue the relationship with *Advotek* as their WBE; and grant a 5% waiver from WBE compliance during the extension period.

OTHER

1. **Explain other related considerations and attach all applicable supporting documents, i.e., an approved "ITGB Form" or "Request for Individual Hire Form".** No change in the kiosk payment processing transactions is indicated.

REVIEW AND APPROVAL

This application must be signed by both Originator of the request and signed by the Department Head. After review and final disposition from the Board, this form will be presented to the Chief Procurement Officer recommending approval.

April 23, 2013



DEPARTMENT OF PROCUREMENT SERVICES NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION INSTRUCTIONS FOR NON-COMPETITIVE PROCUREMENT APPLICATION

INSTRUCTIONS FOR PREPARATION OF NON-COMPETITIVE PROCUREMENT APPLICATION

If a City Department has determined that the purchase of supplies, equipment, work and/or services cannot be done on a competitive basis, a justification must be prepared on this "Justification for Non-Competitive Procurement Application" in which procurement is requested on a or non-competitive basis in accordance with 65 ILCS 5/8-10-4 of the Illinois Compiled Statutes. Using this instruction sheet, all applicable information must be addressed on the worksheet. The information provided must be complete and in sufficient detail to allow for a decision to be made by the Non-Competitive Procurement Review Board. For Amendments, Modifications, 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.

Attach a DPS Checklist and any other required documentation; the Board will not consider justification with incomplete information documentation or omissions.

PROCUREMENT HISTORY

1. Describe the requirement and how it evolved from initial planning to its present status.
2. Is this a first time requirement or a continuation of previous procurement from the same source? If so, explain the procurement history.
3. Explain attempts made to competitively bid the requirement (attach copy of sources contacted).
4. Describe in detail all research done to find other sources; list other cities, companies in the industry, professional organizations contacted. List periodicals and other publications used as references.
5. Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?
6. Explain whether or not future competitive bidding is possible. If not, explain in detail.

ESTIMATED COST

1. What is the estimated cost for this requirement or for each contract, if multiple awards are contemplated? What is the funding source?
2. What is the estimated cost by fiscal year?
3. Explain the basis for estimating the cost and what assumptions were made and/or data used (i.e., budgeted amount, previous contract price, current catalog or cost proposal from firms solicited, engineering or in-house estimate, etc.)
4. Explain whether the proposed Contractor or the City has a substantial dollar investment in original design, tooling or other factors which would be duplicated at City expense if another source was considered. Describe cost savings or other measurable benefits to the City which may be achieved.
5. Explain what negotiation of price has occurred or will occur. Detail why the estimated cost is deemed reasonable.

SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and at what point the specific dates were known.
2. Is lack of drawings and/or specifications a constraining factor to competitive bidding? If so, why is the proposed Contractor the only person or firm able to perform under these circumstances? Why are the drawings and specifications lacking? What is the lead time required to get drawings and specifications suitable for competition? If lack of drawings and specifications is not a constraining factor to competitive bidding, explain why only one person or firm can meet the required schedule.
3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.
4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs and budgeted funds.

EXCLUSIVE OR UNIQUE CAPABILITY

1. If contemplating hiring a person or firm as a Professional Service Consultant, explain in detail what professional skills, expertise, qualifications, and/or other factors make this person or firm exclusively or uniquely qualified for the project. Attach a copy of the cost proposal, scope of services, and Temporary Consulting Services Form.
2. Does the proposed firm have personnel considered unquestionably predominant in the particular field?
3. What prior experiences of a highly specialized nature does the person or firm exclusively possess that is vital to the job, project or program?
4. What technical facilities or test equipment does the person or firm exclusively possess of a highly specialized nature which is vital to the job?
5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project or program which makes them the only source who can perform the work within the required time schedule without unreasonable costs to the City?
6. If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features and/or functions the items have which no other brands or models, possess. Is compatibility with existing equipment critical from an operational standpoint? If so, provide detailed explanation?
7. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data (attach documentation verifying such)?
8. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources? If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? If so, attach letter from manufacturer on company letterhead.

MBE/WBE COMPLIANCE PLAN

- * All submissions must contain detailed information about how the proposed firm will comply with the requirements of the City's Minority and Women Owned Business program. All submissions must include a completed C-1 and D-1 form, which is available on the Procurement Services page on the City's intranet site. The City Department must submit a Compliance Plan, including details about direct and indirect compliance.

OTHER

1. Explain other related considerations and attach all applicable supporting documents, i.e., an approved "ITGB Form" or "Request For Individual Hire Form".

REVIEW AND APPROVAL

This application must be signed by both Originator of the request and signed by the Department Head. After review and final disposition from the Board, this application will be signed by the Board Chairman. After review and final disposition from the Board, this form will be presented to the Chief Procurement Officer recommending approval.



DEPARTMENT OF FINANCE
CITY OF CHICAGO

December 31, 2013

Jamie L. Rhee
Chief Procurement Officer
Department of Procurement Services
121 North LaSalle Street – Suite 806
Chicago, Illinois 60602-1240

Attn: Richard Butler

Subject: Additional 18-Month Time Extension Request
Contract Title: Automated Collection Services
Contract Description: Enable Payments to be made to City via Kiosks
PO #: 13777
Specification No.: 39429
Vendor: *P-E Acquisition Holdings LLC (fka: Pay-Ease, LLC)*
Vendor Limit Increase: None required
FMPS PO Remaining Balance: \$323,824 (as of 12-31-2013)
Requisition No.: 86051
Contract Start Date: January 1, 2007
Original Contract End Date: December 31, 2011
Current Contract End Date: December 31, 2013
Original Extension Options Available: one 24-month period
Extension End-Date Requested Here: June 30, 2015
Revenue Generating Value: \$20 million per year (approx.)

Dear Jamie:

This is written to restate language that was originally written in the Department of Finance's October 31st, 2013 Non-Competitive Review Board (NCRB) request memo (copy attached) for an 18-month contract extension of the then current ¹*Pay-Ease, Inc.* contract.

On December 3rd the NCRB and Department of Finance met to review and discuss the 18-month extension which was being requested in order to provide sufficient time for the City to issue a new RFP and ultimately award a new contract.

¹ Procurement is currently processing a contract transfer from *Pay-Ease, LLC* to *P-E Acquisition Holdings, LLC*.

After the December 3rd NCRB meeting, the board requested on December 6th that the Department of Finance provide a new memo that would restate its original October 31st 2013 NCRB request memo – specifically concerning how the 18-month extension period should be broken-up as a 12-month extension plus a 6-month transition period.

Whereas, in the original October 31st memo, the Department of Finance had specifically requested “an 18-month time extension until such time that the new vendor’s contract is ultimately awarded and the [new] solution [be] fully tested and implemented,” the following language captures how the 18-month extension request should be considered.

The contract should be extended for 12-months, but reserve an additional 6-months as an optional extension period for transition from Pay-Ease to the new vendor.

Please feel free to call my Deputy Director over Payment Processing, Richard Ponce at 745-2892 or Steven Sakai, Contracts Coordinator at 747-3753 for any contract processing matters.

Very truly yours,



Erin Keane
Acting City Comptroller and First Deputy Director


Attachments

EK:sys

cc: Tina Consola – Department of Finance
Richard Ponce – Department of Finance
Ramona Hallihan – Department of Finance
Mark Galvan – Department of Finance
Steve Sakai – Department of Finance

2013 DEC 31 AM 10:27


Exhibit B
Scope of Services

No change in scope


I. Overview

The City of Chicago (the "City") approved the Contractor to provide automated of payments of fines and fees, owed to the City of Chicago, through public use of the Contractor's hardware and software installed in its interactive Kiosks, to be located around the City of Chicago. These Kiosks will provide residents the ability to pay various types of debts owed to the City of Chicago (e.g. parking tickets, taxes, water bills, and other potential types of payable debt instruments) and be capable of accepting cash (U.S. currency bills), check, credit card, and debit cards as payment types to the City. City Kiosks may only accept payment for debts owed the City; they may not enable payment to any other person or entity.

