

Office of the Special Deputy Receiver
222 Merchandise Mart Plaza
Suite 1450
Chicago, IL 60654
312-836-9500
www.osdchi.com

Invitation for Bids
for
Desktop Upgrade Project - Hardware

Bid deadline – March 23, 2010

March 9, 2010

INVITATION FOR BID (“IFB”)

Desktop Upgrade Project - Hardware

BACKGROUND

Pursuant to the Illinois Insurance Code (Code), the Director of Insurance of the State of Illinois (Director), is appointed as Conservator, Rehabilitator or Liquidator of domestic insurance companies which have been determined by the state courts to be insolvent or to meet provisions or grounds for conservation, rehabilitation or liquidation as specified in the Code. The Director, as Conservator, takes possession and control of the insurance company for the purpose of determining its condition. The Conservator maintains possession and control of the company until the court vacates the seizure order, either when the Director determines not to institute proceedings against the insurance company for rehabilitation or liquidation or upon court order pursuant to conservation proceedings. As Rehabilitator, the Director conducts the business of the insurance company and implements a plan of rehabilitation, if feasible. As Liquidator, the Director marshals the assets of the insurance company and liquidates such assets as appropriate, while managing the business and affairs of the company as approved by the state courts, including the payment of court approved creditor's claims.

The Director is empowered by the Code to appoint a Special Deputy as his agent to supervise the conservation, rehabilitation or liquidation of the insurance companies. The Office of the Special Deputy Receiver (the “OSD”), an Illinois not-for-profit corporation, supports the activity of the Special Deputy acting in that capacity to manage the affairs of insurance companies placed in conservation, rehabilitation or liquidation (Estates). The activities of rehabilitation and liquidation are conducted at the OSD, located at 222 Merchandise Mart Plaza, Suite 1450, Chicago, Illinois 60654; (312) 836-9500.

OBJECTIVE

The OSD is upgrading its desktop hardware, for purposes of improving the efficiency of its staff and IT infrastructure. As part of this project, the OSD has undertaken an extensive analysis of its requirements for new hardware necessary for this upgrade. With this IFB, the OSD is requesting bids from firms that can provide the computer hardware, including the stated quantities, as set forth in the attached Exhibit A. Where the stated quantity for an item is greater than one, we are seeking to purchase identical items.

TIMETABLE

EVENT

DATE

IFB Published on the OSD Website	March 9, 2010
Written Bids Submitted to OSD	March 23, 2010
Expected Completion of OSD Evaluation	March 29, 2010
Notification to Awardee(s)	March 30, 2010

BIDS

GENERAL – NO CONTACT WITH DIRECTOR OF INSURANCE OR SPECIAL DEPUTY RECEIVER

From the date this IFB is issued until the contract award has been announced, no bidder may initiate any contact regarding this IFB with the Director of Insurance, the Special Deputy Receiver, or any officer or Director of the OSD.

Written inquiries must be directed to the OSD’s IT Manager, Richard Hungsberg:

Richard Hungsberg, IT Manager
Office of the Special Deputy Receiver
222 Merchandise Mart Plaza, Suite 1450
Chicago, IL 60654
rhungsberg@osdchi.com
fax: (312)836-1944

Richard Hungsberg shall be the sole point of contact for questions, suggestions, and requests until the contract award has been announced. This prohibition includes, but is not limited to, any lobbying of individuals considered to have any influence over proposal evaluation and selection. Violation of this provision may be grounds for immediate disqualification.

GUIDELINES FOR SUBMISSION OF BIDS

Bids must state that:

1. The bidder is an authorized dealer or reseller for all merchandise for which a bid is being submitted and that all such merchandise comes with an original manufacturer warranty valid in the United States.

2. Prices bid are firm for a minimum of 45 days after the bid deadline of March 23, 2010.

3. The bidder agrees to complete this proposed contract within seven (7) business days of the purchase order being issued, unless otherwise agreed to in writing by the parties.

Bids must include all applicable taxes and delivery charges.

All bids should either be emailed to bids@osdchi.com, or mailed or personally delivered to:

Richard Hungsberg, IT Manager
Office of the Special Deputy Receiver
222 Merchandise Mart Plaza, Suite 1450
Chicago, IL 60654

All bids must be actually received by the OSD no later than 4:00 P.M. Central Time on March 23, 2010. Any bid that is actually received after 4:00 P.M. Central Time on March 23, 2010 shall be disqualified from consideration for award.

CRITERIA FOR EVALUATION AND AWARD

The OSD will evaluate four categories of information: administrative compliance; vendor responsibility; responsiveness; and price. All bids must meet the following administrative and responsibility criteria.

1. **Administrative Compliance:** The OSD will determine whether the bids complied with the Guidelines For Submission of Bids. We must reject your bid if you submit it late. Failure to meet other requirements could result in rejection.

2. **Bidder Responsibility:** The OSD will determine whether the bidder submitting the bid is one with whom we can or should do business. Factors that we may evaluate to determine “responsibility” include, but are not limited to: certifications, past performance, references (including those found outside of the bid), compliance with applicable laws, financial stability and the perceived ability to perform completely as specified. A bidder must at all times have the financial resources sufficient, in the opinion of the OSD, to ensure performance of the contract and must provide proof upon request. Any failure to supply information and the OSD’s determination of the quality of the information will affect our evaluation and may result in rejection.