II. Scope of Services

The Contractor must furnish, install, and maintain all Kiosks and related appurtenances, including hardware and software ("the System"), at various City-designated sites that meet the specified criteria in Exhibit L. The System must interface with the City's cashing system or other City System.

The Contractor must outline the installation of a network configuration that will interface with the City's cashing system, the City's check verification service provider's application, and the City's credit card services provider's application, thereby making the System accessible from each and every Kiosk.

Contractor must capture each customer account number using the City's bill payment-stub scan line and must enable manual account number entry.

Contractor must transmit a completed customer transaction record to Chicago Department of Revenue (DOR), in real-time, for immediate posting of payment to the customer's account.

Contractor shall have and institute applicable and appropriate disaster recovery and business continuity procedures and systems, which, at a minimum, are consistent with industry standards and comply with applicable laws and regulations, and which include a "back-up" or redundant system that allows Contractor to perform the Services at all times.

Payment Types to be Processed by Kiosks

- ❖ Cash, checks, various credit cards, and debit cards.
- ❖ All paper check payments must be converted into electronic-debits or ACH payments. All funds from check payments and other payments using the ACH system must be routed from the ACH processor and directly deposited into the City's designated bank account. Such funds must not be routed through Contractor's bank account.
- ❖ Upon the City's entering into an agreement with a check verification service provider, Contractor must interface its application with check verification service provider's application, in order to perform check verification for all checks processed through the kiosk.

- ❖ Contractor must interface with the City's credit card services provider's application, in order to perform address verification service (AVS) and any magnetic stripe protection values for all card programs that support such controls.

Deposits and Fund Transfer

- ❖ All cash transactions (collected as payments made to the City through a Kiosk) must be collected by a licensed and bonded armored car service at no charge to the City.
- ❖ Contractor must deposit gross collected funds (collected as payments made to the City through a Kiosk) into the City's bank account within one (1) business day after the armored car collects funds at a City Kiosk, or sooner, and within three (3) business days of the date on which the transaction occurs at a kiosk located on property other than City property, or sooner, ensuring the City meets the deposit deadline to earn interest for that day. For the purposes of this Exhibit B, "business day" shall mean Monday through Friday, excluding banking holidays and City-observed holidays.
- ❖ Contractor must reimburse the City for any lost interest when payments to the City from a kiosk were not made on the business day after the armored car collects funds at a City Kiosk, or within (3) three business days of the transaction at kiosks located on property other than City property. The lost interest will be calculated based on the average federal funds rate, for the period during which the deposits were not made on the day following the transaction date.
- ❖ Contractor is liable to the City for all funds (collected as payments made to the City through a kiosk), until such funds are deposited into the City's designated bank account.
- ❖ Contractor must reimburse the City for all funds (collected as payments made to the City through a Kiosk) which are not accounted for, are lost, misdirected, or otherwise not delivered to the City as required. All such instances must be reported immediately to the Director and the authorized representative of Department of Revenue managing this Agreement.

Reconciliation

- ❖ The reconciliation of gross revenues must match bank statement information and City's revenue report. Contractor must provide the City with documentation accounting for any discrepancies.
- ❖ Contractor must reimburse the City with any collection shortages and immediately correct any instance where the shortage is due to a recurring fault which may be inherent in the Contractor's hardware, software, or any other factor within the Contractor's control – all at no cost to the City.

Reporting

- ❖ Contractor must provide City with online access daily and monthly reconciliation reports to allow City personnel to account for and reconcile receipts collected through the system.
- ❖ Reporting format must be approved in accordance by the authorized representative from the Department of Revenue.
- ❖ Contractor must provide a usage report to Department of Revenue at least on a month basis, and more frequently if so requested, indicating the following metrics per transaction made (or attempted to be made) for all funds (collected as payments made to the City through a Kiosk) for the following during a specified reporting period:

- Date (or range of dates) for the reporting period;
 - Date and time of day transaction took place;
 - Location of Kiosk where transaction was made;
 - Number of errors made per transaction;
 - Number of reported problems and related downtime of a kiosk (if the kiosk was reported to be or was rendered to be inoperable in whole or in part);
 - Type of payment transaction (e.g. parking ticket, water bill, etc.);
 - When armored car pickup was made;
 - Amount of total payments made
 - Type of transaction (e.g. check, credit card, debit card, cash, etc.)
 - type of check
 - type of credit card
 - denominations of U.S. currency
- ❖ Provide a “funds received” reporting format to compare against the City’s revenue collection report, to facilitate an efficient account reconciliation review by the authorized representative of the Department of Revenue.

Technical Requirements and Maintenance Support

- ❖ Contractor must be responsible for all costs and expenses associated with the delivery, installation, operation, maintenance, upgrades, and support of the Kiosks covered under the terms and conditions of this agreement, including the performance standards in Exhibit F, and must obtain all necessary licenses and permits as required by law and City ordinances which may apply.
- ❖ Contractor must obtain all necessary approvals which may be required concerning the delivery, installation, operation, maintenance, upgrades, and support of the kiosks covered under the terms and conditions of this agreement.
- ❖ All Kiosks covered under the terms and conditions of this agreement must provide a printed receipt for every transaction.
- ❖ Contractor must customize the receipt, in order to meet changes to the City’s requirements.
- ❖ Contractor must provide all consumable Kiosk supplies.
- ❖ Citizens must provide notice of a malfunctioning Kiosk by phone.
- ❖ Kiosks must automatically send a time-stamped notice to a repair technician whenever it self-diagnoses a malfunction/error type, as well as indicate to the citizen who may be using a Kiosk, that service has been notified.
- ❖ All reported Kiosk malfunctions must be serviced within the Service Levels set forth in Exhibit F, at no cost to the City. The Contractor must acknowledge to the authorized representative from the Department of Revenue when a Kiosk was reported as having a performance problem as well as report back to the authorized representative when the problem should be resolved, and when the problem was resolved.
- ❖ All scheduled maintenance work should occur during normal business hours during the periods of anticipated lowest activity. Notice of scheduled maintenance work should be pre-scheduled with and approved by the authorized representative from the Department of Revenue.

- ❖ Contractor must provide routine maintenance every 90 days to insure the System and any Kiosk is available not less than 99% in any 30-day period (not including the time taken to perform the routine maintenance).
- ❖ All laborers, technicians, or other personnel provided by the Contractor to perform work on a Kiosk, must be provided at no cost to the City. Furthermore, all such personnel must provide services in a courteous and professional manner at all times while on duty. The Director reserves the right to require any such worker to not be assigned to provide services for any Kiosk under this Agreement.

Issue Resolution Procedures


Resolving issues is an on-going process throughout the life of the project/agreement. The keys to effective issue resolution are early identification, communication and management. Contractor must inform the City of any issue and the propose resolution. Contractor must submit an issues log to the City on a monthly basis along with the solution.

Implementation / Installation Plan of Kiosks

- ❖ Upon award and release of this agreement by the City, Contractor must arrange for installation of any communication lines and Kiosks requirement, unless the City elects to make such arrangement on its own at no extra cost to City.
- ❖ Contractor must prepare an installation/implementation plan defining anticipated roll-out dates for the City's approval. The plan should be all-inclusive including information on initial and continuing customer service support.
- ❖ Any plans for additional hardware installation on City property must be submitted to the City for review and approval.
- ❖ Contractor must inform City in advance of any additional hardware installation on non-City property within the City limits.

Public or Private Advertisements

Contractor must not display any public or private advertisement, post notice of sale or event, or display any message viewable by the public, without the City's prior written approval, which will not be unreasonably withheld.

No change in scope


Specification No.: 39429
Contract (P.O.) No.: 13777 ("Agreement")
Amendment No.: 43207
Vendor No.: 50082525

AMENDMENT No. 1

This amendment ("Amendment") is made and entered into effective as of the 28th July, 2010 by and between the City of Chicago ("City"), a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through its Department of Revenue ("Department") and Pay-Ease, LLC ("Contractor"), a Maryland company with its principal place of business at 101 West Grand Avenue, Suite 400, Chicago, Illinois 60654.

The parties agree as follows:

TERMS AND CONDITIONS

1. **Article 3.5 Confidentiality of Transaction Information**, is amended to add **Section 3.5.2, Payment Card Industry Data Security Standard (PCI DSS)**,

Compliance with Payment Card Industry Data Security Standard

Contractor shall at all times during the Term of this Agreement be compliant with the Payment Card Industry ("PCI") Data Security Standard to the extent applicable to the Services and shall be responsible for the security of the payment cardholder data in its possession. Contractor shall provide City such information as the City may reasonably require regarding Contractor's compliance with such PCI requirements, including, at a minimum, an annual certificate of compliance by Contractor with the PCI Data Security Standard. In the event of Contractor's non-compliance with the PCI Data Security Standard, Contractor will promptly perform, at Contractor's expense, all curative measures necessary to remedy such non-compliance.

2. **Article 3.5 Confidentiality of Transaction Information**, is amended to add **Section 3.5.3, City of Chicago Red Flag Policy and Protocol**.

Contractor must comply with all the requirements stated in the City's Red Flag Policy and Protocol as it relates to identity theft contained in Exhibit 4 of this Amendment and incorporated here by reference. Additional and current information on red flag policy may be found on the attached website <http://www.ftc.gov/bcp/edu/pubs/business/alerts/alt050.shtm>

3. **Article 4. Price and Payment, Section 4.10, Funding** is hereby deleted and replaced with the following:

Funding for this Agreement is from Fund Number 09-0100-29-4641-0140-220140 and any other funds that may be appropriated, subject to the availability of funds. "Funding" is amended to increase the dollar amount by \$880,000.00. The maximum funding from fund number 09-0100-29-4641-0140-220140 and any other funds that may be appropriated is \$1,080,850.00. Payments under this Agreement must not exceed \$1,080,850.00 ("Maximum Compensation") without a written amendment in accordance with Section 13.1 of the Agreement.

4. **Article 4. Price and Payment**, is amended to add **Section 4.12, Subcontractor Payments**

4.12 Subcontractor Payments

Contractor must submit a status report of Subcontractor payments with each invoice for the duration of the Agreement on the "Subcontractor Payment Certification" form required by the City. The form can be downloaded from the City's website at http://egov.cityofchicago.org/webportal/COCWebPortal/COC_EDITORIAL/subcompliance.pdf. The statement must list the following for Contractor and for each Subcontractor and supplier for the period for which payment is requested:

- (i) Total amount invoiced by the Contractor for the prior month;
- (ii) The name of each particular Subcontractor or supplier utilized during the prior month;
- (iii) Indication if the Subcontractor or supplier is acting as an MBE, WBE, DBE, or non-certified firm on this Agreement;
- (iv) The vendor/supplier number of each Subcontractor or supplier;
- (v) Total amount invoiced that is to be paid to each Subcontractor t or supplier.

If a Subcontractor has satisfactorily completed its Work, or provided specified materials in accordance with the requirements of the Agreement, Contractor must pay Subcontractor for such work or materials within fourteen (14) calendar days of Contractor receiving payment from the City.

5. **Article 11. Contractor Compliance with Laws, Section 11.6.3 Chicago "Living Wage" Ordinance** is hereby deleted and replaced with the following:

11.6.3 As of July 1, 2006, the Base Wage became \$10.00 per hour , as of July 1, 2007, the Base Wage became \$10.33 per hour; as of July 1, 2008, the Base Wage became \$10.60 per hour , as of July 1, 2009, the Base Wage is \$11.03 per hour, and each July 1 thereafter, the Base Wage will be adjusted, using the most recent federal poverty guidelines for a family of four as published annually by the U.S. Department of Health and Human Services, to constitute the following: the poverty guidelines for a family of four divided by 2000 hours or the current base wage, whichever is higher. At all times during the term of this Agreement, Contractor and all other Performing Parties must pay the Base Wage (as adjusted in accordance with the above). If the payment of prevailing wages is required for Services done under this Agreement and the prevailing wages for Covered Employees are higher than the Base Wage, then Contractor and all other Performing Parties must pay the prevailing wage rates.

6. **Article 11, Contractor Compliance with Laws**, is amended by adding a new Section 11.10, Office of Compliance, as follows:

11.10, Office of Compliance

It is the duty of any bidder, proposer, consultant, Contractor, all Subcontractors, and every applicant for certification of eligibility for a City Agreement or program, and all officers, directors, agents, partners and employees of any bidder, proposer, consultant or such applicant to cooperate with the Office of Compliance in any investigation or audit pursuant to Chapter 2-26 of the Municipal Code of Chicago. The Contractor understands and will abide by all provisions

of Chapter 2-26 of the Municipal Code of Chicago. All subcontracts will inform Subcontractors of this provision and require understanding and compliance with it.

7. **Exhibit B, Scope of Service in the Agreement**, is amended to add *Exhibit B, Attachment (1)* as set forth in Attachment A of this Amendment.

8. **Exhibit K, Insurance Requirements and Certification of Insurance in the Agreement**, is hereby deleted and replaced with Attachment B of this Amendment.

9. **Exhibit M, Fee Schedule in the Agreement**, is amended to decrease the personal check payment transaction fee from \$0.90 to \$0.78, replaced as follows:

Contractor will charge the City \$0.78 per each cash, credit card, debit card and personal check payment transaction processed at the Kiosks.

10. Contractor has executed an Economic Disclosure Statement and Affidavit, Appendix A and Schedule C-1 and D-1, Insurance Certificate, and City's Red Flag Policy and Protocol, of which are attached to this Amendment as Exhibit 1, Exhibit 2, Exhibit 3, and Exhibit 4, respectively and incorporated here by reference.

The terms of the Agreement remain in full force and effect except as modified in this Amendment.

(Signature Page)

CONTRACTOR: PAY EASE, LLC

By:

[Handwritten Signature]
(Signature)

Its:

Dean Scores - President
(Print Name and Title)

County of Cook
State of Illinois

Acknowledged on 7/0/2010 (date)
before me by Dean Scores (as)
President (title) of Pay-Ease LLC (firm)

[Handwritten Signature]
Notary Public Signature
Commission expires: Nov 9, 2013



CITY OF CHICAGO

By: [Handwritten Signature]
Mayor

By: [Handwritten Signature] 7/22/10
Comptroller

The undersigned has determined, on behalf of the City of Chicago, with regard to this Contract Amendment, that the circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was signed, or that the change is germane to the original contract as signed, or that the change order is in the best interest of the City of Chicago and is authorized by law.

By: [Handwritten Signature]
Chief Procurement Officer
723

AUTOMATED KIOSK COLLECTION SERVICES
AMENDMENT #1
SERVICE LEVELS

SLA 1. Response Time to a Call for Service

Requirement Vendor to respond within 2 hours of a service call placed to repair an MPEA Tax Stamp Selling Kiosk.
Default Contractor does not respond within 2 hours of placed service call.
Credit 2% of monthly invoiced amount

SLA 2. Back-Up Services

Requirement If not more than one MPEA Tax Stamp Selling Kiosk will be operational at a location for more than 4 consecutive hours (even if at no fault of the Vendor's), then Vendor must, within 4 hours from the time the service call is placed provide signage with directions to a cashier for customers to go to and a location where a Contractor-provided qualified cashier must sell and dispense MPEA Tax Stamps, until such time the kiosk is repaired.
Default A period of more than 4 hours exist when only one kiosk is operational at a location and Back-up services have not been provided
Credit 4% of monthly invoiced amount

SLA 3. System Availability

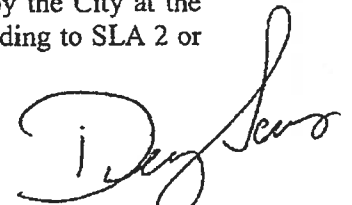
Requirement MPEA Tax Stamp Selling Kiosks and Back-Up Services must be available not less than 97% of the time each month per location, unless system unavailability is due to no fault of the Vendor.
Default All MPEA Tax Stamp Selling Kiosks and Back-Up Services are not available for 97% of the time at a single location during the month, and such system unavailability is not attributed to any source other than a matter within the Vendor's reasonable control.
Credit 2% of monthly invoiced amount

SLA 4. Continuous Stamp Sales

Requirement Vendor is to sell MPEA Tax Stamps without a break of more than 2 consecutive hours at any location. Stamp sales may be performed by either a kiosk or Back-up services.
Default Vendor is unable to sell MPEA Tax Stamps at any location for more than 2 consecutive hours.
Credit 4% of monthly invoiced amount, and 0.5% for each hour of non-sales beyond the first 3.