3. **Brand Name or Equal:** When the specification calls for “Brand Name or Equal,” the stated brand name is preferred. Other products will be considered upon a

showing that the other product meets stated specifications and is equivalent to the brand name product in terms of quality, performance and desired characteristics. Minor differences that do not affect the suitability of the supply for the OSD's needs may be accepted. The OSD reserves the right to use its discretion to eliminate bids that are deemed unacceptable.

4. **Invitation for Bids:** The OSD will identify the lowest cost bid based upon the total cost of the unit prices and estimated quantities listed in Exhibit A, and may rank the bids in order of price. The responsible bidder who submitted the lowest cost bid that meets the "administrative" and "responsiveness" requirements shall be eligible for the award.

STANDARD TERMS AND CONDITIONS

The OSD recognizes that although it is a private not-for-profit corporation organized under the laws of the State of Illinois, its activities are assigned by the Illinois Director of Insurance when acting in the capacity of statutory and court-affirmed Receiver of insurance companies. The OSD further recognizes that its representation of the Director of Insurance, as Receiver, arises from the powers of attorney given by the Director to the Special Deputy who also fills the positions of President and Chief Executive Officer of the OSD. Accordingly, it is the policy of the OSD not to contract with any person or entity that is in violation of the laws of the State of Illinois or is barred from contracting with the Illinois Department of Insurance, under Illinois Public Act 095-0971, or otherwise. OSD Invitations for Bid and resulting contracts require purchaser compliance with state law.

All costs arising from or related to a firm's developing and submitting a bid are the sole responsibility of the responding firm.

This IFB does not commit the OSD to select an Awardee or enter into a contract with any party. The OSD reserves the right to rescind or revoke this IFB prior to the execution of a contract with the Awardee. The OSD may in its sole discretion: reject a bid if it is non-responsive or non-compliant with the requirements set forth in this IFB; or waive minor discrepancies in any bid. All materials submitted in response to this IFB shall become the property of the OSD and will not be returned.

The OSD reserves the right to reject all bids; to reject individual bids for failure to meet any requirement; to award by item, part or portion of an item, group of items, or total; and to waive minor defects. We may delete line items or modify quantities. We may seek clarification of the bid from you at any time, and failure to respond is cause for rejection. Clarification is not an opportunity to materially change the bid. Submission of a bid confers on you no right to an award or to a subsequent contract. The IFB process is for the OSD's benefit only and is to provide the OSD with competitive information to assist in the selection process. All decisions on compliance, evaluation, terms and conditions will be made solely at our discretion and made to favor the OSD.

You may only submit your bid by email, mail, courier service, or hand-delivery. We do not allow submissions by fax. We must actually receive bids as specified in the IFB. It will not be sufficient to show that you mailed or commenced delivery before the due date and time. All times are State of Illinois local times.

The content of a bid submitted by a firm is subject to verification. Misleading or inaccurate bids will result in disqualification.

Bids become the property of the OSD and these and late submissions will not be returned. Your bid will not be confidential, unless you request in your bid that we treat certain information as proprietary. We will not honor requests to treat entire bids as confidential or proprietary. You must show the specific legal grounds that support an assertion that specified material in your bid is proprietary. Regardless, when court approval is required, we will disclose the successful firm's name and the price, and in presenting a petition for approval of the award by the Circuit Court of Cook County, Illinois, the OSD and the Director, as Receiver, reserves the right to disclose the names of all firms that submitted a bid, and copies of all such bids. If you request confidential treatment, you must submit an additional copy of your bid with proprietary information deleted. This copy must tell the general nature of the material removed and shall retain as much of the bid as possible. You agree the OSD may copy the bid to facilitate evaluation and any necessary court approval. You warrant that such copying will not violate the rights of any third party.

We may request Best and Final Offers when appropriate.

Firms must be prepared for the OSD to accept the bid as submitted, but contract negotiations may be necessary or desirable, at the OSD's sole option. If negotiations do not result in an acceptable agreement, the OSD may reject the bid or revoke the award and may begin negotiations with another firm. Final contract terms must be approved or signed by the appropriately authorized OSD official(s) and approved by the Circuit Court of Cook County, as required by statute.

We will post a notice to the OSD Web site, www.osdchi.com, identifying the apparent awardees. The notice extends the 45-day bid firm time until we sign a contract, including the obtaining of any required court approval(s), or determine not to sign a contract.

If you are an awardee, you shall not commence, and will not be paid for any billable work prior to the date all parties execute the contract, unless approved in writing in advance by the OSD's Chief Executive Officer and either the Purchasing Party or Procurement Officer.

The awardee may not assign its performance under the resulting contract without the prior written acceptance of the OSD.

This IFB and the resulting contracts are to be governed by the laws of the State of Illinois. Changes in applicable laws and rules may affect the award process or the resulting contract. Firms are responsible for ascertaining pertinent legal requirements and restrictions. Any and

all litigation or actions commenced in connection with this IFB will be brought in the Circuit Court of Cook County, in Illinois. We do not allow binding arbitration.

All amounts paid under the contract negotiated with the firm(s) awarded the contract are subject to review pursuant to the provisions of Section 202 of the Illinois Insurance Code, 215 ILCS 5/202. In the event that any amount paid to your firm as awardee under this IFB are subsequently disallowed by one or more of the courts supervising the estates administered by the OSD, your firm agrees to promptly reimburse the Receivership Estate(s) from which those amounts were paid.

EXHIBIT A

Desktop Upgrade Project - Hardware

Part/Model Number	Product	Qty
NV514UT	HP Compaq 6005 Pro Microtower PC	16
902175-01L	WYSE - C10LE Thin Client	67
W2242P	LG Flatron Monitor	84
Canon 4010C	Canon Scanner - 4010C	1