Pay-Ease may request in writing a waiver, from the Director of the Department of Revenue, of any SLA Requirement or SLA Credit due to unforeseen circumstances beyond the control of Pay-Ease. The City at their sole discretion may grant or approve the request for waiver.

Back-up services are defined as live cashiers housed at locations identified by the City at the airports, who will sell MPEA tax stamps. Back-up services are required according to SLA 2 or when jointly agreed to by the City and Pay-Ease.



Attachment A

Exhibit B - Attachment 1

Scope of Service

Effective by and through this Amendment No. 43207 dated 28th July 2010 the Scope of Service for Contract No. 13777 shall now include the following:

Scope of Services

In addition to all other services included in the scope of service Contractor will provide and maintain kiosks and related hardware and software needed to sell and dispense single sheets of MPEA ADT Stamps.

The City is responsible for costs to obtain all tax stamps, and for their delivery to the Contractor's facility.

The Contractor is responsible for all aspects of managing, handling and safeguarding the MPEA ADT Stamps to be sold from the kiosks. Contractor is responsible for all stamps delivered to their facility and is responsible for delivery and re-stock of tax stamps in the kiosks.

The Contractor shall maintain a tax stamp inventory system and provide access to that system to Department of Revenue designated personnel. City personnel will have the right to audit and inventory the tax stamps at any point in time. Contractor will reimburse the City for any loss of stamps, at the stamp's face value at the time of the loss. Contractor will provide additional insurance as determined by City risk management personnel.

Contractor will install a minimum of three MPEA Tax Stamp dispensing kiosks at O'Hare Airport and two at Midway Airport. Kiosks are to sell and dispense tax stamps 24 hours a day, seven days a week, 365 days a year. A single tax stamp sale will consist of a minimum of a single sheet of tax stamps, currently configured with ten stamps per sheet.

Service levels will be defined to ensure that an appropriate capacity of tax stamps dispensing kiosks are operational at all times.

Contractor and City agree that the 1,300 minimum transactions required for each kiosk in operation will be calculated and measured in aggregate for all kiosks in the program and not at the individual kiosk level.

Contractor will interface with the City's electronic check processor to obtain check verification and electronic check processing services. The City will be responsible for transaction costs from their check processor. As a result, the Contractor agrees to reduce the personal check payment transaction charge to the City from \$0.90 to \$0.78 per transaction.

TRANSFER OF CONTRACT AGREEMENT

Effective upon the consent of the City of Chicago,

ASSIGNOR Pay-Ease LLC (Original Contractor Name), a
Maryland (State of Incorporation) corporation, 101 W Grand Ave Ste 400
Chicago, IL 60654 (Original Contractor Address) ("Assignor") assigns its rights and
delegates its duties and obligations under the City of Chicago contract identified below ("Contract") to

ASSIGNEE P-E Acquisition Holdings LLC (Assignee Company Name), a
Delaware (State of Incorporation) corporation, 4201 N Ravenswood Ave
Ste 102 Chicago, IL 60613 (Assignee Company Address) ("Assignee").

Specification Number of the Contract: 39429

Contract Number: 13777

Job/Project Description and/or #: Automated Collection Services

Effective immediately, Assignee accepts Assignor's rights under the Contract and assumes performance of the Contract, including all of Assignor's duties, and obligations under it, which may require Assignee to post a performance and payment bond acceptable to the City of Chicago. By this instrument, Assignor authorizes and directs the Comptroller of the City of Chicago to pay Assignee, all moneys due under the Contract for work performed after the effective date of this transfer.

SIGNED as of this 5th day of December, 20 13, by:

ASSIGNOR:

Pay-Ease LLC
(Original Contractor's Name)

By: MM
(Authorized Signature)

Title: Chief Executive Officer
(Print)

Name: Al Giudice
(Print)

AFFIX CORPORATE SEAL (if required in state of incorporation)

Attest: _____
(Corporate Secretary)

State of IL, County of Cook

This instrument was ACKNOWLEDGED before me this 5th day of Dec, 20 13 by
Al Giudice as CEO of Pay-Ease LLC
and _____ as _____ of _____

Anemarie Aiello
Notary Public



ASSIGNEE:

P-E Acquisition Holdings LLC
(New Contractor's Name)

By: [Signature]
(Authorized Signature)

Title: Chief Executive Officer
(Print)

Name: Michael Duffy
(Print)

AFFIX CORPORATE SEAL (if requires in state of incorporation)

Attest: _____
(Corporate Secretary)

State of Ill, County of Cook

This instrument was ACKNOWLEDGED before me this 5 day of Dec, 2008 by Michael Duffy as CEO of P-E Acquisition Holdings LLC and _____ as _____ of _____.

[Signature]
Notary Public



CONSENT TO TRANSFER OF CONTRACT

THE CITY OF CHICAGO consents to the transfer of the above Contract from the Assigner, _____ to the Assignee, _____, and will accept performance from the Assignee. This consent is for the convenience of the Assigner and the Assignee; it does not relieve Assigner of its duties and obligations to the City under the Contract. The Assigner and Assignee may agree to additional terms and conditions between themselves consistent with the terms of this Consent and the above Transfer of Contract Agreement.

CITY OF CHICAGO
By: [Signature]
Jamie L. Rhee
Chief Procurement Officer
City of Chicago

Date: 12/11/08



October 31, 2013

City of Chicago
Department of Procurement Services
Jamie L. Rhee
Chief Procurement Officer
121 N. LaSalle Street – Suite 806
Chicago IL 60602-1240
RE: PO # 13777; Specification # 39429

Dear Ms. Rhee,

This letter is to request a change in the contract responsibility for PO# 13777 (Specification # 39429) from Pay Ease, LLC to introduce P-E Acquisition Holdings, LLC.

Officially on October 1, 2013, P-E Acquisition Holdings entered into an agreement with Pay Ease, LLC to assume immediate responsibility for all assets, customer contracts, and responsibilities of Pay Ease, LLC. Per the terms of the agreement, P-E Acquisition Holdings LLC will ultimately acquire all assets of Pay Ease, LLC.

P-E Acquisition Holdings, LLC operations are managed by Michael Duffy, Chief Executive Officer and Chairman Jeff Taylor. Michael was formerly an investment manager at The Northern Trust Company and holds an MBA from the University Of Chicago Booth School Of Business. Jeff is the former CEO and Chairman of Chicago-based Cole Taylor Bank and currently functions as its Vice Chairman.

P-E Acquisition Holdings has begun using Pay Ease as a trade name and will continue to provide and improve service to the City of Chicago on behalf of Pay Ease through the contract assignment period. Michael Duffy has been managing the Pay Ease, LLC contract with the City of Chicago for the last 6 months, originally as a consultant to Pay Ease, LLC.

We appreciate your assistance in this request. Please do not hesitate to contact me for any reason.

Thank you,

A handwritten signature in black ink, appearing to read "Al Giudice".

Al Giudice
CEO
Pay Ease, LLC

cc: Steve Sakai, Contracts Coordinator, Department of Finance
enclose: EDS Certificate of Filing printout

P-E ACQUISITION HOLDINGS LLC

October 31, 2013

Richard Ponce
Department of Finance
City of Chicago
121 North La Salle Street, Room 403
Chicago, Illinois 60602

Dear Mr. Ponce,

This letter is to explain a change in management and structure for Pay Ease, LLC and to introduce P-E Acquisition Holdings, LLC.

Officially on October 1, 2013, P-E Acquisition Holdings entered into an agreement with Pay Ease, LLC to assume immediate responsibility for all assets, customer contracts, and responsibilities of Pay Ease, LLC. Per the terms of the agreement, P-E Acquisition Holdings LLC will ultimately acquire all assets of Pay Ease, LLC.


P-E Acquisition Holdings, LLC operations are managed by Michael Duffy, Chief Executive Officer and Chairman Jeff Taylor. Michael was formerly an investment manager at The Northern Trust Company and holds an MBA from the University Of Chicago Booth School Of Business. Jeff is the former CEO and Chairman of Chicago-based Cole Taylor Bank and currently functions as its Vice Chairman.

In anticipation of assigning contracts, P-E Acquisition Holdings, LLC has engaged Assurance Agency for all required insurance coverage. Assurance estimates P-E Acquisition Holdings will be engaged will all necessary carriers by November 15th, 2013. Please see attached letter from Assurance for reference.

P-E Acquisition Holdings has begun using Pay Ease as a trade name and will continue to provide and improve service to the City of Chicago on behalf of Pay Ease through the contract assignment period.

We appreciate the opportunity to serve the citizens of Chicago now and in the future.

Thank you very much,



Michael Duffy
CEO
P-E Acquisition Holdings, LLC

P-E ACQUISITION HOLDINGS LLC

October 31, 2013

City of Chicago
Department of Procurement Services
Jamie L. Rhee
Chief Procurement Officer
121 N. LaSalle Street – Suite 806
Chicago IL 60602-1240
RE: PO # 13777; Specification # 39429

Dear Ms. Rhee,

Please accept this letter as a request to extend specification # 39429 for an 18 month period.

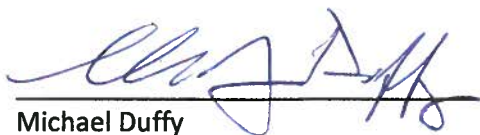
P-E Acquisition Holdings, doing business as “Pay Ease” in the City of Chicago, operates bill payment kiosks on behalf of the City of Chicago and the Department of Finance. The kiosks accept cash, credit card, and check payments from citizens for a variety of municipal debts including Red Light Tickets, Parking Tickets, Water Utility Bills, and other fines and taxes. In the previous 12 months Pay Ease has processed over 145,000 transactions and collected over \$21,000,000 for the City of Chicago. To date, Pay Ease has processed 830,000 transactions and collected \$126,000,000 for the City of Chicago.

Pay Ease is the only company that is capable of providing this bill payment service to the City of Chicago for the extension period. Pay Ease developed multiple proprietary systems for the City of Chicago both at inception of the contract and ongoing has added many additional systems throughout the term. Each stage of enhancement required many months of software development and testing. These developments includes (1) Unique kiosk hardware (2) Processing network for each payment method; cash, check, and credit card, (3) Reporting suite, and (4) a unique touch screen application for each type of payment the kiosks accept. In aggregate, it would be impossible for any vendor to replicate the entire service in a short period of time.

Pay Ease is happy to continue services on its proprietary system with the terms and pricing that is in place in the current agreement.

Pay Ease is a proud vendor to the City of Chicago and we look forward to serving the citizens of Chicago now and in the future.

Thank you very much for your consideration,



Michael Duffy
CEO
P-E Acquisition Holdings, LLC

CERTIFICATE OF FILING FOR
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT

EDS Number: 49240

Certificate Printed on: 11/04/2013

Date of This Filing:11/04/2013 01:04 AM

Original Filing Date:11/04/2013 01:04 AM

Disclosing Party: P-E Acquisition Holdings
LLC

Title:CEO

Filed by: Michael Duffy

Matter: Extension of contract #13777

Applicant: P-E Acquisition Holdings LLC

Specification #: 39429

Contract #: 13777

The Economic Disclosure Statement referenced above has been electronically filed with the City. Please provide a copy of this Certificate of Filing to your city contact with other required documents pertaining to the Matter. For additional guidance as to when to provide this Certificate and other required documents, please follow instructions provided to you about the Matter or consult with your City contact.

A copy of the EDS may be viewed and printed by visiting <https://webapps1.cityofchicago.org/EDSWeb> and entering the EDS number into the EDS Search. Prior to contract award, the filing is accessible online only to the disclosing party and the City, but is still subject to the Illinois Freedom of Information Act. The filing is visible online to the public after contract award.

CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT and AFFIDAVIT
Related to Contract/Amendment/Solicitation
EDS # 49240

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting the EDS:

P-E Acquisition Holdings LLC

Enter d/b/a if applicable:

Pay Ease

The Disclosing Party submitting this EDS is:

the Applicant

B. Business address of the Disclosing Party:

4201 N Ravenswood
Suite 102
Chicago, IL 60613
United States

C. Telephone:

312-291-4800

Fax:

Email:

mduffy@pay-ease.com

D. Name of contact person:

Michael Duffy

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

46-3359692

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains:

Extension of contract #13777

Which City agency or department is requesting this EDS?

DEPT OF PROCUREMENT SERVICES

Specification Number

39429

Contract (PO) Number

13777

Revision Number

Release Number

User Department Project Number

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Limited liability company

Is the Disclosing Party incorporated or organized in the State of Illinois?

No

State or foreign country of incorporation or organization:

Delaware

Registered to do business in the State of Illinois as a foreign entity?

Yes

B. DISCLOSING PARTY IS A LEGAL ENTITY:

1.a.2 Does the Disclosing Party have any officers?

Yes

1.a.4 List below the full names and titles of all executive officers of the entity.

Officer: Mr. Michael Duffy

Title: CEO

Role: Officer

Officer: Mr. Jeff Taylor

Title: Chairman

Role: Officer

B. CERTIFICATION REGARDING Controlling Interest

1.b.1 Are there any individuals who control the day-to-day management of the Disclosing Party as a general partner, managing member, manager, or other capacity?

Yes

1.b.2 List all general partners, managing members, managers, and any others who control the day-to-day management of the Disclosing Party. Don't include any legal entities in this answer- these will be named later:

Name: Mr. Michael Duffy

Title: CEO

1.b.3 Are there any legal entities that control the day-to-day management of the Disclosing Party as a general partner, managing member, manager, or other capacity?

No

2. Ownership Information

Please provide ownership information concerning each person or entity having a direct or indirect beneficial interest 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. Note: Pursuant to Section 2-154-030 of the Municipal code of Chicago, the City may

require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

- Mr. Jeff Taylor - 100%

Owner Details

Name	Address
Mr. Jeff Taylor	4201 N Ravenswood Suite 102 Chicago, IL 60613 United States

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?

No

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.

1. Has the Disclosing Party retained any legal entities in connection with the Matter?

No

3. Has the Disclosing Party retained any persons in connection with the Matter?

No

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 contract's term.

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

No

B. FURTHER CERTIFICATIONS

1. Pursuant to [Municipal Code Chapter 1-23](#), Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows:

- i. neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and
- ii. the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City.

NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

I certify the above to be true

2. 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 criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.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.

I certify the above to be true

3. Neither the Disclosing Party, nor any [Contractor](#), nor any [Affiliated Entity](#) of either the Disclosing Party or any [Contractor](#) nor any [Agents](#) have, during the five years before the date this EDS is signed, or, with respect to a [Contractor](#), an [Affiliated Entity](#), or an [Affiliated Entity](#) of a [Contractor](#) during the five years before the date of such [Contractor'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 \(Living Wage Ordinance\)](#).

I certify the above to be true

4. Neither the Disclosing Party, [Affiliated Entity](#) or [Contractor](#), 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

- bid-rigging in violation of [720 ILCS 5/33E-3](#);
- bid-rotating in violation of [720 ILCS 5/33E-4](#); or
- 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.

I certify the above to be true

5. 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](#).

I certify the above to be true

6. The Disclosing Party understands and shall comply with the applicable requirements of [Chapters 2-55 \(Legislative Inspector General\)](#), [Chapter 2-56 \(Inspector General\)](#) and [Chapter 2-156 \(Governmental Ethics\)](#) of the Municipal Code.

I certify the above to be true

7. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago.

None

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

The Disclosing Party certifies that, as defined in [Section 2-32-455\(b\) of the Municipal Code](#), the Disclosing Party

is not a "financial institution"

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?

No

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

If the Disclosing Party cannot make this verification, the Disclosing Party must disclose all required information in the space provided below or in an attachment in the "Additional Info" tab. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

I can make the above verification

SECTION VI -- CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

Is the Matter federally funded? For the purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

No

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

The Disclosing Party understands and agrees that:

- A. 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.
- B. 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. A training program is available on line at www.cityofchicago.org/city/en/depts/ethics.html , 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.

I acknowledge and consent to the above

The Disclosing Party understands and agrees that:

- C. 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 or void), 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.
- D. 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.
- E. 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. NOTE: With respect to Matters subject to Article I of [Chapter 1-23 of the Municipal Code](#) (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein

regarding eligibility must be kept current for a longer period, as required by [Chapter 1-23](#) and [Section 2-154-020 of the Municipal Code](#) .

I acknowledge and consent to the above

The Disclosing Party represents and warrants that:

F.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 [Affiliated Entities](#) 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.

I certify the above to be true

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its [Affiliated Entities](#) will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal [Excluded Parties List System \("EPLS"\)](#) maintained by the U.S. General Services Administration.

I certify the above to be true

F.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 F.1. and F.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.

I certify the above to be true

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This question is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under [Municipal Code Section 2-154-015](#), the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or

any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

No

ADDITIONAL INFO

Please add any additional explanatory information here. If explanation is longer than 1000 characters, you may add an attachment below. Please note that your EDS, including all attachments, becomes available for public viewing upon contract award. Your attachments will be viewable "as is" without manual redaction by the City. You are responsible for redacting any non-public information from your documents before uploading.

List of vendor attachments uploaded by City staff

None .

List of attachments uploaded by vendor

None .

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.

/s/ 11/04/2013

Michael Duffy

CEO

P-E Acquisition Holdings LLC

This is a printed copy of the Economic Disclosure Statement, the original of which is filed electronically with the City of Chicago. Any alterations must be made electronically, alterations on this printed copy are void and of no effect.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
4/23/2012

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

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

PRODUCER Assurance Agency, Ltd. One Century Centre 1750 E. Golf Road Schaumburg IL 60173-	CONTACT NAME: PHONE (A/C No. Ext): (847) 797-5700		FAX (A/C No): 847-440-9133
	E-MAIL ADDRESS: specialty@assuranceagency.com		
		INSURER(S) AFFORDING COVERAGE	NAIC #
INSURED Pay-Ease, LLC 101 West Grand Avenue Chicago IL 60654-	PAY-LLC-01		INSURER A : CNA
			INSURER B :
			INSURER C :
			INSURER D :
			INSURER E :
			INSURER F :

COVERAGES **CERTIFICATE NUMBER: 1467408895** **REVISION NUMBER:**

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

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC			B2097717036	4/23/2012	4/23/2013	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	\$1,000,000 \$300,000 \$10,000 \$1,000,000 \$2,000,000 \$2,000,000 \$	
A	AUTOMOBILE LIABILITY <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS			B2097717036	4/23/2012	4/23/2013	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	\$1,000,000 \$ \$ \$	
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000			B2098113758	4/23/2012	4/23/2013	EACH OCCURRENCE AGGREGATE	\$4,000,000 \$4,000,000 \$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below			WC298114084	4/23/2012	4/23/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	\$1,000,000 \$1,000,000 \$1,000,000
A	Cyber Liability			B2057706112	4/23/2012	4/23/2013	\$2,000,000 \$2,000,000	Aggregate Ea. Occurrence	

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

*New hrs. covered -
Kendrick -
see letter from Assurance Agency*

CERTIFICATE HOLDER Evidence of Coverage	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE



November 4, 2013

Re: P-E Acquisition Holdings, LLC

To whom it may concern:

This letter is to verify that Assurance Agency is currently working with P-E Acquisition Holdings, LLC to obtain insurance coverage for the following items:

General Liability, Professional Liability, Property, Umbrella, Hired and Non-Owned Auto, Workers Compensation, and Crime Coverage

At this time, we are currently working with various carriers and this risk is being evaluated by their underwriters. We expect to have multiple carriers available to propose by November 15th.

Best,

Jaime Linares CLCS

Assurance | Account Executive

1750 East Golf Road | Schaumburg, IL 60173
p 847.463.7223 | f 847.440.9133

jlinares@assuranceagency.com | www.assuranceagency.com



DEPARTMENT OF PROCUREMENT SERVICES
CITY OF CHICAGO

REQUEST FOR PARTIAL WAIVER

To: Jamie L. Rhee, Chief Procurement Officer
From: Tiheta L. Hinton, Senior Procurement Specialist

User Department: Department of Finance
Description of Service: Request for Partial Waiver – Automated Kiosk Collection Services
Contract Period: One (1) year
Specification No.: 39429
Requisition No.: 86051
Vendor: P-E Acquisition Holdings LLC
Contract Amount: \$343,824.57
Partial Waiver Amount: 5.0% WBE

REASON(S) PURSUANT TO ORDINANCE AND REGULATIONS FOR APPROVAL

The Chicago Department of Finance (DOF) is requesting an approval from the Sole Source Review Board to procure services from P-E Acquisition Holdings LLC for Automated Kiosk Collection Services. A request for a WBE waiver for the one year extension is being requested due to the specialized nature of these services. Based on the scope of services required, there does not appear to be any reasonable opportunity for providing meaningful WBE subcontracting relationships. All of the services performed in this service are carried-out by P-E Acquisition Holdings' in-house staff and is not conducive to a direct subcontracting relationship with the WBE market.

Therefore, the Department of Finance has concurred with the Vendor's request for a 5% WBE waiver. Letter dated October 31, 2013, copy attached.

Recommend:
 NOT Recommend: Tiheta L. Hinton, Sr. Procurement Specialist

12/30/2013
Date

CONCUR:
 NOT CONCUR: Monica Jimenez, Deputy Procurement Office

12/30/2013
Date

APPROVE:
 DISAPPROVE: Jamie L. Rhee, Chief Procurement Officer

DEC 30 2013
Date



DEPARTMENT OF FINANCE
CITY OF CHICAGO

October 31, 2013

Jamie L. Rhee
Chief Procurement Officer
Department of Procurement Services
121 North LaSalle Street – Suite 806
Chicago, Illinois 60602-1240

Subject: 5% WBE Waiver Request for 18-Month Additional Extension Period
Contract Title: Automated Collection Services
Contract Description: Enable Payments to be made to City via Kiosks
PO #: 13777
Specification No.: 39429
Vendor: *P-E Acquisition Holdings LLC* (fka: *Pay-Ease, LLC*)
Vendor Limit Increase: None required
Requisition No.: 86051
Contract Start Date: January 1, 2007
Original Contract End Date: December 31, 2011
Current Contract End Date: December 31, 2013
Original Extension Options Available: one 24-month period
Extension End-Date Requested Here: June 30, 2015
Revenue Generating Value: \$20 million per year (approx.)

Dear Jamie:

This request is for granting a 5% WBE waiver, and is in concert with a concomitant non-competitive procurement request to extend the above-referenced contract for an additional 18-month period – through June 30, 2015. This request is intended to address only the MBE/WBE Compliance Plan associated with that same extension-Amendment request.

Whereas ¹*Pay-Ease LLC* (now: *P-E Acquisition Holdings LLC*) originally committed to having full 25% MBE and 5% WBE compliance, *P-E Acquisition Holdings LLC* is now requesting to change its commitment to 25% MBE with a 5% WBE waiver for the 18-month extension period – and the Department of Finance concurs with this request.

Since the initial implementation of the *Pay-Ease LLC* contract and throughout its term, and to this day, *Pay-Ease* has met its WBE goals. *Pay-Ease* has far exceeded its original 25% MBE goal with their IT

¹ – a contract assignment from *Pay-Ease LLC* to *P-E Acquisition Holdings LLC* is being processed

subcontractor/MBE company: *PCG International, Inc.*, (“PCG”) from Chicago. This MBE “partnership,” brought together through this contract, has been a successful relationship that has continued to thrive and is a relationship both parties would like to continue, under *P-E Acquisition Holdings LLC*, should this extension be approved. However, during the extension period *P-E Acquisition Holdings* is requesting that their 5% WBE commitment be waived, for reasons to follow.

Pay-Ease initially fulfilled their WBE commitment by purchasing computer equipment from its WBE: *Advotek, Inc.*, who, at the time, was certified as a “Seller of Computer Systems”. Even though *Advotek* is no longer certified to sell computer systems, *P-E Acquisition Holdings LLC* apparently no longer requires computer equipment anyway. For that reason, a request is made to remove *Advotek* as the WBE subcontractor.

Furthermore, other than the direct compliance to be achieved through subcontracting IT work and management consulting services to PCG, other reasonable considerations for identifying additional direct or indirect compliance was not practical because *P-E Acquisition Holdings LLC* is a small local business having a full-time staff of only four people. The core business of *P-E Acquisition Holdings* is, primarily, labor-related with minimal expenses outside of themselves. Kiosk machine maintenance and repairs are provided with one full-time in-house employee. Consumable supplies or supplemental services are not reasonable considerations because these expenses are so minimal or are so limited in opportunity (e.g., the rent covers janitorial services; paper purchases for the office printer is minimal for this staff of four; cell phone use is paid through contracts with national telecom networks and is not a practical consideration).

Three of the staff manages all back-office processing of payments (through kiosk machines) and related systems internally, and address the City’s service level requirements. The types of direct and indirect outsourcing opportunities they have identified (in addition to IT services) is understandably very limited in scope in terms of reasonable practical meaningful purchases from the WBE marketplace. Indirect compliance considerations were contemplated, but were ruled-out as being impractical and not-meaningful, and the Department of Finance concurs.

However, armored car services (to pick-up and deliver cash in the kiosk machines) is outsourced. Attempts were made by *P-E Acquisition Holdings* to identify WBEs certified to perform armored car services as direct compliance. Procurement’s web-directory of certified MBE/WBE firms was searched and two firms were returned for “armored”: (i) *Digby’s Detective & Security Agency, Inc.*, and (ii) *Core Security and Investigation Group & Consultants, Inc.* Neither firm provides armored car services. An Assist Agency letter was also sent out requesting advice regarding armored car service providers in the marketplace.

For reasons stated above, and given the proven history of strong MBE commitment, a 5% WBE waiver is being requested for this extension period and the Department of Finance seeks your approval along with its concurrence. Please find the attached documents in support of this request:

- Vendor’s WBE waiver request letter
 - C2 Directory printouts of key-word search results
 - *Core Security and Investigation Group & Consultants, Inc.*
 - *Digby’s Detective & Security Agency, Inc.*
- Vendor’s revised MBE/WBE compliance plan
 - Schedule C-1 from PCG

- Most recent ²Certification Letter for *PCG International, Inc.*,
- Schedule D-1 for this extension request period.

- Assist Agency outreach letter to the Women's Business Development Center

Please feel free to call my Deputy Director over Payment Processing, Richard Ponce at 744-8139 concerning this particular Sole Source justification request. Please contact Steven Sakai, Contracts Coordinator at 747-3753 for any contract processing matters. Both Richard and Steve are slated to participate in the NCRB meeting.

Very truly yours,



Erin Keane
Acting City Comptroller and First Deputy Director

Attachments

EK:sys

cc: Richard Ponce – Department of Finance
Ramona Hallihan – Department of Finance
Mark Galvan – Department of Finance
Steve Sakai – Department of Finance

² PCG International's most current Certification Letter from the Department of Procurement Services indicates a June 1, 2013, expiration date, however, Tom Numbere, Jr., PCG's President, stated that he had submitted his extension application into Procurement prior to this expiration date, and although the Certification division of Procurement did verbally confirm their receipt of his extension request, written acknowledgement or indication of an extension to him is currently in process. Mr. Numbere also indicated that the description of his certification, as currently indicated in C2, is not accurate, and that the Certification division assured him that his correct certification description (as was indicated in his last Certification letter) would also be addressed on the online tool, sometime in the near future.

Vendor Information

CLOSE WINDOW  HELP

Vendor Information

Business Name Digby's Detective & Security Agency, Inc.
Owner Christine Digby
Address 2630 South Wabash Avenue
 > [Map This Address](#) Chicago, IL 60616-2825
Phone 312-326-1100
Fax 312-326-4991
Email info@digbysecurity.com
Website www.digbysecurity.com

Certification Information

Certifying Agency City of Chicago
Certification Type WBE - Women Business Enterprise
Certification Date 8/30/2013
Renewal/Anniversary Date 8/1/2014
Expiration Date 8/1/2015
Certified Business Description NAICS 561612 Parking security services
 NAICS 561612 Property protection services (except armored car, security systems)
 NAICS 561612 Security guard services
 NAICS 561621 Alarm systems sales combined with installation, repair, or monitoring services

Commodity Codes

NAICS 561612 Parking security services ([More](#))
 NAICS 561612 Property protection services (except armored car, security systems) ([More](#))
 NAICS 561612 Security guard services ([More](#))
 NAICS 561621 Alarm systems sales combined with installation, repair, or monitoring services ([More](#))

Vendor Information

CLOSE WINDOW  HELP

Vendor Information

Business Name **Core Security and Investigation Group & Consultants Inc.**
 Owner **Carla Greer**
 Address **10029 S Fairfield Ave.**
 > [Map This Address](#) **Chicago, IN 60655**
 Phone **773-620-4040**
 Email **coregroup@mail.com**

Certification Information

Certifying Agency **City of Chicago**
 Certification Type **MBE - Minority Business Enterprise**
 Certification Date **1/24/2013**
 Renewal/Anniversary Date **1/1/2014**
 Expiration Date **1/1/2018**
 Certified Business Description **NAICS 541690 Security consulting services (Remove)**
NAICS 561611 Investigators, private (Remove)
NAICS 561611 Missing person tracing services (Remove)
NAICS 561611 Private detective services (Remove)
NAICS 561611 Skip tracing services (Remove)
NAICS 561612 Guard services (Remove)
NAICS 561612 Patrol services, security (Remove)
NAICS 561612 Personal protection services (except security systems services) (Remove)
NAICS 561612 Property protection services (except armored car, security systems) (Remove)

Commodity Codes

NAICS 541690 Security consulting services ([More](#))
 NAICS 561611 Investigators, private ([More](#))
 NAICS 561611 Missing person tracing services ([More](#))
 NAICS 561611 Private detective services ([More](#))
 NAICS 561611 Skip tracing services ([More](#))
 NAICS 561612 Guard services ([More](#))
 NAICS 561612 Patrol services, security ([More](#))
 NAICS 561612 Personal protection services (except security systems services) ([More](#))
 NAICS 561612 Property protection services (except armored car, security systems) ([More](#))

P-E ACQUISITION HOLDINGS LLC

October 31, 2013

Richard Ponce
Department of Finance
City of Chicago
121 North La Salle Street, Room 403
Chicago, Illinois 60602

Dear Mr. Ponce,

Please accept this letter as a request to waive the WBE requirement for a proposed extension of specification # 39429 by P-E Acquisition Holdings, LLC (using trade name Pay Ease).

At inception of the original contract, Pay Ease identified both WBE and MBE partners with contract participation goals of 5% and 25% respectively. Pay Ease has satisfied the WBE goal with partner Advotek and well exceeded its goal with MBE partner PCG International at over 50% participation.

Our WBE partner was contracted to provide equipment that was required at the initial installation of the Pay Ease contract with the City of Chicago. As Pay Ease now seeks an extension of the existing contract, no new equipment will be required from Advotek. Pay Ease continues to maintain a very close and productive relationship with MBE partner PCG Intl and expects to again exceed its MBE goal during the requested extension period.

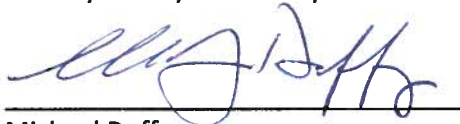
Pay Ease is a small local business with four fulltime employees and has only one direct subcontractor need for Armored Car Service. Internally, Pay Ease provides hardware maintenance for the contract as well as consumables like receipt paper. MBE partner PCG Intl provides Pay Ease with compliance management consulting. Internally, the hardware service is performed by a highly experienced employee with 12 years in supporting our proprietary equipment.

Pay Ease has no services to contract with a WBE directly or indirectly at this time. To seek a WBE partner to provide small items like the consumables would be impractical for Pay Ease and not meaningful to the WBE partner and contract. Pay Ease has requested the assistance of the Woman's Business and Development Center in identifying a potential WBE Armored Car partner and will exhaust all efforts to identify a candidate prior to the beginning of the requested extension period, January 1, 2014.

Should Pay Ease fail to identify a suitable WBE Armored Car partner, we request the WBE goal to be waived for the duration of the requested extension period.

Pay Ease is a proud vendor to the City of Chicago and proud supporter of the City's efforts to support WBE/MBE/DBE businesses and professionals.

Thank you very much for your consideration,



Michael Duffy
CEO
P-E Acquisition Holdings, LLC

P-E ACQUISITION HOLDINGS LLC

RETURN RECEIPT REQUESTED

October 31, 2013

Re: Specification 39429

Description: Automated Bill Payment Kiosks

Cynthia Johnson
Director of Established Business Services
Women's Business Development Center
8 South Michigan Ave., Suite 400
Chicago, IL 60603

Dear Ms. Johnson:

Pay Ease LLC intends to submit a bid/proposal to extend the above referenced specification with the City of Chicago. A response is due October 24, 2013 with the City of Chicago.

The following areas have been identified for subcontracting opportunities on both a direct and indirect basis:

1. Armored Car Service

Our efforts to identify potential subcontractors have not been successful in order to meet the Disadvantaged/Minority/Women Business Enterprise contract goal. **Due to the inability to identify an appropriate DBE/MBE/WBE firm certified by the City of Chicago to participate as a subcontractor or joint venture partner, a request for the waiver of the contract goals will be submitted.** If you are aware of such a firm, please contact Michael Duffy at 312-291-4800 within (10) ten working days of receipt of this letter.

Under the City of Chicago's MBE/WBE/DBE Ordinance, your agency is entitled to comment upon this waiver request to the City of Chicago. Written comments may be directed within fifteen (15) working days of your receipt of this letter to:

Monica Jimenez, Deputy Procurement Officer
Department of Procurement Services
City of Chicago
121 North La Salle Street, Room 403
Chicago, Illinois 60602

If you wish to discuss this matter, please contact the undersigned at 312-291-4800.

Sincerely,



Michael Duffy
CEO
P-E Acquisition Holdings, LLC

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

Name of Project/Contract: 13777
Specification Number: 39429

From: PCG International
(Name of MBE/WBE Firm)

MBE: Yes No
WBE: Yes No

To: P-E Acquisition Holdings LLC 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 June 2012 to June 2017 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:

Data processing computer services
Custom computer programming services
Computer systems integration design consulting

The above described performance is offered for the following price and described terms of payment:
To perform 25% of the actual contract value

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)
Managing Consultant
Name / Title (Print)
October 31, 2013
Date
312-343-5265
Phone



DEPARTMENT OF PROCUREMENT SERVICES
CITY OF CHICAGO

AUG 24 2012

Tom Numbere
PCG International, Inc.
966 Cuyler Ave Apt. 2S
Chicago, Illinois 60613

Dear Mr. Numbere:

The City of Chicago, your host agency, has reviewed your Continued Eligibility Affidavit and supporting documentation, and is pleased to inform you that your firm continues to meet the Disadvantaged Business Enterprise (DBE) program certification eligibility standards as set forth in 49 CFR Part 26.

This certification allows your firm to participate as a DBE in the Illinois Unified Certification Program (IL UCP). The participating agencies include the Illinois Department of Transportation, the Chicago Transit Authority, Metra, Pace and the City of Chicago.

Your certification is approved for a five (5) year period, commencing on June 1, 2012. To remain certified with the IL UCP during the five-year period, you must submit a No Change Affidavit each year. Notification will be sent to you sixty (60) days prior to the anniversary date of your certification. It is your responsibility to ensure that your certification is kept current by submitting the required information in a timely manner. Failure to provide this information is a ground for removal of certification based on failure to cooperate pursuant to 49 CFR 26.109(c).

If there is any change in circumstances during the course of your five-year certification period that affect your ability to meet size, disadvantaged status, ownership, or control requirements or any material change in the information provided in your initial application, you must provide written notification to this agency within thirty (30) days of the occurrence of the change. Failure to provide this information is a ground for denial of certification based on failure to cooperate pursuant to 49 CFR 26.109(c). Removal of eligibility procedures may also be commenced if your firm is found to be involved in bidding or contractual irregularities.

AUG 24 2012

Your firm's name will appear in the Illinois Certification Program (IL UCP) DBE Directory under the area(s) of specialty listed below. The Directory is used by prime contractors/consultants, as well as other agencies, to solicit participation of DBE firms. The Directory can be accessed via the internet at <http://www.dot.state.il.us/ucp/ucp.html>

REVISION

NAICS Code – 518210 – Data Processing Computer Services
NAICS Code – 541511 – Custom Computer Programming Services
NAICS Code – 541512 – Computer Systems Integration Design Consulting Services
NAICS Code – 541513 – Data Processing Facilities Management and Operation Services
NAICS Code – 541519 – Other Computer Related Services
NAICS Code – 541611 – Administrative and General Management Consulting Services
NAICS Code – 611420 – Computer Training
NAICS Code – 611430 – Training Professional and Management Development

Your participation on contracts will only be credited toward DBE contract goals when you perform in your firm's approved area(s) of specialty. Credit for participation in an area outside your specialty requires prior approval (verification of resources, expertise, and corresponding support documentation, etc.).

Thank you for your continued interest in the DBE and ACDBE program.

Sincerely,

Jamie L. Rhee
Chief Procurement Officer

JLR/vlw

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

Contract Name: 13777
Specification: 39429

State of Illinois

County (City) of Cook (Chicago)

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

P-E Acquisition Holdings, LLC
Name of Prime Contractor/Contractor

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. MBE or WBE Prime Contractor/Contractor. If prime Contractor is a certified MBE or WBE firm, attach copy of City of Chicago Letter of Certification. (Certification of the prime Contractor as a MBE satisfies the MBE goal only. Certification of the prime Contractor as a WBE satisfies the WBE goal only.)
- II. MBEs and WBEs as Joint Venturers. If prime Contractor 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.
- III. MBE/WBE SubContractors. Complete for each MBE/WBE SubContractor/subcontractor/supplier.

1. Name of MBE/WBE: PCG Intl

Address: Chicago, IL

Contact Person: Tom Numbere Phone: 312-343-5265

Dollar Amount of Participation \$ DUR

Percent Amount of Participation: 25%

IV. Summary of MBE Proposal:

MBE Firm Name	Dollar Amount of Participation	Percent Amount of participation
<u>PCG Intl</u>	<u>\$ DUR</u>	<u>25 %</u>
<u>_____</u>	<u>\$ _____</u>	<u>_____ %</u>
<u>_____</u>	<u>\$ _____</u>	<u>_____ %</u>
<u>_____</u>	<u>\$ _____</u>	<u>_____ %</u>
<u>_____</u>	<u>\$ _____</u>	<u>_____ %</u>
Total MBE Participation:	<u>\$ DUR</u>	<u>25 %</u>

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 Michael Duffy Phone Number: 312-291-4800

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 Illinois
County of Cook

This instrument was acknowledged before me on November 4, 2013
by Michael Duffy
as CEO
of P-E Acquisition Holdings, LLC

(Seal)



Signature of Notary Public